

FALABELLA

ANNUAL REPORT

2019



SODIMAC

TOTTUS

CMR
Falabella

Banco
Falabella

mallplaza

Falabella
INMOBILIARIO

INIO

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We believe in the increasing relevance of digital channels. However, we also believe these will not replace the store experience. The e-commerce is complemented by and integrated with physical commerce. Our international development remains dynamic, consistent with our expansion and diversification strategy in the Region.

WELCOME

LETTER FROM THE CHAIRMAN OF THE BOARD

In these 130 years, Falabella has become part of the Chilean and Regional history. We have brought products from around the world to millions of customers, improving their quality of life, providing them with access to good quality goods and services, and at low prices. Our shopping malls have become the new parks of cities, creating meeting and entertainment spaces. We have helped to bring banking to the population and democratize loans and consumption. The leadership achieved has been obtained through conviction and execution consistency, supported by innovation and adaptation to various environments.

These achievements have been possible thanks to the vision and drive of many people working in the company in the past, and the current support of more than 100,000 collaborators, helping us to surprise our customers, daily. We have a lot to be proud of.

During these 130 years of history we have faced many challenges. Today, we need to tackle a new revolution: the digital one. Falabella has been betting for years that e-commerce will be relevant for our customers. That is why we have been making significant investments for a long time, to be the leaders of e-commerce in the Region. Six years ago, investment in technology and logistics accounted for 26% of the group's capex. Today, it reaches 36%. In 2019, we sold more than US\$ 1,200 million in products via e-commerce, and more than US\$ 1,330 million in financial products through digital channels.

We believe in the increasing relevance of digital channels. However, we also believe these will not replace the store experience. The e-commerce is complemented by and integrated with physical commerce. In countries

more digitized than those in Latin America, physical stores help attract new customers, increase brand awareness and therefore brand choosing, facilitate product deliveries, and especially product returns. The hallmark of our work in physical stores will be adapting them for this new scenario, digitizing the customer's shopping experience to provide them with greater added value, and reducing friction of interactions. We will focus investments on remodeling our best stores and renovating our leading shopping centers.

This combination of digitizing the company and betting on e-commerce, leveraged on a network of stores, shopping malls and logistics distribution centers, is what builds the Falabella physical-digital ecosystem. We promote our wide and differentiated product offer with a model that creates permanent relationships over time, allowing us to understand our customers' behavior and needs. We have a leading loyalty program which rewards our customers and offers various payment, financing and product shipping alternatives. We create a unique relationship experience with our customers, which is more personalized, more attractive and involving less friction, and in this way we simplify their lives by transforming their shopping experiences. We believe that this supply and relationship fashion will be preferred by the market.

This process of evolution and change has had material costs and has resulted in necessary cultural transformations within Falabella. It has been difficult to overcome the inertia; however, we have achieved the appropriate changing speed. We continue our work, on building cross-cutting capabilities and platforms for the entire organization. We are making progress and these efforts are already bearing results, which I am sure will help us



further scale the company, generating greater efficiencies for the future.

Since October 18th, 2019, we have faced very difficult moments in Chile, which have had an impact on our company. We have made the greatest efforts to protect our collaborators, customers, suppliers and facilities. We managed keeping most of our stores, branches and shopping centers open in order to serve our customers, providing business continuity to our suppliers, thus supporting the recovery of the country's operation. History shows us that solid companies survive difficult times, and in crisis times, such look for opportunities. By acting seriously, responsibly and professionally, we will overcome these moments and deepen our leadership. Higher investments in technology and logistics bring new expenses. To dampen their effect, this year we have made significant savings at all levels, focusing and simplifying the company in its main businesses, centralizing support areas and adapting to the new circumstances that we believe will remain at our side. Despite these efforts, we were unable to compensate for the drop in sales and margins as a result of the increase in promotional activity and informality occurring in the market. We hope the results of these savings will be reflected in the short term.

Our international development remains dynamic, consistent with our expansion and diversification strategy in the Region. Our efforts are mainly focused on Mexico, where along with our partners, we continue to expand both the Sodimac Homecenter format and our financial services. Furthermore, we will continue to grow our supermarkets network in Peru and develop new shopping centers in Colombia. Another of our great projects for this year and the next is the development of Ikea in Chile, Peru and Colombia.

In 2019, we continued strengthening our corporate governance, increasing transparency in our operations. We have continued investing and improving on the company's operational controls and cybersecurity levels. Falabella is committed with the promotion of meri-

tracy and inclusion by gender, age, nationality, or race. We respect minorities and seek to act as a responsible and caring company with our communities and SMB suppliers. We've maintained support on the various programs we have in regards to education for children, reconstruction of neighborhoods, training for professionals, incentives for innovation and entrepreneurship, among many other initiatives. In turn, we are increasingly aware of environmental care, so we will continue working to operate with less impact on the environment. We are proud to be part of the DJSI as one of the best global retailers.

We will continue going forward along the charted path with even greater speed, with the same conviction and professional work which has characterized us in our long history. I am convinced that we will consolidate Falabella's leadership in the region's commerce, building a digital-physical ecosystem that captivates our customers. To finalize, I want to thank our clients, collaborators, suppliers and shareholders for their trust in Falabella. It is in these times when we are all required to work together in pursuit of a common purpose, to improve life in our Region.

Carlo Solari Donaggio
Chairman

COMMENTS AS OF APRIL 3, 2020

As this letter closes, the global COVID-19 has become more accurate. The entire world is working towards the same goal: saving as many lives as possible. This battle has put on hold an important part of the activity with its consequent social and economic effects that governments around the world are softening with fiscal and monetary measures.

Falabella has always served the customer by satisfying their needs and even more in these difficult times. For this reason, we want to be part of the solution. We know that their needs are varying, depending on the geographic location, climate, duration of quarantines and particularities of each family. We will accompany them, while respecting the health regulations of each country, and watch over their health, as well as of our co-workers by demanding hygiene protocols.

We have adapted our e-commerce and logistics to the new situation, which are successfully reacting to the challenges. Now is the time to test the strength of our physical-digital ecosystem in which we have been working hard on over the past few years. Our apps, website improvements and logistics investments are now available to our customers.

The circumstances are forcing instant adaptation to the digital world to all people, regardless of age and place. Our habits will no longer be the same.

These are crises that mark a generation. This is ours. With leadership, sacrifice and hard work, all together as a team, we will overcome it and help our millions of customers overcome it. We will come out stronger, with closer bonds, and with the satisfaction of an accomplished mission.

This is the time to thank those who are with us and to value what we have. It is these crises that measure the integrity and consequence of people and organizations. I have no doubt that Falabella and its co-workers will know how to respond to this challenge. It is in these times when we must focus our efforts on what is relevant, on what our clients value, on our co-worker and our communities.

We will come out stronger, we will come out more united, building the coming years of Falabella together.

Carlo Solari Donaggio
Chairman



LETTER FROM THE CEO

Dear Shareholders:

During 2019, we served more than 30 million customers in Latin America. We are passionately working to simplify their lives, transforming their shopping experiences. In an increasingly challenging environment, we continue making progress in the strengthening of our physical and digital ecosystem, placing the customer at the center of our decisions.

During the year, we placed a special focus on reaching more customers:

- We made progress in expanding our physical network in formats and markets where we have a clear value proposition for our customers. We grew in Peru supermarkets, where we completed eight store openings during the year, achieving the second competitor position with 77 stores. We continued with our growth plan for Mexico, where we added three new Sodimac stores. In Brazil, we improved our value proposition with the Sodimac-DICICO integration, focusing on optimizing the operation's performance and profitability. We made progress in the development of the first IKEA stores in Chile, Peru and Colombia. In shopping centers, we highlight the openings of Open Kennedy in Chile and Mall Plaza Buenavista in Colombia.

- In order to reach more customers through our digital channels, we continue to expand the assortment of products available on our e-commerce platforms. At Falabella.com, we increased available SKUs by over 40%, while at Sodimac we increased them by about 80%. Our Marketplace, Linio, is growing in number of visitors, reporting a 49% increase at the regional level, with over 290 million visits per year. The Linio app totals over two million downloads, a 170% yearly increase, accounting for 30% of sales via the app. By implementing a 100% digital launch of our credit card, with immediate activation in our e-commerce portals, we accelerated the arrival of more customers to our financial services.



In an increasingly challenging environment, we continue making progress in the strengthening of our physical and digital ecosystem, placing the customer at the center of our decisions.

Our second focus was on expanding and transforming our relationship with our current customers:

- Our Click & Collect proposal is the feature most valued by our customers, and their preferred means of delivery. Today, over 60% of the products sold on Falabella.com in Chile are delivered via those means. We already have 135 cross-format Click & Collect collection points.
- We also continued to strengthen our logistics capabilities, improving speed and service levels in home deliveries. We launched a new distribution center for home appliances in Peru, which will serve our three retail formats. We have also included significant automations in the handling of irregular products at the Sodimac distribution center in Chile.
- We improved and increased the supply of financial products via online channels, increasing proposal customization. We added automated offers for credit card limits, available to the customer at the time of completing their online purchases. The sale of financial products via digital channels continued to grow, accounting for almost 40% of total sales.
- We continue to enrich the proposal of our loyalty program. We opened the program to customers who do not have a CMR card, allowing them to earn and redeem points at our retail formats via any means of payment. We currently have over six million customers, from which more than 1.6 million have redeemed points in the last year.

The third priority focus of our work was placed on people:

- We strengthened our efforts to attract and develop talent, with a particular focus on people with a strong background in technology, in the development of digital solutions, data management, and logistics.
- We have launched our diversity and inclusion policy, with the conviction that generating greater diversity in our organization improves our ability to surprise our customers with better value propositions.
- We have invested in the training of our teams through a substantial increase in transfers of people among businesses and countries, and an improvement in the supply and involvement in both face-to-face and remote training instances.

We are not indifferent to the events occurred in Chile following October 18th. Many of our supermarkets, malls, department stores, and home improvement stores were affected. We will always prioritize the safety of our collaborators and customers in all decisions across the organization.

I want to thank our entire team, whom, with an enormous commitment, have worked to ensure the operational continuity of our businesses and that we are able to be there for our customers. We discovered great strength and resilience, and that, at Falabella, we are one team.

We forecast a year with many challenges. In this environment, our focus will continue to be on the customer. We will continue investing in the generation of further and better data about our customers, adding technologies which will enable us to improve our interactions. The foregoing, supported by logistical improvements which enable improved quality of service. We aim to capitalize on the investments we have already made in previous years, which will allow us to decrease the pressure on margins.

We will continue to develop our physical and digital ecosystem, while convinced and confident that all efforts aimed at improving the quality of our interactions with our customers will result in a substantial change in our growth trajectory.

Gaston Bottazzini
CEO.

Who **we are?**

- Falabella
- Our purpose
- Our formats
 - Department Stores
 - Home Improvement
 - Supermarkets
 - Financial Services
 - Real Estate Business
- Regional presence of our subsidiaries
- Financial indexes
- History



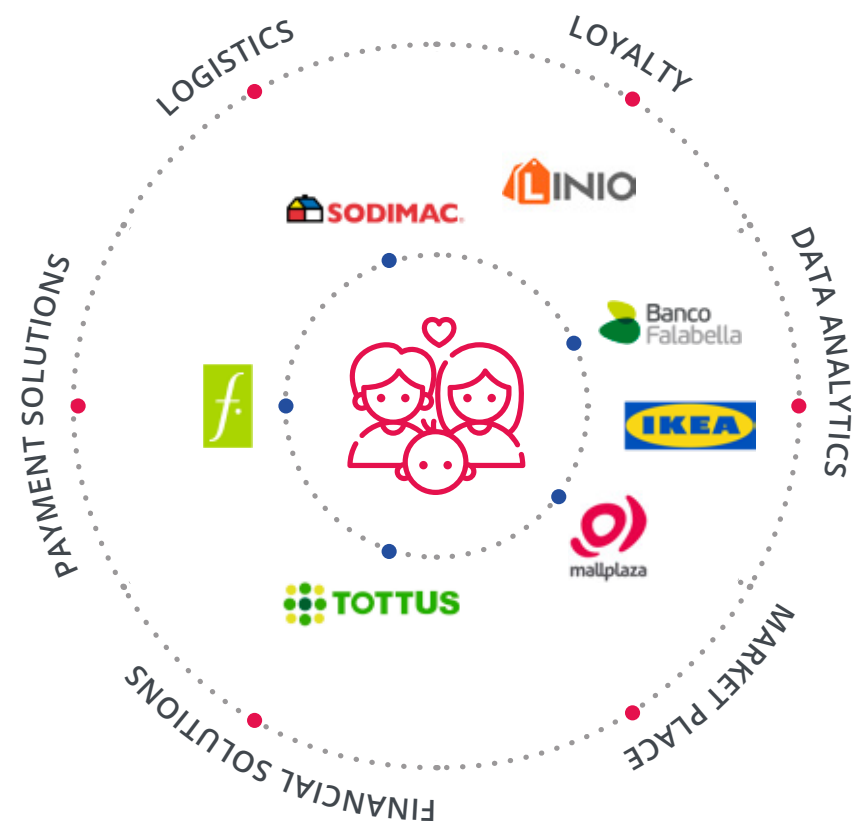


FALABELLA

We are one of the largest retail platforms in Latin America. The engine and center of our business is the passion for our customers. We wish to simplify their lives by transforming their shopping experiences. We seek to get to know them and serve them in all their consumption needs, which leads us to reinvent and innovate ourselves to provide the best shopping experience, via a differentiated format and channel strategy, with brands strongly positioned in our markets.

We are present in seven countries: Chile, Colombia, Peru, Argentina, Brazil, Uruguay and Mexico, and we have offices in China and India. We operate department stores, home improvement stores, supermarkets, real estate, and provide financial services through a network of 511 stores and 43 shopping centers.

We have developed a digital ecosystem leveraged on our robust physical capabilities, to offer a better value proposition to our customers.



*Our purpose is to simplify the lives of people in Latin America by **transforming their shopping experiences.***

Our purpose:

To simplify the lives of people in Latin America by transforming their shopping experiences.

Technological disruption, climate change, and a more empowered and informed consumer have all led us to rethink the way we do things and how we approach future challenges. It is for this purpose that we have developed a Physical and Digital Ecosystem that will enable us to strengthen our value proposal towards our customers. We are promoting a profound cultural transformation and a new way of working to face these challenges in the coming years, adding capabilities that are already a part of our value proposition and including new ones.

In this context, we understand the need to become an agile and flexible organization, maintaining our tradition of always having the customer and our collaborators at the center of our entire management efforts.

The permanent cultural transformation we are driving is based on living and promoting our corporate values, which are the key to the development of our strategy, and stand as a guide for our day to day operations. We work towards this goal daily, driven by our values, the engine of our actions:

Our values



WE ARE ONE TEAM

We are ONE diverse team, committed and passionate about our customers.



WE EXCEED CUSTOMER EXPECTATIONS

The customer is the focus of our decisions.



WE GROW THROUGH OUR ACHIEVEMENTS

We work as a team and invest our capabilities in attracting and training the best talent as a competitive advantage.



WE MAKE THINGS HAPPEN

We take responsibility for our actions, take risks and build opportunities.



WE ACT WITH AWARENESS

We are motivated to do the right thing and to provide the best of ourselves to consumers in Latin America.



OUR FORMATS

DEPARTMENT STORES

Falabella Retail is the leading platform in fashion, decoration, and electronics in Latin America. It operates in Chile, Peru, Colombia, and Argentina, with a network of 111 stores and a strong online presence.

Our department stores have various competitors in the countries in which they operate, among which three different sub-sectors can be identified: department stores, multiple stores, and specialty chains, which focus their product supply around one brand, lifestyle or concept.

According to the internally conducted market analysis based on data from Instituto Nacional de Estadísticas and Encuesta Casen in Chile, the Encuesta Nacional de Hogares in Peru, the Departamento Administrativo Nacional de Estadísticas in Colombia and Euromonitor, among others, the market share of our department stores in the retail sector according to the categories in which it is involved, is around 23% in Chile, 18% in Peru, 7% in Colombia and 2% in Argentina, approximately.

CHILE

 **47** Stores

328.169
Sales surface area (m²)



PERU

 **29** Stores

173.415
Sales surface area (m²)



COLOMBIA

 **25** Stores

176.330
Sales surface area (m²)



ARGENTINA

 **10** Stores

56.890
Sales surface area (m²)



Note: Does not include clothing and footwear specialized stores for exclusive and second generation brands.
Peru and Colombia also include Crate & Barrel stores.

TOTAL

 **111** Stores

734.804
Sales surface area (m²)



MARKET POSITION

- ▶ **Chile #1**
- ▶ **Peru #1**
- ▶ **Colombia #1**
- ▶ **Argentina #1**

HOME IMPROVEMENT

With a presence in Chile, Peru, Argentina, Colombia, Uruguay, Brazil and Mexico, our home improvement division offers a wide range of solutions for home construction, decoration and maintenance.

CHILE

 **89** Stores

767.680
Sales surface area (m²)



URUGUAY

 **3** Stores

24.849
Sales surface area (m²)



PERU

 **55** Stores

376.265
Sales surface area (m²)



BRAZIL

 **53** Stores

172.112
Sales surface area (m²)



We integrate the best of the digital world with the physical channel.

000 MODELOS DE MUEBLES **AUN SOLO CLICK!**


MÁS DE
8.000
MODELOS
DE MUEBLES

ENCUENTRA UN
VENDEDOR EXPERTO Y
COMPRÁ AQUÍ

AUN SOLO CLICK!

falabella.com

Tenemos más de lo que podemos mostrar

compra aquí 

Personaliza tus espacios
Bases, Sillas y Cubiertas a elección

VIVING COMEDOR SALA DE ESTAR

APROVECHA NUESTROS
SERVICIOS



TRACKEA TU PRODUCTO



SOLICITA ARMADO



VENDEDOR EXPERTO

Escanea tu producto aquí

Retira tu comprante aquí





ARGENTINA

 **9** Stores

94.073
Sales surface area (m²)



There are multiple and diverse competitors in the various countries in which our home improvement unit is present. There are large construction and home improvement supplies stores, in addition to hardware stores, many of which are grouped in business chains. Also, there are other competitors in home improvement products, among which we find hypermarkets, department stores, and specialty stores, and lastly, suppliers serving construction corporate customers directly.

MEXICO

 **5** Stores

57.209
Sales surface area (m²)



According to an internally conducted market analysis, and based on information from the Instituto Nacional de Estadísticas, the Encuesta de Presupuestos Familiares and Cámara Chilena de la Construcción in Chile, the Instituto Nacional de Estadística e Informática in Peru, the Departamento Administrativo Nacional de Estadísticas in Colombia, the Instituto Nacional de Estadística y Censos in Argentina, the Instituto Brasileiro de Geografia y Estadística in Brazil, and the Instituto Nacional de Estadísticas in Uruguay (INE), among others, the market share¹ in this segment is approximately 24% in Chile, 14% in Peru, 12% in Colombia, 1% in Argentina, 4% in Uruguay and less than 1% in Brazil and Mexico.

COLOMBIA

 **40** Stores

386.256
Sales surface area (m²)



MARKET POSITION

- ▶ **Chile #1**
- ▶ **Peru #1**
- ▶ **Colombia #1**
- ▶ **Argentina #2**
- ▶ **Brazil #4**

TOTAL

 **254**
Stores

1.878.444
Sales surface area (m²)



¹ The market share calculations for home improvement are not comparable with those published in the 2016 Annual Report due to a change in methodology

CHILE

 **69** Stores

224.901
Sales surface area (m²)




SUPERMARKETS


Tottus runs hypermarkets, supermarkets, and other convenience price formats (Hiperbodega Precio Uno). With 146 stores and an online presence, it operates in Chile and Peru.

The supermarkets segment includes various competitors, among hypermarkets, supermarkets, self-service stores and neighborhood stores.

PERU

 **77** Stores

264.368
Sales surface area (m²)



According to the market analysis conducted internally based on data from Euromonitor, Instituto Nacional de Estadística e Informática de Perú (National Statistics and Computing Institute of Peru), among others, the Falabella market share in the supermarkets' sector is approximately 4% in Chile and 5% in Peru.

TOTAL

 **146**
Stores

489.269
Sales surface area (m²)



MARKET POSITION

- ▶ **Chile #4**
- ▶ **Peru #2**

FINANCIAL SERVICES

Falabella Financiero offers a wide range of integrated financial services combining the traditional financial business model with the proximity inherent to retail businesses. This division includes CMR Falabella (credit card), Banco Falabella (bank), Seguros Falabella (insurance broker) and CF Seguros (insurance company). It has activities in Chile, Peru, Colombia, Argentina, and Mexico.

In the financial services segment, competition is against both personal banks and department store credit card operators. There is also competition against other insurance brokers and insurance companies.

According to the analysis conducted internally based on public information (*), the market share is, according to the stock of consumer loans, 10.0%² in Chile, including loans from CMR and Banco Falabella. In the case of Peru, according to the Banking, Insurance and AFP Superintendence of that country, Banco Falabella's market share in consumer loans amounts to 4.15%³. In Colombia, according to the Financial Superintendence of that country, Banco Falabella's market share in consumer loans amounts to 4.83%⁴. According to the Central Bank of the Argentine Republic, CMR's market share in that country according to credit card and personal loans amounts to 0.5%⁵. Finally, the market share in Mexico totals 0.35% according to information from the National Banking and Securities Commission of Mexico.

► Chile #1

MARKET POSITIONING # CMR CARDS WITH TRANSACTIONS DURING THE MONTH

► Peru #1

MARKET POSITIONING # CMR CARDS SUBJECT TO CARDHOLDER BILLING

► Colombia #4

MARKET POSITIONING # VALID CMR CARDS

CMR ACCOUNTS WITH A BALANCE
BANK BRANCHES

Chile

CMR ACCOUNTS WITH A BALANCE

2.784.592

BANK BRANCHES

95

Peru

CMR ACCOUNTS WITH A BALANCE

1.126.694

BANK BRANCHES:

70

Colombia

CMR ACCOUNTS WITH A BALANCE

1.086.499

BANK BRANCHES:

91

Argentina

CMR ACCOUNTS WITH A BALANCE:

391.496

Mexico

CMR ACCOUNTS WITH A BALANCE

185.369

CMR ACCOUNTS WITH A BALANCE:

5.574.650

TOTAL # BANK BRANCHES

256

(*) Source: CMF, cajadechile.cl, Forum, and quarterly financial statements of department stores and automotive.

² By November 2019, ³ By November 2019, ⁴ By October 2019, ⁵ By June 2019, ⁶ By November 2019.

REAL ESTATE BUSINESS

Falabella operates and manages shopping centers in Chile, Peru, and Colombia, through Mallplaza and Open Plaza. Falabella's real estate arm is dedicated to the development and operation of shopping malls and the management of stores in freestanding locations, where we can stand out the presence of Falabella's retail formats and the mixed-use of property.

Mallplaza: its value proposition joins retail, entertainment, gastronomy, healthcare, culture, and other uses, under a strategy of sustainable growth, which seeks to add value to all its stakeholders, promoting local development, access to culture and environmental care.

Falabella Inmobiliario: With a presence in Chile and Peru, it operates smaller-scale shopping malls, with the formats operated by the company's subsidiaries (Falabella, Sodimac, and Tottus) as anchors, complementing them with an attractive offer of smaller stores and entertainment.

The company also owns approximately 1,000,000 m² additional leasable surface areas in free-standing locations in Falabella, Sodimac, Tottus, Maestro, and others.

According to studies conducted in homes and the various shopping malls, the main players competing in the real estate business are shopping malls in their multiple formats, such as malls, power centers, strip centers and conventional shops located in the locations where the company's shopping centers are present.

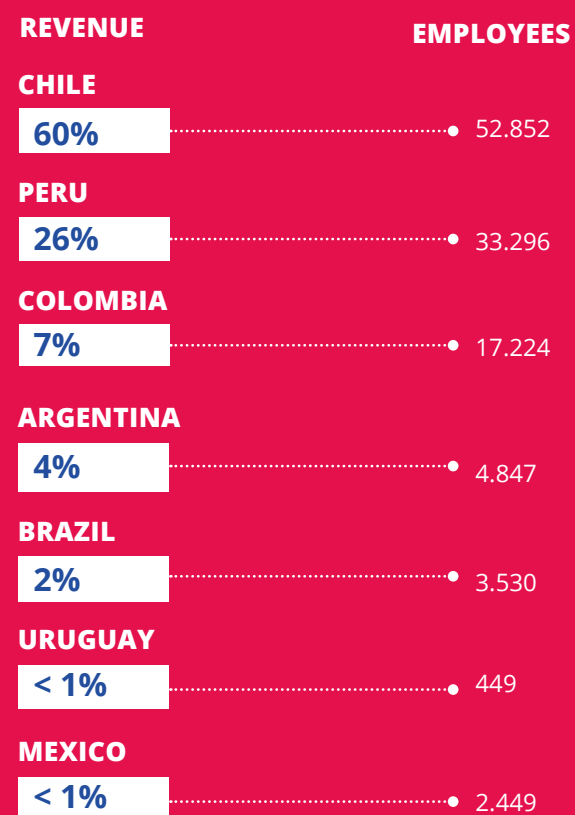
According to data from the Instituto Nacional de Estadísticas (INE), Mallplaza's market share in retail is estimated at 6.3% in Chile; 2.9% in Peru and 0.59% in Colombia.

The company has a project portfolio on its own and / or concession land. Plaza S.A.'s Investment Plan includes building two new shopping centers for a total of US\$ 274 million. In Colombia, Mallplaza Cali is estimated to open in 2021. In Peru, Mallplaza Comas is expected to open in 2020. In addition to the investment projects described above, the company owns land in Chile in the Valparaíso Region and the Libertador Bernardo O'Higgins Region. On the Falabella Inmobiliario part, the projects Open Kennedy 2, a part of La Calera and the Arica and Valledar Home centers are being built in Chile. Falabella also owns land in regions IV, V, VIII, IX, XIV, and Metropolitana, for the development of future projects.

	MALLPLAZA OF SHOPPING CENTERS:	GLA (m ²)	OPEN OF SHOPPING CENTERS:	GLA (m ²)
CHILE	17	1.378.000	9	215.000
PERU	3	202.000	11	317.000
COLOMBIA	3	123.000	-	-
TOTAL	23	1.703.000	20	532.000

REGIONAL PRESENCE OF OUR SUBSIDIARIES

Countries and employees

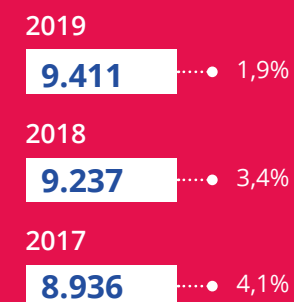


Our international development remains dynamic, consistent with our strategy of expansion and diversification in the Region.

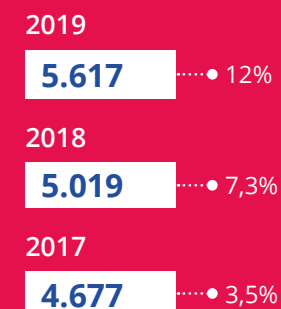
Financial indexes

MMM CLP; % crec. anual

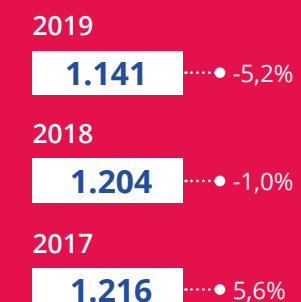
REVENUE



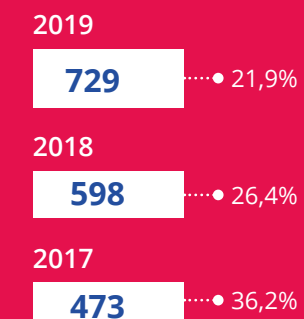
LOANS



EBITDA



ONLINE SALES



3.102.516 m²
Sales surface area



3.235.000 m²
Leasable surface area



1.300.000 m²
Logistic centers

STORES AND SHOPPING CENTERS

 **511** # of stores

 **43** # of shopping centers



HISTORY



- Salvatore Falabella opens the first great tailor shop in Chile at Ahumada street.

- Household products are added, laying the foundations of the first department store in Chile, and Ahumada street becomes known as "Falabella street".



- Falabella launches CMR, its own credit card and the first of its kind in Chile.

- Falabella expands into Argentina and Sodimac, Colombia.



- Falabella goes public on the stock exchange, turning into a corporation and beginning the transaction of its shares in the Santiago Stock Exchange.

- Banco Falabella is created via the acquisition of ING Bank Chile's license.



- Falabella opens the first Tottus supermarket in Lima, Peru.

- Falabella buys the San Francisco supermarket chain in Chile.



- Alberto Solari joins the company, transforming it into an important clothing store.



- Mallplaza opens its first shopping center in Chile, Mallplaza Vespucio, in the La Florida district.



- Falabella expands to Peru with the acquisition of Saga.

- Creation of Falabella Travel and Insurance.

- Falabella teams up with Home Depot in Chile, an operation that it would acquire four years later.



- Falabella.com begins internet sales operations in Chile.

- Falabella and Sodimac merge, driving the first regional home improvement chain in Latin America.



HISTORIA



- Falabella Retail expands to Colombia with its first department store in Bogotá.
- Sodimac acquires 60% of the Chilean Imperial home improvement chain.
- Homy is launched in Chile.
- Mall Plaza opens its first shopping center in Colombia.
- Sodimac acquires the Maestro home improvement chain in Peru.
- Falabella opens its first two Sodimac stores in Brazil.
- Falabella and Soriana subscribed the final agreements to jointly develop the Home Improvement (Sodimac) and Financial Services (CMR) businesses in Mexico.
- On August 1st, the company made progress in its goal of consolidating its position among the e-commerce leaders in the region by acquiring Linio, a regional Marketplace with a strong position in Mexico, Colombia and Peru.
- Falabella also acquired the minority stake of Construdecor in Brazil during August 2018, which was still owned by a third party by that date, thus becoming 100% owned by Falabella.



- Launch of Banco Falabella in Peru.
- CMR partners with Visa in Peru and Chile. Then, in 2011, CMR partners with MasterCard in Argentina and Colombia.
- Banco Falabella begins operations in Colombia.
- Falabella expands to Brazil with the acquisition of 50.1% of the Dicico home improvement chain.
- Hiperbodega Precio Uno is launched in Peru.
- Sodimac expands to Uruguay with the opening of its first two stores.
- Excision of Aventura Plaza SA in Peru.
- Falabella enters the Dow Jones World Sustainability Index.
- Falabella subscribes an understanding agreement with IKEA, for the construction and operation of at least nine IKEA stores in Chile, Colombia, and Peru in the next ten years.
- The Falabella-Soriana credit card conducted its first issue in Mexico, and the purchase of 50% of the shares of the Mexican company Servicios Financieros Soriana SAPI de CV was completed.
- Falabella agrees to sell Viajes Falabella to Despegar and subscribes a long-term strategic partnership.



¿How do **WE DO IT?**

- **Relation with our stakeholders**
- **Strategic priorities**
- **Exceed customer expectations**
 - Differentiate the value proposition
 - Linio
 - Scale-up logistics capability
 - Click&Collect
 - Financing and payment methods
 - Data analysis and business intelligence
 - Loyalty program
 - Development of a flexible technological platform
 - E-commerce
 - Post Events on October 18th in Chile
- **Comprehensive development of our employees**
- **Generate social impact**
- **Governance**
- **Manage our supply chain**
- **Manage our impact on the environment**
- **Investment plan**





RELATION WITH OUR STAKEHOLDERS

At Falabella, we work to simplify the lives of Latin Americans by transforming their shopping experiences. Our approach begins by creating a commitment to all our stakeholders, external and internal, which helps us define which are the environmental, social, and governance (ESG) issues that will ensure our sustainable growth. We maintain open communication channels that enable us to understand the needs of all our stakeholders, and promote corporate guidelines, essential to building Falabella.



CUSTOMERS:

Our commitment: the company aims to simplify the lives of its customers. We seek to transform shopping experiences, ensuring the quality and safety of the products and services we supply to our customers; and the facilities we operate.

COMMUNICATION CHANNELS:

Social networks, physical and online stores, customer service teams, satisfaction assessments (i.e. NPS), among others.

HOW DO WE IDENTIFY THEM?

Through their presence in our value chain and the environment in which we conduct our activities.

HOW DO WE WEIGH THEM?

Based on the potential impacts they may have on our business model.

HOW DO WE RELATE?

Through the development of an action plan that takes the characteristics and needs of the interest group into account.



EMPLOYEES:

Our commitment: we recognize the essential importance of our employees in their growth, which is why we are committed to their professional development and comprehensive well-being. We actively seek to attract and retain the best talent and teams in each of our businesses, valuing diversity and inclusion.

COMMUNICATION CHANNELS:

Ethical channel, domestic environment surveys, corporate communications channel, volunteer programs, internal mobility programs, Falanet (intranet), union meetings, quality of life teams, among others.



SUPPLIERS:

Our commitment: we seek to maintain constructive and long-term relationships with our suppliers. We believe that collaboration and trust allow both us and our suppliers to grow.

COMMUNICATION CHANNELS:

B2B digital platform, meetings between buyers and suppliers, supplier training, support programs for the improvement of service standards, support programs for smaller suppliers, among others.



SHAREHOLDERS:

Our commitment: we are committed to sustainably generating value and profitability, maintaining transparent communication channels with our shareholders and potential investors.

COMMUNICATION CHANNELS:

Investor relations team, events and meetings with investors, Ordinary Shareholders' Meeting, financial reports (Release, Quarterly Financial Statements and Annual Report), investor website.

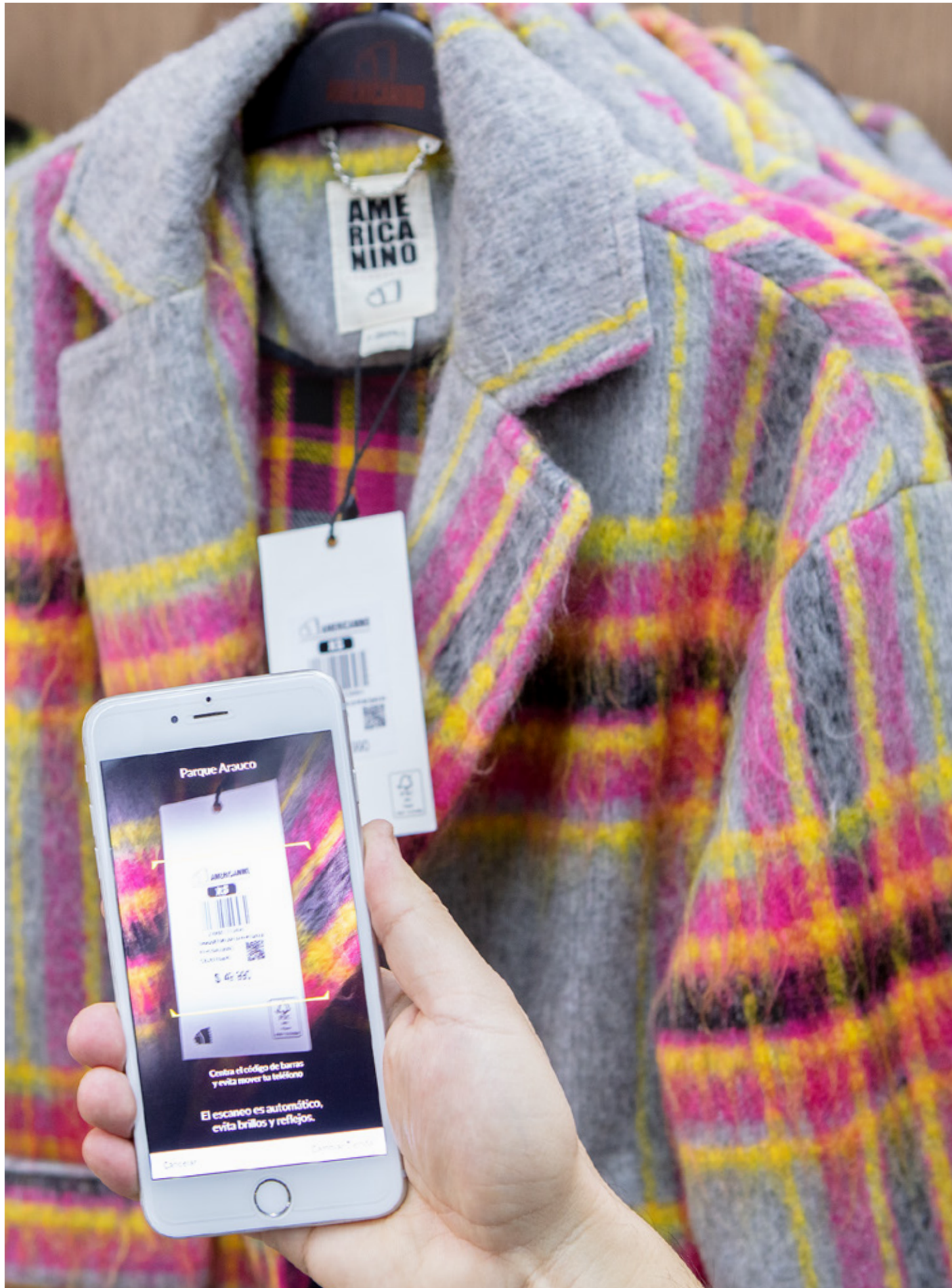


COMMUNITY, CIVIL SOCIETY:

Our commitment: we are committed to sustainably generating value and profitability, maintaining transparent communication channels with our shareholders and potential investors.

COMMUNICATION CHANNELS:

Investor relations team, events and meetings with investors, Ordinary Shareholders' Meeting, financial reports (Release, Quarterly Financial Statements and Annual Report), investor website.



STRATEGIC PRIORITIES

In 2018, for the first time, a materiality assessment was conducted at the corporate level. For this purpose, we worked alongside an independent consultant specialized in ASG social and environmental management: Cor-

porate Citizenship. The topics identified were prioritized under two criteria: influence on our business and relevance for our external stakeholders. Details on the materiality matrix are available on page 265 of this report.



1. Exceed customer expectations

Putting our customers in first place, getting to know them and transforming their shopping experience, is what drives our growth as a retail company. Ensuring the privacy and security of their information, helps us continue to be chosen.

We base our strategy on five priorities: differentiate the value proposition, scale-up logistics capacity; financing and payment methods; data analysis and business intelligence; development of a flexible technological platform.



2. Comprehensive development of our employees

We know changes are further disruptive, deeper and faster today, so we understand that the way to face the reality of the current market is to work as a single team, committed to and passionate about our clients.

Our emphasis on inclusion helps us understand and serve an increasingly diverse group of customers and communities. Developing talented teams from various backgrounds enables us to maintain our ability to prepare for future opportunities and challenges.



3. Generate social value

We focus on strengthening commitment and giving transcending meaning to our work. We are aware of our responsibility to society, the communities around us, and the environment.

We are motivated to do what is right and that is why we guide our actions in a transparent fashion, to deliver the best of ourselves to our stakeholders.



5. Manage our supply chain

We seek constructive and long-term relationships with our suppliers. Mutual collaboration and trust enables suppliers and companies to grow.

We are committed to developing partnerships with suppliers who share our dedication to conduct their activities in a legal, ethical and socially responsible manner



4. Governance

We believe that acting ethically and responsibly is not only doing the right thing, but also the best way to do business. We seek to generate long-term sustainable returns and contribute to a sustainable future in various ways, conducting our business in a transparent manner and promoting ethical and responsible operations.

We promote values reflecting the commitment to act transparently and loyally towards people, their freedoms and rights.



6. Manage our impact on the environment

We understand the importance of addressing environmental sustainability and we have undertaken a variety of environmental protection and care initiatives primarily aimed at decreasing our energy consumption and having our physical network be eco-friendly.

EXCEED CUSTOMER EXPECTATIONS

Our purpose is to simplify the lives of people in Latin America. Exceeding the expectations of our customers is part of our DNA. We seek to further interact with them, get to know them better and have the sufficient flexibility to develop innovative proposals and adapt to their needs, transforming their shopping experience in all channels, and ensuring the protection of information and the privacy of their data. This is why we have defined five strategic priorities.

- **Differentiate the value proposition**
- **Scale-up logistics capability**
- **Financing and payment methods**
- **Data analysis and business intelligence**
- **Development of a flexible technological platform**

Differentiate the value proposition

We want to offer a unique sales proposal to our customers, where they can find a wide range of products and a valuable shopping experience.

Having an exclusive and deep assortment is differentiating. We continue being focused on the development of our own and exclusive brands which allow us to strengthen our position.

The development of our brands allows us to:

- **Differentiate from other retailers and online stores.** We want to offer a unique sales proposal to our customers, where they can find a wide range of products and a valuable shopping experience.

Having an exclusive and deep assortment is differentiating. We continue being focused on the development of

our own and exclusive brands which allow us to strengthen our position.

- **Offering a convenient proposal,** with a high quality / price ratio, which allows us to compete, for example, against fast-fashion brands in fashion; leading brands in supermarkets and home improvement

- **Increasing the profitability of our business,** with more attractive margins than those obtained through third-party brands.

We leverage opportunities opened by the digital world in the various formats, to substantially expand product assortment and customize the supply according to the preferences of each of our consumers, also increasing store collection areas from online purchases.

IN 2019, WE CONTINUE ADVANCING OUR VALUE PROPOSITION

HOME IMPROVEMENT

SODIMAC

Sodimac integrated its operation and collaborative work with Linio, enabling 100% of Sodimac products to be delivered from warehouses. Sodimac.com offers over 100,000 products and services that are locally available, and whose number continues to grow with the addition of the cross border model. Through these means, customers can purchase products available in other countries. In addition, developed a new tool rental software, which allows the customer to ensure the availability and return of tools to another location across the country. In 2019, Sodimac set a new historical record on the share of sales of its own brands, which have been steadily growing in all markets. In order to improve customer experience, the company launched a Home Collection Instagram shopping in 2019.

DEPARTMENT STORES

Falabella Retail is constantly innovating in its assortment to provide the best proposal to its customers. Regarding clothing, it launched the “Roberto Cavalli for Falabella” collection, in women’s clothing, shoes and accessories. It also supported local talent with “Brand Fashion Market”, including collections made by influential Chilean designers, both in the first and second halves of the year. It also offered sustainable products via its + Verde initiative, which promotes sustainable products on Falabella.com. Regarding its home category, it included Anthropologie and John Lewis in its brand portfolio, complementing the 2018 Crate&Barrel launch. It also launched the new suitcases (Reisen) and kitchens (Würden) own brands, and new licenses (Benetton and Nat Geo). On the electronics side, it has a new personal care (Meiner) own brand.

SUPERMARKETS:

During 2019, our brands Tottus and Precio Uno recorded significant increases. Internally, their sales share grew in the double digits, while in relation to the market, it increased nearly four times over the industry average, according to Nielsen data. These positive results helped offset the overall market downturn. It should also be noted that one of the Tottus branded premium olive oils was awarded by the 2019 Olive Guide as the most outstanding in the Best Foreign Contribution category. Additionally, Tottus’ own brands maintained their ISO 9001 certification for the fourth consecutive year, consolidating the company’s quality management system.

The sale of Falabella’s own brand products reached a 27% penetration of our Retail sales during 2019.





Accelerating Linio's growth



Following the acquisition of Linio in August 2018, we have been focusing on actively expanding its product catalogue via the integration of Falabella, Sodimac, and Tottus catalogues at the regional level, but also including thousands of products from domestic and international sellers. Paid and organic traffic have grown significantly via massive and digital communication campaigns, but also through promotional actions directed at the CMR and Banco Falabella customer base. We also leveraged the logistics capabilities of the group's ecosystem to offer Click & Collect at our stores, decrease shipping times, and improve the quality of services for both our end customers and our sellers.

In the payments and financing context, we completed payment processing through Banco Falabella, improved fraud management, and made progress in enabling CMR card openings on our platform. Today, Linio is also part of the group's loyalty program, CMR Puntos, which is allowing contributions to customer loyalty. In the technological context, we accelerated the development of Linio's systems. We started including technical solutions from the group, intending to continue to consolidate Linio as a differentiating element of the Falabella ecosystem.

- ▶ **NMV Linio 188 MM USD**
- ▶ **+8,600 sellers**
- ▶ **+290 million visits**
- ▶ **+170% growth in net app downloads**

We maintain contact channels with customers and with feedback mechanisms which allow to receive concerns thereof regarding offered products and / or services, seeking to provide a quick and accurate response.

Social networks have contributed to generating greater closeness and enabling communication with our customers, in order to provide a better service every day. Falabella has over 37 million followers on social networks (Twitter, Facebook, among others), including all our businesses and countries in which we are located.

Our retail businesses measure quality of service, among others, through the Net Promoter Score (NPS) satisfaction survey, which aims to measure customer loyalty based on recommendations (promoter, passive, detractor). Falabella.com has also established permanent feedback means for customers visiting the website and customers who complete their purchase, in order to improve processes and provide a better experience.

Mallplaza and Falabella Inmobiliario measure customer satisfaction via a survey called Global Visitor Satisfaction. We work daily for the improvement our customers' experience, which is reflected in the continuous improvement of their perceptions

NPS% 2018 2019

RETAIL		
Chile		
Falabella	65%	66%
Sodimac	54%	53%
Tottus	56%	58%

RETAIL		
Peru		
Falabella	65%	67%
Sodimac	59%	57%
Tottus	55%	69%

RETAIL		
Colombia		
Falabella	73%	75%
Sodimac	58%	57%

RETAIL		
Argentina		
Falabella	68%	70%
Sodimac	63%	44%

Brazil		
Sodimac	84%	71%

Uruguay		
Sodimac	60%	46%

NPS% 2018 2019

Real Estate Business		
Mall Plaza Chile	59%	51%
Rentas	63%	82%
Open Plaza Peru	53%	65%

Financial services		
CMR Chile	66%	
CMR Argentina	60%	52%
Banco F. Chile	74%	73%
Banco F. Peru	40%	54%
Banco F. Colombia	61%	60%





Scale-up logistics capability

We wish to continue leading the physical and online retail trade in the region. For this purpose, we are accelerating our investments and developing capacities which will enable us to:

- Offering a wide range of relevant products
- Improve user experience ("UX") on our sites and apps
- Develop further omni-channel capabilities in our stores
- Offer increasingly faster and accurate delivery alternatives

We continue making progress in the strengthening of our omni-channel logistics with distribution centers specialized by product type, which serve both our stores and e-commerce. Our goal is to continue strengthening and standardizing logistics processes to better fulfill the service promise to our customers and make our capabilities available to third parties by supplying logistics services for our sellers.

In Peru, **Falabella Retail** has launched a new home appliance distribution center, which will serve the three retail formats. With an investment near USD 40 MM, the current built surface area is 38,000 m², and is designed for large products. This distribution center will be specialized in home appliances - refrigerators, stoves and washing machines - for Falabella, Tottus and Sodimac. The impact on the distribution chain facilitates reception of suppliers, since they are common for these products, specializes storage and picking activities for similar products, increases the density on home delivery management, and creates cross-product synergies among the three formats.

Sodimac continued making progress in the efficiency increase of its logistics chain, through a specialized model

which includes the characteristics of its products, along with extracting the maximum benefits from the scale obtained from its presence and leadership position in the region in seven countries.

In Chile, Sodimac continued to deepen the automation of the main distribution center located in Lo Espejo in addition to the supply flow to stores. The company focused a series of standardization and process automation initiatives in this context, achieving improvements in supply chain efficiency and optimizing inventory levels. This made possible to maintain availability rates in stores above 95%. A new automated robot system called Super Butler System (SBS) was deployed at the Lo Espejo Distribution Center. The investment included the construction of a 32,000 m² structure on four levels, which includes the operation of 325 autonomous robots capable of moving 4,220 mobile racks containing products and taking them to various preparation stations where they are classified into replacement carts by store area or, if the destination is to customers, consolidate the products to set them ready for shipping. The SBS currently helps sorting 45,540 boxes per day in its first stage, and it helps storing 50,000 SKUs. The SBS development process will be continued during 2020.

In Peru, Sodimac continued to strengthen its logistics capacity, expanding the capacity of the distribution center in Lurín by 6,700 m².

The new Sodimac Argentina distribution center will be fully operational by March 2020, which will help boosting remote sales and corporate sales channels. This new distribution center will enable operation with lower

costs, greater speed and flexibility, improving customer experience in the product delivery process, both with store pickup and home delivery.

In Brazil, Sodimac increased the capacity of the Cajamar distribution center to improve the storage of irregular items.

In Colombia, progress was made such as promoting store withdrawal points, express delivery, and cash on delivery. The supply chain has also strengthened its processes and operations by carrying out projects such as the expansion of the Funza DC, a new Flatbed Truck DC and the implementation of nodes in Medellin and Cali, among others.

A flatbed truck distribution center and a container yard were launched in Mexico, in addition to increasing the surface area of the main distribution center. The commissioning of the software required for the operation was also completed.

Tottus increased its Chile Distribution Center capacity by over 13,000 m², totalling a 78,000 m² storage and su-

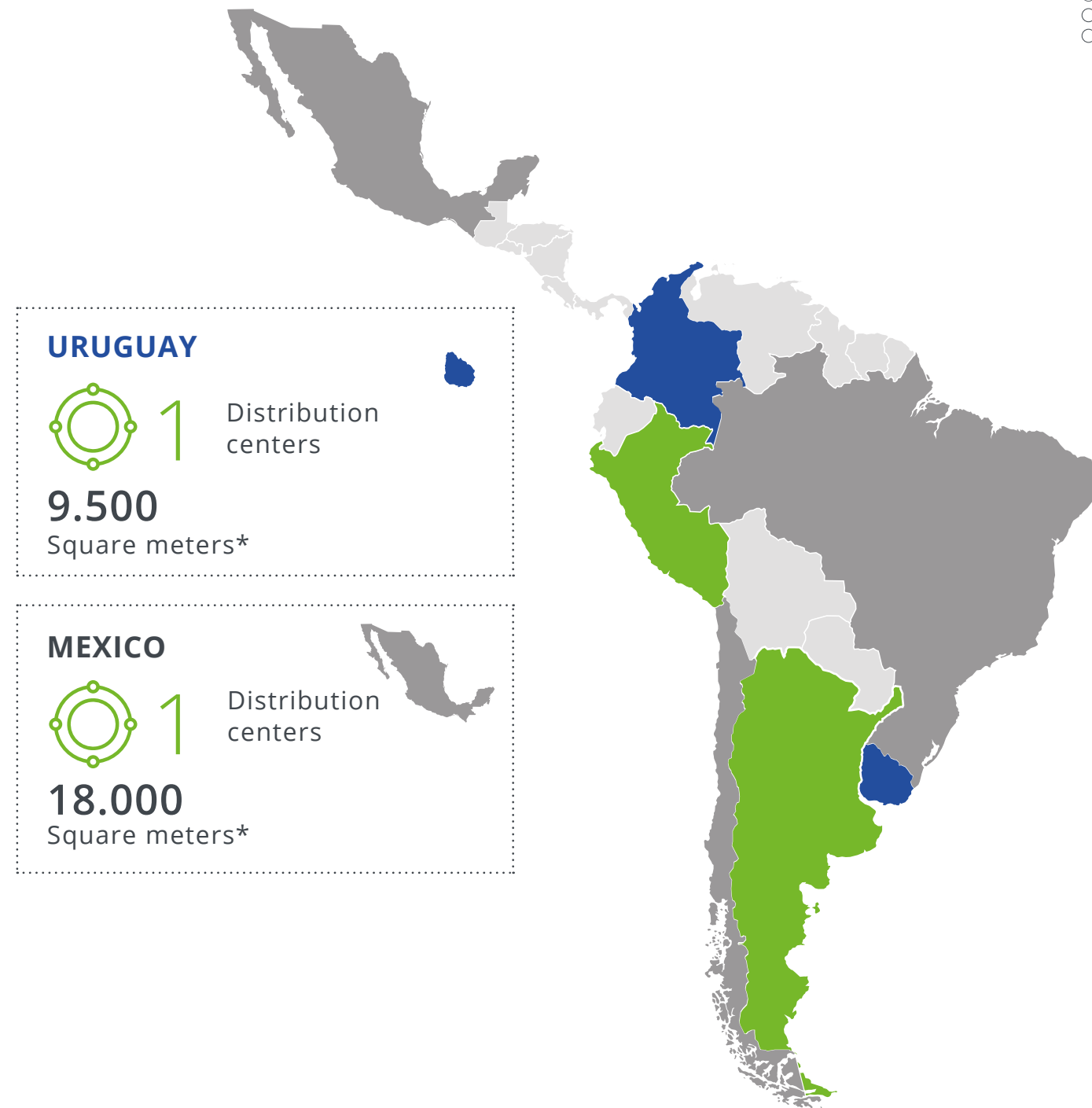
ply area in 2019, which strengthened the operation of the e-commerce and import units, enabling high availability levels. In addition to the above, the capacity to store refrigerated and frozen products doubled. Another milestone was the opening and commissioning of the first gray Tottus and sector store in Chile, in February 2019.

We continue to make progress in strengthening our omni-channel logistics with specialized distribution centers by type of product, which serve both our stores and e-commerce.





OUR LOGISTICS CAPACITY



* Includes distribution centers, transfer centers and external warehouses

CLICK & COLLECT


The Click & Collect (C&C) service continued to grow strongly at the regional level, accounting for over half of e-commerce sales transactions in some markets. We want to deploy the C&C in-store pickup service in all stores, where customers can buy their products online, choose their preferred store and pick up at their convenience.

We believe that, as omni-channel retailers, the C&C is a differentiating advantage in which we will continue to invest and modernize such, seeking to improve the shopping experience. We are adding automation systems at C&C

points to improve productivity and increase capacity. We installed this technology in two Chile stores and have also piloted a different type of technology. We hope to extend this technology to 20 Falabella, Sodimac and Tottus stores in the region during 2020.

We are also expanding C&C units, including changing rooms, special seats for trying on shoes and other services.

BY THE END OF 2019

 **400**
C&C points

 **117**

are multi-format, where our customers can buy their products at Falabella.com, Tottus.com, Sodimac.com and Linio.com and pick up at any of the stores which include this service.



Financing and payment methods

During 2019, our focus was on further continuing the improvement of the digital services proposal, always centered on the customer and providing them with more and better payment methods and financing.

The main milestones of 2019 were as follows:



Digitization of our businesses

We launched the 100% digital card opening feature in Chile through Falabella.com. This enables the customer to obtain the card and immediately conduct payment, thus taking advantage of the discounts at the time of purchase.

We also launched an online limit increase, which allows our customers to access limit increases at the time of purchase, thus being able to make purchases which their original limit would not have allowed.

We deployed our omni-channel platform 2.0 in Peru. This system enables branch executives to serve customers using the same web interface available to the customer. Education in the use of digital channels is facilitated in this fashion, and all processes are digitized from the start, improving customer experience and reducing the use of paper in the branches. In Chile, there is already a pilot in operation and deployment is expected to be completed at 100% by the first months of the year.



Digital Payments

Payment with QR codes was launched in Falabella stores in Chile during the month December. This launch allows the customer to have a more agile payment experience from their smartphone. In turn, this feature is the first step in the FPay launch, our digital wallet with launch announced for the coming months. In a first stage, it will allow users to transfer from their credit cards to third parties; They will also be able to make payments through QR technology in Falabella company stores and the affiliated stores network. With the app, people will group all their cards in one place, regardless of the bank issuer.

Following our successful experience with the Digital Factory in Chile, this year we launched a new digital factory in Argentina which will initially be 100% focused on our digital wallet solution. This enables us to continue expanding our development team and diversifying our talent capture.

**PAYMENTS PROCESSED BY CMR
(total payment volume)**

+900 MM USD

**CONDUCTED VIA DIGITAL CHANNELS
34% of our sale**



Integration of Banking and CMR in Chile

The integration of Banco Falabella with CMR in Chile was conducted by the end of year 2018, the latter becoming a subsidiary and support company for the Bank's business. During 2019, we consolidated the operation of both companies and managed to achieve good cross-selling levels as a result of making all our products available both at CMR branches and at Banco Falabella branches. In turn, we integrated the main CMR features into the Bank's app and site in order to provide a more convenient customer experience. Progress will continue along this path to simplify processes and provide customers with a simple and standardized experience on both physical and digital channels.



Migration to Mastercard credit cards

A regional agreement was subscribed with Mastercard during year 2019, which involved changing the flags of our cards in Chile. As of December 31st, 2019, we have had over one million cards migrated to Mastercard, which are added to the more than 300 thousand cards issued during the year.

ACTIVE CMR ACCOUNTS
+5.6 million

DIGITAL CUSTOMERS
+3 million

ACTIVE CUSTOMERS IN THE APP
+2,8 million



Data analysis and business intelligence

To better fulfill our mission of simplifying the lives of our customers in Latin America by transforming their shopping experiences, we need to be the company that best knows its customers in its region. To achieve this, we have focused on developing our Data & Analytics plan, which includes, among other initiatives, the building of a Corporate Datalake for Falabella, where each business unit of the Group is involved by creating a single view of the customer. This enables us to go from just adding data to identifying insights, and converting insights into sales and marketing actions better tailored to the needs of our customers. By understanding what generates value for our customers, we can better meet their expectations, maximize value for the Group and generate a mutual benefit relationship that is sustainable over time.

Our strategy is based on three pillars: technological development, advancement in analytical capabilities, and greater and better use of data.

In technological development, we have focused on simplifying our architecture definitions and developing Cloud Native analytic solutions with a multi-cloud approach. By understanding the data as a product, we seek its protection and security with advanced encryption mechanisms. We made significant progress during the year by bringing our main data sources to the cloud, completing the first version of a Group-level centralized customer platform and a model-based platform for Machine Learning. In addition to the above, we developed internal talent, training more than 500 people in Cloud and Analytics technologies, in order to speed up our adoption of the Cloud world and we assembled our first Data & Analytics development team in India.

We have advanced our analytical capabilities on three fronts. Modelling capabilities of both Machine Learning and Statistical Inference, with production models focused on three main areas: Customization, Supply Chain, and Pricing, which are continuously evaluated by customers. An example of the above is the new search engine deployed on the Falabella and Sodimac websites, which uses these technologies. Additionally, we also made progress in the data visualization and reporting areas, and obtaining business insights, where we seek that



Million transactions
in our stores annually



Million visits
to our shopping centers



Million visits
to our retailers' websites



Million identified
customers



Million e-commerce
e-commerce orders

our executives make better informed and more timely decisions. We are having a greater and better use of data, placing the customer at the center of our decisions, using information on visits and pur-

chase behavior, so that all our businesses can generate a differentiating proposal and add further value to our customers in their shopping experience.

LOYALTY PROGRAM

In 2019, we created a corporate team with the aim of enhancing the benefits and scope of our loyalty program, from a regional perspective. With this strategy, we seek to be the leading loyalty program in the region.

The main milestones achieved in 2019 were:

We launched points earning via all means of payment in Chile. This allows our customers to earn points in our Retail businesses, regardless of whether they use means of payment from Falabella, or from other banks. At the same time, we enable registration features and points queries in the Group's business apps and websites. The goal of these initiatives is to have the loyalty program cease to be a card points program and become the entire Falabella Group loyalty program

We subscribed new point earning partnerships outside the group in Chile, Peru and Colombia. Allowing clients to obtain more CMR Points on their purchases and expanding the scope of the program to businesses outside the group. Probably the most significant partnership is that achieved with Despegar, the company to which we sold our Travel business, with the aim of enhancing the supply to our customers, and providing them with

greater benefits in Chile, Peru, Colombia and Argentina. We seek to continue making progress with this strategy to provide a variety of shops to our customers where they can earn and redeem their points.

We expanded point redemption in associated stores, with a focus on entertainment and food, creating greater flexibility and accompanied by a better redemption experience.



**CMR
puntos**

Acumula **CMR Puntos** con
todo medio de pago
inscríbete descargando la app Falabella



Development of a flexible technological platform

Our physical-digital ecosystem is comprised of capabilities that must be integrated and collaborate in a coherent fashion; technology is a key factor in making this

happen. Technology contributes to the ecosystem via three dimensions: culture, tools and IT capabilities.

Culture

As we evolve into an organization where technology is at the center of value, the differences between business and technology roles fade away.

We are promoting new ways of working. The Falabella Digital Factories have spent several years enhancing the digital channels and digitizing customer Journeys. Its teams apply agile methodologies and conduct automation and continuous delivery (DevOps) practices.

We continued expanding our Digital Factory in Bangalore, India, which mainly develops e-Commerce to other areas of competence, already having over 200 professionals of the highest level and experience. This team joins developers in Chile, Peru, Colombia, Mexico and Argentina, where we are developing key functionalities such as Digital Payments, Market Place and Apps. In total, over 3,000 IT professionals are part of the group.

Tools

Better tools are required to build and profit from the capabilities and working practices.

We defined a Cloud adoption strategy for the agile, efficient and scalable development of our digital, data, advanced analytics and artificial intelligence platforms.

In 2019, we deployed corporate tools and platforms to efficiently develop and govern the growing number of APIs created, communicate the thousands of events generated daily between the various platforms, automate the generation and management of application infrastructure, among other functionalities that facilitate the build of the ecosystem.

Our development teams are adopting tools for the acceleration and automation of the software development process, which go along the DevOps work philosophy.

The technology is at the center of the business.

IT capabilities

Our focus is on building the systems and platforms that are critical for the differentiation of our businesses and the building of the physical-digital ecosystem.

At the marketplace, we are developing a platform which will make capabilities available for our suppliers, enabling them to execute their strategies, have an agile onboarding, an efficient product creation process and making use of our logistic services, all powered by business intelligence driven by data generated in the operation. Marketplace will enhance the product assortment of our retailers, going from thousands to millions of SKUs.

We are also working to standardize and enhance the group's Data & Analytics platforms, with more flexible and scalable technologies. This year, retail businesses have a new search feature developed based on open source technologies, micro-services and which is cloud native. The search engine includes machine learning techniques to improve relevance of search results. As a result, we have increased conversion and sales per visit. In logistics, we are working towards improving the assertiveness and efficiency of delivery logistics, last mile particularly, with technological solutions enabling the flexibility required to operate with various shipping models and strategies. We are also integrating our business systems to enable the group's branch network as collection points for the "Click & Collect" purchase method in Chile, Argentina, Colombia and Peru.

In the loyalty program, we are focused on four main lines of work, deploying an approved point earning system in the region, making the gift cards, system further scalable and flexible, digitizing and integrating Customer Journeys at the various channels, and offering the benefits of the new program through all channels.

In payment systems, we are creating a simple and secure digital solution for online and physical stores payment, which will also enable transfers of money among

people. We want to allow anyone to consolidate their payment methods in a single app, showing the most convenient payment method, along with benefits inside and outside the Falabella ecosystem.

The ecosystem capabilities also have an impact on the physical world and generate a true omni-channel experience. We want customers to go through the various Journeys, regardless of the channel and format they are in: start an online purchase and complete in-store, and vice versa; provide personalized recommendations in stores as we would on the website and simplify the payment process as much as possible, among others.

Technological security

We continue to invest in the security of our customers and their information, our systems and our operation. Our security plan includes people identity management in our systems, the implementation of cyber intelligence monitoring and crisis management centers, and the encryption of our communications, among other measures. We are making progress in the PCI standard certification (Payment Card Industry Data Security Standard), for an even more secure handling of our customers' payment methods.

In this sense, Falabella is focused on constantly training its employees in the latest cybersecurity matters. During 2019, we conducted various inductions, e-learning, lectures and campaigns to inform and educate on best practices, in addition to mailings with relevant information. This meant training over 26,000 people.

E-commerce



Linio's NMV grew 58% during the year, reaching MMUS \$ 188. This was largely driven by a 49% traffic increase.

Falabella Retail

Falabella.com stands out as the largest e-commerce player in Chile, and a leader in Peru and Colombia. During 2019, we reached 800 MM USD in online sales, which means 20% online sales penetration over total sales.

Sodimac

Sodimac.com supplies over 100,000 products and services that are locally available. With 36 million visits per year in Peru, it ranks first in traffic in the Home Improvement category. In addition, this year we consolidated nationwide distribution in Peru, including express shipping in 90 minutes, which resulted in significant growth in internet sales.

Tottus

E-commerce indexes had a strong growth in 2019, driven by the CyberDay, Cyber Monday and Green Days events, among others. Visits during the year increased over 40% with a significant increase in the conversion rate. In addition, and as a part of the omni-channel strategy, over 30 Tottus stores were enabled as pickup points for orders from Tottus, Falabella and Sodimac, which will continue to increase during 2020.

LINIO'S NMV GREW

58%
DURING
2019

FALABELLA'S TOTAL NMV REACHED

US\$1.2 BN



Post Events on October 18th in Chile

In the continuous search to improve and strike balance between our economic performance and our social and environmental commitments, we strive to respond to all our stakeholders in a timely manner. On this occasion, and within the framework of this effort, we believe it is appropriate to explain how we were affected as a company following the events occurred on October 18th, 2019 in Chile, our main market.

In operational terms, certain stores, offices and shopping centers of our business units suffered damages and impacts of various magnitudes. In some cases, it was necessary to temporarily suspend activities, such as in the main shopping centers in the country, which had to close their doors for a few days, or in the case of the e-commerce and marketplace business units, which suffered delays in deliveries. In others, we were forced to permanently suspend activities, such as the cases of some Tottus and Sodimac stores.

As of December, 199 stores gradually resumed their operations and service hours, as well as the e-commerce and marketplace operations, six locations of our operation being permanently affected. After quantifying and assessing the damages suffered, we observed that the greatest impacts were related to deterioration of inventories, properties, plant, equipment and investment properties, and in the economic effects that these events brought about.

In terms of our day to day, and despite being affected in the ability to provide a service to our customers, we

feel the need - more than ever - to think and work as a team. We intensely and clearly live the experience of being part of one team. We experience it in our decision making, in the commitment and support of all people who are part of the company's various business units, and in everyone's effort to continue providing service to our customers, with the forefront of their and our employees' integrity.

Along these lines, we have deeply thought about our role regarding our employees, suppliers, customers and communities. On a wide context, we completed 2019 with strong investments in safety and improvement of all our protocols. And at the particular level, we deployed sets of measures in response to events and as result of working as a single team:

For our employees:

- 1 We made transportation available to improve travel from home to office (and vice versa).
- 2 We enabled the "AllRide" application to promote "car-pooling" among employees.
- 3 We provide labor flexibility and remote work.
- 4 We held voluntary participation discussions so that everyone could express their feelings and experiences, also promoting a culture of listening and empathy within that instance.
- 5 We provide professional psychological support for all employees exposed to stress.
- 6 We relocated employees who were affected by the burning or looting of the stores where they worked.
- 7 We reinforced security measures in all our stores.
- 8 We organized various volunteering activities to provide support to the operation and the communities where the company conducts operations.
- 9 We worked along unions in each of the business units, to deploy support and reassurance measures for all employees.



For our suppliers:

- 1 Employees for subcontractor companies affected in their operations were relocated.
- 2 We advanced payments to SME suppliers.
- 3 We provided opening and closing flexibility to stores.
- 4 We decreased stores service hours.
- 5 We strengthened our entrepreneurship programs.
- 6 We reinforced security measures for the delivery of merchandise in sales rooms and distribution centers.

For our customers:

- 1 We strengthened communication to keep them up to date with the changes to service hours of our stores and shopping centers.
- 2 We provided extra security to continue operations at shopping centers.
- 3 We granted flexibility and some discounts in the payment of leases for premises at our shopping centers.

For our communities:

- 1 We worked along civil society organizations to provide support.
- 2 We provided first aid kits to the communities near our stores and gave support to the neighboring residents of the affected stores.
- 3 We ensured the delivery of lunches given to schools.
- 4 We created partnerships with Foundations to start a conversation in the community.
- 5 We reopened shopping malls with the support of residents from communities where the stores are located.

In summary, we sought to generate new ways of working, starting a conversation and integrating various and new perspectives, with the conviction that this enriches and strengthens our culture.

COMPREHENSIVE DEVELOPMENT OF OUR EMPLOYEES

The team of people developing at the various Falabella business units is the one that allows us to fulfill our purpose and make the company's sustainable growth possible. It is for this purpose that we seek to promote an organization and a work environment that allows us to adapt to new generations, habits, beliefs and technological changes.

Firstly, when employees first join Falabella, we conduct an induction process, e-learning courses and internships in stores or distribution centers, which allow them to get in touch with the company's culture. As an example, Sodimac provided induction courses to 9,458 people during 2019 (this includes Chile, Peru, Colombia, Argentina, Brazil, Uruguay, Mexico).

Therefore, Falabella and each of its subsidiaries has a people management strategy based on two pillars: Talent and Culture.

Secondly, specific and technical courses are available to all employees, which provide them with information and tools to achieve their professional and business objectives successfully. Three training programs became highly relevant in 2019 in the case of Falabella Retail in Chile, for example:

I. Talent

At Falabella, we believe that personal and professional development are essential dimensions for the growth of our employees, which is why we try to provide tools that allow for the enhancement of their personal and academic skills. Our goal is for the company to become a comprehensive development space, which values and recognizes its employees' achievements, merits, performance and abilities.

In this sense, we provide training programs, academic training, and performance evaluations, which allow people to design their professional growth plans.



1 The **“Experts”** Program, which consists of training and transforming the sellers of our stores into brand ambassadors, through training activities, workshops and competitions. In total, 281 people were trained, who received 2,377 hours of training.

2 The program **“Wanting is selling ... We are Omni-channel”**, which seeks to train our salesmen in techniques and sales strategies through No Mix tools (use of iPads or virtual Kiosks), understanding the omni-channel concept and reviewing the various omni-channel customer profiles, with the purpose of better serving and selling more with the available technological tools. 1,916 employees were trained, resulting in 15,328 hours of training.

3 And the program **Customers #Moving experiences**, which aims to promote an agile culture in stores, providing tools and practices to form autonomous teams, focused on the customer and their needs, to provide the best shopping experience. For this purpose, face-to-face workshops were conducted with over 500 store leaders (accounting for 4,072 training hours) on agile and collaborative work methodologies, in addition to digital capsules to reach the largest number of store employees (e-learning courses were aimed at 2,400 people, thus providing 2,400 training hours). Based on the knowledge acquired in face-to-face workshops and capsules, the generation of ideas was promoted with a focus on improving quality of service, customer experience (scalable to all businesses), promoting an entrepreneurial spirit in our teams, with a leadership aligned to agility principles. The contest received 1,898 ideas, from which ten were selected, which were then part of acceleration workshops seeking to perfect their proposals. The three awarded ideas will be deployed via agile cells during 2020.



In total, taking these and other programs into account, 4,316,406 **training hours** were provided in 2019, which accounts for an average of 38 training hours per worker, per year. The trend of these results can be seen in the following table:

AVERAGE TRAINING HOURS PER YEAR PER EMPLOYEE

2017	Male	42	
	Female	35	
2018	Managers and Executives	Male	46
		Female	52
	Professionals and technicians	Male	30
		Female	26
	Other employees	Male	38
		Female	27
2019	Managers and Executives	Male	35
		Female	33
	Professionals and technicians	Male	30
		Female	27
	Other employees	Male	46
		Female	35

The data shows that, during 2019, there was a drop in training hours, especially for the Manager and Executive positions. This is explained by a change in training approaches, which were mainly aimed at operating personnel to respond to the needs of some business units such as Tottus Chile and Sodimac in Mexico.

In general, business units have robust training meshes to strengthen the customer service, sales and product handling capabilities of all people in direct contact with our customers.

The greatest challenge in current learning programs is the speed of the changes experienced by our society, which forces a continuous update of knowledge and skills. With this purpose in mind, we already have conducted the first contents self-management and digitization, which are the trends that we must continue to promote and which will probably become the main path for learning for employees at our businesses.

At the Digital Factory, and in part of the corporate teams of Falabella Financiero, each team decides who will attend these courses and which content is relevant in light of the business challenges they face. For this purpose, Human Resources has allocated budgets directly to these teams' leaders, who have the responsibility of ensuring the proper use and fair allocation of these resources. Along these same lines, technology development teams share their knowledge via Meetups, face-to-face or virtual meetings, where anyone considering this information to be relevant is invited, which is also shared on digital platforms.

Also, Academia FIF sessions have been conducted for some years now, where managers and various specialists share their know how with professional audiences.

In the same professional training context, we have funded¹ MBA and Masters programs abroad since 2009, with the aim of promoting and enabling the improvement and development of employees with a good performance and high potential for Falabella.

Initiatives for talent retention are added to these training instruments, which allow us to identify employees with high potential and support their development. We seek to harness the power and diversity of our businesses as a competitive advantage to attract the best talent and create synergies enabling us to have a more efficient operation. Among the main initiatives we find:

- **“Talentum” Program:** inter business internships, through which we seek to promote internal mobility and the exchange of good practices, in addition to mobilizing businesses towards our “We are a Team” principle. In 2019, we received 1,157 applications for an availability of 815 internships and 342 projects.

- **Search for young professionals from target universities** to introduce them to our labor value proposal, main projects and business challenges, and position Falabella in the “top of mind” of the best companies to work for. In 2019, we held 14 fairs, three attraction events, and three university lectures.

- **Attraction of technological and digital profiles:** we are continuously adding professionals with STEM profiles (Science, Technology, Engineering and Mathematics) into various areas of our activity. To do this, we maintain bonds with specialized universities, conduct digital Hubs in the region, run Hackathons, fund training for our

employees and organize internships at Falabella India, where we concentrate a large part of our technological talent, thus offering professional growth opportunities.

- **“Made in Falabella” Innovation Competition:** the first version of this contest was held between August and September 2019, as a global initiative from the company, in which over 2,000 people from nine countries were involved. Employees from all Falabella business units submitted over 620 projects, seeking to promote innovative ideas for stores and branches, with a focus on simplifying the lives of customers at any of Falabella’s formats. The winner was the “Falavivir” project, devised by our technology hub in Bangalore, and four additional additional projects were also awarded, from teams from various businesses and countries.

Turnover² and hiring³ rates of the company, reached 43% and 47% during 2019, respectively. These percentages include all work contract modes available at Falabella and all its business units: fixed-term, indefinite, full-time and part-time work contracts. If we only consider central office staff, under the same work contract modes, turnover rates are 14%, 27%, 18% and 15% for Sodimac, Falabella Retail, Tottus and Chile financial businesses, respectively.

¹ To receive financing for an MBA or Master, the employee must meet the following requirements: 1. be accepted at any university selected in the Annexes of the call; 2. have a satisfactory performance evaluation; 3. have a desired seniority of 4 years (but a minimum of 2); 4. have an interview with the executive development team; 5. and have the approval of the Chief Executive Officer, Unit Manager, General Manager, Sponsor of the Corporate General Manager and approval of the Corporate Managers Committee.

²Turnover rate is measured as the number of employees who leave the organization voluntarily or due to dismissal, retirement or death, over the total staff during the reported period.

³Recruitment rates are measured as the number of new hires over the total staff during the reported period



New Hires

• Per Age

	Female	Male	Total new hires	Hiring Rate
Under 30 years	20.055	18.624	38.679	79%
Between 30 and 40 years	5.130	5.300	10.430	27%
Between 41 and 50 years	1.675	1.524	3.199	18%
Between 51 and 60 years	657	450	1.107	14%
Between 61 and 70 years	93	92	185	10%
Over 70 years	19	16	35	15%
TOTAL	27.629	26.006	53.635	47%

• Per Country

	FEMALE	MALE	TOTAL NEW HIRES	HIRING RATE
▶ Chile	10.798	9.992	20.790	39%
▶ Peru	12.137	10.585	22.722	68%
▶ Argentina	130	147	277	6%
▶ Colombia	2.886	2.564	5.450	32%
▶ Uruguay	48	75	123	27%
▶ Brazil	528	802	1.330	38%
▶ China	13	4	17	11%
▶ India	24	95	119	100%
▶ Mexico	991	1.661	2.652	108%
▶ Others	74	81	155	64%
TOTAL	27.629	26.006	53.635	47%

Turnover

• Per Age

	Female	Male	Total exits	Turnover
Under 30 years	16.042	16.960	33.002	67%
Between 30 and 40 years	5.347	5.571	10.918	28%
Between 41 and 50 years	2.050	1.782	3.832	22%
Between 51 and 60 years	850	653	1.503	19%
Between 61 and 70 years	188	190	378	20%
Over 70 years	12	34	46	20%
TOTAL	24.489	25.190	49.679	43%

• Per Country

	FEMALE	MALE	TOTAL EXITS	TURNOVER
▶ Chile	11.437	10.065	21.502	41%
▶ Peru	8.699	9.560	18.259	55%
▶ Argentina	504	523	1.027	21%
▶ Colombia	2.234	2.469	4.703	27%
▶ Uruguay	37	82	119	27%
▶ Brazil	470	767	1.237	35%
▶ China	15	7	22	14%
▶ India	6	16	22	18%
▶ Mexico	856	1.481	2.337	95%
▶ Others	231	220	451	187%
TOTAL	24.489	25.190	49.679	43%

In order to have the best talent, Falabella also promotes **performance evaluations**⁴ allowing employees to trace their professional growth paths based on feedback, enhance their leadership and align to our culture. In 2019 we carried out two processes: Top management Executive Evaluation, and 360°, 180°, 45° or other performance evaluations, for other employees. We managed this through a tool by which we measure skills, potential and KPIs. The goal of these instruments is not only to identify talent, but to also generate individual development plans enabling each evaluated employee to improve their results and boost their potential.

In the case of the Executive Evaluation, the goal is to evaluate 100% of the staff with a minimum of four months in the position and / or company, who occupies a manager, assistant manager position and other core positions of the business, including all countries and businesses where Falabella is present today. During 2019, 2,570 evaluations were conducted for executives from Chile, Peru, Colombia, Argentina, Brazil, Uruguay, Mexico and Asia.

A total of 73,700 evaluations were conducted to⁵ our employees during 2019, reaching 72% of our staff⁶, as shown below:

	Men	Women
Year	2019	2019
Evaluated (%)	75%	69%

Note: data for years 2016 and 2017 are not included in this table, since evaluation criteria was changed for this year.

⁴ The number of evaluations indicated above corresponds to year 2018, since 2019 performance evaluations will close in the first quarter of 2020.

⁵ Executive Evaluation, 180° Evaluation, 90° Evaluation, 45° EDD, among other.

⁶ Including 90% of our staff.





Culture

Work environment

The best of our employees in the various business units arises when in a pleasant environment with confident people who are committed to what they do. For this reason, at Falabella we work on providing an enriching development and work environment, in which respect and collaboration prevail. Not only for our internal employees, but also for our external employees, such as security, cleaning, maintenance and store personnel, who day by day share time and experiences from their work.

To create these environments, we made progress on various initiatives such as:

- Work climate measurements made in part through participation in the “Great Place to Work” survey, which measures employees’ perception of the internal environment and factors linked to production and human resources, which have a direct impact in the company’s Companies were categorized according to the number of employees:

IN CHILE, in the companies over 1,000 workers’ category, Falabella Retail and Sodimac occupied 6th and 8th places, respectively. And among companies with between 251 and 1,000 employees, Mallplaza was ranked 7th.

IN PERU, in the companies with over 1,000 workers’ category, Tottus ranked 14th, Sodimac and Maestro 17th, and Saga Falabella 20th. While in the between 20 and 250 workers’ category, Mallplaza was ranked 9th.

IN ARGENTINA, in the companies with up to 250 workers’ category, Linio was ranked 7th.

IN COLOMBIA, Falabella Retail reached 20th place in the over 500 employees category.

Other internal surveys, created on technological platforms and aimed at all employees, such as the case of Falabella Inmobiliario, which stands out for its camaraderie results, inclusion and diversity, engagement and future employment.

- Work flexibility plans: flexible times, remote work, unpaid leave, parental leaves, lactation, recreation areas.
- We also promote dialogue and transparency, recognizing freedom of association and labor rights of our employees. The relationship with unions is via the Human Resources Managers of each business. As of December 2019, 36% of employees at our various business units were unionized (covered by class agreements), as in the previous year. In Chile, the unionization percentage reaches 65%.

In addition to the above, we work to **provide safe and healthy spaces**, via risk prevention programs and promotion of healthy lifestyles.

In general terms, our health and safety management system is based on the OHSAS 18001 standard, for the establishment of legal compliance requirements and minimizing accident and disease risks. We hold joint Committees, whose responsibility is to detect and assess accident and / or occupational disease risks and monitor compliance with prevention, cleanliness and safety measures. The Committee meets once a month, and is able to call for extraordinary meetings in the events of accident investigations or upon the request of its chairman, and represents 100% of employees.

In the prevention context, training is provided to employees of our subsidiaries in topics such as: first response to health emergencies, use and management of fire



extinguishers, ergonomics in the workplace, emergency psychology, Law 16,744 and certification by Instituto de Preparación ante Emergencias y Desastres, on effective operation techniques for emergency brigades, among others.

In case of risks or incidents, employees can report to the Joint Committee, the Emergency Brigade or directly to the risk prevention unit through email prevencion-deriesgoscahedral@falabella.cl. Health and / or safety incidents are investigated by the Joint Committee by conducting interviews with victims and direct headquarters, and we provide our employees with the service of Asociación Chilena de la Seguridad (ACHS). In the case of contractor or subcontractor companies, we hold quarterly meetings with their prevention specialists, in order to ensure the health and safety of external employees, requesting training and development of protocols from the Health Department.

We have risk prevention experts and joint hygiene and safety committees both in our stores and in our distribution centers, whose policies are directly reported by each of our businesses.

In particular, we conduct campaigns and inspections with the aim of minimizing and managing the possible risks of each business. Among the main practices, we can mention:

- Control of accident indexes and periodic evaluations thereof.
- Periodic training, led by risk prevention teams, which include: a) mandatory induction for incoming employees; b) evacuation drills.
- Application of hazard identification matrices –like MI-PER-, to assess risks and control measures at various levels.

In the quantitative context, 2,758 work accidents were recorded during 2019, which shows an accident rate⁷ of 3.5%, where as a 3.5% rate was observed during 2018. To this data, we can add that there were no workplace fatalities at any of our businesses during 2019.

Regarding the occupational illness frequency rate (OIFR⁸) and the lost time injury frequency rate (LTIFR⁹), these reached values of 1.24 and 14.41 respectively.

HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT INVESTIGATION

	2017			2018			2019			
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Deaths due to an accident at work or occupational illness	0	0	0	0	0	0	0	0	0	0
Hours worked	197,200,178	105,701,984	97,442,674	203,144,658	98,758,551	95,626,133	191,384,685			
Total accidents	4,152	2,170	1,827	3,997	1,571	1,187	2,758			
Lost Time Injury Frequency Rate (LTIFR)	21.05	20.53	18.75	19.68	15.91	12.81	14.41			
Total occupational illnesses	186	48	50	98	131	107	238			
Occupational illness frequency rate (OIFR)	0.94	0.45	0.51	0.48	1.33	1.16	1.24			

II. b. Diversity and inclusion

For us, inclusion implies that we are not only able to attract diverse people to our company, but that all of them are effectively a part of the company, contributing from their identity and circumstances. It is not a mere transactional agreement, but a personal commitment, that all our employees find the space to contribute to society by being who they are. That is the best success formula, so that we are one team. At Falabella, we have sought to make progress in reducing and avoiding the challenges faced by people on an inclusion group and which may obstruct their possibilities to be a part of, develop and fully grow in the workplace.

In 2019, we launched a Diversity and Inclusion Policy that is standard to all our business units, which creates common standards, structures and processes, and which were accompanied by active integration measures. During the year, we were focused on **strengthening three groups: gender, sexual diversity and disabled people.**

⁷ Work accidents / Direct staff.

⁸OIFR: Number occupational illnesses resulting in lost time during the reporting period per one million hours worked, during the workday of the year.

⁹LTIFR: Number of accidents resulting in lost days during the reporting period per one million hours worked, during the workday of the year.

¹⁰ A corporate Diversity and Inclusion Committee was created along these lines, joined by Diversity and Inclusion Committees for each business unit in Chile and a Committee of the same nature for each country in which we operate. Additionally, these data do not include Sodimac in Mexico.



Several corporate guidelines initiatives were deployed along these lines, to various extents, depending on the business and country:

- Women's mentoring programs (Mentor up; internal mentoring; Connected Women)
- Leadership training circles for women.
- Unconscious bias workshops.
- Requirements for the number of female candidates on candidate short lists for position applications (at least 30%).
- Gender neutral work flexibility programs.

Particularly in the case of the Connected Women program, we invested into developing strategic skills for female executives from all business units in 2019. A training roadshow was conducted in four countries: Chile, Peru, Colombia and Argentina, attended by over 200 executives. Classes and practical exercises were held on two topics: **Problem Solving skills and Change Management**, which sought not only to develop skills in our executives but also to understand the differences in leadership styles, such as between men and women, and how to make use of those differences.

Similarly, each business unit develops projects based on their context:

At Falabella Retail:

- In terms of gender equality, there are work flexibility programs; prevention and / or detection of sexual harassment; wage gap; and F Generation, a training program in digital areas for store women.
- It also has job inclusion programs for disabled people, job inclusion courses and universal accessibility.

At Sodimac:

- In terms of gender equality, it has a labor flexibility program to contribute to co-responsibility; prevention and / or detection of sexual harassment; conduct salary gap analyses; Initiatives have been launched for reconfiguring the stereotypes of various types of work (such as crane management); and have fostered the development of women at the IT unit via the development of technological solutions.
- In terms of sexual diversity, all benefits equate Civil Union to marriage, have a gender identity transition protocol and made progress in hiring trans people.
- In addition to the above, there are job inclusion programs for disabled people, lectures on education about this topic, and adaptation monitoring at the workplace; Improvements in universal accessibility have also been added both for employees as well as customers.

At Tottus:

- Regarding gender equity, there are programs for reducing the wage gap, campaigns against gender stereotypes and inclusive language workshops (AHA Inclusion).
- There are also job inclusion programs for disabled people, such as job inclusion courses, universal accessibility, sign language courses, and we have partnerships with expert advisers, such as AHA Inclusion and Nexo.
- In terms of sexual diversity, there is a gender identity transition protocol, inclusive marketing workshops and front line lectures on diversity.

At Mallplaza:

- Regarding gender equality, as of this year, the Board of Directors includes a woman, and since 2018, the Executive Committee has two female members.
- Regarding the inclusion of disabled people, there are processes for the creation of job profiles, recruitment and selection, evaluation on office accessibility and the survey of modifications to be conducted.

At Falabella Financiero:

- In terms of gender equality, CMR Chile received the Female Talent Award, for promoting women's work through high levels of female recruitment.

- In terms of sexual diversity, there is no difference in benefits for Civil Unions or Marriage Agreements, and it is an observant company in Pride Connection Chile.



At Falabella Inmobiliario:

- In terms of gender equity, there are programs to reduce the wage gap.
- Regarding the inclusion of disabled people, there is continuous work on remodeling accesses and infrastructure to offices, common areas and bathrooms.
- In terms of sexual diversity, there is advice from the Fundación Iguales (Pride Connection) to deploy inclusive measures.

These efforts towards diversity and inclusion by Falabella are expressed in our numbers and objectives:

positions, among including at least 30% of women in the recruitment and selection process and coaching, mentoring and leadership programs for women.

- Women in managerial positions: We have specific measures to increase the number of women in executive

			TOTAL	% WOMEN / TOTAL	TARGET 2022
OTHER EMPLOYEES	43.199	40.510	83.709	52%	50%
PROFESSIONALS AND TECHNICIANS	14.057	13.580	27.637	51%	50%
MANAGERS AND EXECUTIVES	1.317	2.500	3.817	35%	40%
TOTAL	58.573	56.590	115.163	51%	



FALABELLA STAFF¹¹

Falabella completed year 2019 with a total staff, at all business units, of 115,164 people. Three relevant insights emerge from this total of employees: a) 51% are women; b) 43% of this total staff is under 30 years of age; and c) 47% remain working in Falabella for over three years, of which 25% are women.

	Other employees	Professionals and technicians	Managers and Executives	TOTAL
Falabella S.A.	41	953	125	1.119
Subsidiaries	83.668	26.684	3.692	114.044
TOTAL	83.709	27.637	3.817	115.163
Chile	40.323	10.974	1.555	52.852
Peru	24.701	7.668	927	33.296
Argentina	3.377	1.247	223	4.847
Colombia	10.528	6.253	443	17.224
Uruguay	335	100	14	449
Brazil	2.714	482	334	3.530
China	23	103	30	156
India	0	95	24	119
Mexico	1.542	653	254	2.449
Other	166	62	13	241
TOTAL	83.709	27.637	3.817	115.163

	Female	Male	TOTAL
Other employees	43.199	40.510	83.709
Professionals and technicians	14.057	13.580	27.637
Managers and Executives	1.317	2.500	3.817
TOTAL	58.573	56.590	115.163

CLASSIFICATION BY AGE RANGE

	Female	Male	TOTAL
Under 30 years	24.044	25.121	49.165
Between 30 and 40 years	19.840	18.578	38.418
Between 41 and 50 years	9.730	7.951	17.681
Between 51 and 60 years	4.142	3.643	7.785
Between 61 and 70 years	749	1.131	1.880
Over 70 years	68	166	234
TOTAL	58.573	56.590	115.163

CLASSIFICATION BY NATIONALITY

	Female	Male	TOTAL
Chile	26.731	22.814	49.545
Peru	16.307	17.439	33.746
Colombia	8.780	8.732	17.512
Argentina	2.762	2.039	4.801
Brazil	1.403	2.159	3.562
Uruguay	207	249	456
Other	2.383	3.158	5.541
TOTAL	58.573	56.590	115.163

¹¹ The staff includes Falabella S.A. and its subsidiaries, including not consolidated.



CLASSIFICATION BY SENIORITY AT FALABELLA

	Female	Male	TOTAL
Under 3 years	29.827	31.071	60.898
Between 3 and 6 years	11.378	9.617	20.995
Between 6 and 9 years	7.628	6.436	14.064
Between 9 and 12 years	4.184	3.636	7.820
Over 12 years	5.556	5.830	11.386
TOTAL	58.573	56.590	115.163

In terms of remuneration, average base salaries of our female employees with respect to the average base salaries of our male employees show the following:

	Base Salary 2018	% of total staff	Base Salary 2019	% of total staff
Other employees	94%	75%	110%	73%
Professionals and technicians	89%	22%	98%	24%
Managers and Executives	76%	3%	77%	3%
TOTAL		100%		100%

Our policy is that at the same position, the same salary band must exist. The difference shown in the Managers and Executives category is mainly the result of the com-

position of such category, in that as positions are higher, there is less participation of women.

Specifically, for the Chile case, considering this as a location with significant operations, the distribution is as follows:

	Base Salary 2019 Female /Male	% of total staff
Other employees	118%	76%
Professionals and technicians	95%	21%
Managers and Executives	86%	3%
TOTAL		100%

Finally, our board of directors is comprised as follows:

Falabella Board of Directors	2017	2018	2019
Under 30 years	0	0	0
Between 30 and 50 years	2	1	1
Over 50 years	7	8	8
TOTAL	9	9	9

Falabella Board of Directors	2017	2018	2019
Men	7	7	7
Women	2	2	2
Total	9	9	9



We have received some awards during 2019 due to our efforts regarding inclusion.

Falabella Retail Chile was awarded by Comunidad Mujer and Índice de Paridad de Género (IPG).

Falabella Retail Argentina obtained 7th place in the Great Place To Work Women ranking.

Falabella Retail Peru obtained 3rd place in the Great Place To Work Women ranking.

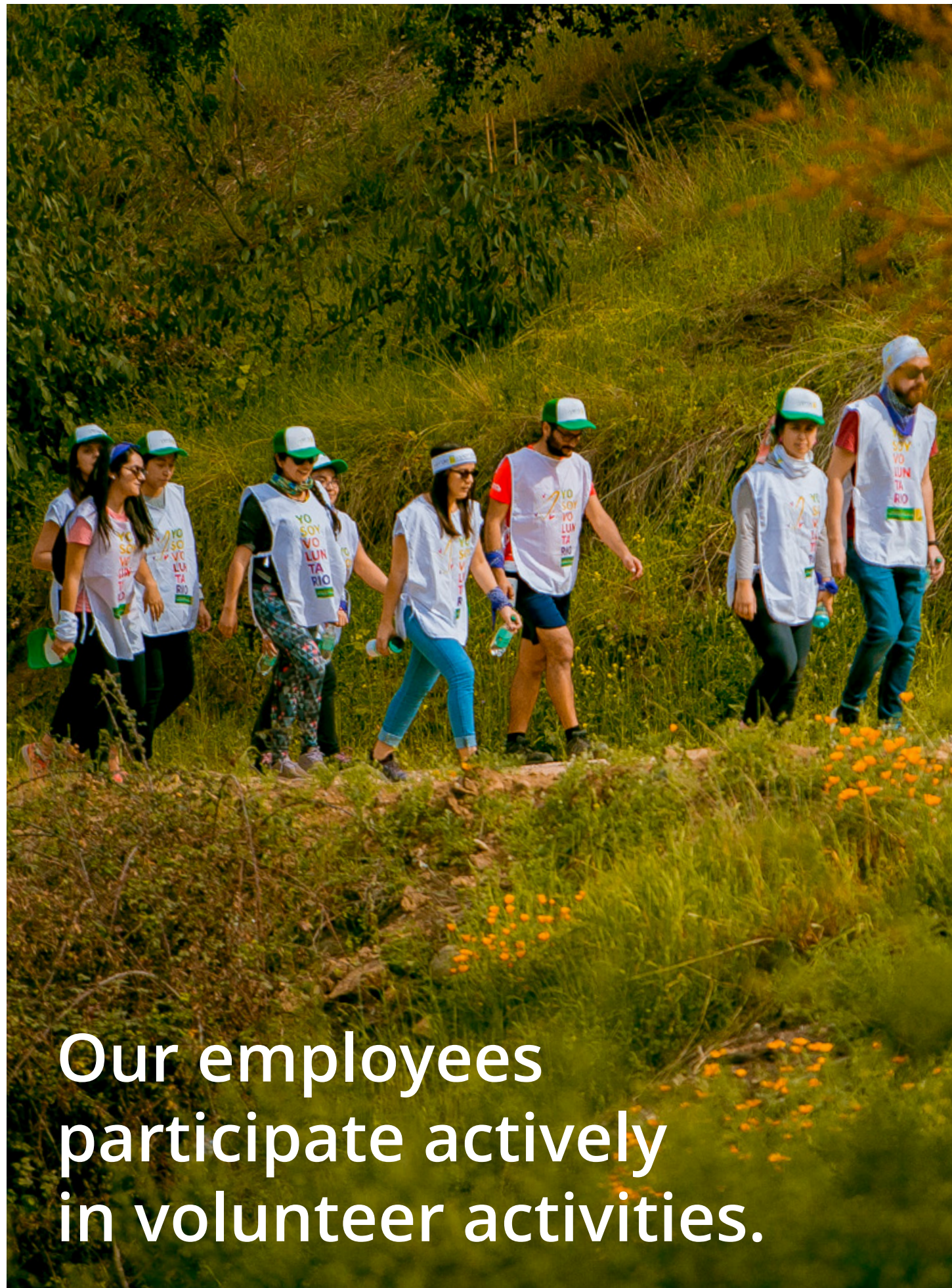


Sodimac Colombia received an Inclusive Company Seal Certification, granted by the Asociación Nacional de Empresarios de Colombia (ANDI), Colombia's largest business union.

In Sodimac Peru, 2nd place in the PAR Ranking, which outstands companies promoting and defending gender equality.

Sodimac Brazil was first featured in Great Place To Work Women.





Our employees participate actively in volunteer activities.

GENERATE SOCIAL IMPACT

We want to be leaders in creating programs that bring benefits to the majority. To achieve this, we work on skills installation and creation of long-term partnerships enabling us to contribute by improving the living conditions of children, teens and communities where Falabella has a presence.

Our social investment is made up of:

- 1 **Community investment:** long-term strategic participation in, and partnership with, community organizations to address specific social issues.
- 2 **Donations:** specific or occasional support for good causes in response to the needs of charitable and community organizations, requests from employees or in response to external events such as emergency relief situations. Every donation made complies with our donation protocol, which indicates that our donations must be aligned with our values and must contribute to the corporate social responsibility goals we have defined.
- 3 **Commercial initiatives:** business-related activities in the community, promoting their corporate and brand identities, in association with charities and community organizations.

Due to the nature of each of our businesses, we have four objectives to meet via our social investment:

- 1 **Contribute to strengthen and improve the educational development of children and teens, essential for the prevention, inclusion, autonomy and recognition of their rights (Falabella Retail and Tottus).**
- 2 **Provide and promote new knowledge, learning and job opportunities to customers, entrepreneurs and local communities via training (Falabella Financiero and Mallplaza).**
- 3 **Improve habitability conditions in our communities (Sodimac).**
- 4 **Work on the articulation and relationship with neighbors, civil society organizations and state agencies in the communities, for the development of projects related to human development and equal opportunities (Falabella Inmobiliario and Mallplaza).**



We have the following enablers to achieve our objectives:

Community investment programs¹²



Entrepreneurs and local employment program

Mallplaza has an entrepreneurial model that integrates its community, commercial and innovation management, in pursuit of the development of an entrepreneurial ecosystem. Thus, it has deployed a bottom-up development model for entrepreneurs based on the management of the company's commercial spaces and the supply of tools enabling them to improve their work. Along these lines, during 2019, various public-private partnerships with entities such as Servicio de Cooperación Técnica (SERCOTEC), Fondo de Solidaridad e Inversión Social (FOSIS), and Instituto de Desarrollo Agropecuario (INDAP) were created, which enabled the development of various initiatives such as: the "Mercado Campesino" in Chile and Colombia; "Que se Cepa" (wine fair), "Chile Unido" (network of Chilean entrepreneurs who worked together post October 18), "Emprendo Navidad" and "Feria Migrantes", activities taking place in Chile; and other initiatives such as "El Mercado" in Colombia and entrepreneurial fairs in Peru; which together provided a unique offer to shopping centers visitors. In total during 2019, 966 fairs were held, 24 permanent spaces, over 3,227 entrepreneurs were involved, over 194 training sessions were held and, particularly in Colombia, 50 entrepreneurs were beneficiaries of mentoring activities.



Grow Healthy with Tottus

Tottus seeks to be recognized as an entity contributing to feeding children and their families in the nearby communities. To this end, it has been educating boys and girls on healthy eating habits from pre-kindergarten to 4th grade in municipal schools near its stores since 2014, with the voluntary involvement of company employees. In 2019, work was conducted at 21 municipal schools located in four different regions: twelve in the Metropolitan Region, five in the Valparaíso Region, three in O'Higgins and one in Maule Regions. Over than 4,600 boys and girls were helped via various activities such as healthy parties (with the attendance of around 500 boys and girls), sports activities (with the attendance of over 7,000 people from the school community), and visits to supermarkets. In turn, we worked with over 1,000 teachers and parents, as vectors of change for the youngest, via educational workshops on food and cooking.

At the same time, we reinforced the program through dissemination on social networks, where we share eating tips and healthy recipes for the family.



Building Home Dreams

It is a Sodimac community relationship instance, on collaboration and involvement, which consists of supplying materials and conducting improvement projects at the premises of various organizations, via the voluntary work of company employees, alongside with the community. It was created 14 years ago, 788 projects have been executed, which directly impacted over 198 thousand people, and which involved the collaboration of 15,000 volunteers. This year, 83 projects were carried out throughout Chile, benefiting 40,090 people in the community, thanks to the work of 1,404 volunteers. Moreover, 120 projects from 84 employees were supported internally to improve their homes and quality of life.

Each project includes the repair, remodelling, or improvement of a community facility or environment. Sodimac supplies materials and their transportation, adding the work of company and community volunteers, essential in the search for collaborative and participatory effort.

The evaluation of the projects is conducted by a technical committee comprised of representatives from Sodimac and Comunidad de Organizaciones Solidarias (COS), which assesses the positive impact of each initiative.

This initiative has benefited foundations focused on the protection of children, the elderly, people with cancer and disabilities; municipal colleges and schools; nurseries and kindergartens; neighborhood councils; indigenous associations; sport centers; firefighters; and the construction of recreation spaces, community gardens and beautification of the environment, among other projects.



Financial education

Falabella Financiero includes financial education into its corporate strategy, with the conviction that a better informed society is also a more responsible and empowered society in the management of its personal finances. For this reason, in 2019 it reaffirmed its commitment and deepened its activities through the Eddu program, aimed at employees, customers, boys and girls and the community in general, which brings together all activities conducted in the field of financial education into a single initiative. Via digital training to customers and non-customers, financial training for employees, financial education tournaments and workshops in schools, and lectures to customers, students and the community, it provides simple and didactic advice that allows them to manage their personal finances and understand its importance. Over 65 lectures were held throughout the country during 2019, to customers, employees and the community, in addition to financial education workshops in 25 schools, for over 1,400 students. In the framework of the Aprende con Eddu tournament, more than 37 schools from the Hacienda Escuela Program were involved, with the attendance of over 1,600 students.

¹² Details of the programs and initiatives of each business can be found in the Sustainability Reports for each one.



Community relationship

As a part of the Mallplaza ecosystem, we seek to strengthen, reactivate and support the social and economic fabric of the territories surrounding the shopping centers. In Colombia, constant efforts were made at the Cali shopping center project during 2019 to mitigate potential environmental and mobility impacts, and contribute to local employability. In Peru, work was conducted on the Urban Dance program, which provides dance and other arts training workshops, aimed at young people under social risk and seeking to strengthen the development of socio-emotional skills. It included the participation of 42 young people between the ages of 14 and 17, in break dance, hip hop, folklore and human development workshops. In Chile, the focus was on generating entrepreneurial spaces within the reopening of shopping centers (for the cases that were closed by the events related to October 18th), on creating partnerships with various organizations from neighboring communities, and in the opening of a digital channel for calling and registering entrepreneurs. At the same time, work was done to strengthen their bond with the surrounding communities, by establishing listening and conversation processes with neighbors and social organizations, in order to deepen their closeness and empathy, learn about their main identity elements and projects, and build joint work plans. Finally, since 2008, Mallplaza has promoted rugby as a discipline which transmits positive values, providing tools and opportunities for social mobility to children and teens in vulnerable areas near its shopping centers in Chile. A public-private partnership was created in 2019 with the municipalities of Los Cerrillos (Mallplaza Oeste), La Reina (Mallplaza Egaña), Puente Alto (Mallplaza Tobalaba) and Talcahuano (Mallplaza Trébol), with the support of partners such as "Asociación de Rugby de Santiago", the chain of "Energy" gyms, and INACAP, benefiting 110 children.



School sponsorship program

The School sponsorship program (PHE) program celebrated its 50th anniversary in 2019. Falabella Retail seeks to build a better future for children and their families via this community investment initiative, providing comprehensive support for schools near stores, distribution center and central offices, actively incorporating its employees. The program is present in Chile, Peru, Colombia and Argentina, from where four fundamental pillars are deployed: "Expanding horizons", which seeks to inspire and awaken the interest of students via extracurricular activities such as sports, innovation, Olympics, etc.; "Academic Essentials", which pursues the objective of developing reading promotion programs for children and providing management and training support to the management team; "Infrastructure", which allocates resources for the improvement of schools facilities; and "Volunteering", which enables Falabella employees to get involved with the community, supporting educational innovation days, storytelling, math tutoring, financial education, healthy eating habits, environmental workshops, etc.

In total, 109 schools and 85,792 boys and girls in the region benefited from this program, with the continuous support of over 5,000 company volunteers, who allocated 28,107 hours to the 'Yo Soy Voluntario' program during the year. And a little further back in the years, between 2017 and 2019, a total of 250,190 students from the 109 schools which the PHE holds a partnership with, were benefited dedicating 73,797 volunteer hours from Falabella employees.





Co-creation of partnerships

We work along organizations who develop sustainable value in people and communities, and we support them in scaling solutions for the majority¹³. Among the main organizations, we can mention:

América Solidaria, with which we work to develop actions contributing to equal opportunities and the overcoming of child poverty on the continent (Falabella Financiero throughout America);

Techo, which we support with various donations, construction materials, logistical support, volunteer work and technical advice (Sodimac in Chile, Uruguay and Peru);

Fe y Alegría, through which we support its network of schools offering academic and training opportunities to the poorest sectors of society (Tottus and Sodimac in Peru);

Corporación María Ayuda, which we support via various initiatives such as recreation, containment and training activities (Falabella Retail in Chile);

Fundación Junto al Barrio, with which we work in various neighborhoods to strengthen community organizations and leaders, and improve the livability of urban spaces (Mallplaza and Sodimac in Chile);

Corporación Abriendo Puertas, to which we contribute in the social and labor reintegration work for women deprived of freedom (Falabella Retail in Chile);

Red de Alimentos y Banco de Alimentos, to which we donate products for consumption, for their corresponding contribution to those who need them most (Tottus in Chile and Peru).

Corporate volunteering

Corporate volunteering is one of the main work axes in the relationship with communities, generating positive impacts both at the level of our employees and the surrounding environment. We seek to offer relevant opportunities to our employees, which make them feel proud of the company, and committed to the communities around us. Therefore, we organized various volunteer activities during 2019, with the involvement of over 12,000 employees, which accounts for over 89,200 hours. This involved a total cost of \$ 419 million¹⁴.

¹³ For further details on the organizations working with Falabella's business units, please see the sustainability reports for each thereof.

¹⁴ To calculate volunteering cost, the total volunteering hours of our businesses were multiplied by the average hourly base salary for each business and country

Communications to our employees

We use communication to inspire a more sustainable way of living, to co-create and foster continuous dialogue. We encourage people to make positive changes in their daily lives and in their communities. Communication around our impact on people and society, our meaningful actions, is an integral part of our communication.

(Mn CLP)	2017 (%)	2018 (%)	2019 (%)
Community investment	68%	71%	75%
Donations	26%	24%	20%
Business initiatives	6%	5%	5%
Total Social Investment	100%	100%	100%

(Mn CLP)	2017	2017 (%)	2018	2018 (%)	2019	2019 (%)
Money	4.043	62%	6.406	72%	5.596	71%
Kind	1.872	29%	1.793	20%	1.604	20%
Volunteering costs	333	5%	369	4%	419	5%
Administration costs	313	5%	340	4%	223	3%
Total	6.561	100%	8.909	100%	7.842	100%



GOVERNANCE

As a company, we have a governing body that continuously manages the risks related to our business in economic, social and environmental matters. This body is the **Board of Directors**, comprised of nine members who hold the position for three years from the date of

election (being able to be re-elected indefinitely), on whom the General Manager of Falabella reports, to whom the Corporate Managers of each business report.

At Falabella, we have three governance and risk management dimensions for economic, social and environmental management and decision-making:

- 1** • The Board of Directors manages risks pursuant to the provisions of the Risk Control and Management Policy, and the results of this process are disclosed to the Board at least once a year.
- 2** • More specifically, the Board meets every six months with a business unit to analyze the proper operation of the risk management process (risk detection, categorization and monitoring), a meeting which is attended by the General Manager of the business unit and the Internal Audit Corporate Manager.
- 3** • Finally, each of our businesses include¹⁵ a Sustainability Committee which in turn includes a member of the subsidiary Board, its General Manager, the Managers of the units linked to the business strategy, and the Managers in charge of sustainability projects. The purpose of this committee is to check compliance with the guidelines issued by the Board, approve strategies and review progress made.

¹⁵ For further information about Sustainability Committees, please see the Sustainability Reports from our businesses available at the web pages of each.



In addition to having a governance structure that allows us to permanently manage economic, social and environmental risks, as a company we have also developed and implemented a robust compliance system, which includes policies, procedures, education and training, to ensure that businesses and employees comply with our ethical and regulatory standards. The trust that thousands of customers, suppliers and employees place in us, responds to the fact that we not only act ethically and responsibly, but that it is the way in which we do business.

Our **governance** during 2019 was built on **three** fundamental **pillars**:

- 1 ● Queries and complaints from collaborators and third parties
- 2 ● Multiple media and contact points
 - Website
 - Intranet
 - E-mail
 - 800 number
 - Personally with the Ethica Department
- 3 ● Centralized management: Reception and resolution by ethics and governance management
- 4 ● Research and implementation

I. Anti-corruption policies

The new Integrity Code for the company and its subsidiaries and an operational Integrity Channel¹⁶ have been in force since 2017, for all businesses, employees, temporary employees, contractors, subcontractors, customers, suppliers, directors, shareholders and any other third party. Through these means we seek to provide clarity regarding the ethical behavior we expect from all employees, and to make inquiries on issues of ethics and information on infractions or breaches with regards to any law or internal regulation. This is how we work to ensure that the values of the company are shared and lived by all, with the purpose of strengthening a culture of integrity. In 2019, 36 cases of discrimination were reported, and upon conducting the corresponding investigations, seven cases were confirmed, thus applying measures of reparation.

¹⁶ The Integrity Channel communication channels are multiple: via a link to the channel located on the Falabella and subsidiaries' website and intranet, 800 number, over email or in person with the Ethics Management Office. Shareholders, suppliers or third parties can file complaints on the company's website at the following link: <https://canaldeintegridad.ines.cl/falabella/>.

In turn, in January 2019, we approved corporate crime prevention and anti-bribery policies, and an updated text of the **Crime Prevention Model**. In this fashion, and via the gradual approval of these standards, we set a new standard for all companies in the group at the national and international levels in this context.

COMMUNICATIONS ON ANTI-CORRUPTION POLICIES AND PROCEDURES

	Chile	Peru	Colombia	Argentina	Uruguay	Mexico	Brazil	Others
Total number of employees	28.966	31.713	3.444	5.516	N/A	N/A	3.800	N/A

Finally, we launched an e-learning course during 2019 for all our employees on the same subject, which included the amendments made on laws No. 21,121 and 21,132¹⁸ (expansion of the crimes catalogue of Law No. 20,393), which was used as a standard model for training for companies across the group.

In terms of communication, a massive communication was conducted in February and August, to 100% of the employees, regarding the Crime Prevention Model, its related topics and the latest legal amendments to Law No. 20,393.¹⁷ Likewise, we made the Crime Prevention Model available through the Falanet mobile application, and we sent copies thereof to the new members of the company, along with the Integrity Code.

In terms of controlling the relationship of our employees with public officials and third parties, we developed an initiative that we called **"Yo Juego Limpio"**, which records meetings and topics discussed among participants. For dissemination, we launched an internal communication campaign in June, aimed at all employees, which included emails and physical and digital posters in all of the company's businesses and countries. Finally, we launched the **"Un millón de gracias, pero no"** campaign in the month of November, which reinforces Falabella's commitment to avoid receiving gifts or presents by our employees, in order to prevent the risk of compromising their independence in business decision making.

¹⁷ Law No. 20,393, which "Establishes the criminal liability of legal persons for the indicated crimes".

¹⁸ Law No. 21,121 "Amends the Penal Code and other legal rules for the prevention, detection and prosecution of corruption." Law No. 21,132 "New crimes based on Law No. 20,393 on criminal liability of legal persons".



II. Training of members of the Government body on Anti-Corruption Policies

It is a priority for the company that both our executives and managers, who are responsible for the government, act with diligence, ethics and transparency in the exercise of their duties, accounting for their activities and ensuring balance, respect and equality for all shareholders, especially minority shareholders.

For this reason, directors have annual evaluations which are entrusted to a third party specialist; inductions for each new director regarding the corporation, its businesses, risks, policies and procedures; and, its permanent inclusion in corruption prevention training activi-

ties. In relation to this last point, directors were included in the Crime Prevention training process in 2019, via the e-learning course mentioned in the previous section. All of the group's directors were qualified for this activity by the end of December, pending execution for the first quarter of 2020.

Particularly in the case of Mallplaza, a training activity was held in a Board session for its members, on May 2019.

TRAINING ON ANTI-CORRUPTION POLICIES AND PROSECUTIONS

	Chile	Peru	Colombia	Argentina	Uruguay	Mexico	Brazil	Others
Training on anti-corruption policies and procedures	18	N/A	-	4	-	N/A	N/A	1

III. Training of employees on Anti-Corruption Policies

Within the framework of training activities in crime prevention aimed at our employees, we have worked in three areas of action: a) induction at the on boarding process, b) general training; and, c) training of employees in "Exposed Charges" (employees whom, due to the

nature of their position or functions, are most exposed to the risk of certain crimes that we are seeking to prevent).

A During 2019, we included the main contents of the Crime Prevention Model, the role and duties of the Crime Prevention Officer, and the mechanisms to report or ask questions on these issues into the **induction process** of our employees. This activity, which is carried out biweekly, reached 76% of new entries - in person - and the remaining 24%, remotely.

B A specialized **training activity** called "Sinergia EPD", was conducted during April 2019, aimed at Crime Prevention Officers - and their teams - from the Group's companies. The goal was to provide content on the new crimes included into Law No. 20,393, resolve questions regarding their application in the field of our operations, and, at the same time, share good practices.

C With the aim of reinforcing the commitment of our companies to fight corruption in any of its forms, the training event "Yo Juego Limpio: Tú Rol en la Prevención", was conducted during October. This activity is organized for management positions and **Exposed Positions** of all the group's companies nationwide since 2017. In the latest version, the collaborating assistants received training not only on our crime prevention program, but also on free competition and the environment. At the same time, internal reporting mechanisms and means of protection for whistle-blowers were explored. These activities have been reinforced throughout the year with workshops aimed at our Exposed Positions.

In addition, in 2019, we worked on a set of **regulations to promote best practices** in Falabella, among which we can mention: Customer Security Procedure; Instructions on the Protection of Commercially Sensitive Information; Policy and Program for the Protection of Customer Rights; Procedure for the Processing and Reply to Customer Claims; Crime Prevention Policy; Anti-Bribery Policy; Compliance Risk Management Procedure; Free Competition Policy and Program; Instructions for the Participation in Trade Union Associations and Instructions for Negotiations with Suppliers for Free Competition.

And we permanently have **rules that governing our behavior**, among which we can list: Risk Control and Management Policy (approved on December 29th, 2015); Conflict of Interest Policy (approved on January 12th,

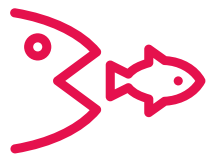
2018) , Sustainability Policy (approved on December 29th, 2015) , Policy for the Preparation of Advertising and Promotional Materials, (approved on August 3rd, 2017); Crime Prevention Model (update approved on December 19th, 2019); Donor Control Protocol (approved on January 12th, 2018); Related Parties Operations Policy (approved on December 26th, 2017); Responsible Marketing and Information Management Manual, labelling, Controls for Crime Prevention Instructions (approved on January 12th, 2018); Instructions for Information Exchange with Linio, (approved on October 29th, 2018); among others.

TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES

Chile Peru Colombia Argentina Uruguay Mexico Brazil Others

Total number of employees 7.737 784 58 5.516 N/A N/A N/A N/A

UNFAIR COMPETITION

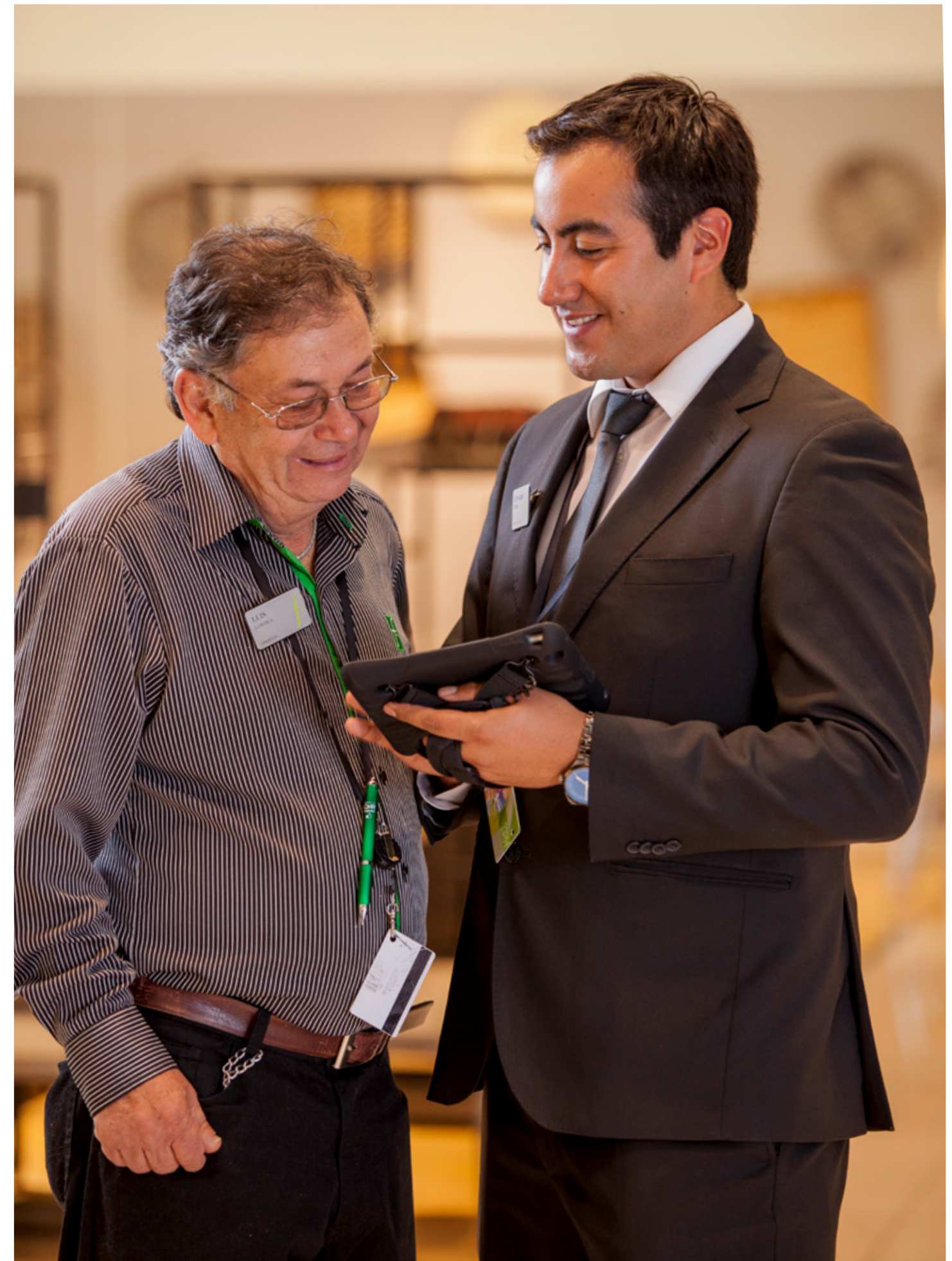


A legal action related to unfair competition was filed during 2019, of Falabella Colombia S.A., which is currently active and at the initial hearing (conciliation) stage, none in monopolistic practices or against free competition.

POLITICAL CONTRIBUTIONS



Pursuant to our internal regulations and policies, we do not make contributions to political campaigns or lobby organizations.





Similarly, and particularly in **specific topic areas**, we are advancing in other initiatives that are highly relevant to the company:

I. The Environment

A

ENVIRONMENTAL REGULATORY REPORT

The Legal Affairs and Governance Corporate Management Office created the Environmental Regulatory Report, through which it informs businesses of the laws and regulations of an environmental nature that are published in the Official Journal, in addition to the presentation and progress of bills that may affect the group's businesses. In 2019, 22 environmental milestones were reported.

B

ADHERENCE TO THE FIRST WASTE MANAGEMENT SYSTEM

Falabella Retail, Sodimac and Tottus, with the support of the Legal Affairs and Governance Corporate Management Office, were part of the founders of the first packaging and packaging waste management system, anticipating compliance with Law 20,920, framework for waste management, the producer's extended liability and encourage recycling.

C

SUBSCRIPTION OF CLEAN PRODUCTION AGREEMENTS

Falabella Retail, Sodimac and Tottus, with the support of the Legal Affairs and Governance Corporate Management Office, signed the clean production agreement (APL) "zero waste to landfill", led by Agencia de Sustentabilidad y Cambio Climático, deploying standards higher than those required by law. Similarly, Falabella Retail and Sodimac subscribed the APL "electrical and electronic equipment sector" in order to prepare for the implementation of Law No. 20,920, framework for waste management, the producer's extended liability and encourage recycling.



II. Human rights

As a company, we are aware that we are social actors with enormous potential to impact the quality of life and well-being of people. For this reason, the view we share with our stakeholders is one that fully involves us in building better countries. With that vision in mind, we have addressed the challenge of joining international and voluntary initiatives related to Human Rights and Business for a few years now.

In general terms, we support the principles enshrined in the Universal Declaration of Human Rights and in the United Nations Convention on Children's Rights. Falabella S.A., Sodimac S.A. and Falabella Retail S.A. are part of the United Nations Global Compact, seeking to disseminate and comply with its ten fundamental principles considering issues on human rights, labor standards, the environment and anti-corruption.

Similarly, we offer equal opportunities and fair treatment to our employees in all units and subsidiaries of our company, without any arbitrary distinction, such as those based on nationality, race, ethnicity, sex, sexual orientation, gender identity, disability, or marital status. We reject any violation to human rights of our employees or third parties, who relate to us, which is duly sanctioned by our internal regulations. Also, we are committed to developing partnerships with suppliers who share the dedication to conduct our activities in a legal, ethical and socially responsible manner.

In specific terms, we have developed **Human Rights Due Diligence** processes in two of our businesses, with the commitment of covering the remainder in the coming years. The first was Sodimac Chile, in which the Executive Committee, suppliers, employees, contractor companies and union leaders (represented in 63 interviews and the review of 217 documents) were involved, whose issues and risks were integrated into the management of company risks. The second was Mallplaza Chile, which began its due diligence process in December 2019, with the aim of identifying the main impacts and risks on people and their environment, caused by the company, either directly or indirectly. These processes are fundamental, to the extent that only by understanding the risks and impacts we can generate in our stakeholders, will we be able to advance in improving our performance and managing more responsibly a wide range of issues (children, women, migrants, disability, sexual diversity, suppliers, communities, among others.).

III. Involvement in organizations and associations

At Falabella, we are involved in various associations and organizations, national and international, in order to develop strategic partnerships with common interests and objectives that reinforce sustainability. The total contributed during 2019 was \$1,085 million, whose majority contribution was concentrated in the Chambers of Commerce, Chambers and Associations of Shopping Centers and Universities, which involved a total of \$393 million.

The contribution to Chambers of Commerce seeks to contribute to economic development in the countries where we operate, through mutual collaboration and trust. We maintain open communication with large and small companies, with the aim of advancing in common and complementary development that enables us to achieve higher and better standards to project respon-

sible growth in the region. During 2019, the amount contributed was \$126 million.

The contribution made to the Shopping Centers Chamber and Associations is a strategic decision, given that we align ourselves and share good practices for the benefit of shopping centers, in addition to discussing issues that impact the union. The amount contributed in 2019 corresponds to \$181 million.

Finally, the contribution made to Universities is explained by our interest in training and developing our employees, through study scholarships, trainings and by supporting programs that seek to promote entrepreneurs. The contribution made in 2019 corresponds to \$86 million.

In addition to allocating our efforts and resources in an ethical, responsible and efficient manner, we are committed to providing our stakeholders with regular and timely access to relevant and reliable information, both in relation to the rules and the exercise of government, as well as results achieved. In pursuit of this objective:

- We periodically report on economic-financial results, as well as any fact deemed relevant or of interest to the company, pursuant to current regulations.

- We comply with the current rules and regulations of each country in which the company's subsidiaries are present.

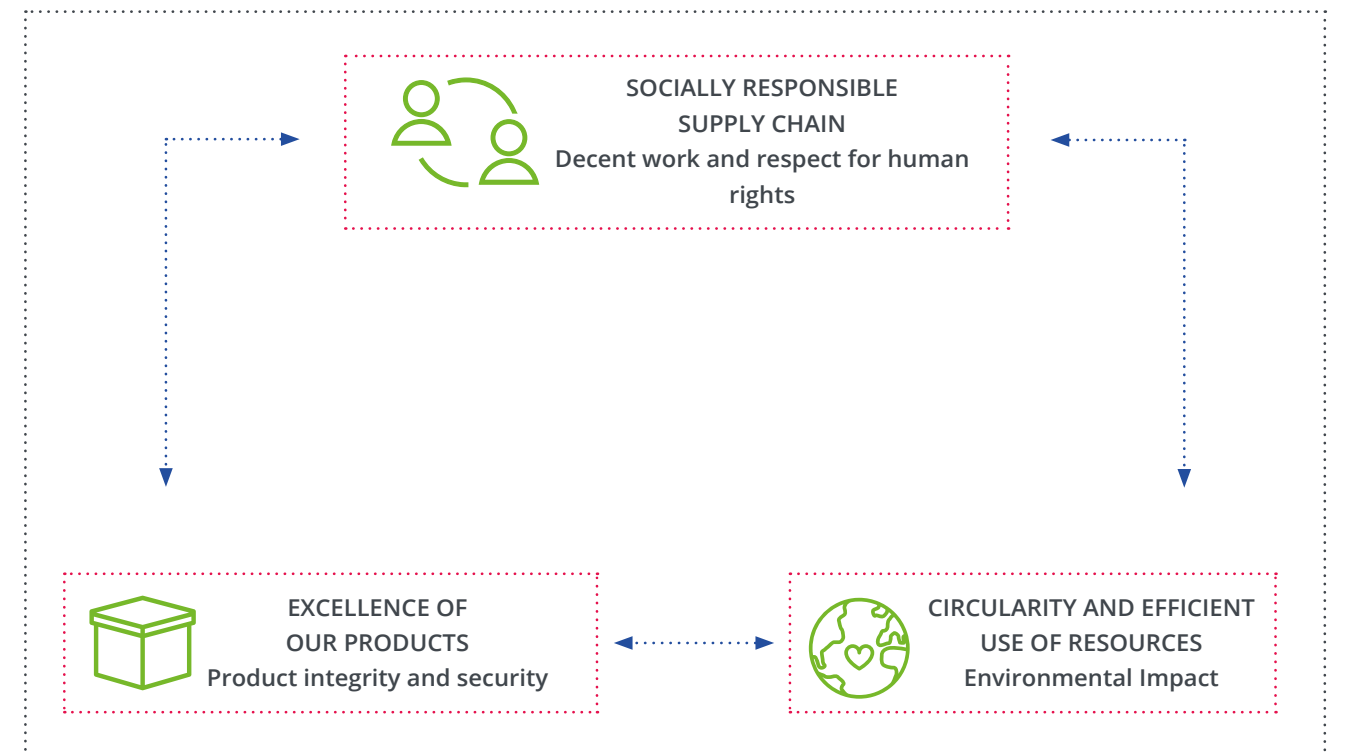
- We have an Investor Relations team, seeking to provide the investment community with objective information with which to evaluate the fair valuation of the company's shares, bonds and other financial instruments, and limit their unnecessary volatility, ensuring a timely and proactive scope. This team will also seek to provide a strategic vision of the company's leadership from the investor's perspective on competitive dynamics and macroeconomic trends.



MANAGE OUR SUPPLY CHAIN

Each year, in our continued drive to innovate and stimulate the growth of our business, we improve and expand the scope of our supply chain to include best practices, knowledge, people and new materials. We work to improve in the way in which we produce, deliver and recover our products, including sustainability in everything that we do by creating a system connected to our business and impact.

We work with over 36,800 active suppliers¹⁹ from all around the world (30% more than 2018), with whom we have ties ranging from buying a manufacturing, manufacturing a product designed by us, to acquiring licenses²⁰.



¹⁹Suppliers with activity/transactions during the year.

²⁰No business unit has suppliers individually accounting for more than 10% of total purchases made in the period, for the supply of segment goods and services.



In 2019, we made progress in areas such as:



Own brands

The world of own brands has transformed into a strategic pillar that provides an exclusive portfolio at competitive prices, enabling us to differentiate and deliver a higher value-added to our clients in our different retail units. Thus, since the beginning of 2019, the share percentage of own brands continued to increase in the group's total sales, reaching 27% of our total retail sales.

This growth challenges us to reinforce our commitment to a responsible supply chain. This is why we developed a stronger strategy for the management of our suppliers in 2019, which aims to:

- Offer brands that care about the environment and communities (more sustainable products) to our customers.
- Offer reliable and safe products to our customers, via quality controls and diagnostics of the product life cycle (raw material, material production and manufacturing).

To meet these objectives, we leverage the following initiatives:

- **Materials:** we suggest to own brands to prioritize recycled materials (recycled cotton, recycled polyester, etc.) and then organic attributes and / or Fair Trade.
- **Control of accepted certifications** according to materiality.
- **Packaging and FSC labels:** we suggest that the packaging and packages of the +Verde lines²¹ are FSC certified and with the least packaging possible in their presentation to the customer.

²¹ +Verde is a Falabella Retail Marketplace initiative offering customers products with some sustainable attribute in their value chain (social or environmental). Products are split into categories according to the attribute that differentiates them (recycling, community, aware materials, reuse aware beauty).

For further information please see: "Guiding Principles of Business and Human Rights of the United Nations".

During 2019, we reinforced the commitment to our suppliers, sharing the dedication to conduct our activities in a legal, ethical and socially responsible manner. Complying with labor legislation is not the only requirement for joint-work, but also to operate pursuant to universal human rights principles²².

In this sense, in order to generate long-term relationships with our suppliers, promote their growth, care for their working capital and commitment to sustainable production, we work on multiple initiatives:

- Our retail businesses continue to conduct **national and foreign factory audits**, and **on-site quality inspections** for own brands, in addition to obtaining certifications of related products. Our suppliers and their declared workshops go through social audits in which labor, health, safety, ethics and environmental conditions are monitored. Over 1,100 direct suppliers of our retail businesses were audited in sustainability practices in 2019.

From the audits conducted, 26 suppliers with negative social impacts were identified, corresponding to the Falabella Retail (19) and Sodimac (7) businesses. Among the social problems identified we can mention: occupational health and hygiene situations, risk prevention protocols, pension compliance systems and compensation, among others. We worked and trained 24 suppliers to improve their conditions and standards, while we were forced to end the contractual relationship with two suppliers.²³

²³ Sedex or any other CSR practices audit.

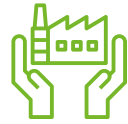
²⁴ For further information please see: www.sedexglobal.com

²⁵ Vendor Compliance or other.

• We work with **Sedex²⁴**, the world's largest Social Responsibility in the Value Chain platform, in order to improve business practices in aspects related to ethics and social responsibility in supply chains.

• During 2019, 61% of retail suppliers and 71% of the real estate business with a valid agreement include **Social Responsibility clauses²⁵**, whose objective is to specify the ethical and human rights conditions under which products must be manufactured. Also, 28% have an **environmental clause**; In the case of home improvement, this number reaches 63% of suppliers.

• Both Mallplaza and Sodimac use **ESG Suppliers** to learn about the relationship and risks of the supply chain. In 2019, Sodimac obtained 67% and Mallplaza 75%.



Small and medium-sized companies (SMEs)

During 2019, we worked to make available to our suppliers who need it most, such as small and medium-sized enterprises (SMEs), tools and facilities that help them grow and succeed. In 2019, our businesses worked with 21,716 SMEs, which account for near 48% of total suppliers, a number that increased 36% over 2018 and 99% over 2017. This growth is partially explained by the acquisition of Linio, in which 82% of the companies selling through its Marketplace are SMEs, so it is essential for the business to develop initiatives that enhance them.

Among the most important measures that we promoted in 2019, we can mention the enabling of more payment methods, the streamlining of onboarding processes for new suppliers, the offering of exclusive promotions and the supply of company spaces where SMEs can sell their products.

Work was specifically made on the following initiatives, mostly led by Linio:

- In the events following October 18th, payment was enabled in 24 hours to all of our suppliers, improving their working capital and we conducted 30 days of a campaign providing special visibility to SMEs in the Linio Marketplace.
- An agreement was made with Corporación de Fomento de la Producción (CORFO) to:
 - ▶ Grant preferential commission discounts to SMEs during the first two months of operation and during the first year since they join Linio.
 - ▶ Increase face-to-face training for SMEs at a basis of once a week at Linio offices to help them on their way to digitization.
 - ▶ We opened a service channel on WhatsApp to answer questions directly with our team of new sellers.

We work to provide our suppliers who need it most with tools and facilities to help them grow and succeed.

- An agreement was drafted along with Cámara de Comercio de Santiago (CCS) so that social SMEs of the CCS receive information on:
 - ▶ Preferential commission discounts to SMEs during the first two months of operation and during the first year since they join Linio.
 - ▶ Online sales training by Linio.
 - ▶ We support SMEs enrolling in the campaign <https://www.apoyameaqui.cl/>.
- It was agreed to make changes to the Linio site during 2020 to give a special place to SME products and create a "tag" so that Linio customers can notice when a product comes from an SME.

In terms of **innovation**, Sodimac Colombia is involved in an ecosystem of open innovation and entrepreneur-

ship. The third acceleration cycle was completed in 2019, achieving the empowerment of six start-ups in three years, and 20 additional start-ups were included as business suppliers. Sodimac Chile launched its first open innovation program, through which it summons various start-ups to generate creative technological solutions which effectively respond to the needs of both home customers and professionals. This initiative brought over 200 entrepreneurial companies together and, at the end of the year, they were working with the five finalists. Three start-ups are expected to be selected to join the company in 2020.

Therefore, we can say that working with our suppliers not only allows us to strengthen our business model, but also our entire value chain. It is essential to continue making progress in the total traceability of the chain, to identify our potential impacts on human rights, to continue to align with the main global standards and best practices, and to create dialogue and permanently listen to our stakeholders.

MANAGE OUR IMPACT ON THE ENVIRONMENT

We see caring for the environment as a responsibility to manage our impact and an opportunity to contribute beyond our business to some of the biggest global challenges. Our objective is to promote environment care, for which we try to identify, evaluate and manage the environmental effects of our operation, with the aim of minimizing them.

We are committed to taking responsibility of the waste we create

Via maximizing resources and minimizing waste generation, we seek to promote circular economy initiatives throughout our value chain.

In 2019, our Falabella Retail, Sodimac and Tottus businesses joined the first Packaging and Packaging Management system as founding partners, to continue making progress in environmental compliance with the Producer Extended Liability Law (REP), enacted in June 2016, in Chile. This System seeks to reduce the volume of solid waste that is eliminated at sanitary landfills, by implementing best management practices, such as eco-design and / or circular economy, in order to avoid its creation or increase its recovery.

As a company, we are committed to taking care of the waste we create, promoting the implementation of good practices which improve our environmental performance. That is why we have adhered to various Clean Production Agreements (APL), consisting of the deployment of good practices aimed at reducing the solid waste volumes disposed of at sanitary landfills, by introducing circular economy practices, avoiding their creation or increasing their valuation.

- Falabella Retail joined the Zero Waste to Disposal APL at the Los Domínicos store in September 2018, with the aim of valuing at least 90% by 2020. Several measures were implemented during 2019 to achieve the goal, such as: the installation of five recycling units, the replacement of plastic cups with reusable bottles, bowls and cups, the organics recycling and sensitization campaigns for employees regarding waste recovery. Finally, a valuation of over 80% of our waste was achieved by the end of the year, with 100% fulfilment of the system.

- In 2018, Sodimac subscribed to Zero Waste to Disposal APL at the La Reina store, which makes it possible to link the solid waste supply with recovery companies grouped at Asociación Nacional del Reciclaje (ANIR), which allows contributing to the development of the recycling industry and enable the construction of a waste management closed cycle.

In 2019, we recycled more than four thousand tons in Sodimac's National Network of Clean Points, 29.8% more than in 2018.





- In 2018, Tottus Chile entered into, and in 2019 began the deployment phase of the Zero Waste to Disposal APL in two supermarkets, achieving 100% compliance in the audits conducted in the context of said APL. At the same time, we were actively involved at the union level in Asociación de Supermercados, within the framework of the REP Law, being a part of the public consultation process for the supreme decree on packages and packaging, and in the round table for Electrical and Electronic Appliances of Cámara de Comercio, latter a member of the technical committee. The AB management system was also entered into, in order to be a part of the foundation and formation of the first collective management system in this topic. Sorepa S.A. certifies that, during year 2019, it received 7,109,565 paper and cardboard kilos recovered by Hipermercados Tottus S.A.
- Sodimac subscribed a Motorized Vehicle Battery APL in 2016, whose objective was to set a management plan to anticipate the requirements of the REP law. Under this framework, in 2019, it was possible to recover and recycle 152 tons of out of order vehicle batteries from Car Center customers.
- As of 2019, both Sodimac and Falabella Retail join the Electrical and Electronic Appliances Sector (EEA) APL, which seeks to have an environmentally sound management of this type of waste, also improving information for the future Supreme Decree of the REP Law.

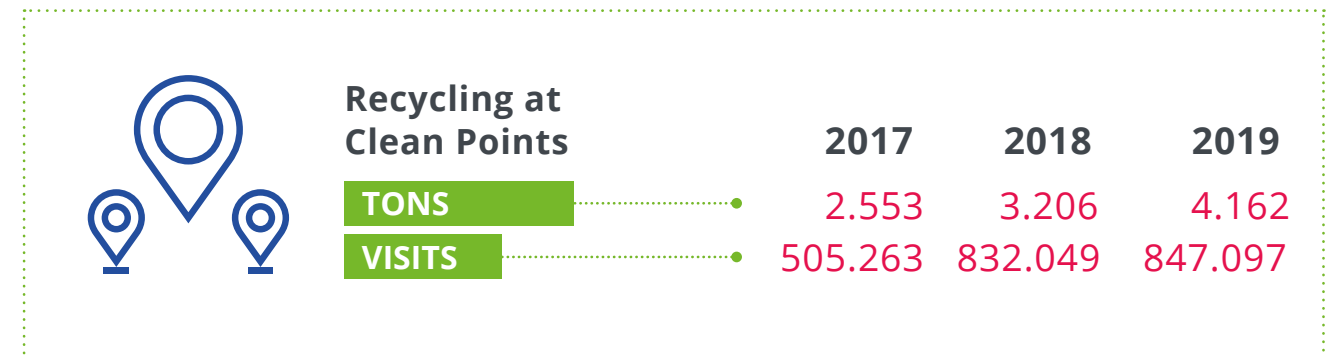
Among its main actions, we can highlight the definition of a model for the inclusion of basic recyclers in the management and handling of these wastes, taking the challenges regarding storage, transport, pre-treatment and hazard criteria into account. A map of current public-private initiatives and pilot projects for the recovery and valuation of post-consumer EEA will be also drawn up, in order to collect reliable and extrapolated information regarding real management capacity, in addition to the development of educational campaigns for the community on the management of this type of waste.

The foregoing will allow companies to prepare for the proper implementation of the REP Law, with the design of a management system which addresses the complexity of the EEA market, given the variety of products, models and useful life, as well as the presence of substances classified as hazardous waste

- In Tottus Chile's own brand context, we began taking the first steps in the search for more sustainable packaging. With the above, we entered the Eco-labelling APL and we comply with the obligations set by the Municipality of Providencia's ordinance, which promotes the disposal of single-use plastics.

Along these same lines, we promote the deployment of recycling points, both in our stores and at headquarters.

- During 2019, Falabella Retail Chile completed the installation of 45 stores with Green Points and 44 stores with hazardous waste warehouses, all approved or pending approval by the corresponding authority. Additionally, it was possible to obtain 100% of the information on the quantification of non-hazardous waste.
- In Chile, Sodimac added a new clean point to the Sodimac National Clean Point Network, reaching a total of 18 recycling points, being the largest in the country. Since its creation in 2010, it has had visits exceed 3.4 million and over 18 thousand tons of material have been recycled. During 2019, it received over 847 thousand visits from customers and the community, and recycled over 4 thousand tons, 29.8% greater than in 2018.



- In 2019, progress was also made in the elimination of waste in Sodimac Brazil, where in partnership with Asociación Brasileña de Envases de Acero (Abeaço), the company joined the Prolata project and installed collection points for empty paint cans in five stores in Baixada Santista (São Paulo coast). Another important partnership was also realized with Green Eletron, a company specialized in reverse logistics, for the installation of collectors of electronic devices in stores.
- Sodimac has spent 20 years carrying out recycling and waste separation practices in Colombia, which have allowed the company to increase its recycling rates. 235 additional tons were recycled during 2019, i.e., 4,6% greater than 2018 in cardboard, plastics, strap, scrap, wood, styrofoam and folding, among others.
- During 2019, we managed to use of or properly dispose of 86% of the waste generated by our commercial activity at Falabella Retail Colombia, which amounts

to 2,109 tons of waste that we saved from reaching landfills and which instead went through the process of use and recovery to rejoin the production cycle through recycling and reuse. This is possible thanks to the classification conducted at internal collection points in all stores, their selective collection and joint work with managers who ensure sustainable management.

- We have containers at all Falabella Retail Colombia stores, so that our customers can return technological waste from the products they have purchased, via our various sales channels, so that we can ensure an adequate use and final disposal process. During 2019, we managed to collect 1.8 tons of waste at our stores, thus avoiding the environmental impact that an inadequate disposal would create.

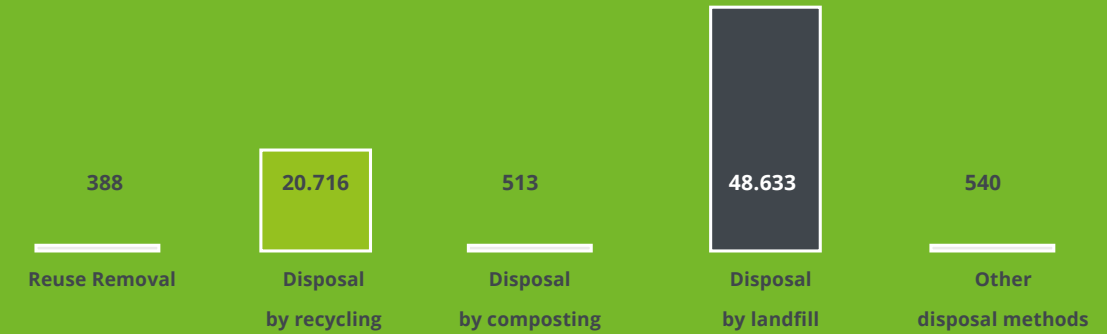
We also met the post-consumer waste collection goal for batteries and computers, set by the national government, collecting 50 tons of this waste throughout the territory via our partners: Pilas Con El Ambiente and EcoCómputo, corporations of which we are part of the board of directors. We were also a part of the public

hearing roundtables for the WEEE draft regulation resolution that will consolidate the country's strategy for post-consumption at the national level by 2021.

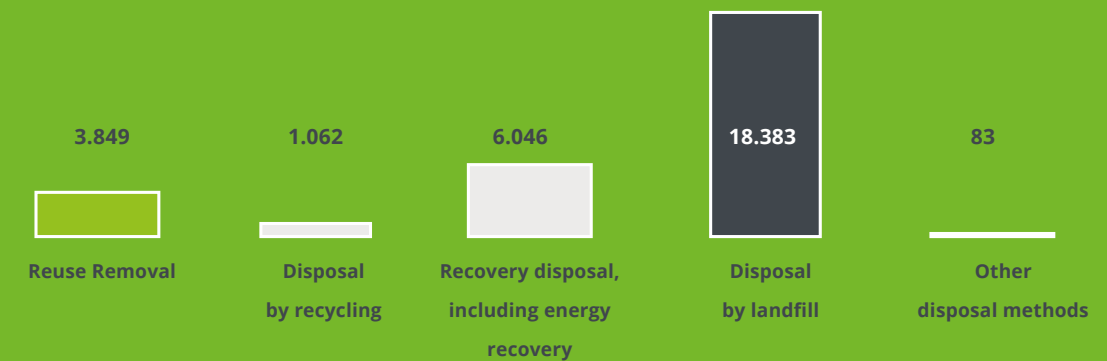
- At Tottus Peru, we have strengthened our partnerships with Banco de Alimentos del Perú (BAP), Bioconvertin and Biolis, specialists in the recovery and management of usable waste, in order to decrease the impact of our operation and create value in the community. To these actions we have added the use of organic waste from the Food Production Plant (PPA): more than 150 tons that, instead of ending up in a sanitary landfill, have been converted into animal feed. Since mid-2019, we have added 15 stores to the recovery program in favor of BAP for food, which, along with the distribution center, have managed to benefit 378,500 people in a vulnerable situation, with 185 tons of food (37% greater than 2018), in addition to avoiding the emission of 6,510 tons of CO₂²⁶. On the other hand, Bioconvertin transforms our products which are no longer edible into bird and fish food. While Biolis recycles non-consumable cooking oil into aircraft biofuel. By 2020, we hope to increase food recovery with over 50%.

During 2019, two of our stores began valuing organic waste, mainly from discarded product, taking them to an industrial plant to make compost.

WASTE MANAGEMENT IN OUR RETAIL BUSINESSES IN CHILE



WASTE MANAGEMENT IN OUR REAL ESTATE BUSINESSES IN THE REGION



Note: "Other disposal methods" include activities such as: donating food that has lost its commercial value but is fit for consumption, selling organic waste for animal feed production, and treating fatty sludge.

²⁶CO₂: carbon dioxide.



A path to circularity

In a very relevant way, each one of our businesses has been strengthening the conviction, beyond compliance, that proper waste management delivers direct benefits to all our stakeholders, both due to the decreased impact on the environment and creation of efficiencies and support in the generation of new jobs.

Falabella Retail



EnRedados

During 2019, Falabella Retail developed its first eco-design project: "EnRedados", focused on the reduction of packaging at various stages of the life cycle of fragile mini ticket products at Click & Collect. The main focuses are on less use of materials, decrease in transport volumes, increase in warehouse space availability, and finally, improvements to the customer experience.

#AmChange



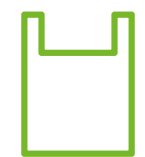
A campaign called #AmChange was conducted during the year, in which Denim products were received at all Americanino stores in Chile in exchange for a discount given on the next purchase. These Jeans were transferred through our waste manager to Rembre, who conducts material selection process: poor condition items are recycled and converted into EcoRelleno and those in good condition are sent to Mavesa for the creation of bags that are sold again in stores. This project managed to recover 1,330 kg of Denim, of which 480 kg were converted to EcoRelleno and 850 kg were transformed into bags.

Recycling and Reuse of Clothes Hangers



Project through which we seek to recover plastic hangers in good conditions, and in a second phase, recycling to make them new, previously changing their materiality. With this, we reduce the shipments of Polystyrene (PS) hangers to sanitary landfills, which have a materiality that is highly polluting and difficult to recycle. In 2019, 30.5 tons (equivalent to 548,146 hangers) were reused, and 13 tons (equivalent to 234,920 hangers) were recycled, generating a 15% decrease in the cost of acquiring clothes hangers.

Manufacture of plastic bags



Corresponds to an initiative beginning towards the end of 2019, aimed at recovering operational plastics generated by the RM stores in Chile. Our ECOPRO strategic partner is in charge of transforming plastics into low-density bags, for the transport of waste and final disposal, and for the protection of clothing when transferred from domestic factories to stores. This involves estimated savings of between 5% to 7% in the purchase of bags for the operation of stores.

Tottus



Tottus Chile conducted an initiative to recover plastic hangers in 12 stores in the Metropolitan Region, which were valued through a business agent, in order to generate raw materials for new products. The idea is to continue this initiative during year 2020 and expand it to all regions.

Mallplaza



Plastics Pact

Our Mallplaza shopping centers joined the Plastics Pact as founding partners: an initiative bringing together companies, organizations, unions and government entities, with the aim of reducing the impact from the use of plastics by 2025. Through this alliance, Chile became the first country in Latin America to join the Global Plastics Pact Network and the third country in the world, following England and France.



We take care of our Planet

Mallplaza in Colombia held the "We take care of our Planet" campaign, carrying the "Solubag" pioneering bag that is 100% soluble in hot water, and conducted beach and wetland cleaning activities, in addition to training 100 schools on environmental awareness.



We move for a Peru without plastics

Mallplaza in Peru continued to develop its regional commitment to caring for the environment, celebrating national holidays with the "We move for a Peru without plastics" campaign, installing spaces so that visitors could exchange plastic products for articles made from recycled supplies.



Sodimac



“Do it for your beach” - “Earth Hour”

In Peru, Sodimac was involved in initiatives such as “Do it for your beach” and “Earth Hour”, cleaning beaches and aquifers nationwide. Similarly, a partnership was subscribed with Eco-Trash, a social company seeking to optimize the recycling process, creating opportunities for women and young collectors, managing to collect 5.3 tons of paper and 1.2 tons of recycled bottles.



Concrete and wood recycling

In Colombia, concrete residues generated by bag ruptures or material expiration are transferred to Fortecem to be used as raw materials in the production of new concrete bags. 24 tons of concrete were recycled during 2019. Wood residues from the cutting and sizing area are used for the manufacture of pot bases, which are once again sold in stores. 3.5 tons of concrete were recycled during 2019.



Chilean Plastics Pact

In 2019, Sodimac adhered to Fundación Chile’s “Pacto chileno por los plásticos” and, along with its suppliers, proposed to double the supply of eco-sustainable items and services in its stores in 2019 and that 100% of product containers and packaging are recyclable by 2020, starting with its own brands. In this fashion, Sodimac makes over 4,300 products with environmental and social attributes available at its stores, including those with over 50% recycled contents, which are biodegradable in no more than six months, as well as reusable or reassembled. To this we add products which allow a proven efficient energy or water use, in addition to elements for a VOC-free healthy home, that is, free of chemical particles harmful to human health.



Changes to the materiality of containers and packaging

During the year, Sodimac continued working on a rightsizing program, with a view to optimizing the use of plastics and cardboard, via packaging that is properly adjusted to the size of the product. By disposing of more products in a single dispatch, lower CO2 emissions are created from the cost of transport fuel and an efficient use of space in containers, warehouses and stores is also obtained. We have also set ourselves up for a challenge to achieve 100% of all product packaging offered to customers to be recyclable by 2020, starting with our own brands.

In 2019, we worked along suppliers by redesigning and reducing container size of 3,403 codes and the materiality of the packaging of 1,600 codes was also modified so that they are recyclable in Chile. This measure saved the equivalent of 507 TEU²⁷ imported by sea and land, which would save 1,656 tCO2e²⁸.



Mulch

Within the framework of joining the Zero Waste to Disposal APL, a circular economy project was developed for pallet and wood waste created in stores. A product called Mulch was created via a partnership with the Armony company, which is obtained from wood waste and is sold in Sodimac stores. The reverse logistics system is used by using the same trucks which take products to stores and instead of returning empty, they haul wood waste for processing.

²⁷TEU: Twenty Foot Equivalent Unit.

²⁸tCO2e: metric tons of carbon dioxide equivalent.



LA
TIENDA
VACIA 

ESTA PRENDA FUE ENTREGADA POR

Michelle Pavez

DALE VIDA A TU ROPA. ¡REUTILIZALA!



CLIMATE STRATEGY

We are making progress in measuring, reducing and mitigating Greenhouse Gas (GHG) emissions and promoting the rational and efficient use of energy throughout the value chain.



Commitment to expanding the measurement of the Carbon Footprint

Our most urgent action is related to having an increasingly uniform footprint measurement throughout the value chain in the region, which will allow us to understand where the greatest impacts are and will guide us towards the solution proposed towards carbon-neutrality. So far, our businesses have had various measurements and extents of progress in carbon footprint terms, so we are working to standardize criteria and continue expanding our ability to methodically measure throughout our chain. Despite this, we are committed to transparency, reflected in the following reported progress:

- In the case of Falabella Retail in Chile, in 2019 we managed to increase the scope of the 2018 measurement, going from 25 stores to all of our establishments: 49 stores, 2 Distribution Centers and headquarters. Emissions were measured for scope 1, 2 and 3, according to the Greenhouse Gas Protocol (GHG Protocol) with the support of Dictuc, Proyectae and the Huella Chile program of Ministerio del Medio Ambiente (MMA). The information surveyed was reported at the MMA Single Window, available to the community, with which we were Quantification certified.
- Sodimac annually measures its Carbon Footprint since 2010 and each year has worked to improve the quality

and breadth of its measurement. During 2019, it measured its footprint in the three scopes, in all its stores, distribution centers and headquarters. This is how it obtained the “Quantification” seal from Huella Chile, for the measurement of its carbon footprint, in addition to the seals accrediting Reduction and Excellence in 2019, based on its commitment and continuous improvement.

- During 2019, Tottus Chile measured carbon footprint for 2018, in all supermarkets, in scope 1, 2 and 3 (scope three, only waste was considered). Said measurement allowed us to obtain the “Greenhouse Gas Quantification Seal” at the chain level, a recognition granted by the Huella Chile program of Ministerio del Medioambiente. During 2020, it will continue to measure under the three scopes for year 2019, also covering the new supermarkets.
- At Falabella Inmobiliario, we undertake to measure and manage our carbon footprint, which is why, during 2019 and via Huella Chile, we measured scopes 1, 2 and for the first time, scope 3, of nine shopping centers. The objective is, now that we already have a real measurement, to set carbon footprint reduction goals.
- Advances in Mallplaza are based on the regional focus of its operation, integrating initiatives, actions and measures in each country where it is present, which allow for maximum efficiency in electricity consumption with the lowest CO2 emissions.

- Sodimac operation in Colombia measures its carbon footprint in scope 1 and 2, including all stores and headquarters. In order to offset it, 4,648 trees were planted during 2019, which is equivalent to 1,548 tCO2eq emitted, managing to maintain 16% compensation in recent years with the planting of over 35,000 trees.
- During 2019, at Falabella Retail Colombia we developed and deployed a GHG Management Program where we defined the guidelines for the measurement, reporting, management and compensation of GHG emissions generated by the company during 2018. The GHG emissions inventory was completed for all stores, according to our program, including distribution center and headquarters, following the international GHG Protocol standard for the 2018 measurement period in scopes 1 and 2. The impact caused by the above was 100% offset by means of national carbon credits, so we ensure the conservation of a forest with over 18,000 trees located in the Caucho PL 1 Forest Project, in the municipality of Puerto Gaitán in the department of Meta.

Thanks to the development of this project, by the end of 2019, we received an audit from Instituto Colombiano de Normas Técnicas y Certificación - Icontec, who evaluated and verified our Greenhouse Gas Management Program (GHG) based on the ISO 14064 - 3 audit standard, and as a result of this exercise, they granted us the “Certified Neutral Carbon” status, and in this way we became the first Colombia retailer to neutralize its GHG emissions.

- At Falabella Peru, we began efforts to conduct a pilot project to measure, and then offset, the carbon footprint of our 15 stores located in Lima and headquarters. Our goal is to obtain this measurement by 2020.
- The Carbon Footprint is measured at Sodimac Peru under scopes 1, 2 and 3 of all stores nationwide, distribution center and support office. We conducted the measurement in 2019 for the previous year and during 2020, the three scopes will continue being measured.

Carbon Footprint measurement under scopes 1 and 2, for our operations in the region

CHILE



100% last mile compensation in Sodimac, in addition to reducing its footprint by 14% compared to the previous year



For this we could place the Reduction and Excellence stamp from Huella Chile

PERU



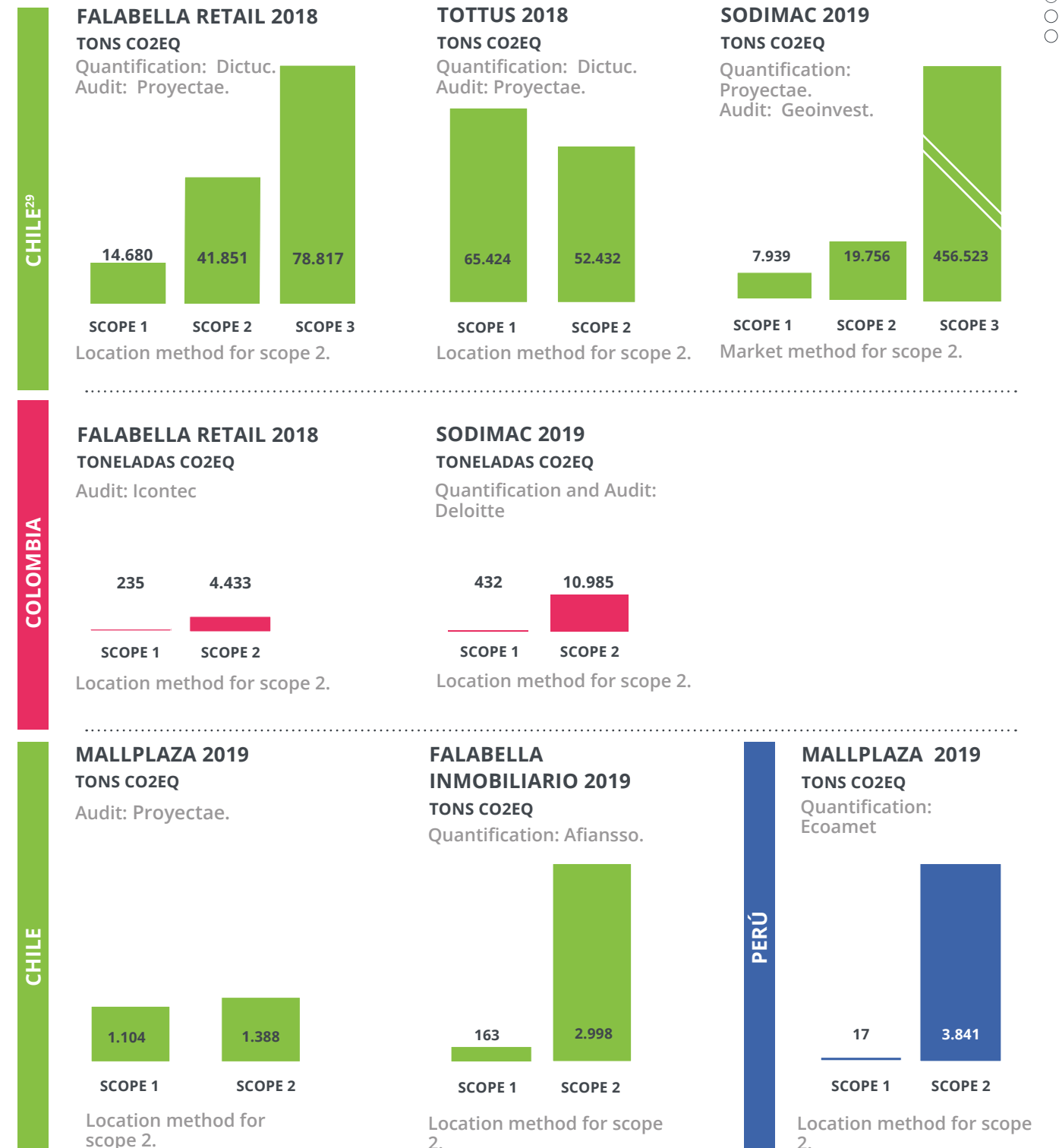
COLOMBIA



100% compensation in Falabella Retail and 16% in Sodimac

Note: the coverage is calculated as the number of stores / distribution centers / shopping centers with a carbon footprint measurement, out of the total of each.

CARBON FOOTPRINT OF OUR BUSINESSES BY 2019



Note: all carbon footprint calculations were made pursuant to the WRI / WBSCD GHG Protocol. The 2019 carbon footprint had not yet been calculated for Falabella Retail Chile and Colombia, Tottus Chile and Sodimac Peru when this report was published.

²⁹The Scope 3 estimate of GHG emissions in Sodimac Chile includes the following activity categories: purchased supplies and services; fuel / energy manufacturing; "Upstream" transportation and distribution; waste and recycling; business trips; employees transportation; "Downstream" transport and distribution. The GHG emissions estimation in Scope 3 in Falabella Retail Chile includes the following activity categories: mobilization of people, cargo transportation and treatment and / or disposal of waste.



From the measurement results of year 2019, we can comment on the following:

- In Sodimac Chile, the main sources are transportation and product logistics (40%), transportation due to customer visits (48%) and emissions from the transportation of employees (4%). Along these same lines, as of March 1st, 2019, all dispatches to customers in Sodimac Chile are carbon neutral, as part of the objective of reducing direct business emissions by 30% by 2021. In 2019, 80,830 trips were compensated with direct deliveries that transported 1,235,940 bookings, neutralizing an equivalent of 3,351 tCO2e (tons of CO2 equivalent).

From total emissions, Sodimac Chile can conduct more direct control over Scope 1 and 2, caused by the use of fossil fuels, leaks of refrigerant gases and the use of electricity. From these emissions, 70% come from electricity consumption. During the year, Scope 1 and 2 GHG emissions decreased by 13% over 2018, due to the deployment of control measures and efficient use of energy, an increase in the purchase of renewable energy and the installation of solar panels.

Various activities were also conducted to manage the carbon footprint, internally or via collaboration with suppliers. These are, carbon neutral offices, installation of solar panels, purchase of renewable energy, energy monitoring and management system, eco-design in containers and packaging, use of carbon neutral corporate taxis for employees, which saved emitting 40,929 tCO2e, equivalent to 8.5% of the Carbon Footprint.

- We understand that at Falabella Retail Chile, our greatest impact is in cargo transportation (considered in scope 3), so during 2020, we have set ourselves the challenge of reviewing projects with relevant actors in the country (SOFOFA, Giro Limpio, among others) tending to lessen our impact.
- Additionally, we have been working to reduce and offset the carbon footprint resulting from the displacement of our employees in some of our businesses since 2018. During 2019, 5,654 users travelled 392,290 km with the hired transportation service, equivalent to 76.6 tCO2e issued and offset, via the Madre de Dios reforestation project in the Amazon.



We seek to promote the efficient use of resources, mainly in the energy context

Our work in Energy Efficiency essentially refers to the rational use of electrical energy used in stores and distribution centers, without generating an impact on operational processes or store comfort levels towards customers and employees.

Falabella began a partnership with Acciona Energía in Chile during 2017, for the use of non-conventional renewable electric energy for the facilities of Falabella Retail, Sodimac, Tottus and Falabella Inmobiliario, in the coming years.

- ▶ During 2019, we managed to reach 99 stores with Non-Conventional Renewable Energy (NCRE), adding 8 to the 91 we had in 2018.
- ▶ During 2019, this has allowed an increase in the share of power from renewable sources by 1% over the previous year, including Falabella Retail, Sodimac and Tottus, which account for 51% of total power consumption.
- ▶ As for Falabella Inmobiliario, renewable energy sources already account for 77% of total electricity use, over 54% in 2018, also explained by the sale of a shopping center that used NCRE and the addition of a new shopping center to the Acciona agreement.
- ▶ Adding retail and Falabella Inmobiliario, renewable energy use accounts for about 53% of total use, increasing its share by 3% over 2018.

In line with our commitment to energy use, during 2019, our retail formats in Chile decreased use per m² built by 12%, to 170 kWh use of electricity per m² built.

During the year, Mallplaza deployed the PME (Power Monitoring Expert) Energy Management System in Chile: an energy control software in stores, which has successfully contributed in terms of effectively accounting for the energy use of each store, thus enabling better

management in this matter. It also reported a 90% decrease in the use of non-renewable electricity, mainly explained by the NCRE agreement with Engie, in three additional shopping centers, reaching 99% of renewable energy consumption over total electricity use.

In Chile, Falabella Retail has a centralized control system for remotely activating lighting and HVAC systems, deployed at 46 stores and one distribution center, which allows the equipment to be turned on and off, monitor climate comfort levels and monitor the electrical consumption of the main equipment of the premises. Today, this system operates with the support of artificial intelligence tools and bots which automate modifications to the base schedule as a result of remodelling and / or store work.

At Falabella Retail in Colombia, we control the electrical use of stores (air conditioning and lighting) from the central offices via the Operational Control Center (CCO). We have control over the on and off of equipment via remote programming, thus achieving greater efficiency in energy consumption. We also monitor irregular consumption and behavior that stores may show, in order to take the necessary measures so that no waste is observed.

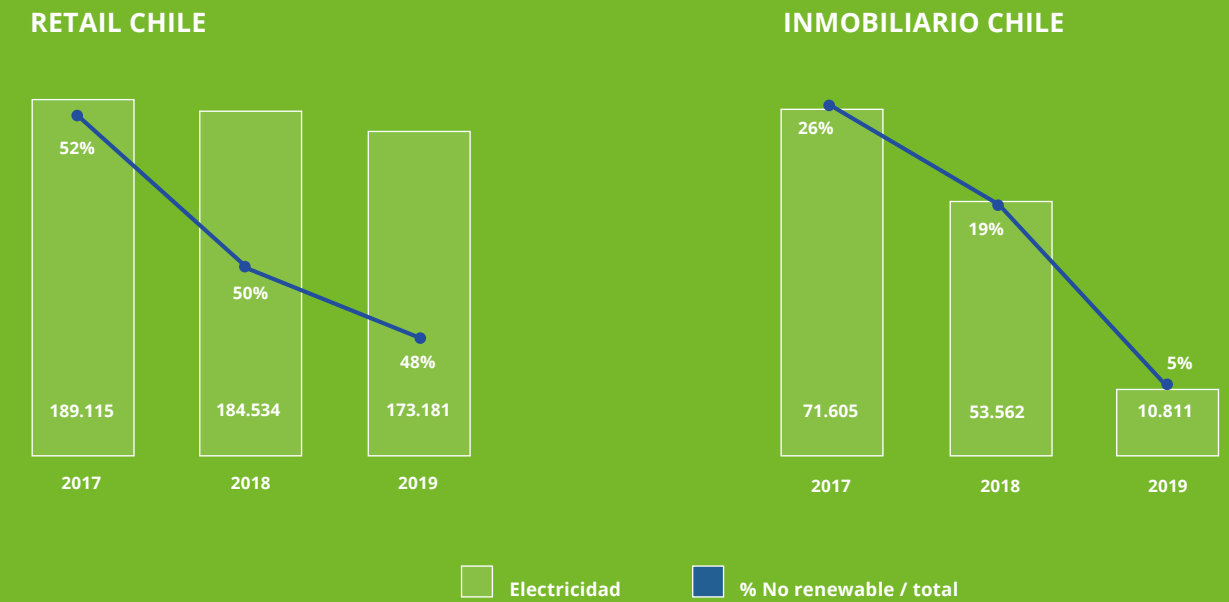
In all countries where Sodimac operates, stores and other facilities have a design that allows for an efficient use of natural lighting, along with the intensive use of LED technology, among other measures. Sodimac Colombia received the 14001: 2015 certification for three years, which acknowledges the work for the care and conservation of natural resources, via its environmental management system. It was the first retail in the country to obtain the EDGE certification³⁰, thanks to its energy efficiency processes, savings and proper use of environmental management programs.

In Tottus Peru, the Comandante Espinar store in Lima, which opened in 2017, received the LEED certification for having an environmentally friendly design and building process. The store allows for the reduction of water consumption by 30% and energy by 19%, in addition

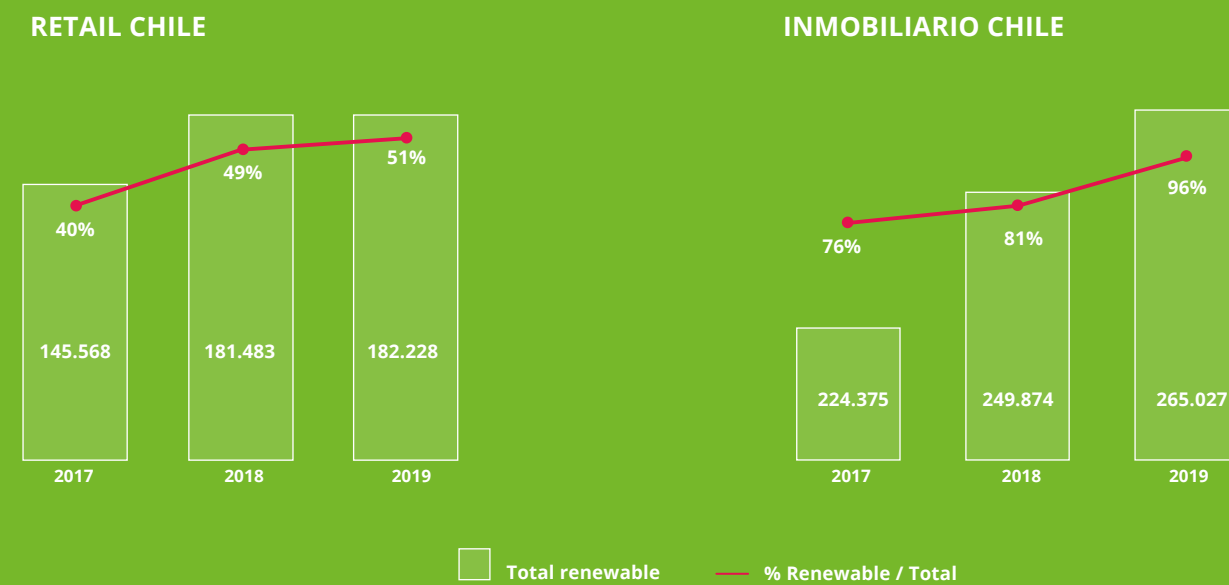
to efficiently managing operational and customer waste. Other benefits relate to reducing emissions arising from transportation during construction, reducing light pollution and the effect of heat island and landscaping.

³⁰ EDGE: Excellence in Design for Greater Efficiencies.

Non-renewable electricity consumption MWh



Renewable electricity consumption MWh



* The energy consumption in the real estate business includes the energy used by the Falabella, Sodimac, Tottus, Maestro and third-party stores, which are located in its shopping centers.



In terms of our water footprint in the retail and real estate contexts, the main consumption of water is in stores, shopping centers, distribution centers and support offices. For this reason, we are advancing in the LEED and ISO 14001 certifications which impose a set of requirements on the use, disposal and discharge of water to be fulfilled in urban centers. Additionally, improvements in landscaping water management have been promoted using species with a lower water consumption, irrigation with an automated control system, and plants native to each region. An example of this effort is the addition of liquid nutrients collected with the organic waste digester at Mallplaza Egaña in Chile.

Consumption (m³)	2018	2019
Municipal Water	6.475.434	6.722.446
Fresh Surface Water		53.281
Fresh Well Water	391.059	514.237
Water returned to origin	-	-
Total Net Fresh Water	6.866.493	7.289.964

Note: the water table footprint data in the table for 2018 includes activities of Tottus, Sodimac (excluding Argentina), Falabella Retail (excluding Chile and Argentina), Mallplaza and Falabella Inmobiliario. Sodimac Brazil, Uruguay and Mexico joined in 2019.



Sustainable Facilities

We promote sustainable real estate development with the construction of stores and buildings with third party certifications, which demonstrate our commitment and progress towards climate change, which in turn creates productivity efficiencies and increases.

- Seven of our shopping centers have been built under sustainable construction parameters under the LEED methodology in the region. As of December 2019, there are two LEED Gold level shopping centers, Mallplaza Egaña and Mallplaza Copiapó, and two Silver level shopping centers, Mallplaza Arequipa and Mall Plaza Manizales. Mallplaza Buenavista, Mallplaza Los Dominicos and Mallplaza Arica are currently under the LEED certification process. Also, ISO 14.001 Environmental Management System and ISO 50.001 Energy Efficiency certification audits were conducted during the year, achieving the certification for two new shopping centers, Mallplaza Los Dominicos and Mallplaza Arica, and the renewed certification for the remaining shopping centers in Chile.
- We also have 23 other shopping centers with eco-friendly features³¹ in the region.
- By the end of the year, in the region, 36 of our retail stores are LEED certified and 77 have eco-friendly features. This type of construction allows for a decrease in energy consumption, on average, of between 15% and 20%. The outstanding environmental attributes of our facilities are: connectivity, public transport access, bicycle parking, water efficiency, energy efficiency, use of CFC-free refrigerants, recyclable materials storage and collection, construction waste control, materials with recycled contents, use of regional materials, interior environmental quality, among others.
- Falabella SA is a member of the World Green Building Council, a non-profit organization which aims to promote and stimulate sustainable construction and de-

³¹eco friendly are facilities meeting certain LEED criteria, but which: (a) are not sufficient to be certified; (b) have not undergone the certification process

velopment; technological innovation and certification of sustainable buildings; efficient use of energy and use of renewable energies; efficient use of water; use of construction materials from renewable, recyclable and non-toxic resources; and improvement in the quality of life and health of individuals and communities.

- Due to internal protocols, all new premises or buildings related to Sodimac Chile operations are designed and equipped pursuant to international guidelines for sustainable development, with architectural and infrastructure standards which promote the efficient use of resources. Progress was made in switching to LED lighting during 2019, adding 27 stores in the country. An energy monitoring and control pilot project was also conducted at 4 stores, which was applied in the final 3 months of the year. It includes lighting control in the sales room at night and demand control at peak hours, saving around 0.17 GWh, which is equivalent to saving the emission of 70 tCO₂e..

Along with companies Solarity and EfeSolar, Sodimac is developing a project which includes the installation, between 2017 and 2020, of photovoltaic panels on the roofs of 46 facilities. With this, the share of self-generated renewable energy will rise to 34% of the total

In the region we have:

4 shopping centers

LEED certified shopping centers

2 shopping centers

under LEED certification process

23 shopping centers

with eco-friendly features

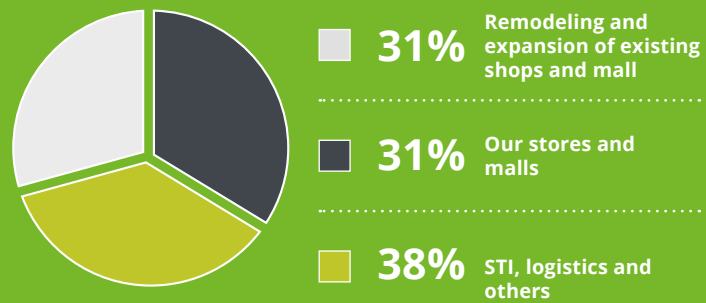
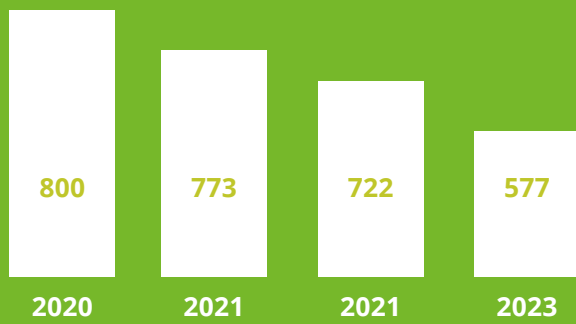
77 eco-friendly stores

36 LEED stores

PLAN FOR THE OPENING OF SHOPS AND SHOPPING CENTRES



INVESTMENT PLAN (US\$ MILLION)



US\$ MILLIONS
\$2.900

Note: The investment plan considers 100% of the investments of Falabella and its subsidiaries, in addition to Sodimac Colombia, Sodimac Mexico and CMR Mexico, which are not consolidated.



CORPORATE GOVERNANCE

- **Board of Directors**
- **Board Committees**
 - Board Members Committee
 - Strategy Committee
 - Compensation and Talent Committee
- **Management**
 - Main executives
 - Incentives plan
- **Ownership and control**
 - Controller group
 - Equity
 - 12 largest shareholders
 - Changes in ownership
 - Dividends policy



BOARD OF DIRECTORS

Falabella's Board of Directors includes nine members who hold office for three years from their date of appointment, and may be re-elected indefinitely. The Board does not include alternate members.

At the Ordinary Shareholders' Meeting of April 25th, 2017, the current directors of the Company were elected for the statutory period of 3 years.

As of December 31st, 2019, Falabella's Board of Directors was composed of the following members:

RUT	Name	Title	Profession	Director since	2019 Attendance
9.585.749-3	Carlo Solari Donaggio	Chairman	Civil Engineer	2011	14
7.017.522-3	Juan Carlos Cortés Solari	Vice Chairman	Business Administration	2002	14
5.718.666-6	Hernán Büchi Buc	Director (Independent)	Civil Engineer	1996	14
5.082.229-K	Sergio Cardone Solari	Director	Business Administration	1986	14
5.898.685-2	Juan Pablo del Río Goudie	Director	Architect	2017	14
4.773.832-6	José Luis del Río Goudie	Director	Civil Engineer	2003	12
8.717.000-4	Carlos Heller Solari	Director	Agricultural Engineer	2002	9
7.005.097-8	María Cecilia Karlezi Solari	Director	Entrepreneur	2003	12
8.506.868-7	Paola Cúneo Queirolo	Director	Business Administration	2014	14

Notes:

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

Juan Carlos Cortés has been Vice President of the Board of Directors since 2014.

The CEO of Falabella S.A. is not a member of the Board of Directors.

During 2019, the Board met 14 times, with an average attendance of 93%. A noteworthy fact is that, according to the Falabella S.A. statutes, there is no minimum attendance required of board members, but rather the attendance of at least five members of the Board is required to enable a meeting.

Regarding the composition of the Board, seven of the directors are men and two are women, all of Chilean nationality.

The number of members of the Board of Directors by age range and seniority is shown below.

AGE	DIRECTORS
Under 30 years	0
Between 30 and 40 years	0
Between 41 and 50 years	1
Between 51 and 60 years	3
Between 61 and 70 years	0
Over 70 years	5

SENIORITY	DIRECTORS
Under 3 years	1
Between 3 and 6 years	1
Between 6 and 9 years	1
Between 9 and 12 years	0
Over 12 years	6



BOARD OF DIRECTORS FALABELLA S.A.

- 1- Carlo Solari Donaggio
- 2- Juan Carlos Cortés Solari
- 3- Hernán Büchi Buc
- 4- Sergio Cardone Solari
- 5- Juan Pablo del Río Goudie
- 6- José Luis del Río Goudie
- 7- Carlos Heller Solari
- 8- María Cecilia Karlezi Solari
- 9- Paola Cúneo Queirolo

GENERAL SUMMARY PAYMENTS TO BOARD MEMBERS YEAR 2019 (M \$)

R.U.T.	Director	Compensation - Fixed Share	Compensation - Variable Share	Total 2019
9.585.749-3	Carlo Solari Donaggio	228.549	334.928	563.477
7.017.522-3	Juan Carlos Cortés Solari	18.426	167.464	185.890
5.718.666-6	Hernan Buchi Buc	18.395	167.464	185.859
5.082.229-K	Sergio Cardone Solari	18.426	167.464	185.890
4.773.832-6	José Luis del Río Goudie	18.426	167.464	185.890
8.717.000-4	Carlos Heller Solari	18.426	167.464	185.890
7.005.097-8	María Cecilia Karlezi Solari	18.426	167.464	185.890
8.506.868-7	Paola Cuneo Queirolo	18.426	167.464	185.890
5.898.685-2	Juan Pablo del Río Goudie	18.426	167.464	185.890
Total		375.926	1.674.639	2.050.566

GENERAL SUMMARY PAYMENTS TO BOARD MEMBERS YEAR 2018 (M \$)

R.U.T.	Director	Compensation - Fixed Share	Compensation - Variable Share	Total 2018
9.585.749-3	Carlo Solari Donaggio	222.884	356.715	579.599
7.017.522-3	Juan Carlos Cortés Solari	18.121	178.358	196.478
5.718.666-6	Hernan Buchi Buc	17.939	178.358	196.297
5.082.229-K	Sergio Cardone Solari	18.121	178.358	196.478
5.898.685-2	Juan Pablo del Río Goudie	18.121	178.358	196.478
4.773.832-6	Jose Luis del Río Goudi	18.121	178.358	196.478
8.717.000-4	Carlos Heller Solari	18.121	178.358	196.478
7.005.097-8	María Cecilia Karlezi Solari	18.121	178.358	196.478
8.506.868-7	Paola Cuneo Queirolo	18.121	178.358	196.478
Total		367.667	1.783.577	2.151.245

GENERAL SUMMARY PAYMENTS TO SUBSIDIARY BOARD MEMBERS YEAR 2019 (M \$)

R.U.T.	Director	Hiper-mercados Tottus S.A.	Malls	Sodimac	FIF	Retail	Total 2019
9.585.749-3	Carlo Solari Donaggio	18.584	38.497	-	21.669	18.581	97.331
7.017.522-3	Juan Carlos Cortés Solari	55.751	-	-	-	-	55.751
5.082.229-K	Sergio Cardone Solari	-	76.995	-	18.578	18.581	114.154
4.773.832-6	Jose Luis del Río Goudie	-	-	18.732	-	-	18.732
8.717.000-4	Carlos Heller Solari	-	-	-	-	74.323	74.323
7.005.097-8	María Cecilia Karlezi Solari	-	-	18.732	-	-	18.732
8.506.868-7	Paola Cuneo Queirolo	-	-	18.732	-	-	18.732
5.898.685-2	Juan Pablo del Río Goudie	-	-	111.721	-	-	111.721
Total		74.334	115.492	167.916	40.248	111.485	509.475

GENERAL SUMMARY PAYMENTS TO SUBSIDIARY BOARD MEMBERS YEAR 2018 (M \$)

R.U.T.	Director	Dinalsa	Malls	Sodimac	FIF	Retail	Total 2018
9.585.749-3	Carlo Solari Donaggio	18.108	32.634	9.068	18.115	18.121	96.045
7.017.522-3	Juan Carlos Cortés Solari	54.360	-	-	-	-	54.360
5.082.229-K	Sergio Cardone Solari	-	65.267	-	18.115	18.121	101.503
4.773.832-6	Jose Luis del Río Goudie	-	-	18.271	-	-	18.271
8.717.000-4	Carlos Heller Solari	-	-	-	-	72.485	72.485
7.005.097-8	María Cecilia Karlezi Solari	7.488	-	18.271	-	7.485	33.244
8.506.868-7	Paola Cuneo Queirolo	-	-	18.271	-	-	18.271
5.898.685-2	Juan Pablo del Río Goudie	-	-	108.974	-	-	108.974
Total		79.956	97.901	172.855	36.230	116.213	503.154



The Board did not hire consultancy during 2019.



BOARD COMMITTEES

Directors' Committee

The Board of Directors was completely renewed at the ordinary shareholders' meeting of the Company dated April 25th, 2017, for the statutory period of three years. Mr. Hernán Büchi Buc was elected as independent Director at said meeting (hereinafter, the "Independent Director"). In an ordinary session of the Board of Directors on the same date, and pursuant to the provisions of article 50 bis of the LSA, the Independent Director appointed the Directors Messrs. Sergio Cardone Solari and José Luis del Río Goudie as members of the Committee. In this fashion, and from the indicated date, the Committee is composed of the appointed Directors and is chaired by the Independent Director.

The Committee's expenses budget and the remuneration of each of its members for the 2019 financial year were determined by the Company's shareholders at its ordinary meeting held on April 23rd, 2019, pursuant to the following:

The expenses budget was set in an amount equivalent to the sum of the annual remuneration of the members of the Committee; The remuneration of each member of the Committee was set at: i) a fixed monthly wage for the equivalent in pesos to one third of the fixed monthly remuneration set for a Director of the Corporation, for each Committee session attended by the corresponding member, and that in the case of the Chairman of the Committee, a fixed monthly remuneration is added for an equivalent in pesos to gross 100 UF for each month or fraction of the month during the time in which they exercise the position since the time of their appointment; also, ii) in addition to the fixed monthly wages described in the previous point, members of the Committee also receive a variable annual remuneration in the amount in pesos that is equivalent to a third of the

variable annual remuneration expected for Directors of the Corporation; and iii) that all the above amounts are in addition to those that the members of the Committee should receive in their capacity as Directors of the Corporation; and, the Committee was also empowered to hire the advice of professionals for the conduction of their duties.

The Committee made expenses against its budget in the amount of 400 UF (unidades de fomento – inflation indexed currency) during financial year 2019, corresponding to external legal advice.

Sessions

The Committee met five times during 2019, on February 26th, May 13th, August 27th, November 11th and December 16th.

Issues Discussed

En sus sesiones celebradas durante 2019, el Comité se abocó al conocimiento de las materias propias de su competencia. Entre otras materias que se indican en el artículo 50 bis de la LSA y que le fueron encargadas por el Directorio al Comité, éste:

- Examined the corporate balance sheet and other quarterly and annual financial statements, including reports submitted both by the Corporation's executives as well as external auditors, ruling regard them prior to their presentation to the Board and, where appropriate to shareholders, for their approval; Proposed names to the Board of Directors for external auditors and private risk classifiers, which were, in turn, proposed to the shareholders' meeting;

- Informed the Board of Directors regarding the advisability of hiring the Corporation's external auditors for the rendering of non-audit services, under the terms included in numeral six of subsection eight of article 50 bis of the LSA;

- Examined the background information related to the operations referred to in Title XVI of the LSA in regards to a proposed corporate structure for the Corporation and its subsidiaries, which subsequently received Board approval;

- Took note of the progress of the plan and audit processes of the Corporation and its subsidiaries, in addition to the internal control report submitted by the Corporation's external auditors;

- Reviewed and became aware of the reports submitted by the Corporation's Internal Audit Management Office, and approved the Company's internal audit plan for year 2020; and

- Learned of the work conducted by the audit committees at the most relevant subsidiaries of the Company.

During the session of February 26th, 2019, the Committee evaluated the service proposals received from external audit companies for the 2019 financial year and proposed to the Board, so that it in turn proposed to the shareholders' meeting, a duo from which to choose to the external auditors from the following companies, in the order in which they are named: i) first, Ernst & Young Professional Services of Auditing and Consulting SpA (hereinafter "EY"); and, ii) secondly, to Deloitte Auditores y Consultores Limitada.

Regarding the EY proposal, the Committee recorded that it was considered the first priority in attention to

the following professional aspects and the EY service proposal:



- The quality of the professional team in charge of the Company's audit;



- The Corporation's work experience in the Corporation's past with EY;



- EY's international presence in the countries where the Company and its subsidiaries operate;



- The financial proposal received from EY for the audit services; and,



- The recent addition of new countries and businesses that need proper settlement in the audit process.

At the same aforementioned Committee meeting, the latter agreed to propose the following risk classifiers designation for securities issued by the Corporation, which are subject to public offering, to the Board of Directors: The holding of Fitch Chile Clasificadora de Riesgo Limitada and Feller-Rate Clasificadora de Riesgo Limitada as risk classifiers for the shares, bonds and bills of exchange issued in Chile by the Corporation; and,

Also holding the Standard & Poor's and Fitch Ratings rating agencies for the classification of securities issued abroad.



MEMBERS AND ATTENDANCE AT MEETINGS:

	ATTENDANCE 2018	ATTENDANCE 2019
Hernán Büchi Buc (Presidente)*	5	8
Sergio Cardone Solari	4	7
José Luis del Río Goudie	5	7



* Independent Director

COMPENSATION OF THE DIRECTORS COMMITTEE (THOUSANDS OF \$):

R.U.T.	Director	Compensation - Fixed Share	Compensation - Variable Share	Total 2018	Total 2019
5.082.229-K	Sergio Cardone Solari	2.041	55.821	57.862	62.510
5.718.666-6	Hernán Büchi Buchi	36.006	55.821	91.827	95.567
4.773.832-6	Jose Luis del Río Goudie	2.559	55.821	58.381	63.003
Total				208.070	221.080

Strategy Committee

The Strategy Committee aims to assess and make proposals to the Board regarding industry trends and their implications for Falabella, in addition to strategic opportunities detected in the business with a focus on the medium and long terms.

The Strategy Committee, in addition, delves into the guidelines of the corporate strategic plan and business units. Along these lines, it proposes improvements to strategic plan proposals submitted by the General Manager.

Along with the above, the Committee has the role of deepening into investment and divestment analysis, and making proposals regarding the company's investment policies and risk management. Along these lines, the Committee has the responsibility of leading analyzes and developing proposals on critical issues at the request of the Board of Directors.

The Strategy Committee met three times during 2019.

MEMBERS AND ATTENDANCE AT MEETINGS:

Director	Attendance 2018	Attendance 2019
Carlo Solari Donaggio (Presidente)	3	3
Juan Carlos Cortés Solari	2	2
Sergio Cardone Solari	2	2
José Luis del Río Goudie	2	2
Paola Cúneo Queirolo	3	3
Juan Pablo del Río Goudie	3	3
Cecilia Karlezi Solari	2	0

Compensation and Talent Committee

The Committee analyzes remuneration policies, evaluations and talent management and, when appropriate, reviews nominations of directors to the various corporations of the company.

In the remunerations context, the committee analyzes and proposes compensation policies for the directors of the company and its relevant subsidiaries, evaluating long-term incentives to be provided during the year.

Regarding evaluations, the committee ensures the proper implementation of the performance evaluation for the main executives of the company.

In addition to the above, the committee is regularly informed of the key issues regarding talent management and appointments within the organization.

The Committee proposes procedures regarding succession plans for the CEO and front-line executives, and monitors the performance of key executives.

The Compensation and Talent Committee met twice during 2019.

MEMBERS AND ATTENDANCE AT MEETINGS:

Director	Attendance 2018	Attendance 2019
Juan Carlos Cortés Solari (Presidente)	2	2
Carlo Solari Donaggio	2	2
Juan Pablo del Río Goudie	2	2
Sergio Cardone Solari	2	-

MANAGEMENT: MAIN EXECUTIVES

RUT	Name	Title	Profession	Years in the Group	Date of Title Appointment
10.054.917-4	Alejandro González Dale	Chief Executive Officer	Ingeniero Comercial	13	06-11-2006
13.660.520-8	Jordi Gaju Nicolau	Chief Financial Officer	Ingeniero Comercial	10	01-09-2018
9.959.968-5	Gonzalo Smith Ferrer	Chief Strategy Officer	Abogado	4	16-12-2015
7.003.348-8	Jorge Joannon Errázuriz	Chief Legal and Governance Officer	Ingeniero Civil	5	01-08-2014
24.293.561-6	Helder Jorge Antunes Mao De Ferro	Chief Internal Audit Officer	Licenciado en Administración de Empresas	2	01-02-2019
11.833.668-2	María Francisca Prieto Arroyo	Chief Information Technology Officer	Ingeniero Comercial	8	01-09-2018
0-E (Extranjero)	Pablo Ardanaz	Chief People Officer	Ingeniero Industrial	13	01-08-2016
7.649.739-7	Rodrigo Fajardo Zilleruelo	Argentina Country Manager	Ingeniero Comercial	25	09-02-2010
0-E (Extranjero)	Juan Fernando Correa Malachowsk	Colombia Country Manager	Ingeniero Industrial	16	01-01-2017
22.051.269-K	Gonzalo Somoza García	Peru Country Manager	Ingeniero Civil	20	25-04-2014
9.900.567-K	Enrique Gundermann Wylie	Corporate General Manager Department Stores	Ingeniero Civil	18	30-10-2012
21.658.334-5	Juan Manuel Matheu Loitegui	Corporate General Manager Home Improvement	Licenciado en Administración de Empresas	10	01-06-2018
7.556.207-1	Fernando de Peña Iver	Falabella Financiero Chief Executive Officer	Ingeniero Civil	30	01-01-1990
0-E (Extranjero)	Johann Ramberg Arnillas	Mallplaza Chief Executive Officer	Economista	16	01-09-2018
7.617.431-8	Ricardo Hepp de Los Ríos	Corporate General Manager Supermarkets	Ingeniero Comercial	25	01-04-2009



Note: The Home Improvement Corporate General Manager Mr. Enrique Gundermann held this position until March 15th, 2020. As of March 16th, 2020, Alejandro Arze Safian took over as Home Improvement Corporate General Manager.



As of December 31st, 2019, no executive or director (who is not part of the controlling agreement, which is reported below) has an individual share greater than 0.5% of the company's stock. Altogether, their share does not exceed 0.5% of the company's ownership either.

Regarding the composition of the main executives, nine are of Chilean nationality, seven are foreigners, while 15 are men and one is a woman.

The number of members of the Administration by age range and seniority is shown below.

Number of executives by age range

	EXECUTIVES
Under 30 years	0
Between 30 and 40 years	0
Between 41 and 50 years	7
Between 51 and 60 years	7
Between 61 and 70 years	2
Over 71 years	0

Number of executives by seniority

	EXECUTIVES
Under 3 years	1
Between 3 and 6 years	2
Between 6 and 9 years	1
Between 9 and 12 years	3
Over 12 years	9



OWNERSHIP AND CONTROL

Incentives Plan

The Corporation provides its employees with certain additional incentives to remuneration in the form of bonuses. These bonuses are calculated based on the results obtained and the goals set at the beginning of the period. Compensation plans have also been deployed for executives by granting payments based on shares of the Corporation. For further information on share-based payments, refer to Note 22 d) of the company's Financial Statements as of December 2019.

Controller Group

The corporation is controlled by the shareholders' groups detailed below. As of December 31st, 2019, the controlling group owns 70.58% of the shares into which the share capital is divided. The aforementioned controllers have entered into a joint action agreement pursuant to the final and consolidated text of the Shareholders' Agreement subscribed on September 24th, 2013. Said agreement contains limitations on the free availability of shares.

AUGURI GROUP

	RUT	No. of Shares	%
María Cecilia Karlezi Solari	7.005.097-8	14.000.000	0,56%
Inversiones Auguri Limitada	78.907.330-9	37.533.331	1,50%

This corporation is controlled by the natural persons detailed below:

Maria Cecilia Karlezi Solari	7.005.097-8		
Sebastian Arispe Karlezi	15.636.728-1		
Lucec Tres S.A.	99.556.440-8	267.803.642	10,67%

This corporation is controlled by the natural persons detailed below:

Maria Cecilia Karlezi Solari	7.005.097-8		
Sebastian Arispe Karlezi	15.636.728-1		

BETHIA

	RUT	No. of Shares	%
Bethia S.A.	78.591.370-1	230.391.055	9,18%

This corporation is controlled by the natural persons detailed 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		

	RUT	No. of Shares	%
Inbet S.A.	85.487.000-9	2.678.697	0,11%

This corporation is controlled by the natural persons detailed 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		

CORSO GROUP

	RUT	No. of Shares	%
Juan Carlos Cortes Solari	7.017.522-3	2.081.442	0,08%
Teresa Matilde Solari Falabella	4.661.725-8	2.229.487	0,09%
Maria Francisca Cortes Solari	7.017.523-1	2.082.186	0,08%
Inversiones Mapper Dos Limitada	76.839.460-1	6.180.193	0,25%

This corporation is controlled by the natural persons detailed below:

Teresa Matilde Solari Falabella	4.661.725-8		
Juan Carlos Cortes Solari	7.017.522-3		
Maria Francisca Cortes Solari	7.017.523-1		
Inversiones Quitafal Limitada	76.038.402-K	18.300.200	0,73%

This corporation is controlled by the natural persons detailed below:

Teresa Matilde Solari Falabella	4.661.725-8		
Juan Carlos Cortes Solari	7.017.522-3		
Maria Francisca Cortes Solari	7.017.523-1		
Inversiones Don Alberto Cuatro SpA	99.552.470-8	151.079.494	6,02%

This corporation is controlled by the natural persons detailed below:

Teresa Matilde Solari Falabella	4.661.725-8		
Juan Carlos Cortes Solari	7.017.522-3		
Maria Francisca Cortes Solari	7.017.523-1		
Mapcor Cuatro SpA	99.556.480-7	45.000.000	1,79%

This corporation is controlled by the natural persons detailed below:

Teresa Matilde Solari Falabella	4.661.725-8		
Juan Carlos Cortes Solari	7.017.522-3		
Maria Francisca Cortes Solari	7.017.523-1		
Mapcor Cuatro Alfa SpA	77.112.738-K.	63.247.346	2,52%

This corporation is controlled by the natural persons detailed below:

Teresa Matilde Solari Falabella	4.661.725-8		
Juan Carlos Cortes Solari	7.017.522-3		
Maria Francisca Cortes Solari	7.017.523-1		

GROUP SAN VITTO

	RUT	No. of Shares	%
Inversiones San Vitto Limitada	77.945.970-5	243.698.146	9,71%

This corporation is controlled by the natural persons detailed 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	8.852.268	0,35%
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This corporation is controlled by the natural persons detailed 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 Limitada	78.907.350-3	8.852.288	0,35%
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This corporation is controlled by the natural persons detailed 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 Limitada	78.907.390-2	8.852.248	0,35%
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This corporation is controlled by the natural persons detailed below:

Piero Solari Donaggio	9.585.725-6		
Sandro Solari Donaggio	9.585.729-9		
Carlo Solari Donaggio	9.585.749-3		

Banco Santander Chile SSS	97.036.000-K	360.000	0,01%
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This corporation is controlled by the natural persons detailed below:

Sandro Solari Donaggio	9.585.729-9		
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GROUP LIGURIA

	RUT	No. of Shares	%
Inversiones Los Olivos SpA	76.360.576-0	219.228.581	8,74%

This corporation is controlled by the natural persons detailed below:

Juan Cuneo Solari	3.066.418-3
Paola Cuneo Queirolo	8.506.868-7
Giorgianna Cuneo Queirolo	9.667.948-3

GROUP AMALFI

	RUT	No. of Shares	%
Importadora y Comercializadora Amalfi SpA	87.743.700-0	45.224.102	1,80%

This corporation is controlled by the natural persons detailed below:

Sergio Cardone Solari	5.082.229-K		
Ines Fantuzzi	6.066.811-6		
Macarena Cardone	10.091.903-6		
Matias Cardone	10.091.901-K		
Valentina Cardone	15.642.572-9		
Josefina Cardone	17.406.681-7		
Francisco de Pablo	12.265.592-K		
Cristian de Pablo	12.585.617-9		
Nicolas de Pablo	13.550.768-7		
Inversiones Vietri S.A.	76.182.636-0	11.217.037	0,45%

This corporation is controlled by the natural person detailed below:

Sergio Cardone Solari	5.082.229-K
Ines Fantuzzi	6.066.811-6
Macarena Cardone	10.091.903-6
Matias Cardone	10.091.901-K
Valentina Cardone	15.642.572-9
Josefina Cardone	17.406.681-7
Francisco de Pablo	12.265.592-K
Cristian de Pablo	12.585.617-9
Nicolas de Pablo	13.550.768-7

GROUP DERSA

	RUT	No. of Shares	%
Dersa S.A.	95.999.000-K	138.024.501	5,50%

This corporation is controlled by the natural persons detailed below:

Jose Luis del Rio Goudie	4.773.832-6
Barbara del Rio Goudie	4.778.798-K
Juan Pablo del Rio Goudie	5.898.685-2
Felipe del Rio Goudie	5.851.869-7
Ignacio del Rio Goudie	6.921.717-6
Sebastian del Rio Goudie	6.921.716-8
Carolina del Rio Goudie	6.888.500-0

DT Carrera S.A.	76.338.127-7	35.631.421	1,42%
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This corporation is controlled by the natural persons detailed below:

Felipe del Rio Goudie	5.851.869-7
Mariana de Jesus Arteaga Vial	6.695.852-3
Luis Felipe del Rio Arteaga	13.234.925-8
Andres Antonio del Rio Arteaga	14.118.360-5
Martin del Rio Arteaga	15.642.668-7
Javier del Rio Arteaga	16.605.546-6
Jose Pablo del Rio Arteaga	17.703.172-0
Mariana Teresita Carmen del Rio Arteaga	18.641.820-4

Quilicura S.A.	76.338.077-7	22.185.599	0,88%
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This corporation is controlled by the natural person detailed below:

Jose Luis del Rio Goudie	4.773.832-6
Barbara del Rio Goudie	4.778.798-K
Juan Pablo del Rio Goudie	5.898.685-2
Felipe del Rio Goudie	5.851.869-7
Ignacio del Rio Goudie	6.921.717-6
Sebastian del Rio Goudie	6.921.716-8
Carolina del Rio Goudie	6.888.500-0



“
SER O
NO SER
”

HABLET / WILLIAM SHAKESPEARE

PLACULTURABANDOSMUEVE

“
HAY BESOS
QUE SE
DAN CON
LA MIRADA
”

RENDE / GARCÍA MÁRQUEZ

PLACULTURABANDOSMUEVE

“
LUCHAR
HASTA EL
ÚLTIMO
ALIENTO
”

BRANDER / WILLIAM SHAKESPEARE

PLACULTURABANDOSMUEVE

“
CUALQUIERA
EN SU SANO
JUICIO
SE HABRÍA
VUELTO
LOCO POR TI
”

ORRIBLO / FREDRICK / JOE KUTY

	RUT	No. of Shares	%
El Roquero S.A.	76.338.125-0	22.185.599	0,88%
This corporation is controlled by the natural persons detailed below:			
Jose Luis del Rio Goudie	4.773.832-6		
Barbara del Rio Goudie	4.778.798-K		
Juan Pablo del Rio Goudie	5.898.685-2		
Felipe del Rio Goudie	5.851.869-7		
Ignacio del Rio Goudie	6.921.717-6		
Sebastian del Rio Goudie	6.921.716-8		
Carolina del Rio Goudie	6.888.500-0		
DT D y D S.A.	76.338.126-9	33.875.767	1,35%
This corporation is controlled by the natural persons detailed below:			
Juan Pablo del Rio Goudie	5.898.685-2		
Patricia Edwards Braun	5.711.271-9		
Elisa del Rio Edwards	12.628.617-1		
Diego del Rio Edwards	13.234.004-8		
Ana del Rio Edwards	13.435.488-7		
Pedro del Rio Edwards	15.382.612-9		
Sara del Rio Edwards	15.641.769-6		
Paula del Rio Edwards	16.371.405-1		
BFD S.A.	76.338.129-3	22.185.599	0,88%
This corporation is controlled by the natural persons detailed below:			
Jose Luis del Rio Goudie	4.773.832-6		
Barbara del Rio Goudie	4.778.798-K		
Juan Pablo del Rio Goudie	5.898.685-2		
Felipe del Rio Goudie	5.851.869-7		
Ignacio del Rio Goudie	6.921.717-6		
Sebastian del Rio Goudie	6.921.716-8		
Carolina del Rio Goudie	6.888.500-0		

	RUT	No. of Shares	%
DT Peñuelas S.A.	76.338.177-3	33.553.807	1,34%
This corporation is controlled by the natural persons detailed below:			
Carolina del Rio Goudie	6.888.500-0		
Victor Pucci Labatut	6.474.224-8		
Victor Pucci del Rio	15.643.671-2		
Pablo Pucci del Rio	15.637.474-1		
Rodrigo Pucci del Rio	16.371.133-8		
Felipe Pucci del Rio	18.392.648-9		
Las Mariposas SpA	76.338.144-7	5.144.938	0,21%
This corporation is controlled by the natural persons detailed below:			
Ignacio del Rio Goudie	6.921.717-6		
Inversiones Vitacura S.A.	88.494.700-6	5.376.695	0,21%
This corporation is controlled by the natural persons detailed below:			
Jose Luis del Rio Goudie	4.773.832-6		
Barbara del Rio Goudie	4.778.798-K		
Juan Pablo del Rio Goudie	5.898.685-2		
Felipe del Rio Goudie	5.851.869-7		
Ignacio del Rio Goudie	6.921.717-6		
Sebastian del Rio Goudie	6.921.716-8		
Carolina del Rio Goudie	6.888.500-0		
Inversiones Austral Limitada	94.309.000-9	14.255.119	0,57%
This corporation is controlled by the natural persons detailed below:			
Jose Luis del Rio Goudie	4.773.832-6		
Barbara del Rio Goudie	4.778.798-K		
Juan Pablo del Rio Goudie	5.898.685-2		
Felipe del Rio Goudie	5.851.869-7		
Ignacio del Rio Goudie	6.921.717-6		
Sebastian del Rio Goudie	6.921.716-8		
Carolina del Rio Goudie	6.888.500-0		

	RUT	No. of Shares	%
Inpesca S.A.	79.933.960-9	49.343.681	1,97%

This corporation is controlled by the natural persons detailed below:

Jose Luis del Rio Goudie	4.773.832-6		
Barbara del Rio Goudie	4.778.798-K		
Juan Pablo del Rio Goudie	5.898.685-2		
Felipe del Rio Goudie	5.851.869-7		
Ignacio del Rio Goudie	6.921.717-6		
Sebastian del Rio Goudie	6.921.716-8		
Carolina del Rio Goudie	6.888.500-0		

	RUT	No. of Shares	%
Total Controladores		1.770.654.469	70,58%

Equity

As of December 31st, 2019, the Company's equity was divided into 2,508,844,629 shares subscribed and paid at that date, of equal value belonging to a single series, with 1,424 registered shareholders.

12 LARGEST SHAREHOLDERS

NAME OR LEGAL NAME	R.U.T.	COMMON	%
LUCEC TRES S A	99.556.440-8	267.803.642	10,67%
INVERSIONES SAN VITTO LTDA	77.945.970-5	243.698.146	9,71%
BETHIA S A	78.591.370-1	230.391.055	9,18%
INVERSIONES LOS OLIVOS SpA	76.360.576-0	219.228.581	8,74%
BANCO SANTANDER POR CUENTA DE INV EX-TRANJEROS	97.036.000-K	179.098.584	7,14%
INVERSIONES DON ALBERTO CUATRO SpA	99.552.470-8	151.079.494	6,02%
DERSA SA	95.999.000-K	138.024.501	5,50%
BANCO ITAU CORPBANCA POR CTA DE INVERSIONISTAS EXTRANJEROS	97.023.000-9	107.833.827	4,30%
BANCO DE CHILE POR CUENTA DE TERCEROS NO RESIDENTES	97.004.000-5	85.250.699	3,40%
MAPCOR CUATRO ALFA SpA	77.112.738-K	63.247.346	2,52%
INPESCA S A	79.933.960-9	49.343.681	1,97%
IMPORTADORA Y COMERCIALIZADORA AMALFI SpA	87.743.700-0	45.224.102	1,80%



Changes in ownership

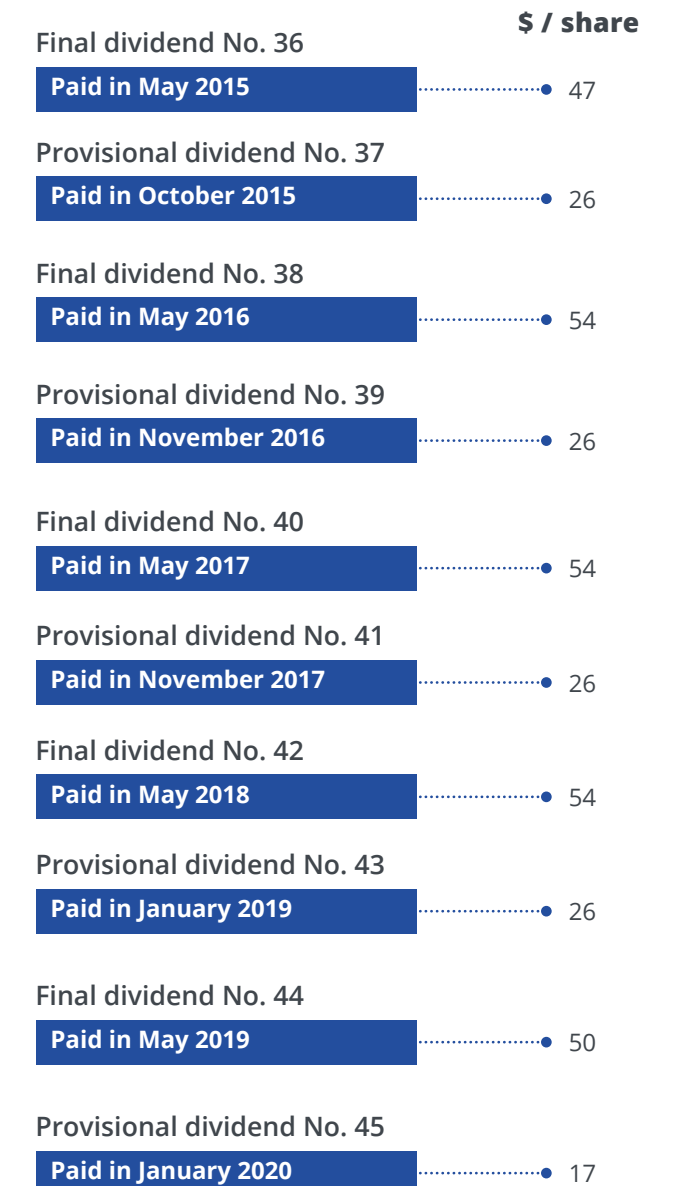
In November 2019, Grupo Corso divided the Mapcor Cuatro SpA corporation, Rut 99,556,480-7, which owned 108,247,346 shares, equivalent to 4.31% of the stock ownership in Falabella S.A. by that date, incorporating a new corporation named Mapcor Cuatro Alfa SpA, Rut 77.112.738-K for this purpose. Among the assets awarded to Mapcor Cuatro Alfa SpA due to the division, there were 63,247,346 shares issued by Falabella S.A., equivalent to 2.52% of its stock. Therefore, following the corporate division, Mapcor Cuatro SpA held 45,000,000 shares and Mapcor Cuatro Alfa SpA held 63,247,346 shares.

There were no further changes accounting for more than 1% of corporate ownership during the year.

Dividends policy

The ordinary shareholders' meeting has established a dividend policy of distributing at least 30% of the profits for each year annually, and it will be applied to the net distributable profits thereof.

Thus, dividends distributed during 2015, 2016, 2017, 2018 and 2019 are detailed below:



CORPORATE INFORMATION

- Company identification
- Insurance
- Brands and patents
- Regulatory framework
- Risks
- Awards and acknowledgements
- Summary of material facts during the period
- Shareholder comments and proposals
- Stock market information 2019
- Store by format and country
 - Department Stores
 - Home Improvement
 - Supermarket
- Summarized corporate structure
- Information on subsidiaries and associations
- Subsidiaries with shares





Company Identification

Falabella S.A. is a public Company, registered in the Registro de Valores de la Comisión para el Mercado Financiero under No. 582. Its central offices' address is located at Manuel Rodríguez Norte 730, Santiago, Chile; phone +56 2 2380 2000; fax 223802077; box 1737; website: investors.falabella.com; email: inversionistas@falabella.cl. Its Unique Tax Number (RUT) is 90.749.000-9.

The Falabella S.A. corporation was incorporated under the "Sociedad Anónima Comercial Industrial Falabella SACIF" name, by a public deed granted on March 19th, 1937, before the Santiago notary, Mr. Jorge Gaete Rojas, and was authorized and declared legally installed by Supreme Decree number 1,424 of April 14th of that same year, having registered the Statutes and the Supreme Decree cited on pages 1,181 and 1,200, under numbers 400 and 401 of the Trade Registry of 1937, of the Real Estate Registrar of Santiago.

The aforementioned Statute and Decree were posted in the Official Journal on April 27th, 1937, and in the La Nación newspaper in Santiago on April 27th, 29th, 30th and May 3rd of the same year.

During the years elapsed since its incorporation, the bylaws have been subject to various amendments, including the change of its name to "S.A.C.I. Falabella" by a public deed dated December 23rd, 1970, and subsequently to "Falabella S.A.", this being its current name and the last amendment of the company which was agreed at an extraordinary shareholders' meeting held on April 23rd, 2019, whose act was summarized to a public deed dated May 2nd, 2019, before the public notary of Santiago, Mr. Francisco Leiva Carvajal, head of the Second Notary Office of Santiago. An extract of said deed was posted in the Official Journal No. 42,346 on May 6th, 2019 and was registered on pages 34,034 No. 17,064 of the Trade Registry of the Real Estate Registrar of Santiago of that same year.





Insurance

The purposes of the corporation are:

- 1) the installation and operation, directly or via third parties, in the country or abroad, of all kinds of commercial establishments, stores, warehouses and supermarkets, intended for the retail trade of all kinds of products and services, including: clothing, including raw materials, fabrics, made-to-order clothing, ornaments and accessories; all kinds of hardware items or products, household items or home appliances, electrical or electronic items, such as radios, receivers, televisions, computers, kitchens, washing machines and others of a similar nature, and in general, all kinds of products and services susceptible to retail marketing in large stores, warehouses and supermarkets;
- 2) the installation and operation, directly or via third parties, in the country or abroad, of the workshops or factories destined for the preparation and production of the articles whose commercialization is involved;
- 3) the sale, import, export and general trading of the aforementioned products;
- 4) the organization, start-up, development and administration, in the country or abroad, by itself or via the companies of which it is a part of or has an interest in, of promotion systems, credit granting and financing retail sales of all articles, merchandise, products and services whose commercialization is involved;
- 5) the realization, directly or via third parties, in the country or abroad, of all kinds of real estate businesses.

Falabella and its subsidiary companies have insurance agreements with first-class insurance companies, which reasonably cover the risks of loss or deterioration to which its assets may be exposed. These policies include buildings, stocks, facilities, vehicles, machinery, storage and transportation of products for sale. These insured risks have expressly included fire, strikes, looting, popular disorder and natural disasters such as earthquakes and tsunamis. The physical assets policy covers loss of profit risks via an additional coverage for business interruption damages. There are also policies which reasonably cover other operational risks, such as civil liability for damages to third parties and others related to the banking sector.



Brands and Patents

The corporation has registered a large number of product brands that it markets both domestically and abroad. To safeguard its brands, the company has the advice of the Silva law firm. Additionally, the Plaza S.A. subsidiary has the advice of the Porzio · Ríos · García Abogados law firm.

The main registered and current own brands of Falabella and its subsidiaries are:

Falabella, Sodimac, Homecenter, Homecenter Sodimac, Sodimac Constructor, Imperial, Maestro, Homy, Tottus, Precio Uno, CMR, Banco Falabella, Viajes Falabella, Seguros Falabella, FPay, Mallplaza, Open Plaza, Linio, Sybilla, Basement, Blue, Florencia, Harris & Frank, Holley, Mica, Qfeel, Scoop, Stefano Cocci, Textil Viña, Americanino, Newport, Apology, University Club, Coniglio, Denimlab, Yamp, Doo, Eleven, Roberta Allen, Bearcliff,



Risks

Fratta, Click & Collect, Home Collection, Bauker, Kolor, Mr. Beef, Recco, Ubermann, Wurden, Ozom, Dear Santa, Klein, Topex, Redline, Autostyle, Halux, Dairu, Fixser, Volker, Klimber, Hölztek, Karson, Ergo, Do It, Humboldt, Petizoos and Sensi D'Acqua, among other.

Falabella S.A. and its subsidiaries are exposed to risks that could adversely impact their businesses, operations, assets, results and investments, to a greater or lesser extent. Given the above, the company has developed a set of measures and policies to identify, manage and mitigate the risks faced by its businesses.



Regulatory Framework

Falabella S.A. is an open stock corporation and, as such, is subject to the provisions of Law No. 18,046 on Stock Corporations, Law No. 18,045 on the Stock Market and the regulations of the Commission for the Financial Market, among others.

The company has a Risk Management and Control Policy and an Internal Audit Policy. Both policies apply to both Falabella S.A. as well as its subsidiaries. Also, subsidiaries can issue additional policies and guidelines, as long as they do not conflict with the aforementioned Policies.

For their part, Falabella S.A. subsidiaries, depending on the activities conducted, are subject to the provisions of the Law on Consumer Protection, the General Banking Law, regulations of the Commission for the Financial Market, among others.

The main business units of Falabella S.A. also have risk committees whose purpose is to analyze the risks potential of their corresponding businesses. These committees meet regularly and are composed of the top executives of each business, including the corresponding general manager, and in some cases, also board members. Falabella S.A. board members and the main business units directors also analyze the company's potential risks in board meetings, in director committee meetings and in meetings of the audit committee in the case of some subsidiaries.

Finally, it should be noted that the activity of subsidiaries in countries other than Chile is regulated by the regulations of such jurisdictions.

Falabella S.A. and its main subsidiaries have internal audit teams reporting directly to the boards of each of these companies. These teams conduct internal audit work pursuant to the audit plans previously approved directly by the board of the corresponding company. The results of these audits are reported to the audited units and the corresponding board of directors and are analyzed by the audit committee or the directors' committee.

Below, we include a list of the main risks faced by Falabella S.A., according to the analysis conducted by



the company, with the information available to date. If these risks materialize, they could produce adverse effects on Falabella S.A. or its subsidiaries, including economic losses and negative effects on reputation. The risks that could affect Falabella S.A. and its subsidiaries are not limited to those named here. It should be noted that new risks have recently arisen, subject to the occurrence of a series of events that could decrease or impair the operation of the various physical facilities via which Falabella S.A. and its subsidiaries conduct their businesses, such as social disorder, vandalism, looting, closure of premises and suspension of activities by order of authority in states of constitutional exception or health emergency situations. There are others, but according to gained experience and the currently available information, we consider these as the most relevant to mention.



PHYSICAL SECURITY AND OPERATIONAL CONTINUITY RISK

Our physical operations, people and assets can face damage to people and physical assets

The company and its subsidiaries operate a significant number of physical facilities and goods of various natures, necessary for the conduction of its business, such as stores, shopping centers, distribution centers, offices and equipment, among others. These facilities, goods and assets are subject to the occurrence of a set of events that could decrease or impair their operation, such as fires, floods, earthquakes and other types of harmful events and natural disasters. Some of these events and their effects are likely to be controlled or contained to a lesser or greater extent. The occurrence of these events in our facilities could also harm the people who attend them daily, be they customers, collaborators, suppliers or others. Damage to people that may be

caused in our facilities could result in legal, economic and reputation impacts on the company or its subsidiaries. Similarly, damage to facilities could temporarily or permanently disable them and this could result in economic losses, negatively affecting the income or profitability of the company's businesses, depending on the scope of the claim and the coverage of insurance policies hired.



COMPLIANCE RISK

We may face changes in legal regulation

We operate in various legal and regulatory contexts in various countries, all of which impact and determine how we conduct our business. It may be possible that such legal and regulatory frameworks change in the future in ways that impact, limit or restrict the business models developed, increasing their costs in ways that impact their profitability and viability.

We are facing various legal and regulatory contingencies, the judicial results of which could negatively affect our results.

Our operations could face various legal and regulatory contingencies, among others, in labor, civil, consumer, free competition, labor matters, as well as potential investigations by regulators in the matters of their competence. The results of said contingencies are not predictable and could have a negative impact on our results. Also, the management of said legal contingencies may generate higher costs than expected.



INFORMATION TECHNOLOGY AND SECURITY RISK:

We are exposed to potential operational continuity interceptions via technology damage or loss of information, or other security breaches

The company uses computer systems and technology in various processes in the operations of all its businesses. A prolonged failure in any of these systems could interrupt some of these processes, potentially affecting operations (accounting, sales, inventory, etc.) or having other adverse effects on the company. The company also faces the risk that third parties may attempt to breach its systems to access confidential information about the company, its customers or its suppliers. A breach of the company's computer security systems could seriously damage the reputation of the company or its subsidiaries and impact future revenue. Although we have developed systems and processes designed to protect customer information and prevent data loss and other security breaches, including systems and processes designed to reduce the impact of a security breach on an external supplier, such measures cannot provide absolute security.



COMPETITION AND OPERATIONAL RISKS

We may face strong competition in the markets where we operate

The company and its subsidiaries face their competition in each of the markets where they operate. This competition depends on several factors, including the price / rate, the quality or exclusivity of the product / service, the location of the store / branch or the shopping center, the functionality of the website or application, among other factors, depending on the case. The level of competition could intensify in the future, with current competitors or with new entrants. An eventual inability of the company or its subsidiaries to effectively compete against current or future competitors, could result in the loss of market share, lower income, lower margins or even obsolescence of its business model or value proposition, in an extreme case.

We are exposed to various risks resulting from our international operations

The company's financial situation and operating results largely depend on the economic conditions prevailing in the countries in which we operate. Economic conditions in these countries can be affected by a variety of factors which are beyond the company's control, including, economic and / or other policies imposed by governments, inflation policies and the mechanisms used to fight it, trends in currency exchange rates, global and regional economic conditions, among other factors. Adverse changes in these variables could impact the company, its customers and its suppliers.

OBTÉN INSTANTAMENTE



UNA PIEL RADIANTE

falabella

MAC
Bath&BodyWorks

benefit

ESTÉE LAUDER

OBTÉN INSTANTAMENTE



UNA PIEL RADIANTE



The commercial sector is sensitive to the economic cycle

The company's income is subject to trade sector fluctuations and, therefore, to economic activity cycles. Consumer behavior is affected by many factors, including, but not limited to, the perception of the overall economy performance, manifested in factors such as inflation, growth, interest rates, etc. This may affect the purchasing behavior and the willingness of consumers to pay loans hired. This could adversely affect the income and profitability of the company and its subsidiaries.

We face continuous inventory risk

The company and its subsidiaries must maintain sufficient inventory levels to successfully operate their businesses, avoiding both inventory shortages and excess accumulation. Suppliers generally require considerable lead time to fulfill product orders. This forces the creation of purchase orders well before the time these products are offered for sale, so the future demand for a product must be accurately anticipated, and the time for obtaining inventories must be estimated to ensure that the stock levels are appropriate. Additionally, climate and seasonality have an impact on the results of operations of several of the company's business units. Inventory needs to be increased to above-average levels in preparation for high-demand seasons. Any unforeseen decrease in demand, errors in demand forecasts or delays from suppliers, may force the application of sale strategies to offset or mitigate these situations, which may negatively impact the results of the company.

Our relationship with suppliers leads us to face various risks

We have important suppliers, which are key to our supply. If our current suppliers stopped selling or licensing products, content, components or services under acceptable conditions, or we faced delays in delivery as a result of bankruptcy of our suppliers due to poor economic conditions, natural disasters, or other reasons, we may not be able to obtain alternatives from other suppliers in a timely, efficient and acceptable manner, or at all. Also, if our suppliers breach applicable laws, regulations, our codes or deploy practices considered as unethical, unsafe or dangerous for the environment, they could damage our reputation, limit our growth, and negatively affect our operating results.

Our business is increasingly dependent on the growth of e-commerce in the region

The online trading market is a developing market in Latin America. Our future earnings depend, to some extent, on the acceptance and widespread use of the Internet by Latin American consumers as a means of conducting business.

Our results are affected by seasonality during the year

We have historically experienced seasonality in sales in the countries where we operate, primarily because the highest sales occur during the Christmas, New Year seasons and during the beginning of each school year in March. Any economic slowdown, interruption of business, or the occurrence of any other circumstance that may affect our business during these dates, may therefore have an adverse effect on us.

We may face strikes in our operations

If any business fails to reach agreement in union negotiations, our operations and results could be affected by stoppages or strikes.

We depend on the timely identification and response of the preferences of our current and potential Customers.

In order to build and maintain a relationship with our customers, we must be able to promptly identify, and appropriately and effectively respond to their purchasing preferences and patterns. Otherwise, demand for our products, inventory levels, our market share and the growth of our business could be impacted.



FINANCIAL RISKS

We face exchange rate risk

The Chilean peso is subject to variations with respect to the United States dollar and other currencies. Part of the products offered for sale at the Falabella S.A. subsidiary stores are acquired in foreign countries, therefore, during the period in which such import operations are pending payment, there is an exposure to exchange rate fluctuation. The same occurs in Argentina, Colombia, Peru, Brazil, Uruguay and Mexico, between the dollar and the corresponding local currencies. A pronounced depreciation of one or more of these local currencies could result in higher costs and lower margins for the corresponding business. Similarly, fluctuations in the exchange rates of the various currencies where Falabella S.A. holds investments over the Chilean peso may affect the value of such investments abroad. These currency fluctuations may also affect the contribution of subsidiaries outside Chile to other accounts in the company's Consolidated Financial Statements, which are expressed in Chilean pesos, including consolidated income.

There may be variations in interest rates that affect our business.

A high percentage of sales from purchases made by customers in the company's stores are financed by loans granted by CMR or Banco Falabella. A significant rise in interest rate levels could affect the company's income and its loan placement business since the level of people's consumption tends to decrease in this type of scenario.

Fluctuations that may occur in interest rates could also impact the financial expenses level related to the company's financial debt. This effect would more directly appear in variable rate debts or short-term debt, but also when refinancing liabilities or issuing new long-term debt.



PEOPLE RISK

Our growth depends on attracting, developing and retaining the best Talent

In order to meet our customers' expectations, we must rely on highly qualified and committed people at all areas of the organization.

Our talent management may be impacted by external factors; There is growing competition in attracting digital talent, potential legislative changes impacting wages or working hours, demographic changes, unexpected trends in the employment rate, among other factors.



CREDIT RISK

Our financial business may be affected by a deterioration in the credit quality of the portfolio, which leads to an increase in delinquency indicators and write-off rate, requiring a higher provisions level and negatively impacting the income statement.

Credit risk refers to the possibility of incurring in a loss related to the event in which the counterpart fails to fulfill their contractual obligations (risk of default). Our credit business focuses on individuals who obtain loans for the acquisition of consumer goods and services, mortgages for the acquisition of residential real estate and loans for the purchase of vehicles; in addition to legal entities who obtain credit lines for their purchases made via the Corporate Sales units of our businesses. Also, in the real estate business, we rent to tenants who may face delays or late payments.

Delinquency ratios can be affected by exogenous variables (macroeconomics, geopolitical risks) which fall beyond strategic decisions and business risk management practices; therefore, we cannot assure that delinquency rates will not increase, requiring further provisions and adversely affecting the results of the financial business.





Awards and Acknowledgements

FALABELLA S.A.



Falabella was selected for the fourth consecutive time, being the only Chilean retail company, to enter the Dow Jones Sustainability World Index (DJSI World), an index which evaluates the largest companies in the world in terms of economic, social and environmental factors. Similarly, Falabella was selected in the equity portfolios of other indexes to which it was invited, being the only Chilean company that is part of four indices (World, Emerging Markets, MILA Pacific Alliance and Chile).



máximo puntaje
de su industria en
el ámbito social

The company obtained the highest score in its sector in the social sphere and was the best globally evaluated. This category measures aspects such as human capital development, talent attraction and retention, social investment programs, human rights, among others. In turn, we rose from Bronze Class to Silver Class in the Sustainability Yearbook 2020, which shows the sustainability performance of the world's largest companies in each sector, as determined by their score in the DJSI index

FALABELLA RETAIL



in **CHILE**

In Chile, Falabella was awarded as the most innovative retail in Latin America in the ninth edition of the Latam Retail CongressShop.

In Chile, we became the winner of the 2018 Latam eCommerce Award, in the 'Leaders of eCommerce in Retail' category.



among the best multinational companies to work at in Latin America.

Falabella CHILE

- Received the ProCalidad award in the "Department Stores" category.
- Obtained first place in the multi-store category of the "Consumer Loyalty Award" in Chile, based on the Net Promoter Score (NPS) methodology.
- Was awarded by Comunidad Mujer and Índice de Paridad de Género (IPG) Chile.
- Was recognized in Chile with the Laboratory Award for giving a leading role to women in the new digital economy.
- Was among the 10 finalists in the Inspira Company category in Chile and was recognized for its commitment to the REDMAD Gender Complementarity Awards.
- Ranked first place in the Top of Mind 2019 survey in Chile, conducted by First Job
- Was recognized with the sixth place in the ranking of the 25 Best Companies for Internships in Chile, conducted by the FirstJob platform.
- obtained first place in the retail category and was ranked tenth in the list of the most appealing companies to work for, according to the general Merco Talent ranking 2019.
- Obtained 6th place in the Great Place To Work Women ranking in Chile.

FALABELLA PERU

#1 In the department store category of the Annual Best Companies Award from Cámara de Comercio de Lima.

#20 Place in the Great Place To Work ranking, 3rd place in GPTW Women and 9th place in GPTW Millennials.

#21 Place in Merco Talent, 51st place in Merco Corporations and 64th place in Merco Leaders.

FALABELLA COLOMBIA

#20 Place in the Great Place To Work ranking.

#1 In the Retail Category of Attraction and Talent Management, according to Merco Talent 2019 Merco Empresas con mejor reputación corporativa 2019, mejorando 44 puestos.

#31 31st at Merco Companies with the best corporate reputation 2019, advancing 44 positions

Was awarded with the '**Bogotá, libre de discriminación**' seal.

FALABELLA ARGENTINA

#7 Place in the Great Place To Work Women ranking.



HOME IMPROVEMENT:

IN CHILE

3th place in the **Merco** Ranking of Responsible Companies and Best Corporate Governance

11th place in the **Merco Talent Chile** Ranking

4th place Corporate Reputation Award, from **RepTrack Chile**

5th place Meaningful Brands, **Havas Group**

2019
Inclusion Award

ACHS - Large Corporation Category

Alco Consumer Loyalty Award

HOME IMPROVEMENT CATEGORY

7th place Ranking Merco Empresas **Reputación Corporativa**

8th place Great Place to Work ranking, in the category of **companies with over 1,000 employees**

COLOMBIA

we received an **Inclusive Company Seal Certification**, granted by **ANDI**.

Sodimac ARGENTINA

11th place **11th place Employers for Youth** (1st in retail).

was ranked among the **10 Best Places to Work for Women (GPTW)**.

Sodimac PERU

2nd place

PLACE IN THE PAR Ranking, which acknowledges companies promoting and defending gender equality.

6th consecutive year

obtained the Socially Responsible Company award

granted by the Peru 2021 organization and Centro Mexicano para la Filantropía (CEMEFI), for the programs developed.

WITH A TOTAL OF 3 AWARDS, Sodimac Peru and Maestro were recognized in the Carpe Diem, Positive Change categories: Social good at the XXIV edition of the Effie Awards 2019.

THE AWARD-WINNING CAMPAIGNS WERE: "TAS: the Japanese who became one more Peruvian" (Effie gold) from Sodimac, and "The Master Test" (Effie silver) and "Manual for raising empowered girls" (Effie bronze), by Maestro.

In Peru, ANDA awarded Maestro as the best brand in retail and public relations. It also received the main distinction in the category of brands with a purpose.

Sodimac BRAZIL

► Was acknowledged among the Best Places to Work for Women for the first time and was also among the 30 best large companies in the GPTW general ranking.

► Was recognized as the most respectful consumer company in the Retail Construction Materials category, according to the Consumidor Moderno magazine (Grupo Padrão).

► For the first time, Sodimac Brasil was chosen one of the best construction materials retail companies in the Estadão Best Services ranking. The survey, carried out by the O Estado de São Paulo newspaper and Blend New Research (HSR), was conducted with almost 6,000 consumers who rated the companies where they bought products in the last 12 months.

► Sodimac Ribeirão Preto was chosen as the sixth best company to work for in the city and the region, in the medium-size category, according to GPTW.

The award took place in 2019, based on research carried out in 2018.

► Sodimac Brazil was chosen as one of the best companies in customer satisfaction for the second consecutive year, according to a survey by the MESC Institute.

► zzThe Dícico brand, won 1st place for the 16th time in the construction materials segment ranking in Baixada Santista, São Paulo state coast. The result comes from the Top of Mind survey conducted by the A Tribuna newspaper.



SUPERMARKETS

in CHILE

one of the Tottus branded premium **OLIVE OILS** was awarded by the 2019 La Guía Oliva as the most outstanding in the Best Foreign Contribution category. In addition to the above, Tottus' own brands maintained their **ISO 9001 CERTIFICATION** for the fourth consecutive year, consolidating the company's quality management system.

WE WERE ACKNOWLEDGED BY MINISTERIO DEL MEDIO AMBIENTE DE CHILE for our measurement of Co2 emissions at our supermarkets nationwide, which leads us to remain in a company acting with sense and caring about the environment.

TOTTUS

At Tottus, we are proud to have been awarded by Ministerio de Justicia y Derechos Humanos de Chile for our commitment to the reintegration of women who have violated criminal law, via providing them with a new dignified and stable job opportunity and thus supporting them in improving their quality of life, along with Corporación Abriendo Puertas.

in Peru

BRONZE EFFIE: Winners for the "Mamá sabe elegir, mamá sabe de elección" campaign.

GOLD EFFIE: in the Retail category and the Bronze Effie in the World Cup Campaigns category in Peru.

TOP 5 of the Most Influential Brands of Peru Ranking, according to The Most Influential Brands #2019. This recognition, organized by Ipsos Apoyo and Semana Económica, places us as the TOP1 in the supermarket category and TOP3 in the digital engagement category. One more recognition reaffirming our brand purpose, "to improve the life of the consumer".

BRONZE AWARD at the Festival del Ojo de Iberoamérica, a festival rewarding creativity and innovation.

FIRST PLACE in the Merco Talent ranking, Self-service category, which recognizes the best companies to attract and retain talent in Peru. 20th Position in the general company ranking.

13TH POSITION in the Best Places to Work for Women in Peru, GPTW ranking.

INKA DORADO AWARD, awarded in the Cusco region to companies which stand out in production, social responsibility and customer service.

FINANCIAL SERVICES:

1 ARGENTINA: Falabella Financiero received the Impulsores de Impacto Social award given by Empresa Social Red Activos - ONG La Usina.

2 BANCO FALABELLA: Obtained the first place in Servitest, an award that measures the perception of current account customers regarding the service of all banks.

3 CMR CHILE RECEIVED TWO FIRST PLACES IN 2019. The first prize is a first place in Customer Loyalty in the Business Cards Category Cards (awarded by ALCO) and the second is a first place in Business Cards Sector recognition (awarded by Procalidad).

4 Banco Falabella PERU RECEIVED THE TOP INFLUENCERS AWARD FROM MERCADO NEGRO. It is an acknowledgment of the best Marketing campaign in the Banking and Finance sector. The campaign was 'Miércoles Gourmet'.

REAL ESTATE BUSINESS

 **IN CHILE**
OPEN RECEIVED TWO AWARDS FOR OPEN OVALLE

Innovation award in sustainability

from Cámara de Centros Comerciales, for the Ovalle vertex room.

Silver Award in the technology category

For the Plus store campaign in Ovalle awarded by the International Shopping Centers Council, at the Caribbean and Latin American shopping centers conference, RECon.

MALL PLAZA

Enters the Hall of Fame, a select group of leading brands nationwide, thanks to the choice of 2,000 marketing professionals.

Chosen as the most sustainable retailer in Latin America by the Hall Of Fame, within the 9th Latam Retail Congressshop 2019

Was awarded by América Retail for its advances in sustainability. Primer lugar en el Ranking Most Innovative Companies Chile 2019 otorgado por ESE Business School en conjunto con La Tercera.

First place in the Most Innovative Companies Chile Ranking 2019 awarded by ESE Business School along with La Tercera.

Obtains **first place in the Real Estate - Retail sector in the MERCO 2019** ranking and is ranked 22nd in the general ranking.

Receives **eight awards during the Latin America & Caribbean Shopping Center Awards at RECon 2019.**

Becomes **the first company to voluntarily validate energy efficiency programs via the Energy Project Savings Certification Program (CAPE).**

ranks among **THE 10 BEST COMPANIES TO WORK FOR IN CHILE AND PERU ACCORDING TO THE 2019 SURVEY** by Grace Place to Work (GPTW).

Mallplaza Iquique received **the 2019 Business Merit Award**, granted by the various companies members of Cámara Nacional del Comercio, Industrias, Servicios y Turismo of that city.



UNESCO
Distinguished Mallplaza Manizales as «Learning City».



Summary of Material Facts during the Period

Summary of Material Facts during the Period

Material Fact N°1
March 26th, 2019

The following was agreed at a Board of Directors' meeting held on March 26th, 2019:

1.

To call for the Company's Ordinary Shareholders Meeting (hereinafter, the "Ordinary Meeting") to meet on April 23rd, 2019, at 3:00 p.m., in the Álamo AB Room of the Courtyard Hotel, located at Av. Kennedy 5601, 7th floor, Las Condes, Santiago, which will hear all matters within its competence under the law, including the following:

- I Statement on the report, balance sheet, and consolidated and audited income statement for the year ended on December 31st, 2018.
- II Statement on the opinion of external auditors for the year ended on December 31st, 2018.
- III Payment of dividends and distribution of profits for 2018.
- IV Dividends policy for 2019 fiscal year.
- V Determination of directors' remunerations.
- VI Appointment of external auditors for 2019 financial year.
- VII Appointment of risk rating agencies for the 2019 financial year.
- VII Designation of the newspaper where the Company's publications will be made.
- IX Account of operations with related parties held during 2018.
- X Account of the Directors Committee's work during the 2018 financial year.
- XI Determination of the remuneration of the Directors Committee members.
- XII Determination of the expenses budget of the Directors Committee.

2.

Propose, to the Ordinary Shareholders' Meeting, the payment of a definitive and final dividend charged to the distributable net profits of year 2018 (hereinafter, "2018 Earnings") of \$50 per share, which added to the provisional \$26 per share dividend approved by the Board of Directors on December 27th, 2018 and paid on January 10th, 2019, resulting in a total of \$76 per share charged to 2018 Profits; and that the proposed dividend be paid on May 8th, 2018 to shareholders registered in the shareholders registrar as of May 2nd of this year, at Calle Huérfanos 770, 22nd floor, district of Santiago, and also via the various usual payment methods, including: bank deposits, certified dispatches and direct withdrawal at Banco de Crédito Inversiones, BCI branches.





3.

To summon a Company's extraordinary shareholders meeting (hereinafter, the "Extraordinary Meeting") for April 23rd, 2019, following the Ordinary Meeting, at 4:00 pm, at the Álamo AB Room of the Courtyard Hotel, located at Av. Kennedy 5601, 7th floor, Las Condes, Santiago, in order to know and make statements on the following matters:

- I** Modifying the Company name, which would become "Falabella S.A.", enabled to use "Falabella" as a brand name, the text of the current first article of the Company's bylaws must be modified for such purposes;
- II** Modifying articles nineteenth, twenty-first and twenty-third of the Company's bylaws, pursuant to the observations received from Comisión para el Mercado Financiero through Official Letter No. 6749, dated March 5th, 2019. These observations relate to: (a) in the case of articles nineteen and twenty-third of the Company bylaws, the need to update the references to article numbers of the old regulations of the Public Limited Companies Act approved by Supreme Decree No. 587 from Ministerio de Hacienda, of 1982, which became obsolete when the new Regulation of the Corporations Act was approved by Supreme Decree No. 702 of Ministerio de HacoF May 27, 2011, and (b) in the case of bylaws' article twenty-first, an erroneous reference to article thirty of the bylaws therein must be corrected by a reference rather to article twenty-third of the same bylaws; and
- III** Adopt any agreement that is required or convenient to supplement or comply with what is resolved by the Extraordinary Meeting to meet any legal, regulatory or administrative requirement from Comisión para el Mercado Financiero, the Internal Revenue Service, Bolsa de Comercio de Santiago, Depósito Central de Valores, or any other public authority or self-regulated entities, which may arise due to the aforementioned changes to the Company's bylaws.

Material Fact N°2 April 23rd, 2019

1.

The following resolutions, among others, were adopted at the Company's Ordinary Shareholders' Meeting held today:

- I** The annual report, balance sheet, consolidated income statement, and the opinion of the Company's audited external auditors were approved, all corresponding to the year ended on December 31st, 2018.
- II** The distribution of a final \$50 per share dividend was approved to be charged to the distributable net profits for the 2018 fiscal year. The aforementioned dividend will be paid on May 8th, 2019, to shareholders holding the single series who are registered in the Shareholders Registry as of May 2nd, 2019. Form No. 1 of Circular 660 from CMF is attached hereto to this effect.
- III** A dividend policy consisting of the annual distribution of at least 30% of the distributable net profits for each year was also approved.
- IV** Ernst & Young Professional Auditing and Consulting Services Limited was appointed as external auditor of the Company for 2019.

2.

Meanwhile, the following agreements were also adopted at the Extraordinary Shareholders' Meeting of the Company, held on this date:

- I** Modifying the Company name to "Falabella S.A.", able to use "Falabella" as a brand name, the text first article of the Corporation's bylaws must be modified for such purposes;
- II** Modifying articles nineteenth, twenty-first and twenty-third of the Company's bylaws, pursuant to the observations received from CMF through Official Letter No. 6749, dated March 5th, 2019; and
- III** As a supplementary agreement to the Company name change, and to avoid inconsistencies in the updated bylaws that must be sent to CMF and published on the Company's website pursuant to General Standard No. 30, it was also agreed to replace references to "S.A.C.I. Falabella" by "Falabella S.A.", in the thirty-fifth and Temporary articles of the Company's bylaws.



Material Fact N°3 October 22nd, 2019

As a result of the unfortunate events affecting the country in recent days, some stores, offices and shopping malls of our various subsidiaries and formats have had to totally or partially suspend their operations and suffered damages and losses of various magnitudes, still under a normalization and quantification process. Fortunately, all measures within our reach were taken in a timely manner to safeguard the safety of our collaborators and customers.

We hope to report on the financial effects that the aforementioned event may have on the assets, liabilities or results of the Company as soon as possible.

Regarding the availability of insurance policies, Fabellab and its related companies have insurance agreements to first-class insurance companies, which adequately cover the risks of loss or deterioration to which its assets may have been exposed.

Material Fact N°4 December 16th, 2019

The distribution of a provisional \$17 (Seventeen pesos) per share dividend was approved at a meeting of the Company Board of Directors on December 19th, 2019, charged to fiscal year 2019 earnings. The aforementioned dividend will be paid on January 8th, 2019, to shareholders holding the single series who are registered in the Shareholders Registry as of January 2nd, 2019.

Shareholder Comments and Proposals

No shareholder comments or proposals were submitted pursuant to subsection 3 of article 74 of Law No. 18,046 during the Ordinary Shareholders' Meeting held on April 23rd, 2019.

Falabella's shares are listed on the Santiago Stock Exchange and on the Chilean Electronic Stock Exchange.

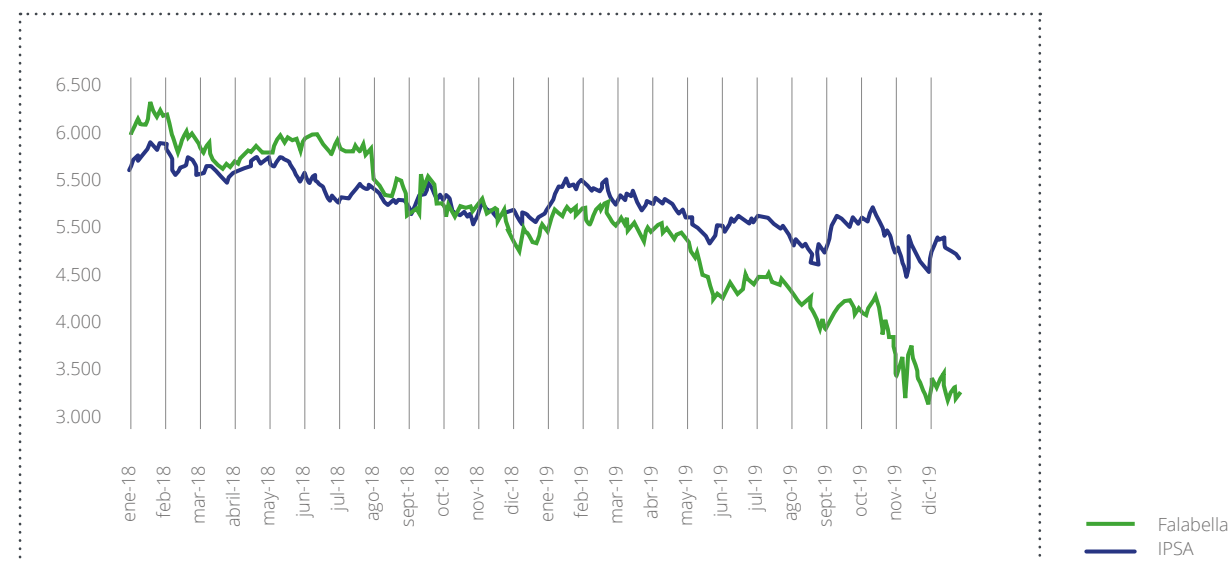


Stock Market Information 2019

FALABELLA STATISTICS 2018-2019¹

PERIOD	# OF SHARES	VOLUME	AVERAGE PRICE
1Q 2018	104,846,413	\$633,943,080,490	\$6,046
2Q 2018	101,293,299	\$605,949,658,998	\$5,982
3Q 2018	90,978,374	\$512,571,124,901	\$5,634
4Q 2018	192,731,765	\$1,002,873,420,968	\$5,203
1Q 2019	118,276,244	\$550,311,310,355	\$4,653
2Q 2019	155,907,639	\$716,358,065,267	\$4,595
3Q 2019	91,799,647	\$388,783,139,824	\$4,235
4Q 2019	200,151,068	\$718,683,860,277	\$3,591

FALABELLA SHARE PRICE V/S IPSA



¹Source: Santiago Stock Exchange and Chile Electronic Stock Exchange

Store by Format and Country

44%
of stores at the regional level

Are owned by the company via its subsidiaries. The remaining stores are leased to various real estate developers. Regarding shopping centers, 100% are owned by company subsidiaries.

DEPARTMENT STORES

Department Stores in Chile

Nº	Locals	Address	City
1	Ahumada	Ahumada 25, 165, 167, 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° 2188, 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° 770, 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	Valparaíso	Independencia N° 1806	Valparaíso
19	Curicó	Peña N° 615	Curicó
20	Iquique	Héroes de la Concepción N° 2555	Iquique

SUMMARIZED CORPORATE STRUCTURE





Information on Subsidiaries and Associates

A. Direct subsidiaries

INVERSIONES PARMIN SPA:

INVERSIONES PARMIN SpA is a stock corporation incorporated under Chilean law, with a subscribed and paid-in capital of \$222,934,223 Chilean pesos. Falabella S.A. owns 100% of the issued shares, without any variations during 2019.

CORPORATE PURPOSE

Investment, under any capacity, in all kinds of tangible and intangible assets, real estate or movable assets; in transferable securities, bonds, debentures, promissory notes or other financial or trade documents; in addition to its exploitation and administration; involvement in all kinds of companies, civil or commercial, whether collec-

tive, limited partnership, and able to attend as limited partner or manager in the latter, corporations, shares or limited liability, regardless of purpose.

MANAGEMENT:

Corresponds to Falabella S.A.

Class A Agents:

- Sr. Carlo Solari Donaggio
- Sr. Juan Carlos Cortés Solari
- Sr. Gaston Bottazzini

INVERSIONES PARMIN SPA	Year 2019	Year 2018
	M\$	M\$
Total Assets	1.105.484	1.620.839
Total Liabilities	4	1.471
Total Equity	1.105.480	1.619.368
Net Income	(255.004)	59.976
Change in Equity	(513.888)	(818)
Net increase (decrease) in cash and cash equivalents	(20.345)	5.794

INVERSIONES FALABELLA LTDA.:

INVERSIONES FALABELLA LTDA. is a limited liability company incorporated under Chilean law, whose subscribed and paid-in capital is \$1,739,018,495,809 Chilean pesos. Falabella S.A. owns approximately 99.99% of the corporate rights, with the remaining corporate rights owned by Inversiones Parmin SpA. During year 2019, the Corporation increased its capital to reach the aforementioned figure as recorded in public deeds dated January 31st, 2019, June 3rd, 2019, September 5th, 2019, December 12th, 2019 and December 27th, 2019, without implying significant variations to share percentages.

CORPORATE PURPOSE

The investment in all kinds of shares, bonds, debentures, quotas or rights in corporations and any title and / or transferable securities and other transferable securities for rent, being able to manage said assets, make investments in all kinds of real estate and exploitation and leasing to obtain income from all those assets. To fulfill its purpose, the corporation may carry out all operations, enter into all agreements, and in general, conduct all acts which are convenient and / or necessary in the judgment of the administrators.

MANAGEMENT:

Corresponds to Falabella S.A.

Class A Agents:

- Sr. Carlo Solari Donaggio
- Sr. Juan Carlos Cortés Solari
- Sr. Gaston Bottazzini

INVERSIONES FALABELLA LTDA.	Year 2019	Year 2018
	M\$	M\$
Total Assets	18.258.914.165	15.837.895.603
Total Liabilities	12.119.639.855	9.987.968.565
Total Equity	6.139.274.310	5.849.927.038
Net Income	347.025.500	542.839.977
Change in Equity	289.347.272	368.757.273
Net increase (decrease) in cash and cash equivalents	192.954.300	145.660.736



B. Direct associate companies

SODIMAC COLOMBIA S.A.:

Sodimac Colombia S.A. is a corporation incorporated under Colombian law, whose subscribed and paid-in capital is \$29,975,000,000 Colombian pesos. Falabella S.A. indirectly owns 49% of the issued shares, without any variations during 2019.

SUMMARIZED CORPORATE PURPOSE

The purchase, sale, distribution, manufacture, production, import, export, transport and marketing of articles, products, suitable for human use or consumption or for animal consumption, including all types of fish, pets and animals, goods, machinery, and services destined for home construction, decoration, remodeling, improvement, enabling and / or equipment, marketing of agricultural supplies and / or seeds for sowing, surveillance and private security equipment, in addition to all services complementary to the activities described above.

BOARD AND MANAGEMENT :

Main Directors:

- Sr. Roberto Junguito Pombo
- Sr. Álvaro Andres Echavarría Olano
- Sr. Julio Manuel Ayerbe Muñoz
- Sr. Gaston Bottazzini
- Sr. Enrique Gundermann Wylie

Alternate Directors:

- Sr. Daniel Echavarría Arango
- Sr. José Eugenio Muñoz Menéndez
- Sr. Rodrigo Agustín Fajardo Zilleruelo
- Sr. Sergio Muñoz Gómez

General Manager:

- Sr. Miguel Pardo Brigard

SODIMAC COLOMBIA	Year 2019	Year 2018
	M\$	M\$
Total Assets	736.110.313	487.504.755
Total Liabilities	473.318.127	263.988.183
Total Equity	262.792.186	223.516.572
Net Income	39.465.847	39.045.790
Change in Equity	39.275.614	5.646.326
S.A. Share Percentage	49%	49%
Share in corporation assets	1,43%	1,41%

SERVICIOS FINANCIEROS SORIANA S.A.P.I DE C.V., SOFOM, E.N.R.

Servicios Financieros Soriana S.A.P.I. de C.V., Sofom, E.N.R. is a corporation that promotes variable capital investment, a multi-purpose financial company, unregulated entity, incorporated under Mexican law, whose subscribed and paid-in capital is \$ 961,266,102 Mexican pesos. During year 2019, the Corporation increased its capital twice, as evidenced by unanimous shareholders' resolutions dated November 20th, 2019 and December 10th, 2019. Falabella S.A. indirectly owns 50% of the issued shares.

SUMMARIZED CORPORATE PURPOSE

Grant all kinds of loans and credit of any nature and documented, pursuant to the applicable legislation, with or without collaterals, with or without interest, payable in one or more installments, including by issuing credit cards pursuant to opening agreements on current account credit.

BOARD AND MANAGEMENT:

Board members:

- Sr. Ricardo Martin Bringas (Presidente)
- Sr. Alberto Martín Soberón
- Sr. Ismael Humberto Fayad Wolff
- Sr. Carlo Solari Donaggio
- Sr. Gaston Bottazzini
- Sr. Juan Manuel Matheu

Alternate Directors:

- Sr. Sergio Fernando Martínez San Germán
- Sr. Francisco Ramírez Díaz
- Sr. Rodrigo Jesús Benet Cordova
- Sr. Benoit Jean-Marie de Grave
- Sr. Leonardo Di Nucci
- Sr. Jordi Gaju Nicolau

General Director:

- Rodrigo Andrés Sabugal Armijo

SERVICIOS FINANCIEROS SORIANA S.A.P.I DE C.V. SOFOM E.N.R.	Year 2019	Year 2018
	M\$	M\$
Total Assets	86.848.392	57.413.835
Total Liabilities	50.186.388	29.759.002
Total Equity	36.662.004	27.654.833
Net Income	(17.356.465)	(10.826.112)
Change in Equity	9.007.171	(2.041.995)
S.A. Share Percentage	50%	50,0%
Share in corporation assets	0,20%	0,17%



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

Sociedad Distribuidora de Mejoramiento de la Hogar y Construcción S.A.P.I. de C.V., is a corporation promoting variable capital investment, incorporated under Mexican law, whose subscribed and paid-in capital is \$2,708,538,000 Mexican pesos. During year 2019, the Corporation increased its capital twice, as evidenced by unanimous shareholders' resolutions dated July 5th, 2019 and December 10th, 2019. Falabella S.A. indirectly owns 50% of the issued shares.

SUMMARIZED CORPORATE PURPOSE

The promotion, organization, acquisition, constitution, alienation or administration of commercial businesses, trade or civil corporations, trusts or any other entity, regardless of legal status, and pursuant to the laws of any jurisdiction.

Develop and build stores that sell any type of goods and market services, in both cases, both directly and indirectly, through the vehicles or corporations the Corporation may incorporate or in which it has a share for such purposes, via the construction or improvement of any kind of buildings, being able to alienate, not limited to, vehicles related to hardware and tools, lumber, electricity and lighting and plumbing, doors and windows,

furniture, kitchen and table utensils, paints and coatings, bathrooms and kitchens, floors, and gardening.

BOARD AND MANAGEMENT:

Board members:

- Sr. Ricardo Martin Bringas (Presidente)
- Sr. Alberto Martin Soberón
- Sr. Rodrigo Jesús Benet Cordova
- Sr. Carlo Solari Donaggio
- Sr. Gaston Bottazzini
- Sr. Enrique Gundermann Wylie

Alternate Directors:

- Sr. Sergio Fernando Martínez San Germán
- Sr. Francisco Ramírez Díaz
- Sr. Ismael Humberto Fayad Wolff
- Sr. Jordi Gaju Nicolau
- Sr. Fabio de Petris Duarte
- Sr. Cristóbal Merino Morales

General Director:

- Sr. Patricio Silva

Country of origin

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
76.020.391-2	INVERSIONES FALABELLA LTDA	99,989	0,011	100	100	CHILE	CLP	70,63%
76.020.385-8	INVERSIONES PARMIN SpA	100	-	100	100	CHILE	CLP	0,02%
0-E	FALABELLA SUCURSAL URUGUAY S.A.	100	-	100	100	URUGUAY	CLP	0,58%
99.500.360-0	HOMETRADING S.A.	-	100	100	100	CHILE	CLP	6,02%
99.593.960-6	DESARROLLOS INMOBILIARIOS SpA.	-	100	100	100	CHILE	CLP	15,58%
0-E	FALLBROOKS PROPERTIES LTD	-	99,999	99,999	99,999	I.V. BRITÁNICAS	CLP	0,81%
99.556.170-0	SOCIEDAD DE RENTAS FALABELLA S.A.	-	100	100	100	CHILE	CLP	0,32%
76.882.330-8	NUEVOS DESARROLLOS S.A.	-	45,94	45,94	45,94	CHILE	CLP	7,04%
99.555.550-6	PLAZA ANTOFAGASTA S.A.	-	59,278	59,278	59,278	CHILE	CLP	1,09%
76.882.090-2	PLAZA CORDILLERA S.A.	-	45,94	45,94	45,94	CHILE	CLP	3,58%
96.653.660-8	PLAZA DEL TRÉBOL SpA	-	59,278	59,278	59,278	CHILE	CLP	6,82%
96.795.700-3	PLAZA LA SERENA SpA	-	59,278	59,278	59,278	CHILE	CLP	1,52%
96.653.650-0	PLAZA OESTE SpA	-	59,278	59,278	59,278	CHILE	CLP	12,07%
76.017.019-4	PLAZA S.A.	-	59,278	59,278	59,278	CHILE	CLP	24,14%
76.034.238-6	PLAZA SpA.	-	59,278	59,278	59,278	CHILE	CLP	0,00%
96.791.560-2	PLAZA TOBALABA SpA.	-	59,278	59,278	59,278	CHILE	CLP	1,26%
76.677.940-9	PLAZA VALPARAÍSO S.A.	-	45,94	45,94	45,94	CHILE	CLP	0,28%
96.538.230-5	PLAZA VESPUCCIO SpA.	-	59,278	59,278	59,278	CHILE	CLP	4,54%
79.990.670-8	ADMINISTRADORA PLAZA VESPUCCIO S.A.	-	59,272	59,272	59,272	CHILE	CLP	1,54%

SOCIEDAD DISTRIBUIDORA DE MEJORAMIENTO DEL HOGAR Y CONSTRUCCIÓN S.A.P.I. DE C.V.	Year 2019	Year 2018
	M\$	M\$
Total Assets	182.337.993	76.014.468
Total Liabilities	117.108.129	72.465.845
Total Equity	65.229.864	3.548.623
Net Income	(19.424.146)	(13.285.169)
Change in Equity	61.681.241	(4.698.371)
S.A. Share Percentage	50,0%	50,0%
Share in corporation assets	0,36%	0,02%

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
76.883.720-1	DESARROLLOS E INVERSIONES INTERNACIONALES SpA.		59,278	59,278	59,278	CHILE	CLP	2,83%
99.564.380-4	DESARROLLOS URBANOS SpA.		45,94	45,94	45,94	CHILE	CLP	0,86%
76.299.850-5	INVERSIONES PLAZA LTDA.		-	-	59,278	CHILE	CLP	0,00%
76.044.159-7	AUTOPLAZA SpA.		59,278	59,278	59,278	CHILE	CLP	0,12%
96.792.430-K	SODIMAC S.A.		100	100	100	CHILE	CLP	2,44%
99.556.180-8	SODIMAC TRES S.A.		100	100	100	CHILE	CLP	0,00%
96.681.010-6	TRAINEEMAC S.A.		-	-	100	CHILE	CLP	0,01%
76.054.094-3	INVERSIONES SODMIN SpA		100	100	100	CHILE	CLP	0,00%
76.054.151-6	TRAINEEMAC S.A.		100	100	100	CHILE	CLP	0,01%
76.821.330-5	IMPERIAL S.A.		60	60	60	CHILE	CLP	0,44%
76.222.370-8	SERVICIOS GENERALES BASCUÑÁN LTDA	-	100	100	100	CHILE	CLP	0,00%
76.644.120-3	APORTA SpA	-	100	100	100	CHILE	CLP	0,00%
76.046.439-2	APYSER SpA	-	100	100	100	CHILE	CLP	0,05%
76.662.120-1	CERRO COLORADO LTDA	-	88	88	88	CHILE	CLP	0,00%
96.579.870-6	SERVICIOS GENERALES FALABELLA RETAIL SpA	-	100	100	100	CHILE	CLP	0,00%
76.012.536-9	SERVICIOS GENERALES MULTIBRAND SpA	-	100	100	100	CHILE	CLP	0,00%
76.557.960-0	SERVICIOS GENERALES TOTTUS LTDA	-	88	88	88	CHILE	CLP	0,00%
76.383.840-4	SERVICIOS GENERALES PRESERTEL SpA	-	100	100	100	CHILE	CLP	0,01%
76.035.886-K	PRESTADORA DE SERVICIOS TELEFÓNICOS SpA	-	100	100	100	CHILE	CLP	0,01%
78.334.680-K	SERVICIOS GENERALES ZONA I SpA	-	-	-	100	CHILE	CLP	0,00%
78.636.190-7	SERVICIOS GENERALES ZONA II SpA	-	-	-	100	CHILE	CLP	0,00%

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
78.738.460-9	TRANSPORTES Y DISTRIBUCIONES SpA	-	-	-	100	CHILE	CLP	0,00%
78.919.640-0	TRANSPORTES Y DISTRIBUCIONES DEL SUR SpA	-	-	-	100	CHILE	CLP	0,00%
78.745.900-5	TRASCIENDE LTDA	-	100	100	100	CHILE	CLP	0,00%
76.042.509-5	INVERSIONES Y PRESTACIONES VENSER SEIS LTDA	-	100	100	100	CHILE	CLP	0,70%
76.046.445-7	CONFECCIONES INDUSTRIALES SpA	-	100	100	100	CHILE	CLP	0,26%
96.573.100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA	-	100	100	100	CHILE	CLP	0,27%
76.039.672-9	DINALSA SpA	-	100	100	100	CHILE	CLP	0,76%
78.627.210-6	HIPERMERCADOS TOTTUS S.A.	-	88	88	88	CHILE	CLP	0,69%
78.722.910-7	TOTTUS S.A.	-	-	-	88	CHILE	CLP	0,00%
76.046.433-3	FALABELLA INVERSIONES FINANCIERAS S.A.	-	100	100	100	CHILE	CLP	12,25%
90.743.000-6	PROMOTORA CMR FALABELLA S.A.	-	99,996	99,996	99,996	CHILE	CLP	7,37%
77.612.410-9	FALABELLA TECNOLOGIA CORPORATIVA LTDA	-	100	100	100	CHILE	CLP	0,44%
79.598.260-4	ADMINISTRADORA CMR FALABELLA LTDA	-	100	100	100	CHILE	CLP	-0,42%
77.235.510-6	SERVICIOS DE EVALUACIONES Y COBRANZAS SEVALCO LTDA	-	100	100	100	CHILE	CLP	0,00%
76.027.825-4	PROMOCIONES Y PUBLICIDAD LIMITADA	-	100	100	100	CHILE	CLP	0,00%
78.566.830-8	SOC. DE COBRANZAS LEGALES LEXICOM LTDA	-	100	100	100	CHILE	CLP	0,02%
96.847.200-3	SERVICIOS E INVERSIONES FALABELLA LTDA	-	100	100	100	CHILE	CLP	0,20%
77.099.010-6	SEGUROS FALABELLA CORREDORES LTDA	-	100	100	100	CHILE	CLP	0,03%
76.512.060-8	SOLUCIONES CREDITICIAS CMR LTDA	-	100	100	100	CHILE	CLP	0,01%

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
78.997.060-2	VIAJES FALABELLA LTDA (1)	-	-	-	100	CHILE	CLP	0,00%
77.261.280-K	FALABELLA RETAIL S.A.	-	100	100	100	CHILE	CLP	1,43%
76.000.935-0	PROMOTORA CHILENA DE CAFÉ COLOMBIA S.A.	-	65	65	65	CHILE	CLP	0,08%
96.951.230-0	INMOBILIARIA MALL CALAMA SpA	-	59,278	59,278	59,278	CHILE	CLP	0,96%
0-E	SHEARVAN CORPORATE S.A.	-	100	100	100	I.V. BRITÁNICAS	USD	0,29%
76.042.371-8	NUEVA FALABELLA INVERSIONES INTERNACIONALES SpA	-	100	100	100	CHILE	CLP	29,25%
96.647.930-2	INVERSIONES INVERFAL PERÚ SpA	-	100	100	100	CHILE	CLP	30,16%
76.023.147-9	NUEVA INVERFIN SpA	-	100	100	100	CHILE	CLP	2,75%
76.007.317-2	INVERCOL SpA	-	100	100	100	CHILE	CLP	0,00%
0-E	INVERSORA FALKEN S.A.	-	100	100	100	URUGUAY	CLP	17,85%
0-E	TEVER CORP S.A.	-	100	100	100	URUGUAY	CLP	0,87%
0-E	INVERSIONES FALABELLA ARGENTINA S.A.	-	99,999	99,999	99,999	ARGENTINA	ARS	0,23%
0-E	FALABELLA S.A.	-	99,999	99,999	99,999	ARGENTINA	ARS	0,23%
0-E	CMR FALABELLA S.A.	-	99,999	99,999	99,999	ARGENTINA	ARS	0,18%
0-E	VIAJES FALABELLA S.A. (1)	-	-	-	99,999	ARGENTINA	ARS	0,00%
0-E	CENTRO LOGÍSTICO APLICADO S.A.	-	99,999	99,999	99,999	ARGENTINA	ARS	0,04%
0-E	SERVICIOS DE PERSONAL LOGÍSTICO S.A.	-	99,999	99,999	99,999	ARGENTINA	ARS	0,00%
0-E	INVERSIONES FALABELLA DE COLOMBIA S.A.	-	99,999	99,999	99,999	COLOMBIA	COP	3,83%
0-E	FALABELLA COLOMBIA S.A.	-	65	65	65	COLOMBIA	COP	0,98%
0-E	AGENCIA DE SEGUROS FALABELLA LTDA	-	65	65	65	COLOMBIA	COP	0,21%

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
0-E	AGENCIA DE VIAJES Y TURISMO FALABELLA S.A.S. (2)	-	-	65	65	COLOMBIA	COP	0,00%
0-E	ABC DE SERVICIOS S.A.S.	-	65	65	65	COLOMBIA	COP	0,21%
0-E	FALABELLA PERÚ S.A.A.	-	99,758	99,758	99,758	PERU	PEN	5,74%
0-E	SAGA FALABELLA S.A.	-	97,799	97,799	97,799	PERU	PEN	1,77%
0-E	HIPERMERCADOS TOTTUS S.A.	-	99,758	99,758	99,758	PERU	PEN	3,36%
0-E	SODIMAC PERÚ S.A.	-	99,758	99,758	99,758	PERU	PEN	0,00%
0-E	OPEN PLAZA S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,03%
0-E	VIAJES FALABELLA S.A. (1)	-	-	-	97,799	PERU	PEN	0,00%
0-E	CORREDORA DE SEGUROS FALABELLA S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,06%
0-E	FALABELLA SERVICIOS GENERALES S.A.C.	-	99,759	99,759	99,759	PERU	PEN	0,00%
0-E	FALABELLA SERVICIOS CENTRALES S.A.C.	-	99,759	99,759	99,759	PERU	PEN	0,00%
0-E	INMOBILIARIA KAINOS S.A.C.	-	99,758	94,758	99,758	PERU	PEN	0,12%
0-E	LOGÍSTICA Y DISTRIBUCIÓN S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,08%
0-E	INVERSIONES CORPORATIVAS BETA S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,18%
0-E	INVERSIONES CORPORATIVAS GAMMA S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,14%
96.509.660-4	BANCO FALABELLA S.A.	-	100	100	100	CHILE	CLP	7,85%
0-E	BANCO FALABELLA PERÚ S.A.	-	99,759	99,759	99,759	PERU	PEN	2,38%
0-E	BANCO FALABELLA S.A.	-	65	65	65	COLOMBIA	COP	1,84%
0-E	SALÓN MOTOR PLAZA S.A.	-	59,278	59,278	59,278	PERU	PEN	0,03%
76.011.659-9	BANCO FALABELLA CORREDORES DE SEGUROS LTDA	-	100	100	100	CHILE	CLP	0,02%

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
0-E	FALABELLA TECNOLOGIA PERU S.A.C.	-	99,759	99,759	99,759	PERU	PEN	0,02%
76.141.045-8	INVERSIONES INVERFAL COLOMBIA SpA	-	100	100	100	CHILE	CLP	1,99%
76.141.046-6	INVERSIONES INVERFAL ARGENTINA SpA	-	100	100	100	CHILE	CLP	-1,40%
76.153.987-6	ADMYSER SpA	-	-	-	100	CHILE	CLP	0,00%
76.153.976-0	CAPYSER SpA	-	100	100	100	CHILE	CLP	0,01%
0-E	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	-	-	-	59,278	COLOMBIA	COP	0,00%
0-E	MALL PLAZA COLOMBIA S.A.S.	-	59,278	59,278	59,278	COLOMBIA	COP	1,35%
0-E	CENTRO COMERCIAL MANIZALES S.A.S.	-	-	-	47,422	COLOMBIA	COP	0,00%
76.142.721-0	GIFT CORP SpA	-	100	100	100	CHILE	CLP	0,01%
76.149.308-6	INVERSIONES BRASIL SpA	-	100	100	100	CHILE	CLP	-2,19%
76.159.664-0	INVERSIONES URUGUAY SpA	-	100	100	100	CHILE	CLP	-0,41%
76.159.684-5	INVERFAL URUGUAY SpA	-	100	100	100	CHILE	CLP	-0,41%
0-E	COMPAÑÍA SAN JUAN S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,04%
76.308.853-7	NUEVA INVERFAL ARGENTINA SpA	-	100	100	100	CHILE	CLP	1,10%
76.179.527-9	SERVICIOS Y GARANTIAS FALABELLA SpA. (EX FALABELLA MÓVIL SpA)	-	100	100	100	CHILE	CLP	0,11%
76.167.965-1	SERVICIOS LOGISTICOS SODILOG LTDA	-	100	100	100	CHILE	CLP	0,05%
76.201.304-5	RENTAS HOTELERAS SpA	-	100	100	100	CHILE	CLP	-0,04%
0-E	CONTAC CENTER FALABELLA S.A.C.	-	99,759	99,759	99,759	PERU	PEN	0,04%
0-E	OPEN PLAZA ORIENTE S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,00%
96.824.450-7	INMOBILIARIA MALL LAS AMÉRICAS S.A.	-	45,143	45,143	45,143	CHILE	CLP	0,33%

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
0-E	SHEARVAN COMMERCIAL (SHANGAI)	-	100	100	100	CHINA	CNY	0,03%
0-E	HIPERMERCADOS TOTTUS ORIENTE S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,23%
0-E	SODIMAC PERÚ ORIENTE S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,02%
76.319.068-4	INVERSIONES INDIA SpA	-	100	100	100	CHILE	CLP	0,03%
0-E	FALABELLA BRASIL LTDA	-	100	100	100	BRAZIL	BRL	1,51%
0-E	SODIMAC BRASIL LTDA	-	100	100	100	BRAZIL	BRL	1,51%
0-E	INVERSIONES FALABELLA URUGUAY S.A.	-	100	100	100	URUGUAY	UYU	-0,41%
0-E	HOMECENTER SODIMAC S.A.	-	100	100	100	URUGUAY	UYU	0,52%
0-E	JOSMIR S.A.	-	100	100	100	URUGUAY	UYU	0,02%
76.335.739-2	INVERSIONES MÉXICO SpA	-	100	100	100	CHILE	CLP	-0,50%
76.282.188-5	INVERFAL BRASIL SpA	-	100	100	100	CHILE	CLP	-2,19%
0-E	SAGA FALABELLA IQUITOS S.A.C.	-	97,799	97,799	97,799	PERU	PEN	0,03%
0-E	SAGA FALABELLA ORIENTE S.A.C.	-	97,799	97,799	97,799	PERU	PEN	0,08%
0-E	CONSTRUDECOR S.A.	-	100	100	100	BRAZIL	BRL	0,98%
0-E	CONSTRUDECOR SERVICIOS LTDA.	-	100	100	100	BRAZIL	BRL	0,01%
0-E	CONSTRUDECOR PROPERTIES LTDA.	-	100	100	100	BRAZIL	BRL	0,00%
0-E	SEGUROS FALABELLA PRODUCTORES S.A.	-	99,999	99,999	99,999	ARGENTINA	ARS	0,00%
76.327.698-8	SERVICIOS GENERALES FALABELLA ZONA NORTE SpA	-	100	100	100	CHILE	CLP	0,00%
0-E	LILLE INVESTIMENTOS	-	100	100	100	BRAZIL	BRL	0,17%
0-E	SHEARVAN PURCHASING INDIA	-	100	100	100	INDIA	INR	0,01%



RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
76.434.317-4	PROMOTORA INVERSIONES S.A.	-	99,996	99,996	99,996	CHILE	CLP	0,01%
76.389.515-7	SERVICIOS GENERALES FALABELLA ZONA PONIENTE SpA	-	-	-	100	CHILE	CLP	0,00%
O-E	TIENDAS DEL MEJORAMIENTO DEL HOGAR S.A.	-	99,758	99,758	99,758	PERU	PEN	5,53%
O-E	MAESTRO PERÚ AMAZONIA S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,01%
O-E	INMOBILIARIA DOMEL S.A.C.	-	99758	99,758	99,758	PERU	PEN	0,92%
O-E	INDUSTRIAS DELTA S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,05%
O-E	CENTRO COMERCIAL BARRANQUILLA S.A.S.	-	-	-	38,531	COLOMBIA	COP	0,00%
76.427.811-9	SERVICIOS DE INFRAESTRUCTURA FALABELLA SpA	-	100	100	100	CHILE	CLP	0,00%
76.477.116-8	CF SEGUROS DE VIDA S.A.	-	90	90	90	CHILE	CLP	0,26%
O-E	GESTIONES INTEGRALES DE SERVICIOS S.A.	-	99,15	99,15	99,15	PERU	PEN	0,02%
O-E	MALL PLAZA PERÚ S.A.	-	86,265	86,265	86,265	PERU	PEN	3,01%
O-E	GEMMA NEGOCIOS S.A.C.	-	60,386	60,386	60,386	PERU	PEN	-0,05%
O-E	INVERFAL MEXICO S.A. DE C.V.	-	100	100	100	MEXICO	MXN	1,18%
76.582.813-9	NUEVA INVERFAL MEXICO SpA	-	100	100	100	CHILE	CLP	-0,50%
76.587.847-0	FALABELLA SERVICIOS PROFESIONALES DE TI SpA	-	100	100	100	CHILE	CLP	0,00%
76.683.615-1	ASESORIAS Y EVALUACIÓN DE CRÉDITOS LTDA	-	100	100	100	CHILE	CLP	0,00%
O-E	PATRIMONIO AUTONOMO MALL PLAZA CALI	-	59,278	59,278	-	COLOMBIA	COP	0,52%
O-E	PATRIMONIO AUTONOMO CENTRO COMERCIAL CARTAGENA	-	59,278	59,278	-	COLOMBIA	COP	0,26%

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
O-E	PATRIMONIO AUTONOMO CENTRO COMERCIAL MANIZALES DOS	-	47,424	47,424	-	COLOMBIA	COP	0,34%
O-E	PATRIMONIO AUTONOMO CENTRO COMERCAL BARRANQUILLA	-	38,532	38,532	-	COLOMBIA	COP	0,97%
76.788.282-3	DIGITAL PAYMENTS SpA	-	100	100	100	CHILE	CLP	0,01%
76.803.189-4	INVERFAL INDIA SpA	-	100	100	100	CHILE	CLP	0,00%
O-E	TENERIFE EMPRENDIMIENTOS E PARTICIPACOES LTDA	-	100	100	100	BRAZIL	BRL	0,17%
O-E	FONDO DE CAPITAL PRIVADO MALL PLAZA DE COLOMBIA	-	59,278	59,278	-	COLOMBIA	COP	1,81%
O-E	MALL PLAZA SERVICIOS S.A.S.	-	100	100	100	COLOMBIA	COP	0,00%
O-E	MALL PLAZA INMOBILIARIA S.A.	-	86,266	86,266	86,266	PERU	PEN	0,00%
O-E	INVERSIONES FALABELLA S.A.C.	-	99,758	99,758	99,758	PERU	PEN	0,01%
O-E	FALABELLA CORPORATE SERVICES INDIA PRIVATE LIMITED	-	100	100	100	INDIA	INR	0,01%
76.899.941-4	INVERSIONES MKTP SPA	-	100	100	100	CHILE	CLP	0,00%
O-E	NEW TIN LINIO I GMBH	-	100	100	100	GERMANY	EUR	-0,17%
O-E	TIN JADE GBMH	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364. GMBH	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. ERSTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. ZWEITE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. DRITTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. VIESTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%



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		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
O-E	JADE 1364 GMBH & CO. FÜNFTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. SECHSTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. SIEBTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. ACHTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. NEUNTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. ZEHNTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. ELFTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. ZWÖLFTE VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. 13. VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	JADE 1364 GMBH & CO. 14. VERWALTUNGS KG	-	100	100	100	GERMANY	EUR	0,00%
O-E	BAZAYA MEXICO S. DE R.L. DE C.V.	-	100	100	100	MEXICO	MXM	0,22%
O-E	LINIO MIAMI EXPORTS, INC.	-	100	100	100	EEUU	USD	0,00%
O-E	LINIO COLOMBIA S.A.S.	-	100	100	100	COLOMBIA	COP	-0,10%
O-E	LINIO PERU S.A.C.	-	100	100	100	PERU	PEN	-0,10%
O-E	LINIO LATAM CORP.	-	100	100	100	PANAMA	PAN	-0,01%
76.212.492-0	INVERSIONES BAZAYA CHILE LTDA.	-	100	100	100	CHILE	CLP	0,00%
O-E	LINIO ARGENTINA S.R.L.	-	100	100	100	ARGENTINA	ARS	-0,05%
O-E	ECUAELECOMMERCE S.A.	-	100	100	100	ECUADOR	ECU	0,00%

RUT	NAME SUBSIDIARY COMPANY	SHARE PERCENTAGE				COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	Share on total assets Falabella S.A.Dec-19 %
		Dec 31st, 19 DIRECT %	Dec 31st, 19 INDIRECT %	31-dic-19 TOTAL %	31-dic-18 TOTAL %			
O-E	LINIO ASIA LIMITED	-	100	100	100	CHINA	HKD	0,01%
O-E	LINIO CONSULTING (SHENZHEN) CO.,LTD.	-	100	100	100	CHINA	CNY	0,00%
O-E	IKSO S.A.C.	-	100	100	-	PERU	PEN	0,00%
76.993.859-1	IKSO SpA	-	100	100	-	CHILE	CLP	-0,03%
77.070.342-5	SERVICIOS FALABELLA SpA	-	100	100	-	CHILE	CLP	0,00%
77.104.802-2	DESAROLLOS INMOBILIARIOS DOS SpA	-	100	100	-	CHILE	CLP	4,02%
77.110.0443-0	OPEN PLAZA CHILE SpA	-	100	100	-	CHILE	CLP	4,02%
77.107.881-8	INMOBILIARIA DOS SpA	-	100	100	-	CHILE	CLP	0,40%
O-E	INVERFAL PERÚ S.A.A.	-	100	100	-	PERU	PEN	13,44%
O-E	ISIC S.A.	-	98,39	98,39	-	PERU	PEN	0,00%
O-E	IKOS SAS	-	51	51	-	COLOMBIA	COP	0,00%



Summarized Consolidated **FINANCIAL STATEMENTS**

- Rationale
- Statements of financial positions
- Comprehensive income statement by function
- Comprehensive income statement
- Statement of changes in shareholders' equity
- Direct cash flow statement





RATIONALE

Consolidated revenue for year 2019 totaled \$9,410,775 million (US \$ 12,569 Mn), achieving a 1.9% increase over the previous year, mainly explained by the growth of the online channel, by 7 new stores (net) and the growth of loans in the financial business, offset by a weak consumer environment in Chile. When faced with reduced operating hours in our stores during the second half of October and all of November, we observed an impact on margins given a greater promotional activity towards the end of the year.

The consolidated portfolio as of December 31st, 2019 reached \$ 5,616,570 million (US \$ 7,501 Mn), 12% over the same period in the previous year, with outstanding growth in Banco Falabella Chile and Banco Falabella Colombia. The sale of financial products¹ via digital channels grew 29%, reaching \$ 996,807 million (US \$ 1,331 Mn), which accounts for 37% of the total sales of financial products.

The operating result amounted to \$ 705,475 million (US \$ 942 Mn), which stands for a 19.7% decrease. The drop in operating revenue is mainly due to the performance of the Retail and financial businesses in Chile, which was partially offset by increases in operating income from international units.

Consolidated EBITDA for the year 2019 decreased 5.2%, totaling \$ 1,141,336 million (US \$ 1,524 Mn), with a 12.1% EBITDA margin. Consolidated net profits amounted to \$ 295,474 million (US \$ 395 Mn), a 38.2% decrease over 2018, with a 3.1% net margin.

¹ Total sales of Cash Advances and CMR Super Advances and consumer loans from Banco Falabella Chile, Banco Falabella Colombia and Banco Falabella Peru, coming from the web channel.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY DEC. 2019

	Issued capital	Share premium	Own shares in capital	Reserves for translation differences	Cash flow hedge reserves	Reserve for actuarial gains or losses on defined benefit plans	Profit or loss reserves in the remediation of available-for-sale financial assets	miscellaneous other reserves	Other reserves	Accumulated gains (losses)	Equity attributable to the owners of the holding company	non-controlling interests	Total equity
Initial balance current year 01/01/2019	(Note 22.d)	Conversion exchange differences reserves	Cash flow hedge reserves	Reserves for actuarial gains or losses in defined benefit plans	Reserves of gains or losses in the revaluation of financial assets available for sale	Other miscellaneous reserves	Accumulated profits (losses)	Equity attributable to the owners of the parent corporation	Non-controlling interests	Total equity	5.067.862.670	919.494.553	5.987.357.223
Decrease due to application of new accounting standards (Note 2.29.c)	-	-	-	-	-	-	-	-	-	(142.067.729)	(142.067.729)	(8.783.481)	(150.851.210)
Initial modified balance	919.419.389	93.482.329	(44.808.966)	(136.148.355)	(51.220.385)	(15.532.698)	(570.932)	(117.896.256)	(321.368.626)	4.279.070.815	4.925.794.941	910.711.072	5.836.506.013
Changes in equity													
Profit (loss)	-	-	-	-	-	-	-	-	-	295.473.530	295.473.530	60.702.944	356.176.474
Other comprehensive result	-	-	-	161.620.735	14.409.522	(5.943.056)	1.440.630	-	171.527.831	-	171.527.831	9.505.184	181.033.015
Comprehensive result	-	-	-	161.620.735	14.409.522	(5.943.056)	1.440.630	-	171.527.831	295.473.530	467.001.361	70.208.128	537.209.489
Equity issue	-	-	-	-	-	-	-	-	-	-	-	14.951.189	14.951.189
Dividends	-	-	-	-	-	-	-	-	-	(89.024.441)	(89.024.441)	(22.205.434)	(111.229.875)
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	-	-	(46.126.018)	(46.126.018)	-	(46.126.018)
Increase (decrease) due to portfolio stock transactions	-	-	1.403.848	-	-	-	-	(102.570)	(102.570)	-	1.301.278	-	1.301.278
Total changes in equity	-	-	1.403.848	161.620.735	14.409.522	(5.943.056)	1.440.630	(102.570)	171.425.261	160.323.071	333.152.180	62.953.883	396.106.063
Final balance current year 12/31/2019	919.419.389	93.482.329	(43.405.118)	25.472.380	(36.810.863)	(21.475.754)	869.698	(117.998.826)	(149.943.365)	4.439.393.886	5.258.947.121	973.664.955	6.232.612.076



Sustainability **GUIDELINES**

- Materiality definition
- GRI Index
- Non-financial audit letter





MATERIALITY DEFINITION

For the first time during 2018, a materiality assessment was conducted at the corporate level. For this purpose, we worked along an independent consultant specialized in social and environmental management. This is how, in the coming years, we will work in pursue of generating strategic guidelines enabling us to focus our priorities and investments.

The materiality assessment conducted is an independent analysis seeking to identify Falabella's most relevant and critical issues in ESG management. This analysis stands as a key tool for dialogue with our stakeholders, both internal and external, since it allows us to learn about their main concerns and interests, in addition to their perceptions about where they believe we have the greatest actual or potential impact and in which areas are our actions more relevant.

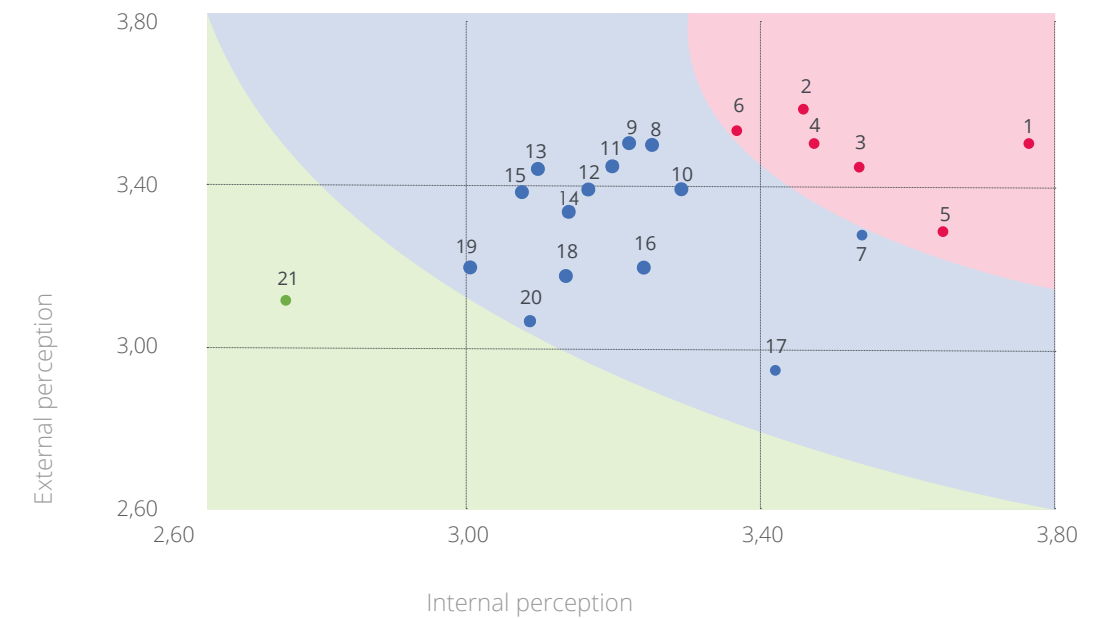
The identification of material issues and the development of this report has been carried out based on the Global Reporting Standards (GRI) guidelines, choosing the "essential" compliance option on the GRI Standards guide. Indexes collected during 2018 meet comparability in regards to the data gathered during 2017 and 2016. The disaggregation level required is omitted in some indexes due to not having this detail of data from all our subsidiaries. In most cases, the sustainability reports of each business shows detailed information, complying with the GRI Standards guide.

The topics identified were prioritized under two criteria: influence on our business and relevance for our external stakeholders.

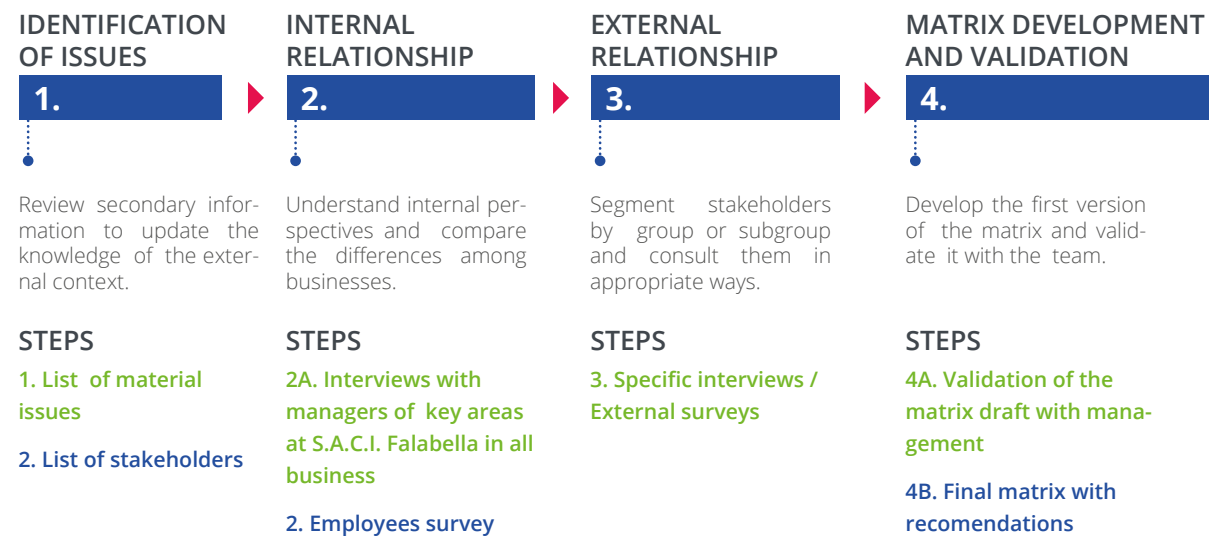
A materiality matrix was built based on the results obtained, where the "y" axis corresponds to external perception and the "x" axis to internal perception, with regards to 21 topics identified as material. We group these to-

pics into six main priorities, which allow us to go forward in the creation of economic, social and environmental value, in line with our stakeholders.

Materiality Falabella S.A



Materiality process



Exceed customer expectations

- 1. Data protection and privacy
- 2. Offer adaptation and reaction capacity
- 5. Consumer experience

Governance

- 2. Business ethics
- 4. Corporate governance
- 9. Human rights
- 11. Stakeholder information transparency

Develop our employees integrally

- 6. Diversity and inclusion
- 7. Attract, retain and develop talent
- 15. Employee wellbeing
- 16. New dynamics in labor relations

- 17. Unifying purpose
- 19. Reconversion of work positions

Manage our supply chain

- 10. Responsible supplier management
- 12. Local support and development

Social value creation

- 8. Positive value creation
- 14. Social regeneration and integration
- 20. Financial education

Manage our environmental impact

- 13. Product quality management
- 18. Environmental performance
- 21. Climatic strategy

GRI Standard	Content	Page Number	Omission
General Disclosures			
GRI 102 General Matters:			
Organizational Profile			
102-1	Name of the organization	172, 174	
102-2	Activities, brands, products and services	172 a 175	
102-3	Location of headquarters	172, 174	
102-4	Location of operations	14 a 22	
102-5	Ownership and legal form	172 a 175	
102-6	Markets served	14 a 22	
102-7	Scale of the organization	14 a 23	
102-9	Supply chain	107 a 111	
102-10	Significant changes to the organization and its supply chain	40, 107 a 109	
102-11	Precautionary Principle or approach	95, 113	
102-12	External initiatives	104	
102-13	Membership of associations	105	
102 STRATEGY			
102-14	Statement from senior decision-maker	7 a 9	
102 ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	13, 95 a 105	
102 GOVERNANCE			
102-18	Governance structure	140 a 153	
102-28	Performance evaluation of the highest government body	146	
102 STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	32,33	
102-42	Identifying and selecting stakeholders	32,33	
102-43	Approach to stakeholder engagement	32, 33	
102-44	Key topics and concerns raised	32 a 36	

GRI Standard	Content	Page Number	Omission
102 REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	224, 225	
102-46	Defining report content and topic Boundaries	264 a 274	
102-47	List of material topics	35, 36	
102-48	Restatements of information		No hubo reexpresiones
102-49	Changes in reporting		No hubo cambios
102-50	Reporting period	245	La Memoria Anual de Falabella S.A. refleja el desempeño económico, social y medioambiental en el ejercicio fiscal 2019.
102-51	Date of most recent report	245	Abril 2019
102-52	Reporting cycle	245	Anual
102-53	Contact point for questions regarding the report	172 a 174	
102-54	Claims of reporting in accordance with the GRI Standards	264	
102-55	GRI context index	266 a 271	
102-56	External assurance	272 a 274	
Material topics			
EXCEED CLIENT EXPECTATIONS			
103-1	Explanation of the material topic and its Boundaries	37 a 61	
103-2	The management approach and its components	37 a 61	
103-3	Evaluation of the management approach	37 a 61	
DATA PROTECTION AND PRIVACY			
Cyber security			
	Cybersecurity training	60	

GRI Standard	Content	Page Number	Omission
OFFER REACTION AND ADAPTATION CAPACITY			
	Analysis of data and digital clients	54, 56	
CUSTOMER EXPERIENCE			
	Client satisfaction measurement	41	
DEVELOP OUR EMPLOYEES INTEGRALLY			
	103-1 Explanation of the material topic and its Boundaries	65 a 83	
	103-2 The management approach and its components	65 a 83	
	103-3 Evaluation of the management approach	65 a 83	
Attract, retain and develop talent			
404 TRAINING AND EDUCATION			
	404-1 Average hours of training per year per employee	68	
	404-2 Programas to improve employees' capacity and to help the transition	68	
	404-3 Percentage of employees receiving regular performance and career development reviews	72	Se omite categoría laboral, porque no se cuenta con información desagregada por ese campo. Se está gestionando para obtener el próximo año.
401 EMPLOYMENT			
	401-1 New employee recruitment and rotation	70, 71	
407 UNIONIZATION			
	407-1 Freedom of Association and Collective Bargaining - percentage of employees covered by union agreements.	75	
HEALTH AND SAFETY AT WORK			
	403-1 Occupational health and safety management system	75 a 77	
	403-2 Hazard identification, risk assessment and incident investigation	75 a 77	

GRI Standard	Content	Page Number	Omission
	403-3 Occupational health services	75 a 77	
	403-4 Workers' participation, consultation and communication on health and safety at work	75 a 77	
	403-5 Occupational health and safety training for workers	75 a 77	
	403-6 Promoting workers' health		No se cuenta con información de servicios de promoción de la salud.
	403-7 Prevention and mitigation of health and safety impacts	75 a 77	
	403-8 Workers covered by an occupational health and safety management system	75 a 77	
	403-9 Workplace accident injuries	77	
	403-10 Occupational illnesses and diseases	77	
CULTURA			
405 OPPORTUNITY DIVERSITY AND EQUALITY			
	405-1 Diversity in the organs of the government and employees	77 a 83	
	405-2 Ratio of basic salary and remuneration of women to men	82	
UNIFYING PURPOSE			
Values	We are a team	13 y 69	
CREATE SOCIAL VALUE			
	103-1 Explanation of the material topic and its Boundaries	87 a 93	
	103-2 The management approach and its components	87 a 93	
	103-3 Evaluation of the management approach	87 a 93	
CREATE SOCIAL VALUE			
413 Comunidades locales			
413 Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	87 a 90	Information relating to impact assessments is omitted. Information is expected in the coming year.

GRI Standard	Content	Page Number	Omission
GOVERNANCE			
103-1	Explanation of the material topic and its Boundaries	95 a 105	
103-2	The management approach and its components	95 a 105	
103-3	Evaluation of the management approach	95 a 105	
ANTI CORRUPTION POLICIES			
205 Anti-corruption			
205-2	Communication and training about anti-corruption policies and procedures	93 a 100	
206 Anti-competitive Behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	100	
HUMAN RIGHTS			
412 Human Rights Assessments			
412-1	Operations that have been subject to human rights reviews or impact assessments	104	Information at a group level is omitted, since it does not apply. Work is being done at a business level.
MANAGE OUR SUPPLY CHAIN			
103-1	Explanation of the material topic and its Boundaries	107 a 111	
103-2	The management approach and its components	107 a 111	
103-3	Evaluation of the management approach	107 a 111	
RESPONSIBLE SUPPLIER MANAGEMENT			
308 Supplier Environmental Assessment			
308-2	Negative environmental impacts in the supply chain and measures taken	109	Information regarding potential and actual negative impacts is omitted. Work is underway at the business level to audit the data so that it can be reported in the next report.

GRI Standard	Content	Page Number	Omission
414 Supplier Social Assessment			
414-2	Negative social impacts on the supply chain and measures taken	109	Information regarding potential and actual negative impacts is omitted. Work is underway at the business level to audit the data so that it can be reported in the next report.
LOCAL SUPPORT AND DEVELOPMENT			
	Local entrepreneurship and employment fostering	110 y 111	
MANAGE OUR IMPACT ON THE ENVIRONMENT			
103-1	Explanation of the material topic and its Boundaries	113 a 135	
103-2	The management approach and its components	113 a 135	
103-3	Evaluation of the management approach	113 a 135	
WE TAKE CARE OF THE WASTE WE GENERATE			
306 Effluents and waste			
306-2	Waste by type and disposal method	113 a 123	
301 Materials			
301-3	Reused products and packaging materials	113 a 123	
CLIMATIC STRATEGY			
305 Emissions			
305-1	Direct GHG emissions (Scope 1)	126 a 129	
305-2	Indirect GHG emissions from power generation (Scope 2)	126 a 129	
302 Energy			
302-1	Energy consumption within the organization	131 a 133	Se omite información de las operaciones fuera de Chile, por falta de comparabilidad entre la operación de las distintas unidades de negocio.
302-4	Reduction of energy consumption	131 a 133	
303 Water and Effluents			
303-5	Water consumption	134	



Falabella S.A.

Independent Assurance of selected sustainability indicators in the 2019 Annual Report of Falabella S.A.

ISAE 3000 Statement

1 April 2020

Independent Assurance of selected sustainability indicators in the 2019 Annual Report of Falabella S.A.: ISAE 3000 statement

The nature of the assurance

This is a report by Corporate Citizenship for the Planning and Development Department of Falabella S.A.

Corporate Citizenship has undertaken **limited** assurance of selected sustainability indicators in the 2019 Annual Report of Falabella S.A., as detailed below:

Social indicators - Employees

- *Headcount diversity (% of women in the following three categories: managers and executives; professionals and technicians; and other employees)*
- *Executives in the top management that received performance evaluation (number)*
- *Employees that received performance evaluation (as % of total employees)*
- *Lost time injury frequency rate, LTIFR*
- *Occupational illness frequency rate, OIFR*

Environmental indicators

- *Energy consumption: consumption of renewable and non-renewable fuels and electricity, and other energy (steam, heat, cooling) (kWh)*
- *Water consumption (m3)*
- *Waste: volume of non-hazardous waste by treatment method (t)*
- *Aggregation of the carbon footprint: Scope 1 GHG emissions; Scope 2 GHG emissions (tCO2e)*

The assurance covers the period from 1st January 2019 – 31st December 2019.

Falabella S.A. is entirely and solely responsible for the production and publication of the data assured, Corporate Citizenship for its assurance.

The data relates to operations from different business units of Falabella S.A. in Chile, Peru, Colombia, Argentina, Uruguay, Brazil, and Mexico. It excludes operations in other countries.

Our work has involved reviewing selected social and environmental claims and data included in the report against the GRI principles for Defining Report Quality¹. The aggregation of the carbon emissions data, in line with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard was reviewed, however the individual carbon footprint calculations were not. GHG quantification is subject to inherent

¹ Balance, Comparability, Accuracy, Timeliness, Clarity and Reliability.



uncertainty due to factors such as incomplete scientific knowledge about the global warming potential of different GHGs and uncertainty around the models and parameters used in estimating GHG emissions.

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 January 2020 and was completed on 31 March 2020. Detailed records were kept of meetings, assurance visits and correspondence relating to the assurance. The assurance process was undertaken by a multidisciplinary team of four, including two Senior Researchers, a Senior Consultant and a Director acting in a supervisory capacity.

The assurance engagement was undertaken to a **limited level**, and involved the following activities:

1. Detailed questionnaires with employees responsible for Falabella S.A.'s sustainability performance, as well as the responsible teams within each of the main businesses of Falabella S.A., to understand internal management processes, and the collection, validation and reporting of data;
2. Reviews of the systems used to record and analyse sustainability performance data in order to assess robustness;
3. Checks on a sample basis of consolidated data to underlying records to check for consistency and accuracy of reporting;
4. A review of year-on-year performance trends to identify any significant changes and investigate the reasons behind these;
5. Examination of the 2019 Annual Report of Falabella S.A. to assess the reporting of the selected sustainability indicators, and associated claims, against the Global Reporting Initiative's Principles for Determining Report Quality.

Our experience and independence

Corporate Citizenship is a specialist management consultancy, advising corporations that seek to improve their economic, social and environmental performance around the world and is a leading assessor of corporate responsibility and sustainability reports.

This is the fifth year that Corporate Citizenship has provided independent assurance services in relation to Falabella S.A.'s corporate sustainability reporting. During the period under review, Corporate Citizenship worked with Falabella S.A. on consultancy projects, which

include support for their Dow Jones Sustainability Index (DJSI) application, and implementation of the LBG Framework to measure the social impact of community investment for Falabella Retail.

Conclusion

Based on the scope of work and assurance procedures performed, nothing has come to our attention that causes us to believe that the sustainability data described above is not prepared, in all material respects, in accordance with the GRI Principles for Defining Report Quality and the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Revised).

Corporate Citizenship Limited

Santiago, Chile

1 April 2020



Falabella S.A.



Responsibility
STATEMENT





Declaración de Responsabilidad

Los Directores de Falabella S.A. y el Gerente General, firmantes de esta declaración, con base en la información proporcionada en la administración de la compañía, se hacen responsables bajo juramento, respecto de la veracidad de la información proporcionada en la presente Memoria Anual.

Sr. Carlo Solari Donaggio
RUT 9.585.749-3
Presidente

Sr. Juan Carlos Cortés Solari
RUT 7.017.522-3
Vicepresidente

Sra. María Cecilia Karlezi Solari
RUT 7.005.097-8
Director

Sr. Sergio Cardone Solari
RUT 5.982.229-K
Director

Sra. Paola Cúneo Queirolo
RUT 8.506.868-7
Director

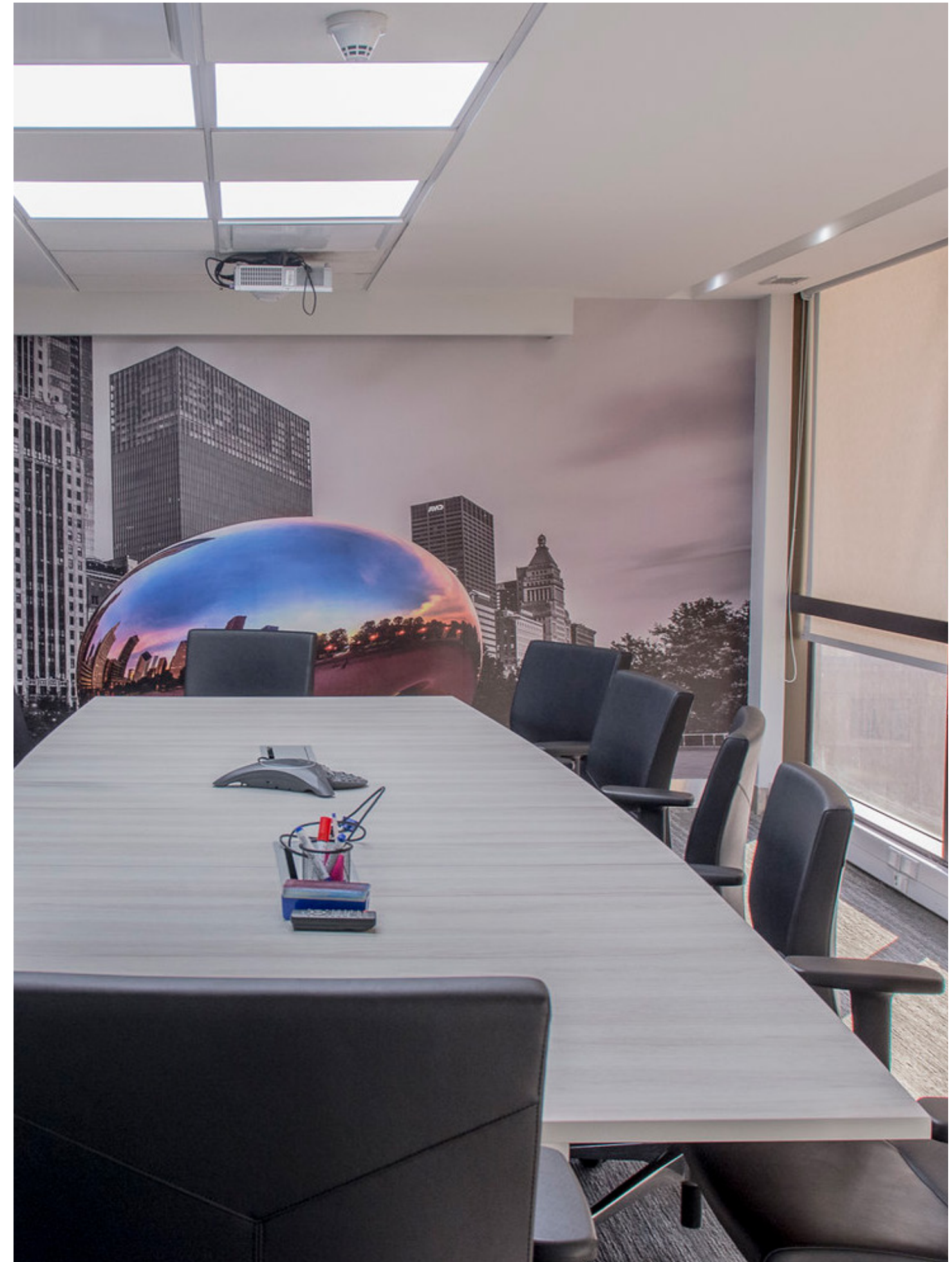
Sr. Carlos Alberto Heller Solari
RUT 8.717.000-4
Director

Sr. José Luis del Río Gaudie
RUT 4.773.832-6
Director

Sr. Hernán Büchi Buc
RUT 5.718.666-6
Director

Sr. Juan Pablo del Río Gaudie
RUT 5.898.685-2
Director

Sr. Gastón Bottazzini
RUT 22.923.569-9
Gerente General





Consolidated Financial
STATEMENTS



Falabella S.A. and Subsidiaries

Consolidated Financial Statements

December 31, 2019

F A L A B E L L A



ThCh\$-Thousands of Chilean pesos



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

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

Independent Auditor's Report

To the Shareholders and Directors
Falabella S.A.

We have audited the accompanying financial statements of Falabella S.A. and subsidiaries ("The company"), which comprise the statement of financial position as of December 31, 2019, 2018 and 2017, and the comprehensive income statement, statement of changes in equity, and statement of cash flows for the years then ended, 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 of 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 generally accepted auditing standards in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Regulatory Basis of Accounting

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Falabella S.A. and subsidiaries as of December 31, 2019, 2018 and 2017, and the results of their operations and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

A handwritten signature in blue ink, appearing to read 'Albert Oppenländer L.', is written over a faint, light blue rectangular box.

Albert Oppenländer L.
EY Audit SpA

Santiago, February 25, 2020

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Consolidated Statement of Financial Position

As of December 31, 2019, 2018 and 2017

	Note	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$ (see Note 2.1)
Assets				
Non-Banking Businesses (Presentation)				
Current assets				
Cash and cash equivalents	3	299,965,353	317,491,382	205,328,355
Other financial assets, current	4	14,577,323	25,831,939	16,161,447
Other non-financial assets, current	5	97,397,454	127,027,906	109,006,103
Trade and other receivables, current	6	503,747,308	505,261,560	544,746,955
Related party receivables, current	7	44,176,657	60,013,844	8,568,867
Inventories	8	1,332,853,655	1,410,494,616	1,238,138,783
Tax assets, current	9	117,161,072	86,778,115	76,587,049
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to the owners		2,409,878,822	2,532,899,362	2,198,537,559
Non-current assets or disposal groups classified as held for sale or held for distribution to the owners	2.16	17,371,457	17,371,457	10,866,456
Non-current assets or disposal groups classified as held for sale or held for distribution to the owners		17,371,457	17,371,457	10,866,456
Total current assets		2,427,250,279	2,550,270,819	2,209,404,015
Non-current assets				
Other financial assets, non-current	4	204,578,162	105,525,159	65,197,065
Other non-financial assets, non-current	5	103,842,937	95,161,666	74,676,686
Trade and other receivables, non-current	6	11,126,047	9,004,961	18,397,014
Investments accounted for using the equity method	11	191,478,678	135,735,296	138,296,518
Intangible assets other than goodwill	12	342,682,434	312,876,174	279,330,294
Goodwill	13	649,149,802	625,914,880	504,394,517
Property, plant and equipment	14	3,698,385,781	2,725,338,067	2,544,590,283
Investment properties	15	3,235,069,703	2,972,046,449	2,908,777,208
Tax assets, non-current	9	17,420,067	16,341,601	
Deferred tax assets	10	212,284,708	165,387,150	137,753,522
Total non-current assets		8,666,018,319	7,163,331,403	6,671,413,107
Total assets - non-banking businesses		11,093,268,598	9,713,602,222	8,880,817,122
Assets Banking Businesses (Presentation)				
Cash and bank deposits	3	304,355,220	303,217,364	252,495,253
Transactions pending settlement,	3	80,926,931	57,290,605	21,370,300
Instruments held for trading	3	179,336,474	155,634,743	71,182,626
Financial derivative contracts		411,178,302	88,101,263	26,600,918
Customer loans and receivables	6	5,219,216,732	4,631,682,308	4,240,651,138
Investment instruments held for sale	16	681,030,022	658,887,042	657,507,389
Investments in companies	11	3,721,554	3,179,466	2,861,251
Intangible assets	12	78,118,482	68,260,141	60,658,539
Property, plant and equipment	14	72,907,960	41,384,274	34,267,084
Current taxes	9	12,694,107	6,934,952	7,766,383
Deferred tax liabilities	10	48,804,829	49,592,217	26,401,052
Other assets	17	148,111,627	103,738,704	58,127,222
Total assets - banking businesses		7,240,402,240	6,167,903,079	5,459,889,155
Total assets		18,333,670,838	15,881,505,301	14,340,706,277

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

Consolidated Statement of Financial Position

As of December 31, 2019, 2018 and 2017

	Note	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
(see Note 2.1)				
Net Liabilities and Shareholders' Equity				
Non-Banking Businesses (Presentation)				
Current liabilities				
Other financial liabilities, current	18	443,932,448	558,213,658	711,150,305
Leasing liabilities, current	19	82,881,467	-	-
Trade and other payables	20	1,109,205,979	1,019,436,064	991,491,067
Related company payables, current	7	17,092,382	15,308,531	7,636,329
Other provisions, current	21	23,758,134	24,732,430	13,834,451
Tax liabilities, current	9	30,806,089	27,485,565	27,921,612
Employee benefit provisions, current	22	149,449,341	143,333,626	134,301,346
Other non-financial liabilities, current	23	165,561,711	146,127,369	146,823,400
Total current liabilities		2,022,687,551	1,934,637,243	2,033,158,510
Non-current liabilities				
Other financial liabilities, non-current	18	2,813,299,285	2,806,585,586	3,006,175,090
Leasing liabilities, non-current	19	900,374,562	-	-
Trade and other payables, non-current	20	1,920,686	1,089,919	1,081,931
Other provisions, non-current	21	9,590,858	9,324,355	11,045,759
Deferred tax liabilities	10	613,982,006	594,329,358	568,622,314
Employee benefit provisions, non-current	22	55,968,813	45,182,842	32,496,875
Other non-financial liabilities, non-current	23	55,025,873	55,124,675	45,681,427
Total non-current liabilities		4,450,162,083	3,511,636,735	3,665,103,396
Total liabilities - non-banking businesses		6,472,849,634	5,446,273,978	5,698,261,906
Banking Business Liabilities (Presentation)				
Deposits and other demand obligations		802,372,070	639,081,704	543,154,221
Transactions pending settlement,	3	73,993,355	46,413,806	15,139,196
Deposits and other time deposits,	24	3,027,251,232	2,538,382,394	1,987,726,066
Financial derivative contracts		458,352,017	87,064,300	31,181,315
Bank borrowings	25	547,171,749	510,566,109	204,888,972
Debt instruments issued	26	263,878,200	268,117,240	242,256,771
Other financial obligations	26	89,407,460	106,133,093	130,641,388
Leasing liabilities	19	35,524,567	-	-
Current taxes	9	2,973,670	91,904	9,109,300
Provisions	21	32,017,182	41,430,388	2,131,628
Other liabilities	27	295,267,626	210,593,162	182,758,010
Total liabilities - banking businesses		5,628,209,128	4,447,874,100	3,348,986,867
Total liabilities		12,101,058,762	9,894,148,078	9,047,248,773
Net Equity				
Share capital	35	919,419,389	919,419,389	533,409,643
Retained earnings		4,439,393,886	4,421,138,544	4,183,008,108
Share premium	35	93,482,329	93,482,329	93,482,329
Treasury shares		(43,405,118)	(44,808,966)	(27,042,749)
Other reserves	35	(149,943,365)	(321,368,626)	(383,842,804)
Equity attributable to owners of the parent company		5,258,947,121	5,067,862,670	4,399,014,527
Non-controlling interests		973,664,955	919,494,553	894,442,977
Total shareholder's equity		6,232,612,076	5,987,357,223	5,293,457,504
Total liabilities and shareholders' equity		18,333,670,838	15,881,505,301	14,340,706,277

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

Consolidated Statement of Comprehensive Income by Function

For the years ended December 31, 2019, 2018 and 2017

	Note	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
(see Note 2.1)				
Statement of Net Income				
Non-Banking Businesses (Presentation)				
Operating revenue	28	8,053,582,835	7,976,898,405	7,742,635,463
Cost of sales	29	(5,433,070,250)	(5,255,756,353)	(5,065,381,226)
Gross margin		2,620,512,585	2,721,142,052	2,677,254,237
Distribution costs		(127,651,886)	(115,035,376)	(96,101,993)
Administrative expenses	30	(1,960,593,725)	(1,904,010,235)	(1,805,037,785)
Other expenses, by function		(141,899,290)	(139,868,203)	(146,894,210)
Other income (losses)	32	20,796,536	24,657,249	3,252,771
Financial income		27,400,950	36,224,345	14,201,516
Financial costs	31	(209,910,800)	(181,142,094)	(195,053,121)
Share of net income (losses) of equity method associates and joint ventures	11	336,784	7,092,186	15,279,304
Exchange differences		(22,065,192)	(15,580,747)	(283,467)
Income from indexation units	31	(21,944,001)	(22,494,868)	(17,264,195)
Net income before tax		184,981,961	410,984,309	449,353,057
Income tax expense	10	(62,097,989)	(101,167,095)	(114,372,701)
Net income from non-banking businesses		122,883,972	309,817,214	334,980,356
Banking Businesses (Presentation)				
Interest and indexation income	28	1,108,745,967	1,030,424,240	980,136,398
Interest and indexation expense	29	(183,119,743)	(159,244,897)	(165,774,933)
Net interest and indexation income		925,626,224	871,179,343	814,361,465
Commission income	28	245,043,799	222,880,446	210,484,271
Commission expense	29	(116,057,421)	(117,165,207)	(106,070,394)
Net commission income		128,986,378	105,715,239	104,413,877
Net income (loss) on financial transactions		17,187,950	20,883,343	5,056,559
Net income (loss) on currency exchange		4,289,403	(8,667,556)	5,702,242
Other operating income		3,402,024	7,139,460	6,362,011
Credit risk allowances	29	(337,736,214)	(291,664,726)	(281,520,876)
Total net operating income		741,755,765	704,585,103	654,375,278
Staff remuneration and expenses	30	(149,509,710)	(142,834,516)	(135,688,564)
Administrative expenses	30	(197,819,946)	(177,860,670)	(158,095,753)
Depreciation and amortization	30	(34,996,501)	(21,175,299)	(19,762,997)
Other operating expenses	30	(44,322,854)	(46,024,862)	(40,011,202)
Total operating expenses		(426,649,011)	(387,895,347)	(353,558,516)
Net operating income		315,106,754	316,689,756	300,816,762
Income from investments in companies	11	834,977	551,214	469,655
Net income before tax		315,941,731	317,240,970	301,286,417
Income tax expense	10	(82,649,229)	(83,330,806)	(77,362,579)
Net income from banking businesses		233,292,502	233,910,164	223,923,838
Net income for the period		356,176,474	543,727,378	558,904,194
Net income attributable to				
Net income attributable to owners of the parent company	33	295,473,530	478,468,376	509,593,496
Net income attributable to non-controlling interests		60,702,944	65,259,002	49,310,698
Net income for the period		356,176,474	543,727,378	558,904,194
Earnings per share				
Basic earnings per share				
Basic earnings per share from continuing operations	33	0.12	0.19	0.21
Basic earnings per share		0.12	0.19	0.21
Diluted earnings per share				
Diluted earnings per share from continuing operations	33	0.12	0.19	0.21
Diluted earnings per share		0.12	0.19	0.21

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

Consolidated Statement of Comprehensive Income by Function

For the years ended December 31, 2019, 2018 and 2017

	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Statement of Comprehensive Income			
Net income for the period	356,176,474	543,727,378	558,904,194
Components of other comprehensive income that will not be reclassified to income for the year, before tax			
Actuarial losses for defined benefit plans, before tax	(8,141,129)	(9,299,135)	(1,510,130)
Other comprehensive income that will not be reclassified to income for the year	(8,141,129)	(9,299,135)	(1,510,130)
Components of other comprehensive income that will be reclassified to income for the year, before tax			
Foreign currency conversion			
Gain on foreign currency conversion, before tax	176,330,362	113,736,888	(112,117,633)
Other comprehensive income, before tax, from foreign currency conversion	176,330,362	113,736,888	(112,117,633)
Income (losses) from re-measurement of financial assets held for sale, before tax	1,992,970	(789,764)	(822,980)
Other comprehensive income, before tax, on financial assets held for sale	1,992,970	(789,764)	(822,980)
Cash flow hedges			
Gain (loss) from cash flow hedges, before tax	12,851,589	(31,777,502)	4,044,508
Other comprehensive income from cash flow hedges, before tax	12,851,589	(31,777,502)	4,044,508
Other components of other comprehensive income that will be reclassified to income for the year, before tax	191,174,921	81,169,622	(108,896,105)
Income taxes related to components of other comprehensive income			
Income tax related to defined benefits plans in other comprehensive income	2,198,105	2,510,791	417,480
Total income tax related to components of other comprehensive income that will not be reclassified to income for the year	2,198,105	2,510,791	417,480
Income taxes related to components of other comprehensive income			
Income tax related to financial assets held for sale in other comprehensive income	(538,102)	213,236	210,277
Income tax relating to cash flow hedges in other comprehensive income	(3,660,780)	8,615,471	(1,008,123)
Total income tax related to components of other comprehensive income	(4,198,882)	8,828,707	(797,846)
Total other comprehensive income (loss)	181,033,015	83,209,985	(110,786,601)
Total comprehensive income	537,209,489	626,937,363	448,117,593
Comprehensive income attributable to			
Comprehensive income attributable to owners of the parent company	467,001,361	562,286,415	408,436,551
Comprehensive income (loss) attributable to non-controlling interests	70,208,128	64,650,948	39,681,042
Total comprehensive income	537,209,489	626,937,363	448,117,593

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

Statement of Changes in Equity

a) The Statement of Changes in Equity for the year ended December 31, 2019, is detailed as follows:

	Share capital (Note 35)	Share premium	Treasury shares (Note 22.d)	Foreign currency conversion reserves	Cash flow hedge reserves	Actuarial gains or losses on defined benefit plans 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 01/01/2019	919,419,389	93,482,329	(44,808,966)	(136,148,355)	(51,220,385)	(15,532,698)	(570,932)	(117,896,256)	(321,368,626)	4,421,138,544	5,067,862,670	919,494,553	5,987,357,223
Decrease due to new accounting standards (Note 2.29.c)	-	-	-	-	-	-	-	-	-	(142,067,729)	(142,067,729)	(8,783,481)	(150,851,210)
Restated opening balance	919,419,389	93,482,329	(44,808,966)	(136,148,355)	(51,220,385)	(15,532,698)	(570,932)	(117,896,256)	(321,368,626)	4,279,070,815	4,925,794,941	910,711,072	5,836,506,013
Changes in equity													
Comprehensive income													
Net income for the period	-	-	-	-	-	-	-	-	-	295,473,530	295,473,530	60,702,944	356,176,474
Other comprehensive income	-	-	-	161,620,735	14,409,522	(5,943,056)	1,440,630	-	171,527,831	-	171,527,831	9,505,184	181,033,015
Total comprehensive income	-	-	-	161,620,735	14,409,522	(5,943,056)	1,440,630	-	171,527,831	295,473,530	467,001,361	70,208,128	537,209,489
Equity issued	-	-	-	-	-	-	-	-	-	-	-	14,951,189	14,951,189
Dividends	-	-	-	-	-	-	-	-	-	(89,024,441)	(89,024,441)	(22,205,434)	(111,229,875)
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	-	-	(46,126,018)	(46,126,018)	-	(46,126,018)
Increase (decrease) for transactions with treasury shares	-	-	1,403,848	-	-	-	-	(102,570)	(102,570)	-	1,301,278	-	1,301,278
Total changes in equity	-	-	1,403,848	161,620,735	14,409,522	(5,943,056)	1,440,630	(102,570)	171,425,261	160,323,071	333,152,180	62,953,883	396,106,063
Closing balance as of 12/31/2019	919,419,389	93,482,329	(43,405,118)	25,472,380	(36,810,863)	(21,475,754)	869,698	(117,998,826)	(149,943,365)	4,439,393,886	5,258,947,121	973,664,955	6,232,612,076

b) The Statement of Changes in Equity for the year ended December 31, 2018 is detailed as follows:

	Share capital (see Note 35)	Share premium	Treasury shares (Note 22.d)	Foreign currency conversion reserves	Cash flow hedge reserves	Actuarial gains or losses on defined benefit plans 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 01/01/2018	533,409,643	93,482,329	(27,042,749)	(249,687,237)	(28,860,865)	(8,744,314)	2,007	(96,552,395)	(383,842,804)	4,183,008,108	4,399,014,527	894,442,977	5,293,457,504
Decrease due to new accounting standards (Note 2.29.c)	-	-	-	-	-	-	-	-	-	(55,396,466)	(55,396,466)	(581,684)	(55,978,150)
Restated opening balance	533,409,643	93,482,329	(27,042,749)	(249,687,237)	(28,860,865)	(8,744,314)	2,007	(96,552,395)	(383,842,804)	4,127,611,642	4,343,618,061	893,861,293	5,237,479,354
Changes in equity													
Comprehensive income													
Net income for the period	-	-	-	-	-	-	-	-	-	478,468,376	478,468,376	65,259,002	543,727,378
Other comprehensive income	-	-	-	113,538,882	(22,359,520)	(6,788,384)	(572,939)	-	83,818,039	-	83,818,039	(608,054)	83,209,985
Total comprehensive income	-	-	-	113,538,882	(22,359,520)	(6,788,384)	(572,939)	-	83,818,039	478,468,376	562,286,415	64,650,948	626,937,363
Equity issued	386,009,746	-	-	-	-	-	-	-	-	-	386,009,746	6,716,847	392,726,593
Dividends	-	-	-	-	-	-	-	-	-	(106,417,696)	(106,417,696)	(11,266,365)	(117,684,061)
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	(23,484,284)	(23,484,284)	(78,523,778)	(102,008,062)	(34,468,170)	(136,476,232)
Increase (decrease) for transactions with treasury shares	-	-	(17,766,217)	-	-	-	-	2,140,423	2,140,423	-	(15,625,794)	-	(15,625,794)
Total changes in equity	386,009,746	-	(17,766,217)	113,538,882	(22,359,520)	(6,788,384)	(572,939)	(21,343,861)	62,474,178	293,526,902	724,244,609	25,633,260	749,877,869
Closing balance as of 12/31/2018	919,419,389	93,482,329	(44,808,966)	(136,148,355)	(51,220,385)	(15,532,698)	(570,932)	(117,896,256)	(321,368,626)	4,421,138,544	5,067,862,670	919,494,553	5,987,357,223

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

Statement of Changes in Equity

c) The Statement of Changes in Equity for the year ended December 31, 2017 is detailed as follows:

	Share capital	Share premium	Treasury shares (Note 21.d)	Foreign currency conversion reserves	Cash flow hedge reserves	Actuarial gains or losses on defined benefit plans 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 01/01/2017	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
Changes in equity													
Comprehensive income													
Net income for the year	-	-	-	-	-	-	-	-	-	509,593,496	509,593,496	49,310,698	558,904,194
Other comprehensive income	-	-	-	(102,802,927)	3,348,194	(1,092,737)	(609,475)	-	(101,156,945)	-	(101,156,945)	(9,629,656)	(110,786,601)
Total comprehensive income	-	-	-	(102,802,927)	3,348,194	(1,092,737)	(609,475)	-	(101,156,945)	509,593,496	408,436,551	39,681,042	448,117,593
Equity issued	-	-	-	-	-	-	-	-	-	-	-	6,924,284	6,924,284
Dividends	-	-	-	-	-	-	-	-	-	(109,162,192)	(109,162,192)	(7,873,118)	(117,035,310)
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	(1,182,958)	(1,182,958)	(89,756,728)	(90,939,686)	(12,329,919)	(103,269,605)
Increase (decrease) for transactions with treasury shares	-	-	8,082,883	-	-	-	-	2,280,539	2,280,539	-	10,363,422	-	10,363,422
Total changes in equity	-	-	8,082,883	(102,802,927)	3,348,194	(1,092,737)	(609,475)	1,097,581	(100,059,364)	310,674,576	218,698,095	26,402,289	245,100,384
Closing balance as of 12/31/2017	533,409,643	93,482,329	(27,042,749)	(249,687,237)	(28,860,865)	(8,744,314)	2,007	(96,552,395)	(383,842,804)	4,183,008,108	4,399,014,527	894,442,977	5,293,457,504

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

Consolidated Statement of Cash Flow

For the years ended December 31, 2019, 2018 and 2017

Cash Flow Statement - Direct Method	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
	(see Note 2.1)		
Statement of cash flow			
Cash flows provided by (used in) operating activities			
Non-Banking Businesses (Presentation)			
Proceeds from operating activities			
Proceeds from sale of goods and services	9,662,676,818	9,334,783,508	9,261,241,089
Payments for operating activities			
Payments to suppliers for goods and services	(7,590,559,336)	(7,595,908,074)	(7,292,185,723)
Payments to and on behalf of employees	(1,089,947,524)	(1,067,553,587)	(1,014,508,707)
Income tax paid	(106,184,750)	(140,370,761)	(113,749,401)
Other cash payments	(93,396,237)	(105,351,324)	(12,945,269)
Subtotal net cash flow provided by operating activities from Non-Banking Businesses	782,588,971	425,599,762	827,851,989
Banking Businesses (Presentation)			
Consolidated net income for the year	233,292,502	233,910,164	223,923,838
Charges (credits) to income that do not involve cash movements			
Depreciation and amortization	34,996,501	21,175,299	19,762,997
Credit risk allowances	410,002,119	387,190,485	347,091,683
Net income from investments in companies with significant influence	(834,977)	(551,214)	(469,655)
Other charges that do not involve cash movements	82,649,230	83,330,806	31,814,667
Net change in interest, indexation and commissions accrued on assets and liabilities	2,315,390	(703,358)	(10,802,756)
Changes in assets and liabilities that affect operating cash flows			
Increase in customer loans and receivables	(979,583,572)	(800,498,943)	(453,771,824)
Net (increase) decrease in instruments held for trading	17,132,815	(63,143,345)	(18,892,461)
Increase in deposits and other demand obligations	154,943,734	95,927,483	115,453,966
Increase in deposits and other time deposits,	466,514,110	540,771,952	(23,320,615)
Increase (decrease) in obligations to banks	75,986,826	(2,676,183)	(35,332,205)
Other cash proceeds (payments)	(39,500,188)	51,104,163	(51,371,077)
Subtotal net cash flow provided by operating activities from Banking Businesses	457,914,490	545,837,309	144,086,558
Net cash flow provided by operating activities	1,240,503,461	971,437,071	971,938,547
Cash flow provided by (used in) investing activities			
Non-Banking Businesses (Presentation)			
Cash flows from the loss of control of subsidiaries or other businesses	1,898,806	-	-
Payments to obtain control of subsidiaries or other businesses	-	(87,420,365)	-
Contributions to associates	(24,048,504)	(3,997,815)	(25,737,22)
Loans to related companies	(8,247,990)	(38,220,224)	-
Proceeds from sale of property, plant and equipment	7,641,469	86,782,388	2,251,308
Acquisitions of property, plant, and equipment	(367,167,794)	(362,589,652)	(375,895,985)
Acquisitions of intangible assets	(65,317,189)	(55,153,317)	(43,739,158)
Acquisition of other long-term assets	(183,581,724)	(100,630,655)	(157,183,611)
Dividends received	10,881,230	5,396,419	5,201,313
Interest received	11,556,512	19,291,700	15,541,228
Other cash receipts (payments)	2,185,044	(582,606)	(13,431,348)
Subtotal net cash flow used in investing activities for Non-Banking Businesses	(614,200,140)	(537,124,127)	(592,993,475)
Banking Businesses (Presentation)			
Net decrease (increase) in investment instruments held for sale	148,697,225	(1,920,294)	(92,016,465)
Acquisition of property, plant and equipment	(30,574,836)	(33,036,205)	(33,890,115)
Dividends received	638,601	503,392	527,972
Other cash proceeds	1,581,946	443,055	447,989
Subtotal net cash flows provided by (used in) investing activities for Banking Businesses	120,342,936	(34,010,052)	(124,930,619)
Net cash flow used in investing activities	(493,857,204)	(571,134,179)	(717,924,094)

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

Consolidated Statement of Cash Flow

For the years ended December 31, 2019, 2018 and 2017

Statement of Cash Flows	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
	(see Note 2.1)		
Cash flow provided by (used in) financing activities Non-Banking Businesses (Presentation)			
Proceeds from issuing shares	14,951,189	397,209,317	6,924,284
Net proceeds (payments) from selling the entity's own shares	1,301,278	(14,881,439)	10,929,316
Proceeds from long-term loans	199,154,400	115,417,743	362,571,213
Proceeds from short-term loans	1,070,683,908	1,933,703,642	2,063,505,656
Total proceeds from loans	1,269,838,308	2,049,121,385	2,426,076,869
Loan repayments	(1,517,463,862)	(2,390,635,190)	(2,284,615,494)
Dividends paid	(212,541,867)	(154,142,646)	(215,061,388)
Interest paid	(148,775,186)	(165,482,272)	(166,699,508)
Other cash receipts (payments)	16,563,489	(71,402,887)	(2,967,781)
Subtotal net cash flows used in financing activities for Non-Banking Businesses	(576,126,651)	(350,213,732)	(225,413,702)
Banking Businesses (Presentation)			
Letters of credit redeemed	(10,071,569)	(10,824,643)	(7,023,624)
Bonds issued (repaid)	(4,239,041)	25,860,469	(21,731,107)
Proceeds (repayment) of other loans	(39,381,186)	127,350,000	-
Other cash proceeds (payments)	15,902,077	(7,771,804)	(65,371,902)
Subtotal net cash flow provided by (used in) financing activities for Banking Businesses	(37,789,719)	134,614,022	(94,126,633)
Net cash flow provided by (used in) financing activities	(613,916,370)	(215,599,710)	(319,540,335)
Net increase in cash & cash equivalents before effect of changes in exchange rates	132,729,887	184,703,182	(65,525,882)
Effect of changes in exchange rates on cash and cash equivalents			
Effect of changes in exchange rates on cash and cash equivalents	15,640,299	9,749,830	(15,508,194)
Net increase in cash and cash equivalents	148,370,186	194,453,012	(81,034,076)
Cash and cash equivalents at the beginning of the year	689,411,677	494,958,665	575,992,741
Cash and cash equivalents at the end of the year	837,781,863	689,411,677	494,958,665

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

Note 1 - Company Information

Falabella S.A. (formerly S.A.C.I. Falabella) (hereinafter 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 Financial Market Commission ("FMC"). Its main offices and legal domicile are located at Manuel Rodríguez Norte 730, Santiago, Chile.

An Extraordinary Shareholders' Meeting held on April 23, 2019, agreed to change the name of the Company from S.A.C.I. Falabella to Falabella S.A., and amended the first article of the Company's statutes to reflect this change.

The subsidiaries registered in the FMC Securities Registry and the Registry of the Chilean Superintendency of Banks and Financial Institutions ("SBIF") are detailed as follows:

Subsidiary	Chilean ID Number	Registration Number
Sodimac S.A.	96,792,430-K	850
Plaza S.A.	76,017,019-4	1,028
Banco Falabella S.A	96,509,660-4	051

Falabella S.A. and its subsidiaries (hereinafter the "Company" or "Falabella") operates 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).

Falabella had the following number of employees as of December 31, 2019, 2018 and 2017:

Country	Dec-31-19	Dec-31-18	Dec-31-17
Chile	52,852	52,963	54,666
Peru	33,296	30,169	32,694
Colombia	8,303	7,502	7,834
Argentina	4,847	5,369	5,478
Brazil	3,530	3,285	3,578
Uruguay	449	425	412
India	119	77	21
China	156	129	119
Mexico	374	236	-
TOTAL	103,926	100,155	104,802
Senior Executives	3,593	3,375	2,835

Note 2 - Summary of Significant Accounting Policies

2.1. Basis of Preparation of the Consolidated Financial Statements

These consolidated financial statements of Falabella S.A. and subsidiaries include consolidated statements of financial position as of December 31, 2019, 2018 and 2017, consolidated statements of comprehensive income by function, statements of changes in equity and consolidated statements of cash flow for the years ended December 31, 2019, 2018 and 2017 and their corresponding notes which have been prepared and presented in accordance with International Financial Reporting Standards ("IFRS"), including additional information required by the Chilean Financial Market Commission ("FMC") which does not contradict IFRS.

These 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 exercises 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 mixed presentation criteria, separating the balances of the banking companies (Banking Business) from the remaining consolidated companies (Non-Banking Business). The Falabella banking companies that were separated were: Banco Falabella Chile, Banco Falabella Peru and Banco Falabella Colombia.

Falabella reorganized its banking business in Chile during 2018. Therefore, Promotora CMR Falabella S.A. (hereinafter CMR) was converted into a company that supports the banking business.

As a result, Banco Falabella (hereinafter the Bank) became the major shareholder of CMR on December 3, 2018, by subscribing to CMR's entire capital increase at a value of Ch\$ 240,000 million.

As both companies form part of the same controlling group, the acquired assets and liabilities have been valued at book value, and there were no valuation effects for Falabella.

The purpose of this reorganization was to provide banking customers with integrated banking services, covering loan products, savings and investment. The number of service points for the Bank and CMR customers have also increased, since CMR's customers can be attended in the Bank's offices and vice versa, which improves the products available.

CMR has been presented in these financial statements within the banking companies (Banking Business in Chile), which required the values presented as of December 31, 2018 and 2017 to be reclassified, in order to present comparative information.

Note 2 - Summary of Significant Accounting Policies (continued)

2.1. Basis of Preparation of the Consolidated Financial Statements (continued)

The consolidated financial statements of Falabella S.A. for 2018 were approved by its Board at a meeting held on February 26, 2019, and were subsequently submitted to the Annual General Shareholders' Meeting held on April 23, 2019, where they were finally approved. The consolidated financial statements of Falabella S.A. for 2017 were approved by its Board at a meeting held on February 27, 2018, and were subsequently submitted to the Annual General Shareholders' Meeting held on April 24, 2018, where they were finally approved.

Certain items from the previous year's financial statements have been reclassified or amended for the purpose of ensuring comparability with the current year's presentation, and for presenting CMR with the Banking Business.

2.2. New standards, interpretations and amendments adopted by Falabella

The accounting policies used to prepare the consolidated financial statements are consistent with those used to prepare Falabella's consolidated financial statements for the year ended December 31, 2018 and 2017, except for IFRS 16, which was adopted by Falabella with effect from January 1, 2019 and except for IFRS 9 and IFRS 15, which were adopted by the Group with effect from 1 January 2018 (see Note 2.29.c).

2.3. Presentation and Functional Currency

These consolidated financial statements are presented in Chilean pesos, which is the functional currency of the Parent Company and Falabella's presentation currency. Chilean pesos are rounded to the nearest thousand pesos.

Each Falabella entity 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 Falabella's presentation currency, in accordance with IAS 21.

2.4. Period covered by the Consolidated Financial Statements

The consolidated financial statements comprise the statements of financial position as of December 31, 2019, 2018 and 2017, the statements of comprehensive income by function, the statements of cash flow, and the statements of changes in equity for the years ended December 31, 2019, 2018 and 2017.

2.5. Basis for Consolidation of the Financial Statements

These 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. These 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 Falabella has control, in accordance with 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.

Note 2 - Summary of Significant Accounting Policies (continued)

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

The non-controlling interest represents the portion of net assets and net income or losses that are not owned by Falabella, which is presented separately in the statement of comprehensive income and in equity in the consolidated statement of financial position.

The Company has not consolidated the financial statements of R-SC Internet Services C.A. (Linio Venezuela). Although it controls this company, the conditions established by IFRS 10 to consolidate it have not been met, because the economic situation and measures in Venezuela have caused significant distortions with respect to receiving the cash flows generated there. Furthermore, given the business combination process referred to in Note 41, the net identifiable assets owned by this subsidiary have been valued at a fair value of zero as a result of this situation.

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.

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 are detailed as follows:

CHILEAN ID NUMBER	SUBSIDIARY	OWNERSHIP INTEREST					COUNTRY	FUNCTIONAL CURRENCY
		Dec-31-19	Dec-31-19	Dec-31-19	Dec-31-18	Dec-31-17		
		DIRECT	INDIRECT	TOTAL	TOTAL	TOTAL		
		%	%	%	%	%		
76,020,391-2	INVERSIONES FALABELLA LTDA	99.989	0.011	100	100	100	CHILE	CLP
76,020,385-8	INVERSIONES PARMIN SpA	100	-	100	100	100	CHILE	CLP
Foreign	FALABELLA SUCURSAL URUGUAY S.A.	100	-	100	100	100	URUGUAY	CLP
99,500,360-0	HOMETRADING S.A.	-	100	100	100	100	CHILE	CLP
99,593,960-6	DESARROLLOS INMOBILIARIOS SpA.	-	100	100	100	100	CHILE	CLP
Foreign	FALLBROOKS PROPERTIES LTD	-	99.999	99.999	99.999	99.999	BRITISH VIRGIN ISLANDS	CLP
99,556,170-0	FALABELLA INMOBILIARIO S.A.	-	100	100	100	100	CHILE	CLP
76,882,330-8	NUEVOS DESARROLLOS S.A.	-	45.94	45.94	45.94	45.94	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.	-	45.94	45.94	45.94	45.94	CHILE	CLP
96,653,660-8	PLAZA DEL TREBOL SpA	-	59.278	59.278	59.278	59.278	CHILE	CLP
96,795,700-3	PLAZA LA SERENA SpA	-	59.278	59.278	59.278	59.278	CHILE	CLP
96,653,650-0	PLAZA OESTE SpA	-	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 SpA	-	59.278	59.278	59.278	59.278	CHILE	CLP
76,677,940-9	PLAZA VALPARAÍSO S.A.	-	45.94	45.94	45.94	45.94	CHILE	CLP
96,538,230-5	PLAZA VESPUICIO SpA	-	59.278	59.278	59.278	59.278	CHILE	CLP
79,990,670-8	ADMINISTRADORA PLAZA VESPUICIO S.A.	-	59.272	59.272	59.272	59.272	CHILE	CLP
76,883,720-1	DESARROLLOS E INVERSIONES INTERNACIONALES SpA	-	59.278	59.278	59.278	59.278	CHILE	CLP
99,564,380-4	DESARROLLOS URBANOS SpA.	-	45.94	45.94	45.94	45.94	CHILE	CLP
76,299,850-5	INVERSIONES PLAZA LTDA.	-	-	-	59.278	59.278	CHILE	CLP
76,044,159-7	AUTOPLAZA SpA	-	59.278	59.278	59.278	59.278	CHILE	CLP
96,792,430-K	SODIMAC S.A.	-	100	100	100	100	CHILE	CLP
99,556,180-8	SODIMAC TRES S.A.	-	100	100	100	100	CHILE	CLP
76,054,094-3	INVERSIONES SODMIN SpA	-	100	100	100	100	CHILE	CLP
76,054,151-6	TRAINEEMAC S.A.	-	100	100	100	100	CHILE	CLP
76,821,330-5	IMPERIAL S.A.	-	60	60	60	60	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 are detailed as follows: (continued)

CHILEAN ID NUMBER	SUBSIDIARY	OWNERSHIP INTEREST					COUNTRY	FUNCTIONAL CURRENCY
		Dec-31-19	Dec-31-19	Dec-31-19	Dec-31-18	Dec-31-17		
		DIRECT %	INDIRECT %	TOTAL %	TOTAL %	TOTAL %		
76,222,370-8	SERVICIOS GENERALES BASCUNÁN LTDA	-	100	100	100	100	CHILE	CLP
76,644,120-3	APORTA SpA	-	100	100	100	100	CHILE	CLP
76,046,439-2	APYSER SpA	-	100	100	100	100	CHILE	CLP
76,662,120-1	CERRO COLORADO LTDA	-	88	88	88	100	CHILE	CLP
96,579,870-6	SERVICIOS GENERALES FALABELLA RETAIL SpA	-	100	100	100	100	CHILE	CLP
76,012,536-9	SERVICIOS GENERALES MULTIBRAND SpA	-	100	100	100	100	CHILE	CLP
76,557,960-0	SERVICIOS GENERALES TOTTUS LTDA	-	-	-	88	88	CHILE	CLP
76,383,840-4	SERVICIOS GENERALES PRESERTEL SpA	-	100	100	100	100	CHILE	CLP
76,035,886-K	PRESTADORA DE SERVICIOS TELEFÓNICOS SpA	-	100	100	100	100	CHILE	CLP
78,334,680-K	SERVICIOS GENERALES ZONA I SpA	-	-	-	100	100	CHILE	CLP
78,636,190-7	SERVICIOS GENERALES ZONA II SpA	-	-	-	100	100	CHILE	CLP
78,738,460-9	TRANSPORTES Y DISTRIBUCIONES SpA	-	-	-	100	100	CHILE	CLP
78,919,640-0	TRANSPORTES Y DISTRIBUCIONES DEL SUR SpA	-	-	-	100	100	CHILE	CLP
78,745,900-5	TRASCIENDE LTDA	-	100	100	100	100	CHILE	CLP
76,042,509-5	INVERSIONES Y PRESTACIONES VENSER SEIS LTDA	-	100	100	100	100	CHILE	CLP
76,046,445-7	CONFECCIONES INDUSTRIALES SpA	-	100	100	100	100	CHILE	CLP
96,573,100-8	MANUFACTURAS DE VESTUARIO MAVESA LTDA	-	100	100	100	100	CHILE	CLP
76,039,672-9	DINALSA SpA	-	100	100	100	100	CHILE	CLP
78,627,210-6	HIPERMERCADOS TOTTUS S.A.	-	88	88	88	88	CHILE	CLP
78,722,910-7	TOTTUS S.A.	-	-	-	88	88	CHILE	CLP
76,046,433-3	FALABELLA INVERSIONES FINANCIERAS S.A.	-	100	100	100	100	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	FALABELLA TECNOLOGIA CORPORATIVA LTDA	-	100	100	100	100	CHILE	CLP
79,598,260-4	ADMINISTRADORA CMR FALABELLA LTDA	-	100	100	100	100	CHILE	CLP
77,235,510-6	SERVICIOS DE EVALUACIONES Y COBRANZAS SEVALCO LTDA	-	100	100	100	100	CHILE	CLP
76,027,825-4	PROMOCIONES Y PUBLICIDAD LIMITADA	-	100	100	100	100	CHILE	CLP
78,566,830-8	SOC. DE COBRANZAS LEGALES LEXICOM LTDA	-	100	100	100	100	CHILE	CLP
96,847,200-3	SERVICIOS E INVERSIONES FALABELLA LTDA	-	100	100	100	100	CHILE	CLP
77,099,010-6	SEGUROS FALABELLA CORREDORES LTDA	-	100	100	100	100	CHILE	CLP
76,512,060-8	SOLUCIONES CREDITICIAS CMR LTDA	-	100	100	100	100	CHILE	CLP
78,997,060-2	VIAJES FALABELLA LTDA ⁽¹⁾	-	-	-	100	100	CHILE	CLP
77,261,280-K	FALABELLA RETAIL S.A.	-	100	100	100	100	CHILE	CLP
76,000,935-0	PROMOTORA CHILENA DE CAFÉ COLOMBIA S.A.	-	65	65	65	65	CHILE	CLP
96,951,230-0	INMOBILIARIA MALL CALAMA SpA	-	59.278	59.278	59.278	59.278	CHILE	CLP
Foreign	SHEARVAN CORPORATE S.A.	-	100	100	100	100	BRITISH VIRGIN ISLANDS	USD
76,042,371-8	NUEVA FALABELLA INVERSIONES INTERNACIONALES SpA	-	100	100	100	100	CHILE	CLP
96,647,930-2	INVERSIONES INVERFAL PERÚ SpA	-	100	100	100	100	CHILE	CLP
76,023,147-9	NUEVA INVERFIN SpA	-	100	100	100	100	CHILE	CLP
76,007,317-2	INVERCOL SpA	-	100	100	100	100	CHILE	CLP
Foreign	INVERSORA FALKEN S.A.	-	100	100	100	100	URUGUAY	CLP
Foreign	TEVER CORP S.A.	-	100	100	100	100	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 FALABELLA S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
Foreign	VIAJES FALABELLA S.A. ⁽¹⁾	-	-	-	99.999	99.999	ARGENTINA	ARS
Foreign	CENTRO LOGISTICO APLICADO S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
Foreign	SERVICIOS DE PERSONAL LOGÍSTICO S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
Foreign	INVERSIONES FALABELLA DE COLOMBIA S.A.	-	99.999	99.999	99.999	99.999	COLOMBIA	COP
Foreign	FALABELLA COLOMBIA S.A.	-	65	65	65	65	COLOMBIA	COP
Foreign	AGENCIA DE SEGUROS FALABELLA LTDA	-	65	65	65	65	COLOMBIA	COP
Foreign	AGENCIA DE VIAJES Y TURISMO FALABELLA S.A.S. ⁽²⁾	-	-	65	65	65	COLOMBIA	COP
Foreign	ABC DE SERVICIOS S.A.S.	-	65	65	65	65	COLOMBIA	COP
Foreign	FALABELLA PERU S.A.A.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	SAGA FALABELLA S.A.	-	97.799	97.799	97.799	97.758	PERU	PEN
Foreign	HIPERMERCADOS TOTTUS S.A.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	SODIMAC PERU S.A.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	OPEN PLAZA S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	VIAJES FALABELLA S.A. ⁽¹⁾	-	-	-	97.799	99.758	PERU	PEN
Foreign	CORREDORA DE SEGUROS FALABELLA S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	FALABELLA SERVICIOS GENERALES S.A.C.	-	99.759	99.759	99.759	99.758	PERU	PEN
Foreign	FALABELLA SERVICIOS CENTRALES S.A.C.	-	99.759	99.759	99.759	99.758	PERU	PEN
Foreign	INMOBILIARIA KAINOS S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	LOGÍSTICA Y DISTRIBUCIÓN S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	INVERSIONES CORPORATIVAS BETA S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	INVERSIONES CORPORATIVAS GAMMA S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
96,509,660-4	BANCO FALABELLA S.A.	-	100	100	100	100	CHILE	CLP
Foreign	BANCO FALABELLA PERÚ S.A.	-	99.759	99.759	99.759	99.759	PERU	PEN
Foreign	BANCO FALABELLA S.A.	-	65	65	65	65	COLOMBIA	COP
Foreign	SALÓN MOTOR PLAZA S.A.	-	59.278	59.278	59.278	59.278	PERU	PEN

⁽¹⁾ The shares in this subsidiary were sold on June 7, 2019.

Note 2 - Summary of Significant Accounting Policies (continued)

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

Subsidiaries included in the consolidation are detailed as follows: (continued)

CHILEAN ID NUMBER	SUBSIDIARY	OWNERSHIP INTEREST					COUNTRY	FUNCTIONAL CURRENCY
		Dec-31-19	Dec-31-19	Dec-31-19	Dec-31-18	Dec-31-17		
		DIRECT	INDIRECT	TOTAL	TOTAL	TOTAL		
		%	%	%	%	%		
76,011,659-9	BANCO FALABELLA CORREDORES DE SEGUROS LTDA	-	100	100	100	100	CHILE	CLP
Foreign	FALABELLA TECNOLOGIA PERU S.A.C.	-	99.759	99.759	99.759	99.759	PERU	PEN
76,141,045-8	INVERSIONES INVERFAL COLOMBIA SpA	-	100	100	100	100	CHILE	CLP
76,141,046-6	INVERSIONES INVERFAL ARGENTINA SpA	-	100	100	100	100	CHILE	CLP
76,153,987-6	ADMYSER SpA	-	-	-	100	100	CHILE	CLP
76,153,976-0	CAPYSER SpA	-	100	100	100	100	CHILE	CLP
Foreign	CENTRO COMERCIAL EL CASTILLO CARTEGENA S.A.S.	-	-	-	59.278	59.278	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.	-	-	-	47.422	47.422	COLOMBIA	COP
76,142,721-0	GIFT CORP SpA	-	100	100	100	100	CHILE	CLP
76,149,308-6	INVERSIONES BRASIL SpA	-	100	100	100	100	CHILE	CLP
76,159,664-0	INVERSIONES URUGUAY SpA	-	100	100	100	100	CHILE	CLP
76,159,684-5	INVERFAL URUGUAY SpA	-	100	100	100	100	CHILE	CLP
Foreign	COMPANIA SAN JUAN S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
76,308,853-7	NUOVA INVERFAL ARGENTINA SpA	-	100	100	100	100	CHILE	CLP
76,179,527-9	SERVICIOS Y GARANTIAS FALABELLA SpA. (FORMERLY FALABELLA MOVIL SpA)	-	100	100	100	100	CHILE	CLP
76,167,965-1	LOGISTICA INTERNACIONAL LTDA	-	100	100	100	100	CHILE	CLP
76,201,304-5	RENTAS HOTELERAS SpA	-	100	100	100	100	CHILE	CLP
Foreign	CONTAC CENTER FALABELLA S.A.C.	-	99.759	99.759	99.759	99.759	PERU	PEN
Foreign	OPEN PLAZA ORIENTE S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
96,824,450-7	INMOBILIARIA MALL LAS AMERICAS S.A.	-	45.143	45.143	45.143	45.143	CHILE	CLP
Foreign	SHEARVAN COMMERCIAL (SHANGAI)	-	100	100	100	100	CHINA	CNY
Foreign	HIPERMERCADOS TOTTUS ORIENTE S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	SODIMAC PERU ORIENTE S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
76,319,068-4	INVERSIONES INDIA SpA	-	100	100	100	100	CHILE	CLP
Foreign	FALABELLA BRASIL LTDA	-	100	100	100	100	BRAZIL	BRL
Foreign	SODIMAC BRASIL LTDA	-	100	100	100	100	BRAZIL	BRL
Foreign	INVERSIONES FALABELLA URUGUAY S.A.	-	100	100	100	100	URUGUAY	UYU
Foreign	HOMECENTER SODIMAC S.A.	-	100	100	100	100	URUGUAY	UYU
Foreign	JOSMIR S.A.	-	100	100	100	100	URUGUAY	UYU
76,335,739-2	INVERSIONES MEXICO SpA	-	100	100	100	100	CHILE	CLP
76,282,188-5	INVERFAL BRASIL SpA	-	100	100	100	100	CHILE	CLP
Foreign	SAGA FALABELLA IQUITOS S.A.C.	-	97.799	97.799	97.799	97.799	PERU	PEN
Foreign	SAGA FALABELLA ORIENTE S.A.C.	-	97.799	97.799	97.799	97.799	PERU	PEN
Foreign	CONSTRUDECOR S.A.	-	100	100	100	64.981	BRAZIL	BRL
Foreign	CONSTRUDECOR SERVICIOS LTDA.	-	100	100	100	65.016	BRAZIL	BRL
Foreign	CONSTRUDECOR PROPERTIES LTDA.	-	100	100	100	65.051	BRAZIL	BRL
Foreign	SEGUROS FALABELLA PRODUCTORES S.A.	-	99.999	99.999	99.999	99.999	ARGENTINA	ARS
76,327,698-8	SERVICIOS GENERALES FALABELLA ZONA NORTE SpA	-	-	-	100	100	CHILE	CLP
Foreign	LILLE INVESTIMENTOS	-	100	100	100	65.016	BRAZIL	BRL
Foreign	SHEARVAN PURCHASING INDIA	-	100	100	100	100	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 FALABELLA ZONA PONIENTE SpA	-	-	-	100	100	CHILE	CLP
Foreign	TIENDAS DEL MEJORAMIENTO DEL HOGAR S.A.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	MAESTRO PERU AMAZONIA S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	INMOBILIARIA DOMEL S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	INDUSTRIAS DELTA S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	CENTRO COMERCIAL BARRANQUILLA S.A.S.	-	-	-	38.531	38.531	COLOMBIA	COP
76,427,811-9	SERVICIOS DE INFRAESTRUCTURA FALABELLA SpA	-	100	100	100	100	CHILE	CLP
76,477,116-8	CF SEGUROS DE VIDA S.A.	-	90	90	90	90	CHILE	CLP
Foreign	GESTIONES INTEGRALES DE SERVICIOS S.A.	-	99.15	99.15	99.15	99.15	PERU	PEN
Foreign	MALL PLAZA PERU S.A.	-	86.265	86.265	86.265	86.265	PERU	PEN
Foreign	GENMA NEGOCIOS S.A.C.	-	60.386	60.386	60.386	60.386	PERU	PEN
Foreign	INVERFAL MEXICO S.A. DE C.V.	-	100	100	100	100	MEXICO	MXN
76,582,813-9	NUOVA INVERFAL MEXICO SpA	-	100	100	100	100	CHILE	CLP
76,587,847-0	FALABELLA SERVICIOS PROFESIONALES DE TI SpA	-	100	100	100	100	CHILE	CLP
76,683,615-1	ASESORIAS Y EVALUACION DE CREDITOS LTDA	-	100	100	100	100	CHILE	CLP
Foreign	PATRIMONIO AUTONOMO MALL PLAZA CALI	-	59.278	59.278	-	-	COLOMBIA	COP
Foreign	PATRIMONIO AUTONOMO CENTRO COMERCIAL CARTAGENA	-	59.278	59.278	-	-	COLOMBIA	COP
Foreign	PATRIMONIO AUTONOMO CENTRO COMERCIAL MANIZALES DOS	-	47.424	47.424	-	-	COLOMBIA	COP
Foreign	PATRIMONIO AUTONOMO CENTRO COMERCIAL BARRANQUILLA	-	38.532	38.532	-	-	COLOMBIA	COP
76,788,282-3	DIGITAL PAYMENTS SpA	-	100	100	100	100	CHILE	CLP
76,803,189-4	INVERFAL INDIA SpA	-	100	100	100	100	CHILE	CLP
Foreign	TENERIFE EMPRENDIMIENTOS E PARTICIPACIONES LTDA	-	100	100	100	100	BRAZIL	BRL
Foreign	FONDO DE CAPITAL PRIVADO MALL PLAZA DE COLOMBIA	-	59.278	59.278	-	-	COLOMBIA	COP
Foreign	MALL PLAZA SERVICIOS S.A.S.	-	100	100	100	100	COLOMBIA	COP
Foreign	MALL PLAZA INMOBILIARIA S.A.	-	86.266	86.266	86.266	86.266	PERU	PEN

(1) The shares in this subsidiary were sold on June 1, 2019.

(2) The shares in this subsidiary were sold on July 31, 2019.

Note 2 - Summary of Significant Accounting Policies (continued)

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

Subsidiaries included in the consolidation are detailed as follows: (continued)

CHILEAN ID NUMBER	SUBSIDIARY	OWNERSHIP INTEREST					COUNTRY	FUNCTIONAL CURRENCY
		Dec-31-19	Dec-31-19	Dec-31-19	Dec-31-18	Dec-31-17		
		DIRECT %	INDIRECT %	TOTAL %	TOTAL %	TOTAL %		
Foreign	INVERSIONES FALABELLA S.A.C.	-	99.758	99.758	99.758	99.758	PERU	PEN
Foreign	FALABELLA CORPORATE SERVICES INDIA PRIVATE LIMITED	-	100	100	100	100	INDIA	INR
76,899,941-4	INVERSIONES MKTP SPA	-	100	100	100	-	CHILE	CLP
Foreign	NEW TIN LINIO I GMBH	-	100	100	100	-	GERMANY	EUR
Foreign	TIN JADE GBMH	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364. GMBH	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. ERSTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. ZWEITE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. DRITTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. VIERTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. FÜNFTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. SECHSTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. SIEBTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. ACHTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. NEUNTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. ZEHNTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. ELFTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. ZWÖLFTE VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. 13. VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	JADE 1364 GMBH & CO. 14. VERWALTUNGS KG	-	100	100	100	-	GERMANY	EUR
Foreign	BAZAYA MEXICO S. DE R.L. DE C.V.	-	100	100	100	-	MEXICO	MXM
Foreign	LINIO MIAMI EXPORTS, INC.	-	100	100	100	-	USA	USD
Foreign	LINIO COLOMBIA S.A.S.	-	100	100	100	-	COLOMBIA	COP
Foreign	LINIO PERU S.A.C.	-	100	100	100	-	PERU	PEN
Foreign	LINIO LATAM CORP.	-	100	100	100	-	PANAMA	PAN
76,212,492-0	INVERSIONES BAZAYA CHILE LTDA.	-	100	100	100	-	CHILE	CLP
Foreign	LINIO ARGENTINA S.R.L.	-	100	100	100	-	ARGENTINA	ARS
Foreign	ECUAELECOMMERCE S.A.	-	100	100	100	-	ECUADOR	ECU
Foreign	LINIO ASIA LIMITED	-	100	100	100	-	CHINA	HKD
Foreign	LINIO CONSULTING (SHENZHEN) CO.,LTD.	-	100	100	100	-	CHINA	CNY
Foreign	IKSO S.A.C.	-	100	100	-	-	PERU	PEN
76,993,859-1	IKSO SpA	-	100	100	-	-	CHILE	CLP
77,070,342-5	SERVICIOS FALABELLA SpA	-	100	100	-	-	CHILE	CLP
77,104,802-1	DESAROLLOS INMOBILIARIOS DOS SpA	-	100	100	-	-	CHILE	CLP
77,110,043-0	OPEN PLAZA CHILE SpA	-	100	100	-	-	CHILE	CLP
77,107,881-8	INMOBILIARIA RENTAS DOS SpA	-	100	100	-	-	CHILE	CLP
Foreign	INVERFAL PERU S.A.A.	-	100	100	-	-	PERU	PEN
Foreign	INMOBILIARIA SIC S.A.	-	98.39	98.39	-	-	PERU	PEN
Foreign	IKOSO. SAS	-	51.00	51.00	-	-	COLOMBIA	COP

The consolidation includes subsidiaries of subsidiaries controlled by Falabella, even when the total direct and indirect participation represents less than a 50% of voting rights.

2.6. Conversion of Foreign Subsidiaries

Assets and liabilities of foreign subsidiaries with a functional currency other than the Chilean peso are converted into Falabella S.A.'s presentation currency (the Chilean peso) at the exchange rate on the date of the statement of financial position, and its statement of net income is converted at the average exchange rates for each month, in accordance with IAS 21. Foreign exchange differences arising from the conversion are recorded in "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.

Note 2 - Summary of Significant Accounting Policies (continued)

2.6. Conversion of Foreign Subsidiaries (continued)

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.

Argentina's economy has been regarded as hyperinflationary with effect from July 1, 2018, according to the criteria established in IAS 29 "Financial Reporting in Hyperinflationary Economies". This treatment was based on qualitative and quantitative criteria, with the most significant being a cumulative inflation rate exceeding 100% over the past three years.

Non-monetary items were restated from their original values and subsequently converted from the Argentine peso to Chilean Pesos at the exchange rate as of the reporting date, in accordance with IAS 21 for hyperinflationary economies. Previously, the statement of income for Argentine subsidiaries was converted at the average exchange rate for each month, which also applies to the statement of income for the remaining operating subsidiaries in other countries whose economies are not regarded as hyperinflationary.

The functional and presentation currency of Falabella S.A. is not the currency of a hyperinflationary economy, according to the guidelines established by IAS 29. Therefore, comparative periods do not need to be restated in Falabella's consolidated financial statements.

2.7. Foreign Currency Conversion

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, except for differences on liabilities in foreign currencies that provide hedges for net investments in foreign entities, and/or assets and liabilities in foreign currencies 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 foreign currency exchange rates and the Unidad de Fomento (Chilean monetary unit indexed to the rate of inflation) rate to the Chilean peso as of December 31, 2019, 2018 and 2017 are the following:

	Dec-31-19	Dec-31-18	Dec-31-17
US dollar (USD)	748.74	694.77	614.75
Peruvian nuevo sol (PEN)	226.14	206.35	189.68
Argentine peso (ARS)	12.51	18.41	33.11
Uruguayan peso (UYU)	20.11	21.46	21.39
Euro (EUR)	839.58	794.75	739.15
Colombian peso (COP)	0.23	0.21	0.21
Brazilian real (BRL)	186.51	179.59	185.64
Indian rupee (INR)	10.50	9.94	9.63
Chinese yuan (CNY)	107.31	100.97	94.40
Unidad de Fomento (UF)	28,309.94	27,565.79	26,798.14
Mexican peso (MXN)	39.64	35.30	31.28

Note 2 - Summary of Significant Accounting Policies (continued)

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 Falabella's Management for use in decision-making regarding the allocation of resources and evaluating the performance of each operating segment. Income attributed to geographical regions is based on the location of the respective businesses. Note 36 presents the reporting requirements for IFRS 8 and Information on Assets, Liabilities and Income by Segments.

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 derecognized at the time of its disposal or when no future financial benefits are expected from its use or disposal. Any gain or loss that arising from derecognizing an asset, calculated as the difference between the asset's net disposal value and net book value, is taken to the statement of net income in the year it is derecognized.

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 detailed as follows:

Category	Range
General constructions	50 to 80 years
Exterior works	20 years
Furniture and fittings	3 to 10 years
Facilities 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.

This item includes "Right of use assets" arising from the application of IFRS 16, which are depreciated over the term of the respective lease agreements.

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 Falabella to receive financial benefits from renting them or to 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.

Falabella owns shopping centers containing 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 derecognized assets 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 are detailed as follows:

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

Note 2 - Summary of Significant Accounting Policies (continued)

2.11. Investment Properties (continued)

This item includes "Right of use assets" arising from the application of IFRS 16, which are depreciated over the term of the respective lease agreements.

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.

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. 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, for impairment testing purposes.

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 they are evaluated whenever 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

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.

Note 2 - Summary of Significant Accounting Policies (continued)

2.13. Intangible Assets (continued)

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 10 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 calculated 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 sale in its current condition.

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

As of December 31, 2019, 2018 and 2017, 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

IFRS 9 "Financial Instruments" supersedes IAS 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning on or after January 1, 2018. It addresses three aspects of accounting for financial instruments: classification and measurement, impairment and hedge accounting.

Falabella recognizes financial assets and liabilities when 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 IFRS 9 are classified at initial recognition as financial assets at fair value through profit and loss, financial assets at amortized cost, or financial assets at fair value through comprehensive income. 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 customer loans and receivables, 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 derecognized when the rights to receive cash flows from them have expired or have been transferred, and Falabella has substantially transferred all risks and benefits arising 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.
- 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.

2.17.1.3. Assets pledged as guarantee subject to sale or a new pledge

The consolidated statement of financial position includes balances of financial assets, loans, receivables 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.

Note 2 - Summary of Significant Accounting Policies (continued)

2.17. Financial Instruments (continued)

2.17.1. Financial Assets (continued)

2.17.1.4. Impairment of Financial Assets

The Company assesses whether a financial asset or group of financial assets is impaired as of each reporting date.

The main financial assets subject to impairment due to contractual non-compliance of the counterparty are assets recorded at amortized cost (loans and receivables).

As of January 1, 2018, IFRS 9 requires that expected credit losses on loans and receivables are recognized either on a twelve-month basis or over their entire remaining life.

Falabella has used a three-stage approach to measure expected credit losses for "financial receivables" within the non-banking business, and "customers loans and receivables" within the banking business.

This approach monitors receivables and classifies their trends according to the following categories, which are based on any changes to the credit risk since the financial asset was initially recognized.

- Allowance category 1:

This category contains those financial assets whose credit risk has not significantly increased since initial recognition, and do not exhibit any objective evidence of impairment. This category recognizes the portion of any expected credit loss caused by potential default events within twelve months of the reporting date.

- Allowance category 2:

This category contains those financial assets whose credit risk has significantly increased since initial recognition, although they do not exhibit any objective evidence of impairment. This category recognizes the portion of any expected credit loss caused by potential default events throughout the life of the financial instrument.

- Allowance category 3:

This category defines an impaired financial asset as one that meets one or more objective impairment events that have a detrimental impact on expected future cash flows from that asset. This category defines arrears of over ninety days as objective impairment evidence, among others. This category recognizes the portion of any expected credit loss caused by potential default events throughout the remaining life of the financial instrument.

The loss is measured as the difference between the book value of the asset and the present value of its estimated future cash flows, discounted at the financial asset's original effective interest rate, which is the effective interest rate used at initial recognition. The book value of the asset is reduced using an allowance account.

Falabella uses the simplified model established by IFRS 9 to recognize expected loss allowances on receivables within a non-banking business, excluding "financial receivables". It has established an allowance matrix based on historical experience of credit losses, adjusted for specific prospective factors that apply to debtors and to Falabella's economic environment.

If 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.

Note 2 - Summary of Significant Accounting Policies (continued)

2.17. Financial Instruments (continued)

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.

Financial liabilities are derecognized when the obligations specified in such contracts are settled, expired or waived.

2.17.2.2. 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.

2.17.3. Offsetting 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

As of January 1, 2019, IFRS 16 introduces a single lease accounting model and requires a lessee to recognize the assets and liabilities of all leases with a duration of over 12 months. A lessee is required to recognize a 'right of use asset' representing its right of use for the underlying leased asset and a 'lease liability' representing its lease payment obligations.

A lease is a contract or part of a contract that conveys the right to use an asset for a period in exchange for payment, where substantially all the risks inherent in ownership of the underlying asset may or may not be transferred.

Right of use assets are presented within the item "Property, plant and equipment" or in the item "Investment property" and liabilities are presented in "Leasing liabilities" in the statement of financial position.

The previous accounting model for leases required leases to be classified as "financial leases" or "operating leases" and accounted for differently.

Therefore, until December 31, 2019, financial leases that transfer to the Company substantially all the risks and benefits inherent to ownership of the leased item were capitalized when the contract began, at the fair value of the asset, or the present value of minimum lease payments, whichever is lower. Financial lease assets were depreciated over the estimated financial lives of the asset or the term of the agreement, if lower, and were presented under Property, plant and equipment in the statement of financial position.

When the lessor retained substantially all the risks and benefits inherent in ownership of the leased asset, these were deemed operating leases. Operating lease payments were recognized as expenses in the statement of income over the fixed portion of the lease term, using the straight-line method.

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 are classified as leases. Gains or losses derived from the initial sale of such assets are deferred over the term of the lease

Note 2 - Summary of Significant Accounting Policies (continued)

2.19. Provisions

Provisions are recorded when the Company has a legal or constructive current obligation as a result of a past event and it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are discounted to their present value if it is estimated that the discount effect is significant.

Provisions also include the expected losses on the unused portion of credit lines, with effect from January 1, 2018, in accordance with IFRS 9.

2.20. Liabilities for technical reserves and claims payable

The subsidiary C.F. 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 Payables, 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 provides specific defined benefits plans to some of its employees. The cost of providing benefits under defined benefits plans is determined separately for each plan, in accordance with IAS 19 "Employee Benefits." Employee benefit 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 gains 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 specific compensation plans for its executives that 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 by crediting "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.

In addition, the Company has granted specific share based compensation plans for its executives. Unlike the foregoing plans, these are paid in cash. These plans are disclosed in "Provisions for Employee Benefits" in the consolidated statement of financial position and are measured at fair value, in accordance with IFRS 2.

In both cases, the charge or credit to the consolidated statements of comprehensive income is recorded in "Administrative Expenses" in the entity where the executive provides the related services.

Note 2 - Summary of Significant Accounting Policies (continued)

2.24. Revenue recognition

Operating revenue is the consideration received or receivable to which the Company has the right in exchange for transferring goods or services to a customer. The Company has analyzed all relevant facts and circumstances in applying each step of the model established by IFRS 15 to contracts with its customers: identify the contract, identify its performance obligations, identify the transaction price, assign the price, and recognize the revenue.

Revenue is measured at the fair value of the consideration received, excluding discounts, deductions and other sales taxes. 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, which generally occurs when it is 90 days overdue.

- Lease revenue

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.

- Sales on behalf of third parties

When the Company acts as a representative, agent or broker in the sale of goods or services produced by other agents, revenue is recorded on a net basis. Therefore, only the commission or share received is recorded as revenue. The status of agent is established by considering whether the product is explicitly sold in the name of the supplier, and whether it assumes any product risks and responsibility for the product and its sales price.

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 Falabella's investment properties.

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

2.26. Income Tax

2.26.1. Income Tax

Tax assets and liabilities are the amounts 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.

Note 2 - Summary of Significant Accounting Policies (continued)

2.26. Income Tax (continued)

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 including tax losses, provided that sufficient taxable profits are expected in the future to absorb these deductible temporary differences, unused tax credits and tax losses.

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 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 prepayments for services being provided, sales of products for which dispatch has not occurred, gift cards, and cash initially received for lease agreements on Falabella'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.

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. "Value in use" requires Management to estimate the future expected cash flows of the cash generating unit (or group of CGUs), and choose an appropriate discount rate to calculate the present value of these cash flows.

Note 2 - Summary of Significant Accounting Policies (continued)

2.28. Estimates, Judgment and Key Assumptions (continued)

- 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 there will be probable taxable profits against which the losses can be used, and whether there are sufficient taxable temporary differences to 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.

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 15) and the market value of financial liabilities (Note 34). 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

With effect from January 1, 2018, the Company recognizes loan allowances based on the requirements of IFRS 9 as indicated in paragraph 2.17.1.4.

- 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.

Note 2 - Summary of Significant Accounting Policies (continued)

2.28. Estimates, Judgment and Key Assumptions (continued)

- 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 IFRS 15 "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.

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

IFRS improvements, modifications and interpretations published during the period are detailed 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
Conceptual Framework	Revised Conceptual Framework	January 1, 2020
IFRS 17	Insurance contracts	January 1, 2021

Conceptual Framework

The IASB issued the Conceptual Framework (revised) in March 2018. This introduces some new concepts, provides updated definitions and criteria for asset and liability recognition.

These changes to the Conceptual Framework can affect the implementation of IFRS when no standard applies to a particular transaction or event. The revised Conceptual Framework is effective for periods beginning on or after January 1, 2020.

The Company is evaluating the potential impact of this standard

IFRS 17 "Insurance Contracts"

In May 2017, the IASB issued IFRS 17 "Insurance Contracts", a new comprehensive accounting standard for insurance contracts covering recognition, measurement, presentation and disclosure. It will replace IFRS 4 "Insurance Contracts" issued in 2005, when it becomes applicable. The new standard applies to all insurance contracts, regardless of the entity that issues them.

IFRS 17 is effective for reporting periods beginning on or after January 1, 2021, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 15 and IFRS 9.

The Company is evaluating the potential impact of this standard

Note 2 - Summary of Significant Accounting Policies (continued)

2.29. New accounting pronouncements (IFRS and Interpretations from the IFRS Interpretations Committee) (continued)

b) Improvements and amendments

	Improvements and amendments	Mandatory effective
IFRS 3	Definition of a business	January 1, 2020
IAS 1 and IAS 8	Definition of material	January 1, 2020
IFRS 9, IAS 39 and IFRS 7:	Reference interest rate reform	January 1, 2020
IFRS 10 and IAS 28:	Consolidated Financial Statements - Sale or transfer of assets between an investor and its associate or joint venture	To be determined

IFRS 3 "Definition of a business"

The IASB issued amendments regarding the definition of a business in IFRS 3 Business Combinations, to help the entities to determine whether an acquired set of activities and assets is a business. The IASB clarified the minimum requirements for a business, eliminated the assessment of whether market participants can replace any missing element, included guidance to help entities to assess whether an acquired process is substantive, reduced the definitions of a business and products, and introduced an optional fair value concentration test.

The amendments apply to business combinations or acquisitions that occur on or after the beginning of the first annual reporting period that begins on or after January 1, 2020. Therefore, entities do not have to review those transactions that occurred in previous periods. Early application is permitted and must be disclosed.

Given that the amendments apply prospectively to transactions or other events that occur on or after the first application date, most entities will probably not be affected by these amendments in the transition. However, those entities that are contemplating the acquisition of a set of activities and assets after applying the amendments, should first update their accounting policies.

IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" - Definition of material

The IASB issued amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" in October 2018, to align the definition of "material" in all standards and to clarify certain aspects of that definition. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity

These amendments should be applied prospectively. Early application is permitted and must be disclosed.

Although amendments to the definition of material are not expected to have a significant impact on an entity's financial statements, the introduction of the term "obscure" in the definition could impact the way materiality decision-making in practice, raising the importance of how information is communicated and organized in the financial statements.

IFRS 9, IAS 39 and IFRS 7 "Reference Interest Rate Reform"

The IASB issued amendments to IFRS 9, IAS 39 and IFRS 7 in September 2019, which completed the first phase of its response to the effects of interbank offering rate (IBOR) reforms on financial reporting. The amendments provide temporary exceptions that allow hedge accounting to continue during the period of uncertainty, prior to replacing current benchmark interest rates with nearly risk-free alternative interest rates.

The amendments should be applied retrospectively. However, any hedging relationship that has previously been discontinued cannot be reinstated when any of these amendments are applied, nor can a hedging relationship be assigned using the benefit of retrospective reasoning. Early application is permitted and must be disclosed.

The Company is evaluating the potential impact of this amendment.

Note 2 - Summary of Significant Accounting Policies (continued)

2.29. New accounting pronouncements (IFRS and Interpretations from the IFRS Interpretations Committee) (continued)

b) Improvements and Amendments (continued)

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures 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 assets 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. They recognize a partial gain or loss when the transaction involves assets that do not constitute a business, even if these assets are in a subsidiary. The mandatory date for applying these amendments is undetermined, as the IASB is awaiting the results of their research project into accounting using the equity method. These amendments should be applied retrospectively and early adoption is permitted, which must be disclosed.

The Company is evaluating the potential impact of this standard

c) New accounting standards adopted by Falabella:

IFRS standards that became mandatory at the reporting date, together with their nature and impact, are detailed as follows:

	Standards and Interpretations	Mandatory effective date
IFRS 16	Leases	January 1, 2019
IFRIC 23	Uncertainty over income tax treatments	January 1, 2019
IFRS 9	Financial instruments	January 1, 2018
IFRS 15	Revenue from Contracts with Customers	January 1, 2018

IFRS 16 "Leases"

The IASB issued IFRS 16 "Leases" in January 2016. 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 standard does not significantly differ from the previous standard, IAS 17 Leases, with regard to the accounting treatment for lessors. There are recognition exemptions for short-term leases and low-value leases. However, the standard for lessees requires the recognition of assets and liabilities for the majority of lease contracts.

Falabella adopted the new standard on the required date and has chosen not to restate comparative information, in accordance with IFRS 16. It has recognized the effects of this standard in the initial balance for "Retained earnings" within equity.

The impact of this approach is summarized as follows:

Initial adoption of IFRS 16	Jan 01-19 ThCh\$
Right of use assets	855,572,300
Leasing liabilities	(1,001,756,901)
Effect on investments in associates (Note 11)	(10,919,394)
Others	6,252,785
Total shareholder's equity	(150,851,210)
Non-controlling interests	8,783,481
Equity attributable to owners of the parent company	(142,067,729)

Note 2 - Summary of Significant Accounting Policies (continued)

2.29. New accounting pronouncements (IFRS and Interpretations from the IFRS Interpretations Committee) (continued)

c) New accounting standards adopted by Falabella: (continued)

IFRIC 23 "Uncertainty over income tax treatments"

The IASB issued IFRIC 23 in June 2017, which clarifies how to apply the recognition and valuation criteria required by IAS 12 "Income Taxes" when there is uncertainty about the tax treatment.

This Interpretation was applied as of January 1, 2019.

This amendment will not significantly affect the financial statements.

IFRS 9 "Financial Instruments"

This standard in its final version was issued in July 2014. It amends 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.

The impact of these three aspects of IFRS 9 are detailed as follows:

1. Classification and measurement of financial instruments: Falabella determined that applying the classification and measurement requirements established by IFRS 9 has no significant impact on its financial statements.
2. Hedge accounting: Falabella will keep the requirements of IAS 39 as its hedge accounting policy. Therefore, there is no related impact.
3. Impairment: IFRS 9 requires Falabella to recognize its expected credit losses on its loans and receivables. Note 2.17.1.4. describes the criteria adopted.

Falabella adopted the new standard on the required date and has chosen not to restate comparative information, in accordance with IFRS 9. It has recognized the effects of this standard in the initial balance for "Retained earnings" within equity.

The impact of the approach described above is summarized as follows:

	Jan 01-18 ThCh\$
Initial adoption of IFRS 9	
Initial impact on trade receivables (Note 6)	(40,941,490)
Associated deferred tax	11,312,765
Initial impact of allowances on unused lines of credit (Note 21)	(36,451,230)
Associated deferred tax	10,368,597
Investments in associates (Note 11)	(266,792)
Total shareholder's equity	(55,978,150)
Non-controlling interest	581,684
Equity attributable to owners of the parent company	(55,396,466)

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. 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.

The Group adopted the new standard at the required date, and it made insignificant changes to the disclosure of specific items of income, costs, and expenses.

Note 3 - Cash and Cash Equivalents

Consolidated cash and cash equivalents are detailed as follows:

	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Total Consolidated Cash and Cash Equivalents	837,781,863	689,411,677	494,958,665
a) Cash and cash equivalents - Non-Banking Business	299,965,353	317,491,382	205,328,355
b) Cash and cash equivalents - Banking Business	537,816,510	371,920,295	289,630,310

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

Cash and cash equivalents	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Cash floats	76,486,930	63,179,779	56,509,328
Bank balances	171,466,223	138,887,643	105,110,280
Time deposits	36,917,542	61,272,432	37,469,040
Repurchase agreements	2,911,845	1,876,761	1,326,267
Mutual funds	12,182,813	52,274,767	4,913,440
Closing balance	299,965,353	317,491,382	205,328,355

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

Currency	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Chilean peso	97,753,802	199,296,313	108,052,960
US dollar	23,439,600	30,574,401	15,805,121
Euros	1,638,100	2,114,368	538,332
Argentine peso	8,094,013	3,138,442	4,098,039
Peruvian nuevo sol	82,607,847	57,695,889	53,683,039
Colombian peso	77,912,584	18,487,731	16,626,134
Chinese yuan	878,529	314,515	489,864
Indian rupee	910,721	471,305	5,555
Uruguayan peso	2,040,987	1,731,618	3,648,645
Mexican peso	796,954	920,676	41,744
Brazilian real	3,892,216	2,746,124	2,338,922
Closing balance	299,965,353	317,491,382	205,328,355

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

Cash and cash equivalents	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Cash floats	145,990,047	134,122,300	137,743,415
Bank balances	130,452,520	132,308,073	60,948,451
Time deposits	27,912,653	36,786,991	53,803,387
Cash and bank deposits	304,355,220	303,217,364	252,495,253
Highly liquid financial instruments ⁽¹⁾	226,527,714	57,826,132	30,903,953
Transactions with settlement in process, net ⁽²⁾	6,933,576	10,876,799	6,231,104
Closing balance	537,816,510	371,920,295	289,630,310

(1) Mainly deposits and funds managed by third parties maturing in less than 90 days. The difference under "Instruments held for trading" relates to Financial Instruments maturing in more than 90 days of ThCh\$ 122,336,474 as of December 31, 2019, ThCh\$ 97,808,611 as of December 31, 2018 and ThCh\$ 40,282,626 as of December 31, 2017. Additionally, ThCh\$ 169,527,714 is included in 2019, which are investment instruments held for sale that mature no more than three months after their acquisition date.

(2) Net difference between Asset and Liability transactions.

Information on Cash and Cash Equivalents by Currency - Banking Business

Currency	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Chilean peso	426,810,499	249,072,818	173,391,021
US dollar	39,799,628	56,816,778	56,822,329
Peruvian nuevo sol	32,599,870	34,252,936	36,514,582
Colombian peso	38,606,513	31,777,763	22,902,378
Closing balance	537,816,510	371,920,295	289,630,310

Note 4 - Other Current and Non-Current Financial Assets

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

Other Financial Assets	Current			Non-current		
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Fair value through profit and loss						
Derivative instruments (non-hedging)	550,601	3,922,180	1,891,441	-	-	-
Mutual funds	69,559	1,603,197	1,479,488	-	-	-
Funds with restriction	2,849,612	3,123,121	3,552,768	-	-	-
Investments in bank bonds	2,290,745	1,329,248	1,717,415	10,552,775	7,511,023	8,405,408
Others	-	-	-	963,681	706,484	176,319
Subtotal of fair value through profit and loss	5,760,517	9,977,746	8,641,112	11,516,456	8,217,507	8,581,727
Fair value through equity						
Hedging assets	8,816,806	15,854,193	7,520,335	193,061,706	97,307,652	56,615,338
Sub-total of fair value through equity	8,816,806	15,854,193	7,520,335	193,061,706	97,307,652	56,615,338
Total other financial assets	14,577,323	25,831,939	16,161,447	204,578,162	105,525,159	65,197,065

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.

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 methods are 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 5 - 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-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Advertising contracts	1,360,308	9,346,553	6,491,508
Prepaid rent	4,960,748	10,220,110	9,011,043
VAT	47,839,198	77,345,540	70,288,899
Software maintenance contracts	9,747,982	7,556,667	4,731,065
Insurance policies	13,196,976	7,732,913	6,190,665
Guarantee deposits	1,367,799	1,200,572	1,348,925
Reinsurance share of technical reserves	6,089,328	5,029,972	4,202,182
Early settlement bonus	3,959,465	2,090,069	-
Others	8,875,650	6,505,510	6,741,816
Total other current non-financial assets	97,397,454	127,027,906	109,006,103

Other Non-Current Non-Financial Assets	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Guarantees	2,924,670	3,230,465	2,594,420
Early settlement bonus	2,190,273	1,350,927	-
Prepaid rent	22,893,723	33,402,377	31,311,518
Recoverable taxes	13,353,641	5,123,430	2,522,520
Other rights receivable	3,065,315	2,423,413	2,091,604
Prepaid expenses	5,347,016	2,399,156	1,000,151
Advances	35,326,397	31,239,574	22,492,714
Reinsurance share of technical reserves	18,741,902	15,992,324	12,663,759
Total	103,842,937	95,161,666	74,676,686

Nota 6 - Trade and Other Receivables

The Company's net trade receivables are detailed as follows:

	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
a) Non-Banking Business			
Trade and other receivables, current	503,747,308	505,261,560	544,746,955
Trade and other receivables, non-current	11,126,047	9,004,961	18,397,014
b) Banking Business			
Customer loans and receivables	5,219,216,732	4,631,682,308	4,240,651,138
Total	5,734,090,087	5,145,948,829	4,803,795,105

a) Current and Non-Current Trade and Other Receivables for the Non-Banking Business are detailed as follows:

	Current			Non-current		
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Trade receivables	254,537,198	251,265,149	218,350,713	321,094	326,703	279,853
Allowance for doubtful accounts	(12,615,451)	(10,272,954)	(10,074,992)	-	-	-
Sub-total trade receivables, net	241,921,747	240,992,195	208,275,721	321,094	326,703	279,853
Notes receivable	114,920,198	95,734,309	81,471,888	3,183,291	2,586,621	3,292,612
Allowance for doubtful receivables	(5,995,572)	(4,524,012)	(5,840,523)	(79,406)	(94,250)	(39,251)
Sub-total notes receivable, net	108,924,626	91,210,297	75,631,365	3,103,885	2,492,371	3,253,361
Miscellaneous receivables	98,863,609	72,404,950	92,366,169	6,029,185	1,301,297	2,037,741
Allowance for doubtful receivables	(2,204,874)	(1,906,083)	(2,695,438)	-	-	-
Sub-total miscellaneous receivables, net	96,658,735	70,498,867	89,670,731	6,029,185	1,301,297	2,037,741
Financial receivables	58,840,391	106,653,961	175,231,047	1,752,463	5,101,064	12,964,058
Allowance for doubtful receivables	(2,598,191)	(4,093,760)	(4,061,909)	(80,580)	(216,474)	(137,999)
Sub-total financial receivables, net	56,242,200	102,560,201	171,169,138	1,671,883	4,884,590	12,826,059
Total Trade and Other Receivables	503,747,308	505,261,560	544,746,955	11,126,047	9,004,961	18,397,014

There are no guarantees associated with receivables in Retail Finance given the nature of this business.

Renegotiations are part of the credit strategy and allow for debts to be rearranged, mainly for customers 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, 2019, the percentage of renegotiated loans was 7.89% of total financial receivables.

b) Loans and receivables for Banking Business customers are detailed as follows:

	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Customer loans and receivables	5,555,977,628	4,919,835,979	4,498,762,759
Allowance for doubtful receivables	(336,760,896)	(288,153,671)	(258,111,621)
Total customer loans and receivables	5,219,216,732	4,631,682,308	4,240,651,138

The main guarantees in the Banking Business are mortgages, CORFO for university student loans, state-guaranteed university student loans (CRUGE), and automotive collateral.

Note 6 - Trade and Other Receivables (continued)

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

Current financial receivables	Assets before allowances			Allowances			Net Total		
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Credit card receivables	58,840,391	106,653,961	175,231,047	(2,598,191)	(4,093,760)	(4,061,909)	56,242,200	102,560,201	171,169,138
Total current financial receivables	58,840,391	106,653,961	175,231,047	(2,598,191)	(4,093,760)	(4,061,909)	56,242,200	102,560,201	171,169,138

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

Non-current financial receivables	Assets before allowances			Allowances			Net Total		
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Credit card receivables	1,752,463	5,101,064	12,964,058	(80,580)	(216,474)	(137,999)	1,671,883	4,884,590	12,826,059
Total non-current financial receivables	1,752,463	5,101,064	12,964,058	(80,580)	(216,474)	(137,999)	1,671,883	4,884,590	12,826,059

e) Current and non-current financial receivables by credit card are detailed as follows:

Financial receivables by credit card	Assets before allowances			Allowances			Net Total		
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Closed CMR Card	946,334	2,224,000	3,763,902	(39,686)	(90,854)	(83,998)	906,648	2,133,146	3,679,904
Open CMR Card (1)	59,646,520	109,531,025	184,431,203	(2,639,085)	(4,219,380)	(4,115,910)	57,007,435	105,311,645	180,315,293
Total financial receivables	60,592,854	111,755,025	188,195,105	(2,678,771)	(4,310,234)	(4,199,908)	57,914,083	107,444,791	183,995,197

(1) CMR Mastercard.

Note 6 - Trade and Other Receivables (continued)

f) Loans and receivables and the corresponding allowances by category, within customer loans and receivables for the Banking Business are detailed as follows:

Customer loans and receivables	Assets before allowances			Allowances			Net Total		
	Dec-31-19	Dec-31-18	Dec-31-17	Dec-31-19	Dec-31-18	Dec-31-17	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Commercial loans	86,246,799	94,974,687	108,219,237	(2,388,255)	(3,522,777)	(4,721,372)	83,858,544	91,451,910	103,497,865
Mortgage loans	491,610,729	460,545,991	443,934,240	(16,653,862)	(14,299,416)	(4,287,215)	474,956,867	446,246,575	439,647,025
Consumer loans	1,756,240,465	1,450,732,633	1,238,323,675	(134,554,563)	(112,132,850)	(84,299,800)	1,621,685,902	1,338,599,783	1,154,023,875
Credit card receivables	3,221,879,635	2,913,582,668	2,708,285,607	(183,164,216)	(158,198,628)	(164,803,234)	3,038,715,419	2,755,384,040	2,543,482,373
Total customer loans and receivables	5,555,977,628	4,919,835,979	4,498,762,759	(336,760,896)	(288,153,671)	(258,111,621)	5,219,216,732	4,631,682,308	4,240,651,138

g) Maturity analysis

The maturity analysis as of each reporting date for Current and Non-Current Trade and Other Receivables for the Non-Banking Business, prior to allowances, is detailed as follows.

	Total	Not yet due	Overdue				
			<30 days	30 to 60 days	60-90 days	90-120 days	>120 days
Dec-31-19	538,447,429	419,860,220	72,235,164	17,141,644	5,891,362	4,936,784	18,382,255
Dec-31-18	535,374,054	438,766,970	53,654,059	13,793,280	5,409,911	9,411,244	14,338,590
Dec-31-17	585,994,081	485,516,809	67,575,170	12,803,378	3,718,694	3,941,143	12,438,887

The maturity analysis as of each reporting date for Current and Non-Current Trade and Other Receivables for the Banking Business, prior to allowances, is detailed as follows.

	Total	Not yet due	Overdue				
			<30 days	30 to 60 days	60-90 days	90-120 days	>120 days
Dec-31-19	5,555,977,628	5,033,674,850	154,879,322	103,368,536	82,509,025	91,586,288	89,959,607
Dec-31-18	4,919,835,979	4,552,913,140	113,866,966	73,476,050	56,358,337	62,341,176	60,880,310
Dec-31-17	4,498,762,759	3,975,876,212	166,378,689	108,361,426	84,228,657	78,036,041	85,881,734

Falabella uses models (for example Behavior Score) to classify the risk of each customer. Several scoring groups are used depending on the action plan for the portfolio. Furthermore, there are ongoing reviews of the entire customer portfolio with respect to external behavior (returned checks and delinquency).

Note 6 - Trade and Other Receivables (continued)

h) Portfolio policies, allowances and write-offs

h.1) Financial receivable's credit policies

The policies presented below are those that the Company considers most appropriate and were designed to ensure that the development of the business is sustainable. 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 credit cards issued by CMR Falabella S.A. in Argentina.

h.1.1) CMR Falabella Card and CMR Mastercard.

The Company grants customers a line of credit using this product that can be used in the following ways:

- a. To pay for goods and services at stores and affiliated businesses and automatic bill payment:
To finance the purchase of goods and services in Falabella stores and affiliated businesses. Customers with a CMR Falabella Mastercard have the same options as a CMR Falabella card, with access to a wider network of businesses, such as stores affiliated with Mastercard International.
- b. To draw cash advances:
The customer can use the CMR Falabella card to withdraw cash advances at the payment desks of shops providing this service. Certain limitations apply to these amounts depending on the places the cash is dispensed and on the risk models applied to customers.

The financing methods are detailed as follows:

- i) CMR Falabella Card Agreed Installments: The customer chooses the number of repayment installments for each transaction. 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.
- ii) CMR Falabella and CMR Falabella MasterCard revolving balance: The customer 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 usual mode of operation for international brand cards operating in Chile and across the world.

In Argentina, the general conditions to be a customer are: a citizen of that country or foreigner with permanent residency, between 21 and 75 years old, with at least minimum income (15,000 Argentinean pesos net, and 8,500 Argentinean pesos net for retirees), comply with the minimum credit score in an analysis of credit risk, and have no record of bounced checks or payment defaults. The customer must have been employed for at least one year.

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 and passes through various stages such as identity verification, credit check, review for bounced checks or payment defaults, and apply the "application score" model (mathematical model based card requester data, which provides a risk score and credit limit based on income). Finally, once all the background information described above has been collected, the application is either approved, denied, or further information is requested from the applicant.

Note 6 - Trade and Other Receivables (continued)

h) Portfolio policies, allowances and write-offs (continued)

h.1) Financial receivable's credit policies (continued)

h.1.1) CMR Falabella Card and CMR Mastercard. (continued)

The customer is then given a CMR Falabella credit card and is assigned an initial limit, based on their individual income and risk. The credit limit is reported on the monthly statement, together with any limitations that apply to using the card, including payment methods and cash withdrawals.

Limits can be increased provided the customer complies with his/her payment commitments and demonstrates good behavior. The initial authorized limit may be increased if: the customer has six months experience, has no issues with his/her account, has not renegotiated within the last six months, and has no negative credit experiences in the financial system.

An individual financial evaluation to determine an increase in each customer's limit uses a "behavior score," which is a mathematical model based on customer variables and an analysis of the customer's behavior within the Company and it assigns a score, which is considered by the evaluator that grants the credit increase.

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

The cards remain operational provided payments do not fall 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.

h.1.2) Renegotiations

These are changes in the debt structure for receivables that are between one day overdue and write-off (six months overdue). Receivables six months overdue that are written-off cannot be renegotiated.

Renegotiations require compliance with the following conditions:

- i) Receivables up to 14 days overdue: do not require obligatory payment.
- ii) Receivables from 15 days to 89 days overdue: require obligatory payment of a percentage of the total debt.

In order to perform a second renegotiation, an additional amount must be paid in addition to the amount paid in the previous renegotiation.

There is no minimum period between renegotiations, nor a maximum number of renegotiations, because payment requirements limit the risk. However, a percentage of the previous renegotiation must be paid before a new renegotiation can begin.

Renegotiations are part of business policy and allow partial credit recovery by requiring payment of a percentage of the total debt. However, customers with riskier credit behavior do have their accounts blocked for new transactions for at least six months, until subsequent payment of obligations is proven. Currently only a percentage of the total portfolio can be renegotiated, which can be modified according to trends in the macroeconomic situation.

Note 6 - Trade and Other Receivables (continued)

h) Portfolio policies, allowances and write-offs (continued)

h.1) Financial receivable's credit policies (continued)

h.1.3) Allowances

The Company recognizes loan allowances based on the requirements of IFRS 9 as indicated in paragraph 2.17.1.4.

The Company has prepared a table which shows separately the average percent losses on the renegotiated and non-renegotiated portfolios, in accordance with instructions issued by the FMC.

CMR Argentina

Overdue ranges	Portfolio Dec-19 % average loss		Portfolio Dec-18 % average loss		Portfolio Dec-17 % average loss	
	Non-Renegotiated Portfolio	Renegotiated	Non-Renegotiated Portfolio	Renegotiated	Non-Renegotiated	Renegotiated
Not yet due	0.26%	12.69%	0.36%	15.47%	0.43%	5.85%
1 to 30 days	3.13%	12.31%	0.40%	15.99%	2.74%	12.95%
31 to 60 days	8.80%	11.90%	0.49%	16.99%	18.65%	27.94%
61 to 90 days	9.09%	11.16%	0.60%	16.10%	41.78%	40.48%
91 to 120 days	70.81%	68.30%	63.87%	62.00%	69.92%	57.21%
121 to 150 days	70.83%	68.30%	63.84%	62.00%	93.77%	78.28%
151 to 180 days	77.12%	68.30%	63.80%	62.00%	99.90%	92.68%

The consolidated portfolio allowance model calculates the allowance factors separately, both for the renegotiated portfolio and for the non-renegotiated portfolio. The renegotiated portfolio represents 7.89% of the total portfolio as of December 31, 2019, and amounts to ThCh\$ 4,783,754.

h.1.4) Write-offs

Financial receivables are written-off 180 days after falling overdue.

Various collection techniques are used to recover receivables written-offs, which are entrusted to specialized collection companies, who use means such as telephone calls, reminder letters, collectors in the field, and judicial processes.

h.1.5) Allowances, write-offs and recoveries ratio

CMR Argentina

	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Allowance for non-renegotiated portfolio	1,852,042	3,378,091	3,774,350
Allowance for renegotiated portfolio	826,729	932,143	425,558
Total write-offs in the year	11,194,738	9,329,475	6,551,873
Total recoveries in the year	2,899,393	1,747,674	2,514,108

h.1.6) Average ranges and terms as of December 31, 2019

Average ranges and terms are detailed as follows:

	Range of terms Months	Average term Argentina Months
Purchases	1 to 24	2.8
Cash drawn	1 to 24	24.9
Renegotiations	1 to 24	19.7

Note 6 - Trade and Other Receivables (continued)

h) Portfolio policies, allowances and write-offs (continued)

h.2) Portfolio stratification

h.2.1) Total portfolio stratification

As of December 31, 2019

CMR Argentina

Overdue ranges	Number of customers in non-renegotiated portfolio	Gross non-renegotiated portfolio ThCh\$	Number of customers in renegotiated portfolio	Gross renegotiated portfolio ThCh\$	Total gross portfolio ThCh\$
Not yet due	313,000	45,040,144	6,740	2,946,662	47,986,806
1 to 30 days	40,849	7,245,692	2,187	990,254	8,235,946
31 to 60 days	5,586	1,102,966	558	305,443	1,408,409
61 to 90 days	2,325	542,217	251	131,818	674,035
91 to 120 days	2,474	752,738	322	185,059	937,797
121 to 150 days	1,938	597,348	194	119,619	716,967
151 to 180 days	1,703	527,995	155	104,899	632,894
Total	367,875	55,809,100	10,407	4,783,754	60,592,854

h.2.2) Guaranteed portfolio stratification

CMR Argentina

Overdue ranges	Number of customers in non-renegotiated portfolio	Gross non-renegotiated portfolio ThCh\$	Number of customers in renegotiated portfolio	Gross renegotiated portfolio ThCh\$	Total portfolio ThCh\$
Not yet due	86,941	1,322,374	-	-	1,322,374
1 to 30 days	10,851	188,682	-	-	188,682
31 to 60 days	1,765	42,866	-	-	42,866
61 to 90 days	694	20,200	-	-	20,200
91 to 120 days	588	18,134	-	-	18,134
121 to 150 days	406	11,754	-	-	11,754
151 to 180 days	224	8,028	-	-	8,028
Total	101,469	1,612,038	-	-	1,612,038

h.3) Number of cards

CMR Argentina

	Dec-31-19	Dec-31-18	Dec-31-17
Total number of cards issued to holders	1,309,061	1,301,513	1,482,196
Total number of cards with balance	378,282	460,988	506,848
Monthly average number of renegotiations	362	712	320

The number of cards is detailed as follows:

Card description	Total number of cards issued			Total number of cards with balance		
	Dec-31-19	Dec-31-18	Dec-31-17	Dec-31-19	Dec-31-18	Dec-31-17
Closed CMR Card	556,861	562,699	1,125,174	17,694	26,086	727,354
Open CMR Card ⁽¹⁾	752,200	738,814	3,517,474	360,588	434,902	2,383,327
Total	1,309,061	1,301,513	4,642,648	378,282	460,988	3,110,681

⁽¹⁾ CMR Mastercard.

Note 6 - Trade and Other Receivables (continued)

h) Portfolio policies, allowances and write-offs (continued)

h.4) Risk indices

CMR Argentina

	% Allowance/ Non-Renegotiated Portfolio	% Allowance/ Renegotiated Portfolio	% Allowance/ Total Portfolio
Risk index - Dec-19	3.32%	17.28%	4.42%

CMR Argentina

	% Write-offs/Total Portfolio
Risk index - Dec-19	18.48%

Risk index by card

Risk index by card - Dec-19	% Allowance/ Total Portfolio	% Write-offs/Total Portfolio
Closed CMR Card	4.19%	19%
Open CMR Card ⁽¹⁾	4.42%	18.47%

⁽¹⁾ CMR Mastercard.

h.5) Financial receivables that are not overdue are due from customers from various socioeconomic segments that are up-to-date on their credit obligations. This portfolio has a high expected recovery rate. Therefore, the associated risk is significantly low. The Company establishes an allowance for doubtful receivables for customers that are not overdue, which represents the probability of expected loss on this portfolio.

i) Changes in impairment allowances

The following table shows the evolution of the impairment allowances for the Non-Banking Business portfolio:

Changes in impairment allowances - Trade and other receivables	Separate Impairment		Group Impairment		Total ThCh\$
	Current	Non-current	Current	Non-current	
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
Balance as of January 1, 2019	16,703,049	94,250	4,093,760	216,474	21,107,533
Expense for the year	11,007,774	-	537,090	14,828	11,559,692
Amount used (less)	(4,524,524)	(14,844)	(720,699)	(81,346)	(5,341,413)
Reversal of unused amounts	(2,553,730)	-	-	-	(2,553,730)
Conversion adjustment	183,328	-	(1,311,960)	(69,376)	(1,198,008)
Balance as of December 31, 2019	20,815,897	79,406	2,598,191	80,580	23,574,074
Balance as of January 1, 2018	18,639,429	39,251	4,230,667	138,000	23,047,347
Increase (decrease) for new accounting standards ⁽¹⁾	(1,564,356)	-	1,552,326	81,509	69,479
Restated opening balance	17,075,073	39,251	5,782,993	219,509	23,116,826
Expense for the year	9,243,746	55,814	2,126,155	82,067	11,507,782
Amount used (less)	(3,281,620)	(815)	(1,310,456)	-	(4,592,891)
Reversal of unused amounts	(6,394,259)	-	-	-	(6,394,259)
Business combination (Note 41)	124,329	-	-	-	124,329
Conversion adjustment	(64,220)	-	(2,504,932)	(85,102)	(2,654,254)
Balance as of December 31, 2018	16,703,049	94,250	4,093,760	216,474	21,107,533
Balances as of January 1, 2017	19,361,480	81,313	3,232,749	1,080	22,676,622
Expense for the year	16,273,550	5,437	2,243,553	76,221	18,598,761
Amount used (less)	(3,864,311)	(47,499)	(341,208)	(11,592)	(4,264,610)
Reversal of unused amounts	(12,782,086)	-	-	-	(12,782,086)
Conversion adjustment	(377,680)	-	(1,073,185)	72,290	(1,378,575)
Balances as of December 31, 2017	18,610,953	39,251	4,061,909	137,999	22,850,112

⁽¹⁾ The effect of IFRS 9 (see Note 2.29.c).

Note 6 - Trade and Other Receivables (continued)

i) Changes in impairment allowances (continued)

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

Changes in impairment allowances - Customer loans and receivables	ThCh\$
Balance as of January 1, 2019	288,153,671
Expense for the year	531,017,290
Amount used (less)	(329,311,995)
Reversal of unused amounts	(161,780,194)
Conversion adjustment	8,682,124
Balance as of December 31, 2019	336,760,896
Balance as of January 1, 2018	257,942,862
Increase due to new accounting standards ⁽¹⁾	40,872,011
Restated opening balance	298,814,873
Expense for the year	347,015,795
Amount used (less)	(358,742,398)
Reversal of unused amounts	(3,714,959)
Conversion adjustment	4,780,360
Balance as of December 31, 2018	288,153,671
Balances as of January 1, 2017	238,395,634
Expense for the year	539,566,669
Amount used (less)	(505,845,212)
Reversal of unused amounts	(8,026,426)
Conversion adjustment	(5,979,044)
Balances as of December 31, 2017	258,111,621

⁽¹⁾ The effect of IFRS 9 (see Note 2.29.c).

The Company is not exposed to risks associated with credit concentrations. This is due to fragmentation of Falabella's customer portfolio as of December 31, 2019 and 2018.

The Company has pledged specific financial assets as guarantees for its compliance with banking and non-banking bond obligations, in such a manner that Falabella's associated cash flows must only be used to liquidate these respective obligations. As of December 31, 2019, these are ThCh\$ 1,612,038, as of December 31, 2018, these are ThCh\$ 6,867,146 and as of December 31, 2017 these were ThCh\$ 22,695,207.

Note 7 - Related Company Receivables and Payables

a) Receivables

Chilean ID number	Company	Country	Relationship	Current			Currency
				Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	
Foreign	SOCIEDAD DISTRIBUIDORA DE MEJORAMIENTO DEL HOGAR Y CONSTRUCCION S.A.P.I. DE C.V.	MEXICO	ASSOCIATE	28,885,594	34,663,882	1,066,156	MXN
Foreign	SODIMAC COLOMBIA S.A.	COLOMBIA	ASSOCIATE	5,003,344	13,020,134	1,673,956	COP
Foreign	COMERCIALIZADORA SDMHC S.A. DE C.V.	MEXICO	ASSOCIATE	3,872,260	4,622,498	-	MXN
96837630-6	BNP PARIBAS CARDIF SEGUROS DE VIDA S.A.	CHILE	MINORITY SHAREHOLDER	3,594,656	2,770,669	2,902,439	CLP
Foreign	SERVICIOS FINANCIEROS SORIANA, S.A.P.I. DE C.V.	MEXICO	ASSOCIATE	1,414,534	3,129,803	782,530	MXN
76074938-9	DEPORTES SPARTA LIMITADA	CHILE	RELATED DIRECTOR	626,314	431,752	361,123	CLP
Foreign	OTHER COMPANIES	CHILE	RELATED DIRECTOR	333,033	517,482	676,651	CLP
82995700-0	DERCOCENTER S.A.	CHILE	RELATED DIRECTOR	169,061	259,336	239,760	CLP
94141000-6	DERCO S.A.	CHILE	RELATED DIRECTOR	138,536	145,213	170,739	CLP
76762740-8	SOCIEDAD COMERCIALIZADORA DE REPUESTOS S.A.	CHILE	RELATED DIRECTOR	42,267	21,244	25,593	CLP
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	CHILE	RELATED DIRECTOR	38,397	222,765	400,506	CLP
96545450-0	DERCOMAQ S.A.	CHILE	RELATED DIRECTOR	37,791	22,645	26,711	CLP
76320186-4	TECNO FAST S.A.	CHILE	RELATED DIRECTOR	7,757	120,219	214,757	CLP
78057000-8	SOTRASER S.A.	CHILE	RELATED DIRECTOR	7,151	33,173	476	CLP
79757460-0	AGRICOLA ANCALI LIMITADA	CHILE	RELATED DIRECTOR	5,802	16,326	21,432	CLP
76177760-2	MEGEVE CONSULTING S.A.	CHILE	RELATED DIRECTOR	160	635	1,368	CLP
93061000-3	INDUSTRIA AUTOMOTRIZ FRANCOMECANICA S.A.	CHILE	RELATED DIRECTOR	-	-	1,565	CLP
96955660-3	HALDEMAN MINING COMPANY S.A.	CHILE	RELATED DIRECTOR	-	74	3,105	CLP
79952350-7	RED TELEVISIVA MEGAVISION S.A.	CHILE	RELATED DIRECTOR	-	15,994	-	CLP
TOTAL				44,176,657	60,013,844	8,568,867	

As of December 31, 2019 and 2018, the Company has evaluated the recoverability of receivables from related companies. As a result it believes that these receivables will be fully recovered, and therefore no allowance for doubtful receivables has been recorded.

b) Payables

Chilean ID number	Company	Country	Relationship	Current			Currency
				Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	
96837630-6	BNP PARIBAS CARDIF SEGUROS DE VIDA S.A.	CHILE	MINORITY SHAREHOLDER	3,455,249	3,300,978	3,321,934	CLP
Foreign	BORCHESTER HOLDINGS LIMITED	COLOMBIA	MINORITY SHAREHOLDER	2,558,462	2,234,988	-	COP
92176000-0	AZA S.A.	CHILE	RELATED DIRECTOR	2,169,133	5,075,302	-	CLP
Foreign	SODIMAC COLOMBIA S.A.	COLOMBIA	ASSOCIATE	2,081,315	504,459	1,703,583	COP
96545450-0	DERCOMAQ S.A.	CHILE	RELATED DIRECTOR	1,886,158	454,926	26,711	CLP
94340000-8	IMPORTADORA Y DISTRIBUIDORA ALAMEDA S.A.	CHILE	RELATED DIRECTOR	1,422,988	-	-	CLP
76074938-9	DEPORTES SPARTA LIMITADA	CHILE	RELATED DIRECTOR	975,891	596,269	1,229,410	CLP
Foreign	COMERCIALIZADORA SDMHC S.A. DE C.V.	MEXICO	ASSOCIATE	595,792	46,790	-	MXN
79952350-7	RED TELEVISIVA MEGAVISION S.A.	CHILE	RELATED DIRECTOR	480,632	4	1,325	CLP
Foreign	OTHER COMPANIES	CHILE	RELATED DIRECTOR	426,271	463,966	199,474	CLP
Foreign	SERVICIOS FINANCIEROS SORIANA, S.A.P.I. DE C.V.	MEXICO	ASSOCIATE	320,244	111,817	-	MXN
94141000-6	DERCO S.A.	CHILE	RELATED DIRECTOR	237,080	1,266,256	785,215	CLP
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	CHILE	RELATED DIRECTOR	149,892	179,823	171,823	CLP
95946000-0	SOCIEDAD INMOBILIARIA SAN BERNARDO S.A.	CHILE	RELATED DIRECTOR	138,213	134,407	145,003	CLP
77693970-6	INVERSIONES E INMOBILIARIA SAN FRANCISCO DE EL MONTE LTDA.	CHILE	RELATED DIRECTOR	85,705	78,740	-	CLP
76070957-3	INMOBILIARIA AZUL AZUL S.P.A	CHILE	RELATED DIRECTOR	76,572	12,912	-	CLP
Foreign	ORGANIZACION CORONA S.A.	COLOMBIA	RELATED DIRECTOR	32,785	455,148	-	COP
77072500-3	SOCIEDAD DE RENTAS COMERCIALES S.A.	CHILE	RELATED DIRECTOR	-	379,860	-	CLP
78057000-8	SOTRASER S.A.	CHILE	RELATED DIRECTOR	-	11,886	51,851	CLP
TOTAL				17,092,382	15,308,531	7,636,329	

Note 7 - Related Company Receivables and Payables (continued)

c) The effects on the statement of net income of the main transactions with non-consolidated related entities for the years ended December 31, 2019, 2018 and 2017 are detailed as follows:

Chilean ID Number	Company	Relationship	Country	Transaction	Dec-31-19		Dec-31-18		Dec-31-17	
					Amount ThCh\$	Effect on income ThCh\$ (Charge)/Credit	Amount ThCh\$	Effect on income ThCh\$ (Charge)/Credit	Amount ThCh\$	Effect on income ThCh\$ (Charge)/Credit
99594430-8	ALTO S.A.	RELATED DIRECTOR	CHILE	LEGAL SERVICES	442,072	(442,072)	563,191	(563,191)	556,458	(556,458)
92176000-0	AZA S.A.	RELATED DIRECTOR	CHILE	PRODUCT PURCHASES	66,307,751	-	17,300,435	-	-	-
96938840-5	BLUE EXPRESS S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	-	-	90,550	(77,123)	132,893	(111,675)
96938840-5	BLUE EXPRESS S.A.	RELATED DIRECTOR	CHILE	SERVICE INCOME	-	-	1,301	1,093	-	-
96837630-6	BNP PARIBAS CARDIF SEGUROS DE VIDA S.A.	MINORITY SHAREHOLDER	CHILE	COMMISSION	29,251,436	29,229,477	22,544,079	22,508,453	25,141,549	25,141,549
Foreign	COMERCIALIZADORA SDMHC S.A. DE C.V.	ASSOCIATE	MEXICO	THIRD PARTY FEES AND SERVICES	1,300,298	1,300,298	2,673,412	2,673,412	1,049,602	1,049,602
Foreign	COMERCIALIZADORA SDMHC S.A. DE C.V.	ASSOCIATE	MEXICO	PRODUCT SALES	1,504,805	1,504,805	2,504,676	2,504,676	334,759	334,759
Foreign	COMERCIALIZADORA SDMHC S.A. DE C.V.	ASSOCIATE	MEXICO	COMPUTING SERVICES	1,758,404	1,758,404	-	-	-	-
Foreign	COMERCIALIZADORA SDMHC S.A. DE C.V.	ASSOCIATE	MEXICO	OTHER COSTS	392,663	(392,663)	-	-	-	-
96685980-6	CONSTRUCTORA SAN PEDRO	RELATED DIRECTOR	CHILE	PRODUCT SALES	107,270	90,143	-	-	-	-
96550660-8	CONSTRUCTORA SANTA MARIA S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	253,958	213,411	852,534	716,415	479,155	402,651
76072469-6	CRUZADOS S.A.D.A.P.	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	281,680	(236,706)	174,302	(146,472)	138,836	(121,387)
76072469-6	CRUZADOS S.A.D.A.P.	RELATED DIRECTOR	CHILE	PRODUCT SALES	316	265	4,463	3,750	4,580	3,849
76074938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	PRODUCT PURCHASES	1,365,628	-	5,274,333	-	4,928,517	-
76074938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	RENTAL INCOME	3,012,776	2,533,359	3,020,473	2,539,221	2,625,307	2,207,669
76074938-9	DEPORTES SPARTA LTDA.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	-	-	128,667	108,123	101,155	85,004
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PRODUCT PURCHASES	5,739,092	-	11,110,268	-	11,236,007	-
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	TRANSPORT AND OTHER SERVICES	70,771	59,472	365,271	307,197	191,054	160,550
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	RENTAL INCOME	336,752	283,051	290,768	244,370	297,382	249,952
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	1,708,405	1,659,103	217,050	200,870	281,626	261,220
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	7,942	6,674	27,994	23,525	23,372	19,640
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	OTHER SELLING COSTS	120,234	101,037	85,244	71,634	-	-
94141000-6	DERCO S.A.	RELATED DIRECTOR	CHILE	OTHER EXPENSES	-	-	262,186	(262,186)	-	-
82995700-0	DERCOCENTER S.A.	RELATED DIRECTOR	CHILE	RENTAL INCOME	2,415,691	2,028,984	2,393,797	2,013,222	2,219,810	1,865,672
96545450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	92,298	88,124	42,903	40,282	44,946	42,399
96545450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	-	-	79,562	66,859	4,926,229	(4,138,866)
96545450-0	DERCOMAQ S.A.	RELATED DIRECTOR	CHILE	MACHINERY LEASES AND MAINTENANCE	4,068,682	(3,553,373)	5,485,030	(4,533,248)	-	-
76750470-5	FERRETERIA SAN FRANCISCO DE ASIS LTDA	RELATED DIRECTOR	CHILE	PRODUCT SALES	132,327	111,199	255,026	214,306	540	454
96955560-3	HALDEMAN MINING COMPANY S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	99	87	102	86	121	102
76070957-3	INMOBILIARIA AZUL AZUL S.P.A.	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	224,969	(189,050)	173,018	(145,392)	152,962	(132,543)
76070957-3	INMOBILIARIA AZUL AZUL S.P.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	12,681	10,656	25,549	21,469	21,628	18,262
94340000-8	IMPORTADORA Y DISTRIBUIDORA ALAMEDA S.A.	RELATED DIRECTOR	CHILE	PRODUCT PURCHASES	2,703,672	-	-	-	-	-
94340000-8	IMPORTADORA Y DISTRIBUIDORA ALAMEDA S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	243,405	204,542	-	-	-	-

Note 7 - Related Company Receivables and Payables (continued)

c) The effects on the statement of net income of the main transactions with non-consolidated related entities for the years ended December 31, 2019, 2018 and 2017 are detailed as follows:(continued)

Chilean ID Number	Company	Relationship	Country	Transaction	Dec-31-19		Dec-31-18		Dec-31-17	
					Amount ThCh\$	Effect on income ThCh\$ (Charge)/Credit	Amount ThCh\$	Effect on income ThCh\$ (Charge)/Credit	Amount ThCh\$	Effect on income ThCh\$ (Charge)/Credit
94340000-8	IMPORTADORA Y DISTRIBUIDORA ALAMEDA S.A.	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	74,232	62,380	-	-	-	-
94340000-8	IMPORTADORA Y DISTRIBUIDORA ALAMEDA S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	1,067,907	897,401	-	-	-	-
77693700-2	INVERSIONES E INMOBILIARIA MONTE DE ASIS LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	1,763,792	(1,481,766)	1,814,473	(1,736,667)	1,915,143	(1,790,370)
77693970-6	INVERSIONES E INMOBILIARIA SAN FRANCISCO DEL MONTE LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	894,512	(758,244)	949,118	(921,606)	893,761	(814,090)
78391700-9	INVERSIONES E INMOBILIARIA SANTA CLARA II LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	3,690,839	(3,270,369)	3,616,526	(2,919,616)	3,545,993	(3,116,417)
76255416-K	MEGASPORTS SPA	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	-	-	1,534,434	(1,308,600)	1,669,654	(1,403,071)
79952350-7	RED TELEVISIVA MEGAVISION S.A.	RELATED DIRECTOR	CHILE	PUBLICATIONS AND ADVERTISING	2,128,610	(1,788,748)	5,966,092	(4,374,628)	850,161	(714,421)
79952350-7	RED TELEVISIVA MEGAVISION S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	1,590	1,336	-	-	-	-
Foreign	SERVICIOS FINANCIEROS SORIANA, S.A.P.I DE C.V.	ASSOCIATE	MEXICO	COMPUTER AND OTHER SERVICES	4,505,594	4,505,594	3,029,773	3,029,773	814,641	814,641
76762740-8	SOCIEDAD COMERCIALIZADORA DE REPUESTOS S.A.	RELATED DIRECTOR	CHILE	RENTAL INCOME	222,703	187,146	226,146	190,039	221,690	186,294
76547410-8	SOCIEDAD DE CREDITOS AUTOMOTRICES S.A.	RELATED DIRECTOR	CHILE	COMMISSION	3,419,606	(2,873,619)	4,135,753	(3,740,725)	5,261,928	(4,481,872)
77072500-3	SOCIEDAD DE RENTAS COMERCIALES S.A.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	786,241	(694,823)	2,948,134	(2,569,168)	2,462,212	(2,234,235)
Foreign	SOCIEDAD DISTRIBUIDORA DE MEJORAMIENTO DEL HOGAR Y CONSTRUCCIÓN S.A.P.I. de C.V.	ASSOCIATE	MEXICO	INTEREST ACCRUED	2,822,240	2,822,240	1,240,114	1,240,114		
95946000-0	SOCIEDAD INMOBILIARIA SAN BERNARDO LTDA.	RELATED DIRECTOR	CHILE	RENT AND COMMON EXPENSES	1,179,294	(949,505)	1,629,395	(1,432,639)	1,453,704	(1,294,598)
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	PRODUCT SALES	4,779,983	4,779,983	4,150,150	4,150,150	2,742,884	2,742,884
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	OTHERS	1,406,777	1,350,799	1,324,871	1,319,741	1,331,000	1,319,002
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	RENTAL INCOME	833,536	700,450	718,097	603,443	673,087	565,619
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	COMPUTING SERVICES	1,135,862	1,135,862	963,746	739,807	888,879	888,879
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	RENT AND COMMON EXPENSES	333,497	(333,497)	321,321	(321,321)	327,329	(327,329)
Foreign	SODIMAC COLOMBIA S.A.	ASSOCIATE	COLOMBIA	PUBLICATIONS AND ADVERTISING	661,627	641,541	-	-	-	-
78057000-8	SOTRASER S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	20,916	17,650	18,854	15,845	19,166	16,106
78057000-8	SOTRASER S.A.	RELATED DIRECTOR	CHILE	FREIGHT, DISPATCH AND DELIVERY	273,846	(230,123)	183,211	(153,959)	2,017,004	(1,694,961)
Foreign	TECNO FAST S.A.	RELATED DIRECTOR	CHILE	PRODUCT SALES	245,421	206,236	782,010	657,151	185,731	156,076
96831560-9	THE ENGLISH FASHION SPA	RELATED DIRECTOR	CHILE	PRODUCT PURCHASES	1,048	-	1,103	-	37,564	(30,388)
76224248-6	TRIPODE	RELATED DIRECTOR	CHILE	PRODUCT PURCHASES	1,636,798	-	-	-	-	-

Note 7 - Related Company Receivables and Payables (continued)

d) Key management employees

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 employees are the Directors and senior executives on Falabella S.A.'s private payroll. Key management remuneration by category is detailed as follows.

	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Management remuneration	8,260,090	7,811,378	5,051,404
Directors remuneration	416,533	411,389	398,562
Stock options	-	29,061	113,786

Note 8 - Inventories

Inventories are detailed as follows:

Description	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Raw materials	1,733,981	1,536,162	2,773,386
Products for sale	1,141,119,893	1,222,881,143	1,079,847,332
Products in process	2,052,242	1,117,021	1,257,785
Materials and packaging	4,927,734	5,959,297	5,816,791
Goods in transit	183,019,805	179,000,993	148,443,489
Total inventories	1,332,853,655	1,410,494,616	1,238,138,783

During the year ended December 31 2019, the Company moved ThCh\$ 5,217,359,162 from inventory to cost of sales (ThCh\$ 5,039,472,136 for the year ended December 31, 2018 and ThCh\$ 4,915,819,697 for the year ended December 31, 2017).

Furthermore, provisions for shortages and obsolescence of ThCh\$ 15,885,948 were recognized in cost of sales as of December 31, 2019 (ThCh\$ 19,512,902 as of December 31, 2018 and ThCh\$ 24,361,303 as of December 31, 2017).

The Company has no inventory provided in guarantee to be disclosed as of December 31, 2019, 2018 and 2017.

Note 9 - Current and Non-Current Tax Assets and Liabilities

Current tax assets, Non-Banking Business

Current tax assets	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Prepaid monthly tax installments	50,038,315	37,213,641	23,900,402
Prepaid monthly tax installments (income tax net balance)			
Employee training tax credit	4,223,295	4,340,464	3,617,016
Credit for absorbed profits	9,649,043	8,409,271	9,607,531
Recoverable income taxes	51,462,728	34,306,135	38,097,162
Other recoverable taxes	1,787,691	2,508,604	1,364,938
Total	117,161,072	86,778,115	76,587,049

Note 9 - Current and Non-Current Tax Assets and Liabilities (continued)

Non-current tax assets - Non-Banking Business

Non-current tax assets	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Recoverable income taxes ⁽¹⁾	17,420,067	16,341,601	-
Total	17,420,067	16,341,601	-

⁽¹⁾ It mainly includes benefits in accordance with Law 19,420 on incentives to develop the Arica and Parinacota provinces.

Current tax assets - Banking Business

Current tax assets	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Prepaid monthly tax installments Prepaid monthly tax installments (income tax net balance)	12,694,107	6,934,952	7,766,383
Total	12,694,107	6,934,952	7,766,383

Current tax liabilities - Non-Banking Business

Current tax liabilities	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Current income tax provision net of prepaid monthly tax installments	23,894,387	19,662,950	19,262,485
Provision for 40% tax on disallowable expenditure	95,360	255,476	150,118
Prepaid monthly tax installments payable	6,125,589	7,068,108	6,601,607
Other taxes payable	690,753	499,031	1,898,402
Total	30,806,089	27,485,565	27,912,612

Current tax liabilities - Banking Business

Current tax liabilities	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-19 ThCh\$
Current income tax provision net of prepaid monthly tax installments	2,973,670	91,904	3,854,696
Provision for 40% tax on disallowable expenditure	-	-	18,029
Prepaid monthly tax installments payable	-	-	3,736,998
Other taxes payable	-	-	1,499,577
Total	2,973,670	91,904	9,109,300

Note 10 - Current and Deferred Income Tax

a) Income tax expense/income for the years ended December 31, 2019, 2018 and 2017 for the Non-Banking Business and Banking Business are detailed as follows:

Non-Banking Business

Income tax	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Current tax expense (tax provision)	107,699,597	139,652,055	182,711,502
Tax expense adjustment (prior period)	(3,239,847)	(1,283,254)	(2,439,117)
Tax credit on tax losses	(9,649,043)	(2,314,848)	(9,607,531)
Other tax benefits ⁽¹⁾	-	(20,324,627)	-
Total net current tax expense	94,810,707	115,729,326	170,664,854
Deferred tax expense (credit) arising from temporary differences	(6,610,898)	760,631	(2,217,696)
Tax expense (credit) on tax losses	(26,101,820)	(16,148,900)	(9,241,185)
Deferred tax expense (income) arising from changes in the tax rate.	-	826,038	714,640
Total net deferred tax expense	(32,712,718)	(14,562,231)	(10,744,241)
Total	62,097,989	101,167,095	159,920,613

⁽¹⁾ The Chilean National Tourism Service declared in December 2018 that the investment in the Mall Plaza Arica Shopping Center had high interest for tourism, in accordance with the provisions of Law 19,420 on Development Incentives for Arica and Parinacota Provinces. This grants an additional benefit of 10% over the investment in physical assets, as it preferentially focuses on commercial services for tourism. This is in addition to the general benefit of 30% granted under Law 19,420 for providing services in Arica Province. The total tax benefit is Ch\$ 20,324 million.

Note 10 - Current and Deferred Income Tax (continued)

- a) Income tax expense/income for the years ended December 31, 2019, 2018 and 2017 for the Non-Banking Business and Banking Business are detailed as follows: (continued)

Banking Business

	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Income tax			
Current tax expense (tax provision)	81,542,325	84,690,411	28,937,957
Tax expense adjustment (prior period)	278,775	335,834	(409,141)
Total net current tax expense	81,821,100	85,026,245	28,528,816
Deferred tax expense (credit) arising from temporary differences	828,129	(1,588,437)	3,285,851
Deferred tax expense (income) arising from changes in the tax rate.	-	(107,002)	-
Total net deferred tax expense	828,129	(1,695,439)	3,285,851
Total	82,649,229	83,330,806	31,814,667

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 year in which the asset is collected or the liability paid, based on the rates (and laws) that have been approved or are about to be approved at the end of the year.

- b) A reconciliation of the income tax expense at the statutory rate compared to the effective rate as of December 31, 2019, 2018 and 2017 was as follows:

Non-Banking Business

Income before tax using the Chilean legal tax rate Legal taxation in Chile	Jan 01-19 Dec-31-19		Jan 01-18 Dec-31-18		Jan 01-17 Dec-31-17	
	ThCh\$	%	ThCh\$	%	ThCh\$	%
Income before tax using the Chilean legal tax rate	49,945,129	27.00	110,965,763	27.00	114,585,029	25,50
Effect of tax rates in other jurisdictions (effect of local rate vs Chilean rate)	2,402,913	1.30	10,201,748	2.48	7,687,081	1,71
Effect on rates of non-taxable income	(90,932)	(0.05)	(1,914,890)	(0.47)	(4,100,209)	(0,91)
Effect on rates of disallowable expenditure	1,259,316	0.60	2,121,874	0.52	2,939,769	0,65
Effect of using tax losses	(9,649,043)	(5.22)	(2,314,848)	(0.56)	(9,607,531)	(2,14)
Effect of tax rate changes in other jurisdictions	-	-	826,038	0.20	714,640	0,16
Effect of tax (over)/under-provided in prior years	(3,239,847)	(1.75)	(1,283,254)	(0.31)	(1,964,451)	(0,44)
Net tax inflation adjustments	(6,218,911)	(3.36)	(3,910,408)	(0.95)	(3,896,249)	(0,87)
Other increases (decreases)	27,689,364	14.97	(13,524,928)	(3.29)	8,014,622	1,78
Total adjustments to legal tax rate	12,152,860	6.49	(9,798,668)	(2.38)	(212,328)	(0,05)
Income tax expense (credit) for the year	62,097,989	33.57	101,167,095	24.62	114,372,701	25,45
Effective tax rate		33.57		24.62		25,50

Banking Business

Income before tax using the Chilean legal tax rate Legal taxation in Chile	Jan 01-19 Dec-31-19		Jan 01-18 Dec-31-18		Jan 01-17 Dec-31-17	
	ThCh\$	%	ThCh\$	%	ThCh\$	%
Income before tax using the Chilean legal tax rate	85,304,267	27.00	85,655,062	27.00	76,828,037	25,50
Effect of tax rates in other jurisdictions (effect of local rate vs Chilean rate)	3,330,194	1.05	2,543,589	0.80	3,398,675	1,13
Effect on rates of non-taxable income	(225,444)	(0.07)	(148,828)	(0.05)	84,224	0,03
Effect on rates of disallowable expenditure	718,220	0.23	1,584,451	0.50	1,580,514	0,52
Effect of tax rate changes in other jurisdictions	-	-	(107,002)	(0.03)	0	0,00
Effect of tax under-provided in prior years	278,775	0.09	335,834	0.11	(883,807)	(0,29)
Net tax inflation adjustments	(5,732,546)	(1.81)	(6,626,745)	(2.09)	(3,979,632)	(1,32)
Other increases (decreases)	(1,024,237)	(0.32)	94,445	0.03	334,568	0,11
Total adjustments to legal tax rate	(2,655,038)	(0.84)	(2,324,256)	(0.73)	77,362,579	0,18
Income tax expense (credit) for the year	82,649,229	26.16	83,330,806	26.27	154,190,616	25,68
Effective tax rate		26.16		26.27		25,50

Note 10 - Current and Deferred Income Tax (continued)

c) Deferred tax balances by category are detailed as follows:

Non-Banking Business

Statement of Financial Position	Dec-31-19		Dec-31-18		Dec-31-17	
	Deferred Asset ThCh\$	Deferred Liability ThCh\$	Deferred Asset ThCh\$	Deferred Liability ThCh\$	Deferred Asset ThCh\$	Deferred Liability ThCh\$
Intangible asset valuation difference	1,422,038	32,005,748	1,354,375	34,515,290	1,547,014	36,090,475
Property, plant and equipment valuation difference	-	556,581,505	-	549,590,770	-	527,099,576
Inventory valuation difference	8,927,682	-	10,685,378	-	5,144,757	-
Capitalized prepaid expenses	-	873,697	-	1,550,519	-	2,236,824
Staff severance indemnity	11,321,738	-	8,881,315	-	5,596,542	-
Deferred income	14,991,203	-	12,555,921	-	8,056,494	-
Tax losses brought forward	104,099,229	-	76,382,943	-	59,160,508	-
Allowances for doubtful receivables	8,419,103	-	8,677,634	-	8,969,121	-
Obsolescence provision	5,128,016	-	4,142,095	-	5,069,902	-
Disposal provision	7,823,743	-	7,299,409	-	6,775,217	-
Vacation provision	12,107,929	-	10,974,332	-	10,453,309	-
Other provisions	28,919,253	-	27,501,346	-	33,310,150	-
Derivative instruments	266,376	-	-	270,034	154,160	-
Recoverable insurance claims	322,237	-	9,391	-	-	24,431
Others	-	15,984,895	-	11,479,734	-	9,654,660
Total	203,748,547	605,445,845	168,464,139	597,406,347	144,237,174	575,105,966
Net balance		401,697,298		428,942,208		430,868,792

Banking Business

Statement of Financial Position	Dec-31-19		Dec-31-18		Dec-31-17	
	Deferred Asset ThCh\$	Deferred Liability ThCh\$	Deferred Asset ThCh\$	Deferred Liability ThCh\$	Deferred Asset ThCh\$	Deferred Liability ThCh\$
Intangible asset valuation difference	-	3,708,334	-	2,649,569	-	1,272,733
Property, plant and equipment valuation difference	-	9,254,543	-	10,243,841	-	9,503,540
Capitalized prepaid expenses	-	3,586,133	-	2,982,202	-	2,403,332
Prepaid revenue	5,144,315	-	4,950,429	-	-	-
Deferred income	-	-	-	-	763,534	-
Allowances for doubtful receivables	71,866,642	-	65,699,058	-	39,408,747	-
Vacation provision	1,519,334	-	1,497,210	-	1,302,221	12,846,157
Other provisions	-	13,478,161	-	6,832,515	10,926,206	-
Estimated expenses provision	301,709	-	153,647	-	26,106	26,025,762
Total	78,832,000	30,027,171	72,300,344	22,708,127	52,426,814	1,272,733
Net balance	48,804,829	-	49,592,217	-	26,401,052	-

d) Reconciliation between the statement of financial position and the deferred tax tables

Non-Banking Business

Net balance according to the above tables	Dec-31-19	Dec-31-18	Dec-31-17
Deferred tax assets	212,284,708	165,387,150	137,753,522
Deferred tax liabilities	613,982,006	594,329,358	568,622,314
Total	401,697,298	428,942,208	430,868,792

Banking Business

Net balance according to the above tables	Dec-31-19	Dec-31-18	Dec-31-17
Deferred tax assets	48,804,829	49,592,217	26,401,052
Total	48,804,829	49,592,217	26,401,052

Note 11 - Investments in Associates

a) Investments in associates - Non-Banking Business

Information regarding the Company's direct and indirect investments in Associates in the Non-Banking Business as of December 31, 2019, 2018 and 2017, and net income for the years ended December 31, 2019, 2018 and 2017 are detailed as follows:

Company	Country	Functional Currency	Dec-31-19, 18 and 17 Percentage interest %	Dec-31-19 Book Value ThCh\$	Dec-31-18 Book Value ThCh\$	Dec-31-17 Book Value ThCh\$	Dec-31-19 Net income for the year ThCh\$	Dec-31-18 Net income for the year ThCh\$	Dec-31-17 Net income for the year ThCh\$
Sodimac Colombia S.A.	Colombia	COL	49.00%	133,218,614	113,586,583	110,819,869	19,338,265	19,132,438	19,272,236
Sociedad Distribuidora de Mejoramiento del Hogar y Construcción S.A.P.I. de C.V.	Mexico	MXN	50.00%	32,614,932	1,774,098	4,123,497	(9,712,073)	(6,642,585)	(2,191,896)
Inmobiliaria Cervantes S.A.	Chile	CLP	33.70%	285,687	288,282	290,754	15,719	15,389	15,007
Servicios Financieros Soriana S.A.P.I. de C.V.	Mexico	MXN	50.00%	25,359,445	20,086,333	23,062,398	(9,305,127)	(5,413,056)	(1,816,043)
Total				191,478,678	135,735,296	138,296,518	336,784	7,092,186	15,279,304

b) Investments in Associates - Banking Business

Information regarding the Company's direct and indirect investments in Associates in the Banking Business as of December 31, 2019 and 2018, and net income for the years ended December 31, 2019 and 2018 are detailed as follows:

Company	Country	Functional Currency	Dec-31-19, 18 and 17 Percentage Interest %	Dec-31-19 Book Value ThCh\$	Dec-31-18 Book Value ThCh\$	Dec-31-17 Book Value ThCh\$	Dec-31-19 Net income for the year ThCh\$	Dec-31-18 Net income for the year ThCh\$	Dec-31-17 Net income for the year ThCh\$
Unibanca S.A.	Peru	PEN	23.13%	3,721,554	3,179,466	2,861,251	834,977	551,214	469,655
Total				3,721,554	3,179,466	2,861,251	834,977	551,214	469,655

c) Summarized information on associates:

Summarized financial information on Associates as of December 31, 2019, 2018 and 2017, and net income for the years ended December 31, 2019, 2018 and 2017 are detailed as follows:

Information as of December 31, 2019								
Associate	Total Current Assets ThCh\$	Total Non-Current Assets ThCh\$	Total Current Liabilities ThCh\$	Total Non-Current Liabilities ThCh\$	Goodwill from investments ThCh\$	Revenue ThCh\$	Net Income for the year ThCh\$	
Sodimac Colombia S.A.	214,901,524	521,208,789	158,022,537	315,295,590	4,450,443	847,929,712	39,465,847	
Sociedad Distribuidora de Mejoramiento del Hogar y Construcción S.A.P.I. de C.V.	103,408,268	78,929,725	67,602,092	49,506,037	-	46,332,368	(19,424,146)	
Unibanca S.A.	5,102,940	12,514,373	4,489,619	306,967	624,284	9,885,849	3,609,463	
Inmobiliaria Cervantes S.A.	23,534	473,998	88,422	-	147,817	65,123	46,645	
Servicios Financieros Soriana S.A.P.I. de C.V.	58,333,218	28,515,174	50,185,506	882	7,028,443	21,294,259	(18,610,252)	
Total	381,769,484	641,642,059	280,388,176	365,109,476	12,250,987	925,507,311	5,087,557	

Information as of December 31, 2018								
Associate	Total Current Assets ThCh\$	Total Non-Current Assets ThCh\$	Total Current Liabilities ThCh\$	Total Non-Current Liabilities ThCh\$	Goodwill from investments ThCh\$	Revenue ThCh\$	Net Income for the year ThCh\$	
Sodimac Colombia S.A.	186,316,721	301,188,034	157,993,768	105,994,415	4,063,448	783,372,375	39,045,790	
Sociedad Distribuidora de Mejoramiento del Hogar y Construcción S.A.P.I. de C.V.	49,825,927	26,188,541	72,362,347	103,498	-	11,345,696	(13,285,169)	
Unibanca S.A.	2,031,863	10,639,534	1,272,206	306,984	569,651	7,908,404	2,382,804	
Inmobiliaria Cervantes S.A.	21,437	469,684	74,312	-	147,817	63,511	45,664	
Servicios Financieros Soriana S.A.P.I. de C.V.	40,112,949	17,300,886	29,736,582	22,420	6,258,932	15,944,049	(10,826,112)	
Total	278,308,897	355,786,679	261,439,215	106,427,317	11,039,848	818,634,035	17,362,977	

Note 11 - Investments in Associates (continued)

c) Summarized information on associates: (continued)

Information as of December 31, 2017							
Associate	Total Current Assets ThCh\$	Total Non-Current Assets ThCh\$	Total Current Liabilities ThCh\$	Total Non-Current Liabilities ThCh\$	Goodwill from investments ThCh\$	Revenue ThCh\$	Net Income for the year ThCh\$
Sodimac Colombia S.A.	160,449,076	284,850,629	101,828,630	125,600,829	4,063,448	751,541,904	39,331,092
Sociedad Distribuidora de Mejoramiento del Hogar y Construcción S.A.P.I. de C.V.	7,795,859	3,672,365	3,057,151	164,079	-	241,750	(4,383,778)
Unibanca S.A.	2,053,517	9,302,041	1,093,664	308,652	523,632	7,465,576	2,030,238
Inmobiliaria Cervantes S.A.	10,462	465,414	51,730	-	147,817	62,114	44,530
Servicios Financieros Soriana S.A.P.I. de C.V.	33,830,896	7,746,489	6,544,905	-	5,546,158	13,452,153	(3,632,086)
Total	204,139,810	306,036,938	112,576,080	126,073,560	10,281,055	772,763,497	33,389,996

d) Movements of investments in associates for the year ended December 31, 2019 are detailed as follows:

Movements in investments in associates	Non-Banking Business ThCh\$	Banking Business ThCh\$	Total Consolidated ThCh\$
Opening balance as of January 1, 2019	135,735,296	3,179,466	138,914,762
Increase due to new accounting standards ⁽¹⁾	(10,919,394)	-	(10,919,394)
Restated opening balance	124,815,902	3,179,466	127,995,368
Share of net income	336,784	834,977	1,171,762
Dividends received	(106,260)	(669,292)	(775,552)
Contributions and acquisitions	49,917,532	-	49,917,532
Conversion adjustment and other reserves	16,514,720	376,403	16,891,122
Total movements	66,662,776	542,088	67,204,864
Closing balance as of December 31, 2019	191,478,678	3,721,554	195,200,232
Investments in associates using the equity method			

⁽¹⁾ The effect of IFRS 16 (see Note 2.29.c).

e) Movements in investments in associates for the year ended December 31, 2018 are detailed as follows:

Movements in investments in associates	Non-Banking Business ThCh\$	Banking Business ThCh\$	Total Consolidated ThCh\$
Opening balance as of January 1, 2018	138,296,518	2,861,251	141,157,769
Increase due to new accounting standards ⁽¹⁾	(266,792)	-	(266,792)
Restated opening balance	138,029,726	2,861,251	140,890,977
Share of net income	7,092,186	551,214	7,643,400
Dividends received	(5,396,419)	(503,392)	(5,899,811)
Contributions and acquisitions	3,997,815	-	3,997,815
Conversion adjustment and other reserves	(7,988,012)	270,393	(7,717,619)
Total movements	(2,294,430)	318,215	(1,976,215)
Closing balance as of December 31, 2018	135,735,296	3,179,466	138,914,762
Investments in associates using the equity method			

⁽¹⁾ The effect of IFRS 9 (see Note 2.29.c).

f) Movements in investments in associates for the year ended December 31, 2017 are detailed as follows:

Movements in investments in associates	Non-Banking Business ThCh\$	Banking Business ThCh\$	Total Consolidated ThCh\$
Opening balance as of January 1, 2017	109,179,061	3,063,456	112,242,517
Share of net income	15,279,304	469,655	15,748,959
Dividends received	(5,201,313)	(527,972)	(5,729,285)
Contributions and acquisitions	25,737,222	-	25,737,222
Conversion adjustment and other reserves	(6,697,756)	(143,888)	(6,841,644)
Total movements	29,117,457	(202,205)	28,915,252
Closing balance as of December 31, 2017	138,296,518	2,861,251	141,157,769
Investments in associates using the equity method			

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

Note 12 - Intangible Assets other than Goodwill

Intangible Assets other than Goodwill - Non-Banking Business

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

Net Intangible Assets	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Intangible assets with defined useful lives, net	216,226,215	187,118,801	152,928,520
Intangible assets with indefinite useful lives	126,456,219	125,757,373	126,401,774
Total	342,682,434	312,876,174	279,330,294

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

Intangible Assets	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Internally developed software	211,543,661	168,573,503	132,612,129
Licenses and software programs	167,144,609	140,002,011	131,847,378
Patents, registered trademarks and other rights	31,070,207	31,045,346	20,518,839
Other identifiable intangible assets	24,781,733	22,735,434	23,318,633
Trademarks with indefinite useful lives	126,456,219	125,757,373	126,401,774
Subtotal	560,996,429	488,113,667	434,698,753
Accumulated amortization (less)	(218,313,995)	(175,237,493)	(155,368,459)
Net Total	342,682,434	312,876,174	279,330,294

a.2) Intangible assets with indefinite useful lives in the Non-Banking Business are detailed as follows:

	Remaining life	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 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	13,575,317	12,876,471	13,520,872
Total		126,456,219	125,757,373	126,401,774

a.3) Movements of Intangible Assets other than Goodwill in the Non-Banking Business for the year ended December 31, 2019 are detailed as follows:

Gross Balance	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Patents, registered trademarks and other rights ThCh\$	Other identifiable intangible assets ThCh\$	Trademarks with indefinite useful lives ThCh\$	Total ThCh\$
Balance as of January 1, 2019	168,573,503	140,002,011	31,045,346	22,735,434	125,757,373	488,113,667
Internally developed additions	43,972,521	-	-	-	-	43,972,521
Purchased additions	-	23,722,753	160,399	1,493,495	-	25,376,647
Withdrawals for business sales ⁽¹⁾	-	(874,648)	-	-	-	(874,648)
Withdrawals	(586,811)	(1,581,519)	-	(47,737)	-	(2,216,067)
Reclassification of concept and capitalization	(465,928)	86,696	-	-	-	(379,232)
Restatement and conversion adjustment (Note 2.6)	50,376	5,789,316	(135,538)	600,541	698,846	7,003,541
Balance as of December 31, 2019	211,543,661	167,144,609	31,070,207	24,781,733	126,456,219	560,996,429

Amortization	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Patents, registered trademarks and other rights ThCh\$	Other identifiable intangible assets ThCh\$	Trademarks with indefinite useful lives ThCh\$	Total ThCh\$
Balance as of January 1, 2019	65,885,113	88,368,866	9,553,585	11,429,929	-	175,237,493
Amortization for the period	18,860,751	18,341,250	3,590,263	1,083,526	-	41,875,790
Withdrawals for business sales ⁽¹⁾	-	(558,190)	-	-	-	(558,190)
Withdrawals	(20,059)	(867,794)	(10,923)	(38,438)	-	(937,214)
Restatement and conversion adjustment (Note 2.6)	160,295	1,240,122	870,241	425,458	-	2,696,116
Balance as of December 31, 2019	84,886,100	106,524,254	14,003,166	12,900,475	-	218,313,995

Net Book Value as of January 1, 2019	102,688,390	51,633,145	21,491,761	11,305,505	125,757,373	312,876,174
Net Book Value as of December 31, 2019	126,657,561	60,620,355	17,067,041	11,881,258	126,456,219	342,682,434

⁽¹⁾ Derecognition following the sale of the Viajes Falabella business unit.

Note 12 - Intangible Assets other than Goodwill (continued)

Intangible Assets other than Goodwill - Non-Banking Business (continued)

a) Intangible assets in the Non-Banking Business are detailed as follows: (continued)

a.4) Movements in Intangible Assets other than Goodwill in the Non-Banking Business for the year ended December 31, 2018 are detailed as follows:

Gross Balance	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Patents, registered trademarks and other rights ThCh\$	Other identifiable intangible assets ThCh\$	Trademarks with indefinite useful lives ThCh\$	Total ThCh\$
Balance as of January 1, 2018	132,612,129	131,847,378	20,518,839	23,318,633	126,401,774	434,698,753
Internally developed additions	34,055,013	-	-	-	-	34,055,013
Purchased additions	-	26,538,626	182,937	1,016,759	-	27,738,322
Acquisitions through business combinations ⁽¹⁾	1,776,624	191,108	9,524,108	-	-	11,491,840
Withdrawals	-	(18,941,922)	(693,935)	(1,149,935)	-	(20,785,792)
Reclassification of concept and capitalization	-	1,717,279	-	(1,678,310)	-	38,969
Restatement and conversion adjustment (Note 2.6)	129,737	(1,350,458)	1,513,397	1,228,287	(644,401)	876,562
Balance as of December 31, 2018	168,573,503	140,002,011	31,045,346	22,735,434	125,757,373	488,113,667

Amortization	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Patents, registered trademarks and other rights ThCh\$	Other identifiable intangible assets ThCh\$	Trademarks with indefinite useful lives ThCh\$	Total ThCh\$
Balance as of January 1, 2018	50,737,145	85,869,226	7,885,644	10,876,444	-	155,368,459
Amortization for the period	15,146,512	19,752,423	1,824,863	1,239,313	-	37,963,111
Withdrawals	-	(17,953,415)	(699,805)	(1,144,064)	-	(19,797,284)
Restatement and conversion adjustment (Note 2.6)	1,456	700,632	542,883	458,236	-	1,703,207
Balance as of December 31, 2018	65,885,113	88,368,866	9,553,585	11,429,929	-	175,237,493

Net Book Value as of January 1, 2018	81,874,984	45,978,152	12,633,195	12,442,189	126,401,774	279,330,294
Net Book Value as of December 31, 2018	102,688,390	51,633,145	21,491,761	11,305,505	125,757,373	312,876,174

⁽¹⁾ Intangible assets incorporated when New TIN Linio I GmbH was acquired (Note 41).

a.5) Movements in Intangible Assets other than Goodwill in the Non-Banking Business for the year ended December 31, 2017 were detailed as follows:

Gross Balance	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Patents, registered trademarks and other rights ThCh\$	Other identifiable intangible assets ThCh\$	Trademarks with indefinite useful lives ThCh\$	Total ThCh\$
Balance as of January 1, 2017	108,708,220	112,032,485	21,069,383	23,023,768	127,837,278	392,671,134
Internally developed additions	23,907,711	-	-	-	-	23,907,711
Purchased additions	-	22,922,259	328,234	1,399,361	-	24,649,854
Withdrawals	-	(559,344)	-	(2,235)	-	(561,579)
Conversion adjustment	(3,802)	(2,548,022)	(878,778)	(1,102,261)	(1,435,504)	(5,968,367)
Balance as of December 31, 2017	132,612,129	131,847,378	20,518,839	23,318,633	126,401,774	434,698,753

Amortization	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Patents, registered trademarks and other rights ThCh\$	Other identifiable intangible assets ThCh\$	Trademarks with indefinite useful lives ThCh\$	Total ThCh\$
Balance as of January 1, 2017	38,004,409	72,332,595	6,324,435	9,769,886	-	126,431,325
Amortization for the period	12,733,497	15,502,022	1,860,156	1,295,831	-	31,391,506
Withdrawals	-	(410,756)	-	(2,124)	-	(412,880)
Conversion adjustment	(761)	(1,554,635)	(298,947)	(187,149)	-	(2,041,492)
Balance as of December 31, 2017	50,737,145	85,869,226	7,885,644	10,876,444	-	155,368,459

Net Book Value as of January 1, 2017	70,703,811	39,699,890	14,744,948	13,253,882	127,837,278	266,239,809
Net Book Value as of December 31, 2017	81,874,984	45,978,152	12,633,195	12,442,189	126,401,774	279,330,294

Note 12 - Intangible Assets other than Goodwill (continued)

Intangible Assets other than Goodwill - Non-Banking Business (continued)

b) Intangible assets - Banking Business:

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

Intangible assets	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Internally developed software	107,844,291	89,890,346	76,414,741
Licenses, software and other rights	47,285,964	38,451,657	32,555,365
Subtotal	155,130,255	128,342,003	108,970,106
Accumulated amortization (less)	(77,011,773)	(60,081,862)	(48,311,567)
Net Total	78,118,482	68,260,141	60,658,539

b.2) Movements in Intangible Assets in the Banking Business as of December 31, 2019 are detailed as follows:

Gross Balance	Internally developed software ThCh\$	Licenses, software and other rights ThCh\$	Total ThCh\$
Balance as of Jan 1, 2019	89,890,346	38,451,657	128,342,003
Internally developed additions	14,295,128	-	14,295,128
Purchased additions	-	5,992,581	5,992,581
Withdrawals	(488,502)	-	(488,502)
Conversion adjustment	4,147,319	2,841,726	6,989,045
Balance as of December 31, 2019	107,844,291	47,285,964	155,130,255

Amortization	Internally developed software ThCh\$	Licenses, software and other rights ThCh\$	Total ThCh\$
Balance as of Jan 1, 2019	44,255,055	15,826,807	60,081,862
Amortization for the period	9,558,164	4,411,790	13,969,954
Withdrawals	(56,868)	-	(56,868)
Conversion adjustment	1,636,914	1,379,911	3,016,825
Balance as of December 31, 2019	55,393,265	21,618,508	77,011,773

Net Book Value as of January 1, 2019	45,635,291	22,624,850	68,260,141
Net Book Value as of December 31, 2019	52,451,026	25,667,456	78,118,482

b.3) Movements in Intangible Assets in the Banking Business for the year ended December 31, 2018 are detailed as follows:

Gross Balance	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Total ThCh\$
Balance as of January 1, 2018	76,414,741	32,555,365	108,970,106
Internally developed additions	10,376,986	-	10,376,986
Purchased additions	-	5,990,970	5,990,970
Withdrawals	-	(212,852)	(212,852)
Conversion adjustment	3,098,619	118,174	3,216,793
Balance as of December 31, 2018	89,890,346	38,451,657	128,342,003

Amortization	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Total ThCh\$
Balance as of January 1, 2018	37,200,296	11,111,271	48,311,567
Amortization for the period	6,026,112	4,475,092	10,501,204
Withdrawals	-	(43,682)	(43,682)
Conversion adjustment	1,028,647	284,126	1,312,773
Balance as of December 31, 2018	44,255,055	15,826,807	60,081,862

Net Book Value as of January 1, 2018	39,214,445	21,444,094	60,658,539
Net Book Value as of December 31, 2018	45,635,291	22,624,850	68,260,141

Note 12 - Intangible Assets other than Goodwill (continued)

Intangible Assets other than Goodwill - Non-Banking Business (continued)

b) Intangible assets - Banking Business: (continued)

b.4) Movements in Intangible Assets in the Banking Business for the year ended December 31, 2017 are detailed as follows:

Gross Balance	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Total ThCh\$
Balance as of January 1, 2017	63,390,029	26,152,927	89,542,956
Internally developed additions	14,497,291	-	14,497,291
Purchased additions	-	7,477,744	7,477,744
Conversion adjustment	(1,472,579)	(1,075,306)	(2,547,885)
Balance as of December 31, 2017	76,414,741	32,555,365	108,970,106

Amortization	Internally developed software ThCh\$	Licenses and software programs ThCh\$	Total ThCh\$
Balance as of January 1, 2017	31,852,882	8,059,037	39,911,919
Amortization for the period	5,883,821	3,489,034	9,372,855
Conversion adjustment	(536,407)	(436,800)	(973,207)
Balance as of December 31, 2017	37,200,296	11,111,271	48,311,567
Net Book Value as of January 1, 2017	31,537,147	18,093,890	49,631,037
Net Book Value as of December 31, 2017	39,214,445	21,444,094	60,658,539

c) Other information regarding intangible assets:

c.1) As of December 31, 2019 there are no identifiable intangible assets in use that are fully amortized.

c.2) Amortization of intangible assets is presented in the statement of net income by function under Administrative Expenses, and amounts to ThCh\$ 55,845,744, ThCh\$ 48,464,315 and ThCh\$ 40,764,361 as of December 31, 2019, 2018 and 2017, respectively, as presented in Note 30.

c.3) ThCh\$ 10,501 was included in the category "Cost of sales" as of December 31, 2019.

c.4) 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 13 - Goodwill

Goodwill in the Non-Banking Business is detailed as follows:

Goodwill	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 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
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.	34,112,602	32,838,349	33,944,602
Maestro Perú S.A.	186,022,905	169,743,638	156,030,886
Aventura Plaza S.A.	64,921,298	59,239,896	54,454,196
New TIN Linio I GmbH (Note 41)	104,128,164	104,128,164	-
Total	649,149,802	625,914,880	504,394,517

Note 13 - Goodwill (continued)

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.

Goodwill by segments as of December 31, 2019, 2018 and 2017 is detailed as follows:

Segment	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Home Improvement Stores	439,660,302	422,106,782	409,500,283
Real estate	85,431,437	79,750,035	74,964,335
Supermarkets	14,575,143	14,575,143	14,575,143
Other businesses	109,482,920	109,482,920	5,354,756
Total Goodwill by Segment	649,149,802	625,914,880	504,394,517

The Company performed goodwill impairment testing as of December 31, 2019, 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 2019 evaluation fluctuate between 4.93% and 12%.

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

Note 14 - Property, Plant and Equipment

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

Description	Dec-31-19			Dec-31-18			Dec-31-17		
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Land	805,835,408	-	805,835,408	796,790,305	-	796,790,305	771,198,840	-	771,198,840
Buildings	973,802,005	(173,091,558)	800,710,447	913,044,404	(145,062,936)	767,981,468	867,789,046	(125,466,555)	742,322,491
Plant and equipment	538,935,728	(235,893,327)	303,042,401	461,497,786	(206,296,686)	255,201,100	378,343,496	(164,911,580)	213,431,916
IT equipment	146,292,880	(97,766,374)	48,526,506	145,232,674	(99,783,996)	45,448,678	115,185,735	(77,608,262)	37,577,473
Facilities and accessories	1,107,541,111	(534,104,599)	573,436,512	1,005,285,897	(461,969,870)	543,316,027	887,519,114	(413,556,352)	473,962,762
Motor vehicles	37,453,796	(25,512,433)	11,941,363	38,568,000	(25,849,102)	12,718,898	5,738,670	(3,760,366)	1,978,304
Leasehold improvements	203,549,380	(109,434,747)	94,114,633	180,395,714	(91,002,680)	89,393,034	153,851,522	(74,614,597)	79,236,925
Construction in progress	131,062,013	-	131,062,013	113,074,031	-	113,074,031	140,624,503	-	140,624,503
Right of use assets ⁽¹⁾	915,751,848	(90,819,098)	824,932,750	-	-	-	-	-	-
Other property, plant and equipment ⁽²⁾	260,666,887	(155,883,139)	104,783,748	240,564,345	(139,149,819)	101,414,526	202,190,286	(117,933,217)	84,257,069
Total	5,120,891,056	(1,422,505,275)	3,698,385,781	3,894,453,156	(1,169,115,089)	2,725,338,067	3,522,441,212	(977,850,929)	2,544,590,283

⁽¹⁾ The effect of IFRS 16 (see Note 2.29.c).

⁽²⁾ Primarily furniture and equipment

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

Description	Dec-31-19			Dec-31-18			Dec-31-17		
	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	333,416	-	333,416	333,416	-	333,416	-	-	-
Buildings	376	(376)	-	376	(376)	-	-	-	-
Plant and equipment	15,361,724	(10,185,243)	5,176,481	13,684,051	(8,798,992)	4,885,059	14,259,530	(7,400,779)	6,858,751
IT equipment	24,871,722	(17,579,985)	7,291,737	26,489,946	(18,979,228)	7,510,718	24,408,808	(16,036,987)	8,371,821
Facilities and accessories	7,992,928	(5,684,464)	2,308,464	6,319,022	(4,661,648)	1,657,374	8,442,271	(4,905,290)	3,536,981
Motor vehicles	63,287	(59,472)	3,815	109,026	(96,376)	12,650	106,533	(83,170)	23,363
Leasehold improvements	31,986,457	(19,110,480)	12,875,977	30,106,952	(16,380,717)	13,726,235	25,395,530	(14,415,670)	10,979,860
Construction in progress	8,543,056	-	8,543,056	8,288,512	-	8,288,512	2,558,075	-	2,558,075
Right of use assets ⁽¹⁾	44,499,130	(13,827,863)	30,671,267	-	-	-	-	-	-
Other property, plant and equipment ⁽²⁾	17,224,779	(11,521,032)	5,703,747	14,226,404	(9,256,094)	4,970,310	11,457,729	(9,519,496)	1,938,233
Total	150,876,875	(77,968,915)	72,907,960	99,557,705	(58,173,431)	41,384,274	86,628,476	(52,361,392)	34,267,084

⁽¹⁾ The effect of IFRS 16 (see Note 2.29.c).

⁽²⁾ Primarily furniture and equipment

Note 14 - Property, Plant and Equipment (continued)

c) Movements for the Non-Banking Business for the year ended December 31, 2019 are detailed as follows:

Cost	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Facilities and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Right of use assets ⁽¹⁾ ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Balance as of Jan 1, 2019	796,790,305	913,044,404	461,497,786	145,232,674	1,005,285,897	38,568,000	180,395,714	113,074,031	-	240,564,345	3,894,453,156
Increase due to new accounting standards ⁽¹⁾	-	-	-	-	-	-	-	-	807,791,210	-	807,791,210
Additions	3,616,987	9,998,671	77,002,817	12,153,410	28,220,412	339,664	4,619,680	202,796,404	80,334,453	6,520,097	425,602,595
Withdrawals for business sales ⁽²⁾	-	-	(215,432)	(440,591)	(1,947,906)	-	-	(5,349)	(1,399,136)	(1,850,801)	(5,859,215)
Transfers to Investment Property	(26,101,910)	3,103,737	163,259	-	3,544,583	-	-	(44,385,937)	-	12,812	(63,663,456)
Sales	-	(122,288)	(5,097,191)	(805,304)	(4,496,421)	(336,869)	(9,645)	(63,798)	-	(4,058,449)	(14,989,965)
Withdrawals	-	(5,498,555)	(28,999,326)	(23,651,584)	(25,358,712)	(735,699)	(228,734)	(1,258,289)	(9,904,500)	(8,582,689)	(104,218,088)
Reclassification of concept and capitalization	-	13,667,937	30,020,690	6,722,575	62,400,242	(417,723)	8,228,890	(135,056,761)	107,261	14,326,889	-
Restatement and conversion adjustment (Note 2.6)	31,530,026	39,608,099	4,563,125	7,081,700	39,893,016	36,423	10,543,475	(4,038,288)	38,822,560	13,734,683	181,774,819
Balance as of December 31, 2019	805,835,408	973,802,005	538,935,728	146,292,880	1,107,541,111	37,453,796	203,549,380	131,062,013	915,751,848	260,666,887	5,120,891,056

Depreciation	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Facilities and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Right of use assets ⁽¹⁾ ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Balance as of Jan 1, 2019	-	145,062,936	206,296,686	99,783,996	461,969,870	25,849,102	91,002,680	-	-	139,149,819	1,169,115,089
Depreciation for the year	-	20,551,343	55,698,387	16,461,646	83,732,861	632,710	15,601,352	-	90,132,595	23,811,211	306,622,105
Withdrawals for business sales ⁽²⁾	-	-	(115,530)	(282,863)	(1,138,190)	-	-	-	(100,503)	(1,768,796)	(3,405,882)
Sales	-	(5,386)	(4,124,567)	(795,537)	(3,911,421)	(220,071)	(9,645)	-	-	(3,475,090)	(12,541,717)
Withdrawals	-	(3,089,500)	(23,447,912)	(23,062,011)	(19,977,766)	(740,915)	(186,942)	-	(1,410,338)	(8,668,641)	(80,584,025)
Reclassification of concept and capitalization	-	3,139,354	2,730	594,136	(2,741,609)	-	(404,476)	-	16,560	(606,695)	-
Restatement and conversion adjustment (Note 2.6)	-	7,432,811	1,583,533	5,067,007	16,170,854	(8,393)	3,431,778	-	2,180,784	7,441,331	43,299,705
Balance as of December 31, 2019	-	173,091,558	235,893,327	97,766,374	534,104,599	25,512,433	109,434,747	-	90,819,098	155,883,139	1,422,505,275

Net balance as of Jan 1, 2019	796,790,305	767,981,468	255,201,100	45,448,678	543,316,027	12,718,898	89,393,034	113,074,031	-	101,414,526	2,725,338,067
Net balance as of Dec 31, 2019	805,835,408	800,710,447	303,042,401	48,526,506	573,436,512	11,941,363	94,114,633	131,062,013	824,932,750	104,783,748	3,698,385,781

⁽¹⁾ The effect of IFRS 16 (see Note 2.29.c). Falabella mainly classifies under this item its right of use assets related to real estate leases used to develop its businesses and install its stores.

⁽²⁾ Derecognition following the sale of the Viajes Falabella business unit.

Note 14 - Property, Plant and Equipment (continued)

d) Movements for the Non-Banking Business for the year ended December 31, 2018 are detailed as follows:

Cost	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Facilities and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Balance as of Jan 1, 2018	771,198,840	863,593,137	372,106,281	121,552,480	861,697,479	5,738,670	153,851,522	140,485,186	202,190,286	3,492,413,881
Additions	8,814,154	11,669,969	82,763,837	15,363,551	73,069,449	1,130,302	5,494,719	119,772,285	15,633,730	333,711,996
Acquisitions through business combinations ⁽¹⁾	-	-	128,757	127,445	-	-	176,803	-	-	433,005
Transfers from Investment Property	266,254	2,591,753	(143,188)	(614,766)	(1,270,173)	-	-	1,225,601	259,204	2,314,685
Sales	(5,944,973)	(11,539,074)	(6,612,457)	(974,956)	(3,583,475)	(520,012)	(274,297)	(2,001,727)	(4,007,593)	(35,458,564)
Withdrawals	(1,458,622)	(1,111,717)	(18,734,751)	(3,587,014)	(27,403,214)	(377,594)	(4,615,095)	-	(12,061,767)	(69,349,774)
Reclassification of concept and capitalization	45,632	28,615,527	(1,843,174)	4,156,632	82,001,697	362,593	15,498,997	(146,627,464)	17,789,560	-
Restatement and conversion adjustment (Note 2.6)	23,869,020	19,224,809	33,832,481	9,209,302	20,774,134	32,234,041	10,263,065	220,150	20,760,925	170,387,927
Balance as of December 31, 2018	796,790,305	913,044,404	461,497,786	145,232,674	1,005,285,897	38,568,000	180,395,714	113,074,031	240,564,345	3,894,453,156

Depreciation	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Facilities and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Balance as of January 1, 2018	-	121,270,646	160,903,855	81,615,967	387,724,950	3,760,366	74,614,597	-	117,933,217	947,823,598
Depreciation for the year	-	22,403,739	50,726,730	14,363,288	91,985,796	663,087	15,207,624	-	22,397,594	217,747,858
Transfers to Investment Property	-	(241,544)	(3,961)	(594,218)	(466,180)	-	-	-	546,139	(759,764)
Sales	-	(2,180,656)	(6,578,295)	(961,676)	(2,608,076)	(382,165)	(261,800)	-	(3,583,940)	(16,556,608)
Withdrawals	-	(545,827)	(14,173,870)	(2,694,435)	(23,054,590)	(377,594)	(3,617,884)	-	(11,252,075)	(55,716,275)
Restatement and conversion adjustment (Note 2.6)	-	4,356,578	15,422,227	8,055,070	8,387,970	22,185,408	5,060,143	-	13,108,884	76,576,280
Balance as of December 31, 2018	-	145,062,936	206,296,686	99,783,996	461,969,870	25,849,102	91,002,680	-	139,149,819	1,169,115,089

Net balance as of January 1, 2018	771,198,840	742,322,491	211,202,426	39,936,513	473,972,529	1,978,304	79,236,925	140,485,186	84,257,069	2,544,590,283
Net balance as of December 31, 2018	796,790,305	767,981,468	255,201,100	45,448,678	543,316,027	12,718,898	89,393,034	113,074,031	101,414,526	2,725,338,067

⁽¹⁾ Intangible assets incorporated when New TIN Linio I GmbH was acquired (Note 41).

Note 14 - Property, Plant and Equipment (continued)

e) Movements for the Non-Banking Business for the year ended December 31, 2017 are detailed as follows:

Cost	Land ThCh\$	Buildings ThCh\$	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\$
Balance as of January 1, 2017	761,718,679	824,763,280	325,806,604	110,386,146	808,845,955	4,953,438	155,375,072	130,227,911	199,083,764	3,321,160,849
Additions	35,843,675	20,080,762	52,624,470	13,630,343	54,469,049	1,170,107	7,266,075	157,999,611	12,609,347	355,693,439
Transfers to Investment Property	(6,213,566)	(10,582,959)	86,913					(43,738)	(14,417)	(16,767,767)
Disposals	(1,311,795)	(64,360)	(4,214,988)	(567,221)	(3,644,622)	(232,506)	(32,507)	(19,791,010)	(2,724,581)	(32,583,590)
Withdrawals	-	(534,262)	(12,249,078)	(600,732)	(15,363,124)	(23,621)	(7,806,952)	-	(5,328,255)	(41,906,024)
Reclassification of concept and capitalization	-	52,218,072	15,867,236	1,198,069	40,145,116	-	9,068,430	(125,678,897)	7,181,974	-
Conversion adjustment	(18,838,153)	(22,287,396)	(5,814,876)	(2,494,125)	(22,754,895)	(128,748)	(10,018,596)	(2,228,691)	(8,617,546)	(93,183,026)
Balance as of December 31, 2017	771,198,840	863,593,137	372,106,281	121,552,480	861,697,479	5,738,670	153,851,522	140,485,186	202,190,286	3,492,413,881

Depreciation	Land ThCh\$	Buildings ThCh\$	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\$
Balance as of January 1, 2017	-	105,171,008	136,633,656	71,339,892	326,463,927	3,529,761	71,110,106	-	106,941,216	821,189,566
Depreciation for the year	-	19,365,146	40,350,173	12,972,813	83,650,044	490,164	15,072,517	-	22,926,456	194,827,313
Disposals	-	(3,065)	(4,087,489)	(519,915)	(1,032,765)	(192,080)	(32,507)	-	(2,423,743)	(8,291,564)
Withdrawals	-	(69,505)	(9,083,177)	(520,887)	(11,508,346)	(23,621)	(7,104,197)	-	(4,496,469)	(32,806,202)
Conversion adjustment	-	(3,192,938)	(2,909,308)	(1,655,936)	(9,847,910)	(43,858)	(4,431,322)	-	(5,014,243)	(27,095,515)
Balance as of December 31, 2017	-	121,270,646	160,903,855	81,615,967	387,724,950	3,760,366	74,614,597	-	117,933,217	947,823,598

Net balance as of January 1, 2017	761,718,679	719,592,272	189,172,948	39,046,254	482,382,028	1,423,677	84,264,966	130,227,911	92,142,548	2,499,971,283
Net balance as of December 31, 2017	771,198,840	742,322,491	211,202,426	39,936,513	473,972,529	1,978,304	79,236,925	140,485,186	84,257,069	2,544,590,283

Note 14 - Property, Plant and Equipment (continued)

f) Movements for the Banking Business for the year ended December 31, 2019 are detailed as follows:

Cost	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Facilities and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Right of use assets ⁽¹⁾ ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Balance as of Jan 1, 2019	333,416	376	13,684,051	26,489,946	6,319,022	109,026	30,106,952	8,288,512	-	14,226,404	99,557,705
Increase due to new accounting standards ⁽¹⁾	-	-	-	-	-	-	-	-	37,474,775	-	37,474,775
Additions	-	-	1,017,162	2,577,791	816,222	-	2,105,872	1,228,955	5,344,792	3,092,590	16,183,384
Reclassification and capitalization	-	-	641,249	293,468	557,818	-	(852,833)	(1,037,887)	224,778	173,407	-
Withdrawals	-	-	(679,685)	(6,900,755)	(656,413)	(52,543)	(60,500)	(1,491)	(2,027,152)	(595,282)	(10,973,821)
Other increases (decreases)	-	-	-	-	-	-	-	-	478,433	-	478,433
Conversion adjustment	-	-	698,947	2,411,272	956,279	6,804	686,966	64,967	3,003,504	327,660	8,156,399
Balance as of December 31, 2019	333,416	376	15,361,724	24,871,722	7,992,928	63,287	31,986,457	8,543,056	44,499,130	17,224,779	150,876,875

Depreciation	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Facilities and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Right of use assets ⁽¹⁾ ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Balance as of Jan 1, 2019	-	376	8,798,992	18,979,228	4,661,648	96,376	16,380,717	-	-	9,256,094	58,173,431
Depreciation for the year	-	-	1,501,832	3,440,817	1,248,863	9,318	2,375,268	-	9,874,257	2,576,192	21,026,547
Reclassification and capitalization	-	-	76,848	(28,028)	-	-	(143,972)	-	95,152	-	-
Withdrawals	-	-	(589,508)	(6,862,963)	(368,210)	(52,543)	(47,961)	-	-	(551,531)	(8,472,716)
Conversion adjustment	-	-	397,079	2,050,931	142,163	6,321	546,428	-	3,858,454	240,277	7,241,653
Balance as of December 31, 2019	-	376	10,185,243	17,579,985	5,684,464	59,472	19,110,480	-	13,827,863	11,521,032	77,968,915

Net balance as of Jan 1, 2019	333,416	-	4,885,059	7,510,718	1,657,374	12,650	13,726,235	8,288,512	-	4,970,310	41,384,274
Net balance as of Dec 31, 2019	333,416	-	5,176,481	7,291,737	2,308,464	3,815	12,875,977	8,543,056	30,671,267	5,703,747	72,907,960

⁽¹⁾ The effect of IFRS 16 (see Note 2.29.c). Falabella mainly classifies under this item its right of use assets related to real estate leases that are used to develop its businesses.

Note 14 - Property, Plant and Equipment (continued)

g) Movements for the Banking Business for the year ended December 31, 2018 are detailed as follows:

Cost	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Facilities and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Balance as of January 1, 2018	333,416	376	13,926,114	24,408,808	8,441,895	106,533	25,395,530	2,558,075	11,457,729	86,628,476
Additions	-	-	800,685	1,895,985	159,266	-	5,231,149	5,661,958	3,603,085	17,352,129
Sales	-	-	(300,277)	(354,811)	(230,390)	-	-	-	(139,106)	(1,024,585)
Withdrawals	-	-	(971,436)	(904,149)	(2,621,904)	-	(488,428)	-	(898,782)	(5,884,699)
Conversion adjustment	-	-	228,965	1,444,113	570,155	2,493	(31,299)	68,479	203,478	2,486,384
Balance as of Dec 31, 2018	333,416	376	13,684,051	26,489,946	6,319,022	109,026	30,106,952	8,288,512	14,226,404	99,557,705

Depreciation	Land ThCh\$	Buildings ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Facilities and accessories ThCh\$	Motor vehicles ThCh\$	Leasehold improvements ThCh\$	Construction in progress ThCh\$	Other property, plant and equipment ThCh\$	Total ThCh\$
Balance as of January 1, 2018	-	376	7,400,779	16,036,986	4,904,915	83,170	14,415,670	-	9,519,496	52,361,392
Depreciation for the year	-	-	2,455,509	3,496,790	1,866,158	11,782	2,339,052	-	504,804	10,674,095
Sales	-	-	(175,025)	(351,227)	(53,365)	-	-	-	(61,450)	(641,067)
Withdrawals	-	-	(1,007,075)	(856,867)	(2,281,399)	-	(352,280)	-	(902,952)	(5,400,573)
Conversion adjustment	-	-	124,804	653,546	225,339	1,424	(21,725)	-	196,196	1,179,584
Balance as of Dec 31, 2018	-	376	8,798,992	18,979,228	4,661,648	96,376	16,380,717	-	9,256,094	58,173,431

Net balance as of January 1, 2018	333,416	-	6,525,335	8,371,822	3,536,980	23,363	10,979,860	2,558,075	1,938,233	34,267,084
Net balance as of December 31, 2018	333,416	-	4,885,059	7,510,718	1,657,374	12,650	13,726,235	8,288,512	4,970,310	41,384,274

Note 14 - Property, Plant and Equipment (continued)

h) Movements for the Banking Business for the year ended December 31, 2017 are detailed 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
	Land ThCh\$	Buildings ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of January 1, 2017	333.416	376	12.896.899	24.954.954	9.309.435	111.751	24.211.596	692.027	10.069.521	82.579.975
Additions	-	-	1.907.581	3.871.592	107.949	-	2.328.855	1.937.762	2.200.099	12.353.838
Withdrawals	-	-	(619.726)	(3.107.127)	(480.248)	-	(818.104)	-	(635.334)	(5.660.539)
Conversion adjustment	-	-	(258.640)	(1.310.611)	(495.241)	(5.218)	(326.817)	(71.714)	(176.557)	(2.644.798)
Balance as of December 31, 2017	333.416	376	13.926.114	24.408.808	8.441.895	106.533	25.395.530	2.558.075	11.457.729	86.628.476

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
	Land ThCh\$	Buildings ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of January 1, 2017	-	376	6,211,915	17,009,342	4,615,854	75,401	12,267,906	-	8,399,389	48,579,432
Depreciation for the year	-	-	1,908,642	3,002,315	824,780	11,828	2,830,093	-	1,812,484	10,390,142
Withdrawals	-	-	(585,428)	(3,102,161)	(281,355)	-	(448,076)	-	(569,973)	(4,986,993)
Conversion adjustment	-	-	(134,350)	(872,509)	(253,989)	(4,059)	(234,253)	-	(122,404)	(1,621,564)
Balance as of December 31, 2017	-	-	7,400,779	16,036,987	4,905,290	83,170	14,415,670	-	9,519,496	52,361,017

Net balance as of January 1, 2017	333,416	-	6,684,984	7,945,613	4,693,956	36,350	11,943,690	692,027	1,670,132	34,000,168
Net balance as of December 31, 2017	333,416	-	6,525,335	8,371,822	3,536,980	23,363	10,979,860	2,558,075	1,938,233	34,267,084

Property, plant and equipment that have been fully depreciated and are still used by the Company are not significant.

The total charge to the statement of net income resulting from depreciation for the years ended December 31, 2019, 2018 and 2017 was ThCh\$ 327,648,652, ThCh\$ 228,421,953 and ThCh\$ 205,217,455 respectively. These values are presented in the Statement of Net Income, by function, as follows:

- ThCh\$ 323,946,438, ThCh\$ 224,642,278 and ThCh\$ 201,464,741 under the category "Administrative expenses" for the year, respectively, as presented in Note 30.
- ThCh\$ 3,702,214, ThCh\$ 3,779,675 and ThCh\$ 3,752,714 were charged to Cost of Sales as of December 31, 2019 and 2018, respectively, for depreciation on leased machinery.

Note 14 - Property, Plant and Equipment (continued)

- i) During 2019, the Company capitalized interest of ThCh\$ 3,660,447. The average interest rate capitalized was 4.36%. During 2018, the Company capitalized interest of ThCh\$ 3,607,595. The average interest rate capitalized was 4.19% and the Company capitalized interest of ThCh\$ 2,061,781 during the year ended December 31, 2017. The average capitalized interest rate was 4.2%.

As of December 31, 2019, the Company had contractual commitments to suppliers to acquire Property, plant and equipment totaling ThCh\$ 37,012,874.

Falabella has pledged assets in guarantee of ThCh\$ 56,801,689 as of December 31, 2019, which form part of Property, plant and equipment.

- j) The Company has also carried out sale-and-leaseback transactions. These transactions are detailed as follows:

Purchaser	Seller	Assets involved	Nominal value	Contract term	Purchase price
SCOTIABANK (PERU)	OPEN PLAZA S.A.C.	BUILDINGS AND FACILITIES	6,142,207	05/09/2028	6,142,207
Total			6,142,207		6,142,207

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

Sale-and-leaseback transactions have no effect on net income, because their sale prices are the same as their book values on the transaction date.

- k) Group as lessor - Operating lease

The Company leases its Investment Properties as part of its business. As of December 31, 2019, 2018 and 2017, the Company had the following rights receivable under non-cancellable leases:

Detail	Dec-31-19 Minimum payments receivable ThCh\$	Dec-31-18 Minimum payments receivable ThCh\$	Dec-31-17 Minimum payments receivable ThCh\$
Up to one year	200,527,177	186,971,306	125,449,072
From one to five years	487,563,125	463,236,261	436,635,212
Over five years	443,672,752	441,744,676	1,138,602,945
Total	1,131,763,054	1,091,952,243	1,700,687,229

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 these stores.

Note 14 - Property, Plant and Equipment (continued)

k) Group as lessor - Operating lease (continued)

Fixed and variable lease income from Investment Properties is detailed as follows:

Leases charged to third parties	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Fixed income	279,465,482	277,274,898	238,939,751
Variable income	16,806,748	16,620,112	16,396,437
Total	296,272,230	293,895,010	255,336,188

Leasing income of ThCh\$ 296,272,230 as of December 31, 2019, and ThCh\$ 293,895,010 as of December 31, 2018, is receivable from third parties for all Falabella real estate companies. Conversely, in Note 36 Financial Information by Segments, operating revenue from the Chile Real Estate segment is total revenue receivable from third parties, and related to real estate companies in Chile.

Note 15 - Investment Property

a) Movements during the year ended December 31, 2019, are detailed as follows:

Cost	ThCh\$
Balance as of January 1, 2019	3,152,293,716
Increase due to new accounting standards ⁽¹⁾	10,306,315
Additions	208,224,099
Transfers from property, plant and equipment	63,663,456
Withdrawals	(5,316,779)
Sales	(13,649,685)
Conversion adjustment	53,006,129
Balance as of December 31, 2019	3,468,527,251

Depreciation	ThCh\$
Balance as of January 1, 2019	180,247,267
Depreciation for the year	52,366,827
Withdrawals	(1,312,873)
Conversion adjustment	2,156,327
Balance as of Dec 31, 2019	233,457,548

Net balance as of Jan 1, 2019	2,972,046,449
Net balance as of Dec 31, 2019	3,235,069,703

⁽¹⁾ The effect of IFRS 16 (see Note 2.29.c). Falabella mainly classifies under this item its right of use assets related to real estate leases that are used to develop its businesses.

Note 15 - Investment Property (continued)

b) Movements during the year ended December 31, 2018, are detailed as follows:

Cost	ThCh\$
Balance as of January 1, 2018	3,040,183,317
Additions	113,994,011
Transfers to property, plant and equipment	(2,314,685)
Transfer to assets held for sale	(12,043,560)
Withdrawals ⁽¹⁾	(6,113,801)
Sales	(4,895,061)
Conversion adjustment	23,483,495
Balance as of December 31, 2018	3,152,293,716

Depreciation	ThCh\$
Balance as of January 1, 2018	131,406,109
Depreciation for the year	48,444,860
Withdrawals	(254,173)
Sales	(866,181)
Transfers to property, plant and equipment	759,764
Conversion adjustment	756,888
Balance as of December 31, 2018	180,247,267

Net balance as of January 1, 2018	2,908,777,208
Net balance as of December 31, 2018	2,972,046,449

⁽¹⁾ On May 3, 2018, Empresa Portuaria de Valparaíso (EPV) sent an amount in Chilean pesos equivalent to UF 215,787 on that date to Plaza Valparaíso S.A to comply with the early termination clause of the Concession Contract for the Puerto Barón project. This amount was the value of the works, constructions, expenses, permits, advanced fees and rent, research and projects related to the amended project, which were acquired by EPV.

c) Movements during the year ended December 31, 2017, are detailed as follows:

Cost	ThCh\$
Balance as of January 1, 2017	2,913,950,549
Additions	143,358,662
Transfers from property, plant and equipment	16,767,767
Transfer to assets held for sale	(7,744,357)
Withdrawals	(1,251,366)
Effect of terminating the Puerto Barón concession contract (see Note 32)	(5,899,081)
Conversion adjustment	(18,998,857)
Balance as of December 31, 2017	3,040,183,317

Depreciation	ThCh\$
Balance as of January 1, 2017	91,157,189
Depreciation for the year	40,789,347
Withdrawals	(245,789)
Conversion adjustment	(294,638)
Balance as of December 31, 2017	131,406,109

Net balance as of January 1, 2017	2,822,793,360
Net balance as of December-31-2017	2,908,777,208

Note 15 - Investment Property (continued)

Note 29.1.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 their estimated useful lives.

Depreciation of investment properties for the years ended December 31, 2019, 2018 and 2017 are recorded in Cost of sales in the consolidated statement of net income by function.

During 2019, the Company capitalized interest of ThCh\$ 5,681,215. The average interest rate capitalized was 3.85%. During 2018, the Company capitalized interest of ThCh\$ 5,913,532. The average interest rate capitalized was 5.57%. During 2017, the Company capitalized interest of ThCh\$ 11,225,414. The average capitalized interest rate was 3.58

The estimated market value of investment properties as of December 31, 2019, 2018 and 2017 is ThCh\$ 4,617,579,858, ThCh\$ 4,016,150,813, and During 2017, the Company capitalized interest of ThCh\$ 11,225,414. The average capitalized interest rate was 3.58 respectively.

As of December 31, 2019, the contractual obligations for purchasing, constructing, repairing, maintaining and developing Investment Properties were ThCh\$ 42,683,473.

Unused land and land not being used to construct shopping malls as of December 31, 2019, 2018 and 2017 was ThCh\$ 79,384,967, ThCh\$ 64,610,179, and ThCh\$ 70,396,683 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 collecting the proceeds from their sale or disposal by other means.

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

		Fair value as of the reporting date		
	Dec-31-19	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment Properties	4,617,579,858	-	4,617,579,858	-
Total	4,617,579,858	-	4,617,579,858	-

		Fair value as of the reporting date		
	Dec-31-18	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment Properties	4,016,150,813	-	4,016,150,813	-
Total	4,016,150,813	-	4,016,150,813	-

		Fair value as of the reporting date		
	Dec-31-17	Level 1	Level 2	Level 3
Assets and liabilities at market value, disclosed in note				
Investment properties	3,709,221,576	-	3,709,221,576	-
Total	3,709,221,576	-	3,709,221,576	-

Note 16 - Investment Instruments held for Sale

Investment instruments classified as held for sale are detailed as follows:

Details of Instruments held for Sale	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Instruments issued by the State and the Chilean Central Bank			
Bonds issued by the Chilean Central Bank	312,129,528	207,908,971	127,306,317
Other Instruments issued by the State and the Chilean Central Bank	5,752,626	37,667,701	48,895,780
Instruments issued by other Chilean Institutions			
Letters of Credit for Mortgages issued by Chilean Banks	10,092,524	11,852,833	6,965,402
Negotiable Time Deposits issued by Chilean Banks	255,308,999	335,113,329	368,291,023
Instruments issued by Foreign Institutions			
Instruments issued by Foreign Governments or Central Banks	97,746,345	66,344,208	106,048,867
Total	681,030,022	658,887,042	657,507,389

Note 17 - Other Banking Business Assets

The following Banking Business Assets are classified in this category:

Other Assets	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Guarantee deposits	65,817,696	39,130,892	6,687,776
Accrued commissions receivable	2,001,826	2,494,555	2,792,349
Deferred expenses	2,075,398	805,656	1,038,250
Bills receivable ⁽¹⁾	73,700,190	55,987,578	39,067,655
Investment in auxiliary company	312,903	306,725	239,935
Assets acquired at auction	585,120	558,952	459,856
Software maintenance contracts	85,013	111,061	218,222
Others ⁽²⁾	3,533,481	4,343,285	7,623,179
Total	148,111,627	103,738,704	58,127,222

⁽¹⁾ Primarily "pending daily transactions", receivables for using ATMs, invoices for leasing areas in branches, and others.

⁽²⁾ Primarily licenses for using Redbanc, subscriptions, advertising contracts, balances due to card theft and cloning under investigation, stationary and others.

Note 18 - Other Current and Non-Current Financial Liabilities

a) Other current and non-current financial liabilities for the Non-banking Business are detailed as follows:

Other financial liabilities	Dec-31-19		Dec-31-18		Dec-31-17	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Bank loans	318,396,199	547,901,282	474,099,270	499,764,351	604,261,696	809,620,748
Bond obligations	90,363,979	2,168,723,091	65,111,865	2,126,563,180	77,442,405	1,986,126,128
Finance lease obligations ⁽¹⁾	-	-	7,004,938	53,246,434	13,002,342	75,624,827
Other financial liabilities	35,172,270	96,674,912	11,997,585	127,011,621	16,443,862	134,803,387
	443,932,448	2,813,299,285	558,213,658	2,806,585,586	711,150,305	3,006,175,090

⁽¹⁾ Finance lease obligations are presented as lease liabilities with effect from January 1, 2019 as a result of applying IFRS 16 (see Note 19).

Dec-31-19

b) Bank Loans as of December 31, 2019 are detailed as follows:

Debtor ID number	Debtor Country	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				
90749000-9	FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	19,730	-	863,316	883,046	863,201	-	863,201	Six monthly	4.62	1,726,517	4.57
90749000-9	FALABELLA S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	CLP	25,010,318	-	-	25,010,318	-	-	-	Monthly	3.02	25,000,000	3.02
90749000-9	FALABELLA S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	CLP	11,363	25,000,000	-	25,011,363	-	-	-	Monthly	3.39	25,000,000	3.39
90749000-9	FALABELLA S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	20,491	25,000,000	-	25,020,491	-	-	-	Monthly	3.54	25,000,000	3.54
90749000-9	FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	67	-	-	67	-	-	-	Monthly	1.94	67	1.75
90749000-9	FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA CHILE	CHILE	CLP	1,775	-	-	1,775	-	-	-	Monthly	2.24	1,775	2.20
77261280-K	FALABELLA RETAIL S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	USD	1,443,898	2,072,176	-	3,516,074	-	-	-	At Maturity	2.28	3,516,074	2.28
77261280-K	FALABELLA RETAIL S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	USD	-	63,988	-	63,988	-	-	-	At Maturity	2.29	63,988	2.29
78627210-6	HIPERMERCADO TOTTUS S.A.	CHILE	97032000-8	BANCO BBVA CHILE	CHILE	USD	89,790	178,236	-	268,026	-	-	-	At Maturity	1.96	267,398	1.96
78627210-6	HIPERMERCADO TOTTUS S.A.	CHILE	97032000-8	BANCO BBVA CHILE	CHILE	EUR	26,164	52,333	-	78,497	-	-	-	At Maturity	1.96	78,484	1.96
78627210-6	HIPERMERCADO TOTTUS S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	434	-	-	434	-	-	-	At Maturity	3.60	434	3.60
99593960-6	DESARROLLOS INMOBILIARIOS S.A.	CHILE	97008000-1	CITIBANK N.A.	CHILE	UF	-	-	3,282,220	3,282,220	4,899,517	-	4,899,517	Six monthly	3.94	8,166,329	3.64
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	UF	11,508,661	-	-	11,508,661	-	-	-	At Maturity	1.38	11,511,190	0.59
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	2,829,806	-	-	2,829,806	-	-	-	At Maturity	3.34	2,831,237	1.93
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	UF	-	-	16,351	16,351	32,556,428	-	32,556,428	At Maturity	2.26	32,572,782	2.26
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	UF	-	-	27,138,889	27,138,889	-	-	-	At Maturity	2.60	27,138,889	2.60
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	-	3,171	3,171	11,890,038	-	11,890,038	At Maturity	2.40	11,893,346	2.40

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2019 are detailed 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				
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	UF	-	570,904	-	570,904	56,551,754	-	56,551,754	At Maturity	2.46	57,183,185	2.42
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	51,286	-	51,286	5,543,878	-	5,543,878	At Maturity	2.25	5,595,189	2.25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	52,291	-	52,291	5,579,692	-	5,579,692	At Maturity	2.28	5,635,392	2.25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	26,303	-	26,303	2,806,666	-	2,806,666	At Maturity	2.28	2,834,684	2.25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	27,092	-	27,092	2,822,076	-	2,822,076	At Maturity	2.33	2,854,131	2.25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	UF	-	27,409	-	27,409	2,821,520	-	2,821,520	At Maturity	2.36	2,855,513	2.25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	41,922	-	41,922	4,290,187	-	4,290,187	At Maturity	2.37	4,343,357	2.25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	27,757	-	27,757	2,823,974	-	2,823,974	At Maturity	2.39	2,859,950	2.25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	UF	-	-	5,640	5,640	10,710,530	-	10,710,530	At Maturity	2.37	10,716,171	2.37
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97023000-9	BANCO ITAU	CHILE	UF	-	-	45,087	45,087	28,277,829	-	28,277,829	At Maturity	2.61	28,354,575	2.58
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	-	2,087,483	2,087,483	1,033,200	-	1,033,200	Six monthly	5.23	3,123,197	5.13
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	7,798,473	-	7,798,473	-	-	-	Six monthly	7.19	7,800,117	7.05
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	4,450,312	-	-	4,450,312	-	-	-	Six monthly	4.04	4,450,357	4.03
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	-	28,592,130	-	28,592,130	-	-	-	At Maturity	4.30	28,592,134	4.30
96792430-K	SODIMAC S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	EUR	211,127	110,916	-	322,043	-	-	-	At Maturity	1.91	322,038	0.35
96792430-K	SODIMAC S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	USD	109,073	57,302	-	166,375	-	-	-	At Maturity	3.69	166,370	2.44
96792430-K	SODIMAC S.A.	CHILE	97023000-9	BANCO ITAU	CHILE	USD	287,740	151,165	-	438,905	-	-	-	At Maturity	2.95	436,383	2.34
96792430-K	SODIMAC S.A.	CHILE	97023000-9	BANCO ITAU	CHILE	EUR	25,032	13,151	-	38,183	-	-	-	At Maturity	0.83	38,177	0.12
96792430-K	SODIMAC S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	USD	2,697,986	1,417,401	-	4,115,387	-	-	-	At Maturity	3.98	4,114,478	2.44
96792430-K	SODIMAC S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	85	-	-	85	-	-	-	At Maturity	2.28	85	2.28
76821330-5	IMPERIAL S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	-	1,254,167	-	1,254,167	-	-	-	Monthly	2.40	1,250,000	2.40
76821330-5	IMPERIAL S.A.	CHILE	97032000-8	BANCO BBVA CHILE	CHILE	CLP	-	-	2,533,515	2,533,515	3,748,584	-	3,748,584	Six monthly	5.95	6,250,000	5.85
76821330-5	IMPERIAL S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	179,911	-	-	179,911	7,990,065	-	7,990,065	Six monthly	4.72	8,000,000	4.60
76821330-5	IMPERIAL S.A.	CHILE	97032000-8	BANCO BBVA CHILE	CHILE	USD	-	1,037,656	-	1,037,656	-	-	-	At Maturity	2.44	1,035,250	2.44
96573100-8	MANUFACTURAS DE VESTUARIOS MAVESA LTDA.	CHILE	97036000-K	BANCO SANTANDER	CHILE	USD	-	347,508	-	347,508	-	-	-	At Maturity	2.35	347,508	2.33
96573100-8	MANUFACTURAS DE VESTUARIOS MAVESA LTDA.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	USD	-	256,294	-	256,294	-	-	-	At Maturity	2.35	256,294	2.33
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	-	-	-	-	309,555	-	309,555	At Maturity	24.45	309,555	24.45
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BBVA BANCO FRANCÉS S.A	ARGENTINA	ARS	5,687	-	-	5,687	-	-	-	Monthly	59.10	5,687	59.10
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	ICBC S.A.	ARGENTINA	ARS	463	-	-	463	-	-	-	Monthly	66.96	463	66.96
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	1,891	-	-	1,891	-	-	-	Monthly	66.96	1,892	66.96
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	NUOVO BANCO DE SANTA FE S.A	ARGENTINA	ARS	11	-	-	11	-	-	-	Monthly	66.96	11	66.96

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2019 are detailed 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	Foreign	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	1,598	-	-	1,598	-	-	-	Monthly	66.96	1,598	66.96
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	1,090	-	-	1,090	308,324	-	308,324	At Maturity	24.00	309,414	24.45
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	321,992	-	308,016	630,008	-	-	-	At Maturity	53.00	630,008	53.00
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	171,511	-	319,686	491,197	-	-	-	At Maturity	57.00	491,198	57.00
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	CITIBANK N.A.	ARGENTINA	ARS	145	-	-	145	-	-	-	Monthly	69.00	145	68.87
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES S.A.	ARGENTINA	ARS	9	-	-	9	-	-	-	Monthly	69.00	9	68.87
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	ICBC S.A.	ARGENTINA	ARS	339	-	-	339	-	-	-	Monthly	69.00	339	68.87
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES S.A.	ARGENTINA	ARS	1,375	-	-	1,375	-	-	-	Monthly	59.10	1,375	59.10
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	4,843	-	-	4,843	-	-	-	Monthly	59.10	4,843	59.10
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO SANTANDER RIO S.A.	ARGENTINA	ARS	5,390	-	-	5,390	-	-	-	Monthly	59.10	5,390	59.10
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BBVA BANCO FRANCÉS S.A.	ARGENTINA	ARS	14,960	-	-	14,960	-	-	-	Monthly	59.86	14,960	59.86
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO ITAU	ARGENTINA	ARS	9,042	-	-	9,042	-	-	-	Monthly	59.86	9,042	59.86
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	6,529	-	-	6,529	-	-	-	Monthly	59.86	6,529	59.86
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	1,129	-	-	1,129	-	-	-	Monthly	59.86	1,129	59.86
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	ICBC S.A.	ARGENTINA	ARS	20,376	-	-	20,376	-	-	-	Monthly	59.86	20,376	59.86
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	8,349	-	-	8,349	1,997,897	-	1,997,897	At maturity	24.50	2,006,246	24.50
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	140,921	-	260,251	401,172	-	-	-	Six monthly	74.52	401,172	57.00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	136,128	-	121,854	257,982	131,804	-	131,804	At Maturity	57.00	389,786	57.00
Foreign	CMR FALABELLA S.A.	ARGENTINA	97030000-7	BANCO ESTADO	CHILE	USD	40,086	-	7,492,239	7,532,325	-	-	-	Monthly	3.33	7,532,325	3.28
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	BANCO SCOTIABANK	PERU	PEN	-	556,126	-	556,126	33,921,000	-	33,921,000	Six monthly	4.50	33,921,000	4.50
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	INTERBANK	PERU	PEN	-	531,135	1,047,394	1,578,529	10,546,887	-	10,546,887	Six monthly	5.06	13,400,423	5.06
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK	PERU	PEN	26,680	33,535	156,289	216,504	1,002,586	-	1,002,586	Monthly	7.13	2,390,228	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK	PERU	PEN	43,324	54,333	253,305	350,962	1,627,887	-	1,627,887	Monthly	7.13	3,896,194	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SCOTIABANK	PERU	PEN	27,813	34,885	162,634	225,332	1,045,087	-	1,045,087	Monthly	7.13	2,500,831	6.90
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	111,715	145,141	6,534,184	6,791,040	-	-	-	Monthly	7.55	6,777,240	7.30
Foreign	OPEN PLAZA S.A.C.	PERU	Foreign	BANCO SANTANDER CENTRAL HISPANO	PERU	PEN	165,876	274,583	1,278,800	1,719,259	5,608,304	-	5,608,304	Monthly	7.60	7,315,389	7.35
Foreign	SAGA FALABELLA S.A.	PERU	Foreign	BANCO SCOTIABANK	PERU	PEN	-	932,303	2,867,303	3,799,606	16,138,184	-	16,138,184	Three monthly	5.81	3,839,415	5.50
Foreign	TIENDA DEL MEJORAMIENTO DEL HOGAR S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	128,592	258,739	258,728	646,059	-	-	-	Monthly	6.05	648,830	6.05
Foreign	TIENDA DEL MEJORAMIENTO DEL HOGAR S.A.	PERU	Foreign	BANCO SCOTIABANK	PERU	PEN	-	-	7,193,159	7,193,159	-	-	-	At Maturity	3.25	7,146,024	3.25
Foreign	TIENDA DEL MEJORAMIENTO DEL HOGAR S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	15,929,365	15,929,365	-	-	-	At Maturity	2.33	15,829,800	2.33

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2019 are detailed 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	TIENDA DEL MEJORAMIENTO DEL HOGAR S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	15,929,365	15,929,365	-	-	-	At Maturity	2.33	15,829,800	2.33
Foreign	INVERFAL PERU S.A.	PERU	Foreign	BANCO SCOTIABANK	PERU	PEN	-	-	5,213,910	5,213,910	28,800,348	-	28,800,348	Six monthly	4.50	33,921,000	4.50
Foreign	INVERFAL PERU S.A.	PERU	Foreign	INTERBANK	PERU	PEN	-	379,977	1,148,219	1,528,196	11,434,248	7,107,309	18,541,557	Six monthly	5.06	16,057,115	5.06
Foreign	MALL PLAZA PERU S.A.	PERU	Foreign	BANCO SCOTIABANK	PERU	PEN	173,699	347,399	1,563,295	2,084,393	22,947,833	-	22,947,833	Bi-monthly	9.34	25,260,518	8.81
Foreign	MALL PLAZA PERU S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	-	-	43,128,997	-	43,128,997	At Maturity	6.76	35,704,339	6.76
Foreign	MALL PLAZA PERU S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	6,788,537	6,788,537	-	-	-	Bi-monthly	3.48	5,619,890	3.48
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	257,710	-	-	257,710	11,500,000	-	11,500,000	Annual	6.61	23,000,000	6.45
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	79,581	-	-	79,581	3,551,224	-	3,551,224	Annual	6.61	7,102,448	6.45
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	77,313	-	-	77,313	3,450,000	-	3,450,000	Annual	6.61	6,900,000	6.45
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	134,009	-	-	134,009	5,980,000	-	5,980,000	Annual	6.61	11,960,000	6.45
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	ITAU BBA COLOMBIA CORPORACION FINANCIERA S.A.	COLOMBIA	COP	99,771	-	-	99,771	4,597,900	-	4,597,900	At Maturity	6.56	4,597,900	6.40
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	ITAU BBA COLOMBIA CORPORACION FINANCIERA S.A.	COLOMBIA	COP	159,656	-	-	159,656	10,470,993	-	10,470,993	At Maturity	5.84	10,470,993	5.72
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COP	20,376	-	5,327,554	5,347,930	5,327,554	-	5,327,554	Six monthly	5.80	10,655,108	5.68
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCOLOMBIA	COLOMBIA	COP	4,620	-	2,875,000	2,879,620	2,875,000	-	2,875,000	Annual	5.90	5,750,000	5.77
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCOLOMBIA	COLOMBIA	COP	4,435	-	2,300,000	2,304,435	2,300,000	-	2,300,000	Annual	5.90	4,600,000	5.33
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCOLOMBIA	COLOMBIA	COP	8,803	-	-	8,803	5,980,000	-	5,980,000	Three monthly	5.97	5,980,000	5.84
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	SCOTIABANK COLOMBIA	COLOMBIA	COP	123,324	-	-	123,324	-	-	-	At Maturity	3.00	123,324	3.00
Foreign	PATRIMONIO AUTONOMO CENTRO COMERCIAL CARTAGENA	COLOMBIA	Foreign	BANCO ITAU COLOMBIA S.A. CORPBANCA	COLOMBIA	COP	238,243	476,621	2,147,085	2,861,949	11,525,207	3,632,470	15,157,677	Monthly	9.68	18,208,332	9.32
Foreign	PATRIMONIO AUTONOMO CENTRO COMERCIAL MANIZALES DOS	COLOMBIA	Foreign	BANCO ITAU COLOMBIA S.A. CORPBANCA	COLOMBIA	COP	7,718	-	-	7,718	6,385,212	-	6,385,212	At Maturity	8.84	6,385,212	8.83
Foreign	PATRIMONIO AUTONOMO CENTRO COMERCIAL BARRANQUILLA	COLOMBIA	Foreign	BANCO DAVIVIENDA	COLOMBIA	COP	187,358	-	-	187,358	-	-	-	At Maturity	10.80	187,358	10.80
Foreign	FONDO DE CAPITAL PRIVADO MALL PLAZA	COLOMBIA	Foreign	SCOTIABANK COLOMBIA	COLOMBIA	COP	-	83,470	-	83,470	66,421,083	-	66,421,083	At Maturity	6.80	66,700,000	6.64
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	5,019,010	-	5,019,010	-	-	-	At Maturity	7.04	4,662,750	7.04
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	486,528	486,528	9,325,500	-	9,325,500	At Maturity	7.98	9,325,500	7.98
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	352,260	352,260	2,797,650	-	2,797,650	At Maturity	8.83	2,797,650	8.83
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	81,643	81,643	4,662,750	-	4,662,750	At Maturity	7.80	4,662,750	7.80
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	46,484	46,484	4,662,750	-	4,662,750	At Maturity	8.69	4,662,750	8.69
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	2,610,975	2,610,975	-	-	-	At Maturity	6.78	2,797,650	6.78
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO ITAU	BRAZIL	EUR	3,997,361	-	-	3,997,361	-	-	-	At Maturity	6.29	3,730,200	6.29
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	318,718	318,718	3,730,200	-	3,730,200	At Maturity	7.49	3,730,200	7.49
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO ITAU	BRAZIL	EUR	-	-	244,162	244,162	7,460,400	-	7,460,400	At Maturity	7.38	7,460,400	7.38
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO ITAU	BRAZIL	EUR	-	-	7,679,079	7,679,079	-	-	-	At Maturity	4.87	7,460,400	6.97
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO ITAU	BRAZIL	EUR	-	-	2,747,540	2,747,540	-	-	-	At Maturity	4.80	2,797,650	7.07

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

b) Bank loans as of December 31, 2019 are detailed 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	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO ITAU	BRAZIL	EUR	-	-	6,603,812	6,603,812	-	-	-	At Maturity	4.88	6,527,850	5.98
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	6,384,798	6,384,798	-	-	-	At Maturity	5.14	6,527,850	5.14
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO BRADESCO	BRAZIL	USD	-	-	5,387,102	5,387,102	-	-	-	At Maturity	5.02	5,595,300	5.02
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO ITAU	BRAZIL	EUR	-	-	2,750,533	2,750,533	-	-	-	At Maturity	5.07	2,797,650	5.07
Total Bank Loans							55,895,604	103,355,117	159,145,478	318,396,199	537,161,503	10,739,779	547,901,282				

When the nominal rate is equal to the effective rate in these tables, it means that there were no costs or income directly associated with the transaction that will affect the original instrument rate.

c) Bond obligations as of December 31, 2019 are detailed 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
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	970,236	-	-	970,236	-	96,053,021	96,053,021	At Maturity	4.41	99,084,790	3.96
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	197,832	-	18,873,308	19,071,140	1,057	-	1,057	At Maturity	2.26	18,873,293	2.29
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	1,197,525	-	-	1,197,525	-	81,441,002	81,441,002	At Maturity	3.44	84,929,820	3.08
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	229,596	-	-	229,596	-	80,603,540	80,603,540	At Maturity	3.18	84,929,820	2.98
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	351,255	-	-	351,255	-	55,278,936	55,278,936	At Maturity	3.18	56,619,880	2.98
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	CLP	661,054	-	15,750,000	16,411,054	47,189,319	-	47,189,319	At Maturity	5.17	63,000,000	5.04
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	CLP	381,942	-	-	381,942	78,082,852	-	78,082,852	At Maturity	5.04	78,000,000	5.03
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	CLP	1,024,709	-	-	1,024,709	94,223,128	-	94,223,128	At Maturity	6.74	94,588,500	6.5
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	USD	2,339,812	-	-	2,339,812	371,752,369	-	371,752,369	At Maturity	4.01	374,370,000	3.75
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	USD	5,568,754	-	-	5,568,754	-	297,783,635	297,783,635	At Maturity	4.55	299,496,000	4.38
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	USD	1,871,850	-	-	1,871,850	-	293,851,300	293,851,300	At Maturity	4.07	299,496,000	3.75
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	8,171,380	8,171,380	30,345,486	42,151,158	72,496,644	Six monthly	4.72	81,667,262	4.5
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	621,610	621,610	-	83,472,669	83,472,669	At Maturity	4	85,538,366	3.85
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	413,808	413,808	-	55,694,779	55,694,779	At Maturity	3.99	57,025,577	3.85
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	337,339	337,339	-	67,694,112	67,694,112	At Maturity	3.9	71,091,371	3.5
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	285,019	285,019	-	84,362,887	84,362,887	At Maturity	3.92	85,215,043	3.9
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	5,450,877	5,311,484	10,762,361	-	-	-	Six monthly	3.34	10,758,662	3.5
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	1,224,508	-	1,224,508	-	84,992,669	84,992,669	At Maturity	3.76	86,166,963	3.8
96792430-K	SODIMAC S.A.	CHILE	Miscellaneous Creditors	UF	-	-	116,756	116,756	7,444,948	34,190,225	41,635,173	Six monthly	3.98	42,594,653	3.7
Foreign	CMR FALABELLA S.A.	ARGENTINA	Miscellaneous Creditors	ARS	380,361	351,799	136,651	868,811	-	-	-	Monthly	52.08	1,044,924	47.99

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

c) Bond obligations as of December 31, 2019 are detailed 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	HIPERMERCADOS TOTTUS S.A.	PERU	Miscellaneous Creditors	PEN	23,713	76,440	236,634	336,787	1,517,211	6,036,813	7,554,024	Three monthly	7.61	7,926,082	7.4
Foreign	HIPERMERCADOS TOTTUS S.A.	PERU	Miscellaneous Creditors	PEN	23,782	76,577	237,252	337,611	1,519,666	6,042,473	7,562,139	Three monthly	7.61	7,926,082	7.4
Foreign	HIPERMERCADOS TOTTUS S.A.	PERU	Miscellaneous Creditors	PEN	29,722	95,710	296,516	421,948	1,899,392	7,552,651	9,452,043	Three monthly	7.61	2,847,756	7.4
Foreign	HIPERMERCADOS TOTTUS S.A.	PERU	Miscellaneous Creditors	PEN	29,776	95,818	297,003	422,597	1,901,324	7,557,102	9,458,426	Three monthly	7.61	9,907,601	7.4
Foreign	SAGA FALABELLA S.A.	PERU	Miscellaneous Creditors	PEN	282,546	1,073,931	18,236	1,374,713	2,035,260	-	2,035,260	Three monthly	5.94	1,356,840	5.81
Foreign	SAGA FALABELLA S.A.	PERU	Miscellaneous Creditors	PEN	-	904,365	17,532	921,897	1,582,980	-	1,582,980	Three monthly	5.52	2,939,820	5.41
Foreign	SAGA FALABELLA S.A.	PERU	Miscellaneous Creditors	PEN	-	847,756	321,246	1,169,002	2,826,750	-	2,826,750	Three monthly	5.12	2,713,680	5
Foreign	INVERFAL PERU S.A.	PERU	Miscellaneous Creditors	PEN	-	-	330,167	330,167	-	22,024,872	22,024,872	Three monthly	8.33	22,161,720	8.06
Foreign	INVERFAL PERU S.A.	PERU	Miscellaneous Creditors	PEN	-	2,009,731	5,475,327	7,485,058	18,323,959	-	18,323,959	Three monthly	7.42	25,723,426	7.18
Foreign	INVERFAL PERU S.A.	PERU	Miscellaneous Creditors	PEN	1,202,692	-	3,030,929	4,233,621	11,166,137	-	11,166,137	Three monthly	6.53	15,264,450	6.25
Foreign	INVERFAL PERU S.A.	PERU	Miscellaneous Creditors	PEN	-	-	734,533	734,533	16,030,479	29,030,065	45,060,544	Three monthly	7.23	45,228,000	7.03
Foreign	INVERFAL PERU S.A.	PERU	Miscellaneous Creditors	PEN	-	-	376,580	376,580	-	45,066,865	45,066,865	Three monthly	5.92	45,228,000	5.78
Total Bond Obligations					16,767,157	12,207,512	61,389,310	90,363,979	687,842,317	1,480,880,774	2,168,723,091				

When the nominal rate is equal to the effective rate in these tables, it means that there were no costs or income directly associated with the transaction that will affect the original rate of the instrument.

d) Other financial liabilities as of December 31, 2019, 2018 and 2017 are detailed as follows:

Other Financial Liabilities	Dec-31-19		Dec-31-18		Dec-31-17	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Financial liabilities at fair value through net income	7,271,583	-	31,129	-	2,344,453	-
Hedging liabilities	27,900,687	96,674,912	11,966,456	127,011,621	14,099,409	134,803,387
Total	35,172,270	96,674,912	11,997,585	127,011,621	16,443,862	134,803,387

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

Dec-31-18

e) Bank loans as of December 31, 2018 are detailed 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				
90749000-9	FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	-	2,202,683	2,202,683	1,726,375	-	1,726,375	Six monthly	4,62	3,884,922	4,57
90749000-9	FALABELLA S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	UF	-	-	5,635,137	5,635,137	11,025,855	-	11,025,855	Six monthly	2,26	16,539,474	2,25
90749000-9	FALABELLA S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	UF	-	-	3,031,954	3,031,954	5,932,399	-	5,932,399	Six monthly	2,26	8,898,971	2,25
77261280-K	FALABELLA RETAIL S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	3,875,098	-	-	3,875,098	-	-	-	At Maturity	2,65	3,875,098	2,65
77261280-K	FALABELLA RETAIL S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	33,046	-	-	33,046	-	-	-	At Maturity	2,78	33,046	2,78
77261280-K	FALABELLA RETAIL S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	1,408	-	-	1,408	-	-	-	At Maturity	3,24	1,408	3,24
78627210-6	HIPERMERCADOS TOTTUS S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	USD	109,073	-	-	109,073	-	-	-	At Maturity	2,50	108,971	2,50
78627210-6	HIPERMERCADOS TOTTUS S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	EUR	38,897	-	-	38,897	-	-	-	At Maturity	2,50	38,893	2,50
78627210-6	HIPERMERCADOS TOTTUS S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	434	-	-	434	-	-	-	At Maturity	3,60	434	3,60
99593960-6	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97008000-7	CITIBANK N.A.	CHILE	UF	-	1,611,720	1,590,334	3,202,054	7,949,522	-	7,949,522	Six monthly	3,94	11,132,338	3,64
99593960-6	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97023000-9	BANCO ITAU	CHILE	CLP	-	-	13,139,486	13,139,486	-	-	-	Annual	7,27	12,500,000	7,10
99593960-6	SOCIEDAD DE RENTAS FALABELLA S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	-	348,705	24,140,732	24,489,437	-	-	-	At Maturity	5,13	24,131,850	5,10
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	12,372,202	-	-	12,372,202	-	-	-	At Maturity	2,96	12,372,202	2,96
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	UF	8,926,330	-	-	8,926,330	-	-	-	At Maturity	2,35	8,926,335	2,35
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	11,996,587	-	-	11,996,587	-	-	-	At Maturity	2,96	11,996,587	2,96
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	UF	-	-	13,931	13,931	31,700,657	-	31,700,657	At Maturity	2,26	31,714,589	2,26
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	UF	-	-	144,245	144,245	26,279,378	-	26,279,378	At Maturity	2,60	26,423,623	2,60
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	-	3,088	3,088	11,577,447	-	11,577,447	At Maturity	2,40	11,580,720	2,40
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	UF	-	563,226	-	563,226	55,047,234	-	55,047,234	At Maturity	2,46	55,687,490	2,42
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	50,612	-	50,612	5,398,142	-	5,398,142	At Maturity	2,25	5,448,789	2,25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	51,590	-	51,590	5,431,502	-	5,431,502	At Maturity	2,28	5,487,940	2,25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	25,951	-	25,951	2,732,125	-	2,732,125	At Maturity	2,28	2,760,513	2,25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	26,715	-	26,715	2,745,681	-	2,745,681	At Maturity	2,34	2,779,452	2,25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	27,021	-	27,021	2,744,418	-	2,744,418	At Maturity	2,36	2,780,799	2,25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	41,321	-	41,321	4,172,402	-	4,172,402	At Maturity	2,38	4,229,712	2,25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	UF	-	27,356	-	27,356	2,746,081	-	2,746,081	At Maturity	2,39	2,785,118	2,25
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	UF	-	-	4,806	4,806	10,428,995	-	10,428,995	At Maturity	2,37	10,433,801	2,37
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97023000-9	BANCO ITAU	CHILE	UF	-	-	43,890	43,890	27,527,374	-	27,527,374	At Maturity	2,61	27,609,252	2,58
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	-	5,221,592	5,221,592	3,098,209	-	3,098,209	Six monthly	5,23	8,327,346	5,13
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	8,171,022	7,602,199	15,773,221	7,607,069	-	7,607,069	Six monthly	7,19	23,400,350	7,05
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	4,579,715	-	4,374,382	8,954,097	4,374,643	-	4,374,643	Six monthly	3,66	13,329,685	3,65
76882330-8	NUEVOS DESARROLLOS S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	-	369,845	-	369,845	28,197,992	-	28,197,992	At Maturity	4,04	28,567,867	4,04
96573100-8	MANUFACTURAS DE VESTUARIOS MAVESA LTDA.	CHILE	97036000-K	BANCO SANTANDER	CHILE	USD	-	464,173	-	464,173	-	-	-	At Maturity	3,09	449,346	3,08
96573100-8	MANUFACTURAS DE VESTUARIOS MAVESA LTDA.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	USD	-	527,585	-	527,585	-	-	-	At Maturity	3,30	510,986	3,20
96792430-K	SODIMAC S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	EUR	225,038	118,225	-	343,263	-	-	-	At Maturity	2,45	343,214	3,50

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

e) Bank loans as of December 31, 2018 are detailed 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
96792430-K	SODIMAC S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	USD	3,284,054	1,725,294	-	5,009,348	-	-	-	At Maturity	3,68	4,996,409	2,94
96792430-K	SODIMAC S.A.	CHILE	97023000-9	BANCO ITAU	CHILE	USD	2,649,204	1,391,773	-	4,040,977	-	-	-	At Maturity	3,43	4,029,004	3,04
96792430-K	SODIMAC S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	USD	1,507,331	791,884	-	2,299,215	-	-	-	At Maturity	3,53	2,296,886	2,90
96792430-K	SODIMAC S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	CLP	277,459	-	-	277,459	-	-	-	At Maturity	3,12	277,459	3,12
76821330-5	IMPERIAL S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	-	1,255,417	-	1,255,417	-	-	-	Monthly	3,00	1,250,000	3,00
76821330-5	IMPERIAL S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	-	-	2,546,921	2,546,921	6,246,126	-	6,246,126	Six monthly	5,95	8,797,183	5,85
76821330-5	IMPERIAL S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	181,956	-	-	181,956	7,987,931	-	7,987,931	Six monthly	4,72	8,183,783	4,60
76821330-5	IMPERIAL S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	USD	1,769,982	2,013,204	-	3,783,186	-	-	-	At Maturity	3,65	3,776,869	2,96
76821330-5	IMPERIAL S.A.	CHILE	97023000-9	BANCO ITAU	CHILE	USD	953,042	735,167	-	1,688,209	-	-	-	At Maturity	3,63	1,687,644	3,60
76821330-5	IMPERIAL S.A.	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	CLP	3,074	-	-	3,074	-	-	-	At Maturity	3,00	3,074	0,23
76054151-6	TRAINEEMAC S.A	CHILE	97006000-6	BANCO DE CREDITO E INVERSIONES	CHILE	CLP	1	-	-	1	-	-	-	At Maturity	3,12	1	3,12
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES S.A.	ARGENTINA	ARS	32,326	-	3,682,000	3,714,326	-	-	-	At Maturity	24,00	3,714,326	24,00
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	30,379	37,031	166,639	234,049	531,378	-	531,378	At Maturity	47,67	765,427	39,30
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	103,061	-	63,540	166,601	1,201,921	-	1,201,921	At Maturity	149,04	1,368,522	93,60
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	63,982	-	-	63,982	1,374,447	-	1,374,447	At Maturity	95,42	1,438,429	95,42
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO BBVA	ARGENTINA	ARS	166,861	-	-	166,861	-	-	-	Monthly	64,60	166,861	64,60
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES S.A.	ARGENTINA	ARS	1,386,480	-	-	1,386,480	-	-	-	Monthly	64,60	1,386,480	64,60
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	ICBC S.A.	ARGENTINA	ARS	147,288	-	-	147,288	-	-	-	Monthly	64,60	147,288	64,60
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	3,405,430	-	-	3,405,430	-	-	-	Monthly	64,60	3,405,430	64,60
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO SANTANDER RIO S.A.	ARGENTINA	ARS	905	-	-	905	-	-	-	Monthly	64,60	905	64,60
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	72	-	-	72	-	-	-	Monthly	64,60	72	64,60
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO SANTANDER RIO S.A.	ARGENTINA	ARS	14	-	-	14	-	-	-	Monthly	64,60	14	64,60
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO ITAU BUEN AYRE S.A.	ARGENTINA	ARS	1	-	-	1	-	-	-	Monthly	64,60	1	64,60
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO BBVA	ARGENTINA	ARS	8,172,362	-	-	8,172,362	-	-	-	Monthly	62,00	8,172,362	62,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO ITAU BUEN AYRE S.A.	ARGENTINA	ARS	5,468,586	-	-	5,468,586	-	-	-	Monthly	62,00	5,468,586	62,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO SANTANDER RIO S.A.	ARGENTINA	ARS	15,449	-	-	15,449	-	-	-	Monthly	65,00	15,449	65,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	2,297,436	-	-	2,297,436	-	-	-	Monthly	64,75	2,297,436	64,75
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	5,199,405	-	-	5,199,405	-	-	-	Monthly	64,00	5,199,405	64,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	ICBC S.A.	ARGENTINA	ARS	1,368,240	-	-	1,368,240	-	-	-	Monthly	63,00	1,368,240	63,00

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

e) Bank loans as of December 31, 2018 are detailed 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 FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	6,687	-	-	6,687	-	-	-	Monthly	68,04	6,687	68,04
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE LA CIUDAD DE BUENOS AIRES	ARGENTINA	ARS	165	-	-	165	-	-	-	Monthly	68,04	165	68,04
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO BBVA	ARGENTINA	ARS	558,988	-	551,998	1,110,986	-	-	-	At Maturity	22,75	1,110,986	22,75
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES S.A.	ARGENTINA	ARS	30,808	-	3,682,000	3,712,808	-	-	-	At Maturity	24,00	3,712,808	24,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	4,067	-	2,755,828	2,759,895	-	-	-	At Maturity	22,75	2,759,895	22,75
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	58,662	-	3,495,301	3,553,963	-	-	-	At Maturity	23,00	3,553,963	23,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	65,079	120,708	242,269	428,056	-	-	-	Monthly	33,18	428,056	29,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO BBVA	ARGENTINA	ARS	1,090	367,277	367,731	736,098	-	-	-	At Maturity	24,00	736,098	24,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	136,504	248,214	773,974	1,158,692	-	-	-	Six monthly	91,04	1,158,692	91,04
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE LA CIUDAD DE BUENOS AIRES	ARGENTINA	ARS	1,558	-	1,838,856	1,840,414	-	-	-	Monthly	78,96	1,840,414	78,96
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	325,804	1,979,075	1,979,075	4,283,954	1,979,075	-	1,979,075	At Maturity	24,36	6,263,029	22,00
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	6,416	-	-	6,416	2,918,000	-	2,918,000	At Maturity	24,50	2,924,416	24,50
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	124,706	-	78,577	203,283	1,552,051	-	1,552,051	At Maturity	97,39	1,755,334	97,39
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO BBVA	ARGENTINA	ARS	49,770	-	1,838,048	1,887,818	-	-	-	At Maturity	38,50	1,887,818	38,50
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO BBVA	ARGENTINA	ARS	450,674	-	9,190,877	9,641,551	-	-	-	At Maturity	93,95	9,641,551	93,95
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	4,737	-	609,486	614,223	304,869	-	304,869	At Maturity	77,59	919,092	77,59
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	591,477	-	5,119,924	5,711,401	2,561,367	-	2,561,367	At Maturity	77,59	8,272,768	77,59
Foreign	CMR FALABELLA S.A.	ARGENTINA	Foreign	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	210,676	227,303	1,027,758	1,465,737	573,998	-	573,998	At Maturity	95,42	2,039,735	95,42
Foreign	CMR FALABELLA S.A.	ARGENTINA	97030000-7	BANCO ESTADO	CHILE	USD	39,661	-	7,106,260	7,145,921	-	-	-	Monthly	3,10	7,145,921	3,13
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES S.A.	ARGENTINA	ARS	32,327	-	3,682,000	3,714,327	-	-	-	At Maturity	24,00	3,714,327	24,00
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	65,834	-	166,639	232,473	75,586	-	75,586	At Maturity	53,56	310,648	53,56
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	679	-	-	679	455,792	-	455,792	At Maturity	24,45	453,882	24,45
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	128,259	-	81,694	209,953	1,545,328	-	1,545,328	At Maturity	52,51	1,755,281	52,51
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	60,372	-	-	60,372	1,374,447	-	1,374,447	At Maturity	51,79	1,434,819	51,79
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	CITIBANK N.A.	ARGENTINA	ARS	25,925	-	-	25,925	-	-	-	Monthly	67,81	25,925	67,81
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO MACRO S.A.	ARGENTINA	ARS	5,053,302	-	-	5,053,302	-	-	-	Monthly	67,81	5,053,302	67,81
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO PATAGONIA S.A.	ARGENTINA	ARS	2,013,915	-	-	2,013,915	-	-	-	Monthly	67,81	2,013,915	67,81
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO BBVA	ARGENTINA	ARS	114,115	-	-	114,115	-	-	-	Monthly	67,81	114,115	67,81
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	BANCO DE GALICIA Y BUENOS AIRES S.A.	ARGENTINA	ARS	335,120	-	-	335,120	-	-	-	Monthly	67,81	335,120	67,81
Foreign	FALABELLA S.A.	ARGENTINA	Foreign	ICBC S.A.	ARGENTINA	ARS	153,500	-	-	153,500	-	-	-	Monthly	67,81	153,500	67,81

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

e) Bank loans as of December 31, 2018 are detailed 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	Foreign	BANCO BILBAO VIZCAYA ARGENTINA URUGUAY S.A.	ARGENTINA	UYU	860,894	-	-	-	860,894	-	-	-	At Maturity	9,20	860,894	9,20
Foreign	HOMECENTER SODIMAC S.A.	URUGUAY	Foreign	BANCO ITAU URUGUAY S.A.	URUGUAY	UYU	646,768	-	-	-	646,768	-	-	-	At Maturity	8,75	646,768	8,75
Foreign	HOMECENTER SODIMAC S.A.	URUGUAY	Foreign	BANCO ITAU URUGUAY S.A.	URUGUAY	UYU	1,230	-	-	-	1,230	1,073,000	-	1,073,000	At Maturity	11,10	1,074,229	11,10
Foreign	HOMECENTER SODIMAC S.A.	URUGUAY	Foreign	BANCO SANTANDER S.A. (BR, URUGUAY)	URUGUAY	UYU	430,420	-	-	-	430,420	-	-	-	At Maturity	9,00	430,420	9,00
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	119,018	232,884	155,556	507,458	30,952,500	-	30,952,500	Six monthly	4,56	30,952,500	4,50	
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	126,574	20,367	-	146,941	30,859,655	-	30,859,655	Six monthly	5,04	30,952,500	4,85	
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	INTERBANK	PERU	PEN	114,517	58,915	1,312,970	1,486,402	17,354,690	8,041,044	25,395,734	Three monthly	5,26	26,825,500	5,06	
Foreign	FALABELLA PERU S.A.A.	PERU	Foreign	THE BANK OF TOKYO-MITSUBISHI UFJ, LTD (Japanese)	JAPAN	USD	182,217	358,556	34,828,018	35,368,791	-	-	-	Six monthly	2,62	34,862,833	2,36	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	109,913	223,340	1,147,144	1,480,397	465,884	-	465,884	Monthly	6,05	1,954,879	6,05	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	4,170,175	-	-	4,170,175	-	-	-	At Maturity	3,53	4,127,000	3,53	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	-	6,203,694	6,203,694	-	-	-	At Maturity	4,35	6,190,500	4,35	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO CONTINENTAL	PERU	PEN	14,559,887	-	-	14,559,887	-	-	-	At Maturity	3,79	14,444,500	3,79	
Foreign	SODIMAC PERU S.A.	PERU	Foreign	BANCO INTERANDINO	PERU	PEN	4,356,077	-	-	4,356,077	-	-	-	At Maturity	3,42	4,333,350	3,42	
Foreign	SAGA FALABELLA S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	7,471,354	-	7,471,354	-	-	-	Three monthly	3,90	7,428,600	3,90	
Foreign	SAGA FALABELLA S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	2,903,200	-	2,903,200	-	-	-	Three monthly	3,94	2,888,900	3,94	
Foreign	SAGA FALABELLA S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS	PERU	PEN	-	6,217,844	-	6,217,844	-	-	-	Three monthly	3,85	6,190,500	3,85	
Foreign	SAGA FALABELLA S.A.	PERU	Foreign	CITIBANK DEL PERÚ	PERU	PEN	-	-	10,361,418	10,361,418	-	-	-	Three monthly	3,80	10,317,500	3,80	
Foreign	SAGA FALABELLA S.A.	PERU	Foreign	BANCO CONTINENTAL	PERU	PEN	-	10,344,741	-	10,344,741	-	-	-	Three monthly	3,87	10,317,500	3,87	
Foreign	SAGA FALABELLA S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	29,983,226	29,983,226	-	-	-	Three monthly	4,26	29,920,750	4,26	
Foreign	SAGA FALABELLA S.A.	PERU	Foreign	CITIBANK DEL PERÚ	PERU	PEN	-	-	8,269,605	8,269,605	-	-	-	Three monthly	3,85	8,254,000	3,85	
Foreign	HOME IMPROVEMENT STORES	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	2,683,405	-	2,683,405	-	-	-	At Maturity	3,90	2,682,550	3,90	
Foreign	HOME IMPROVEMENT STORES	PERU	Foreign	SCOTIABANK	PERU	PEN	-	10,338,354	-	10,338,354	-	-	-	At Maturity	3,90	10,317,500	3,90	
Foreign	HOME IMPROVEMENT STORES	PERU	Foreign	SCOTIABANK	PERU	PEN	-	-	2,067,899	2,067,899	-	-	-	At Maturity	4,35	2,063,500	4,35	
Foreign	HIPERMERCADOS TOTTUS S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	15,509,234	15,509,234	-	-	-	At Maturity	2,40	15,476,250	2,37	
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	4,519	-	-	4,519	6,300,000	-	6,300,000	At Maturity	6,60	6,300,000	6,61	
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	3,011	-	-	3,011	4,198,082	-	4,198,082	At Maturity	6,60	4,198,082	6,61	
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	2,326	-	-	2,326	3,242,421	-	3,242,421	At Maturity	6,62	3,242,421	6,61	
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	3,917	-	-	3,917	5,460,000	-	5,460,000	At Maturity	6,62	5,460,000	6,61	
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO DE BOGOTÁ	COLOMBIA	COP	44,197	-	-	44,197	4,200,000	-	4,200,000	Six monthly	7,24	4,200,000	7,30	
Foreign	FALABELLA DE COLOMBIA S.A	COLOMBIA	Foreign	BANCO ITAU CORPBANCA COLOMBIA S.A.	COLOMBIA	COP	80,521	-	-	80,521	9,560,473	-	9,560,473	At Maturity	7,01	9,560,472	7,01	

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

e) Bank loans as of December 31, 2018 are detailed 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 DE COLOMBIA S, A	COLOMBIA	Foreign	BANCO ITAU CORPBANCA COLOMBIA S.A.	COLOMBIA	COP	29,982	-	-	29,982	11,674,293	-	11,674,293	Six monthly	7,31	7,782,862	6,71
Foreign	FALABELLA DE COLOMBIA S, A	COLOMBIA	Foreign	BANCOLOMBIA	COLOMBIA	COP	261,662	-	-	261,662	10,500,000	-	10,500,000	Annual	7,52	10,500,000	7,31
Foreign	CENTRO COMERCIAL CARTAGENA	COLOMBIA	Foreign	BANCO ITAU CORPBANCA COLOMBIA S.A.	COLOMBIA	COP	217,026	651,309	1,738,572	2,606,907	10,493,275	5,959,531	16,452,806	Monthly	9,09	19,285,000	8,67
Foreign	CENTRO COMERCIAL MANIZALES DOS	COLOMBIA	Foreign	BANCO ITAU CORPBANCA COLOMBIA S.A.	COLOMBIA	COP	549,129	-	-	549,129	6,720,001	20,160,000	26,880,001	At Maturity	8,12	26,880,001	8,12
Foreign	CENTRO COMERCIAL BARRANQUILLA	COLOMBIA	Foreign	BANCO DAVIVIENDA	COLOMBIA	COP	138,738	-	-	138,738	3,687,062	19,736,624	23,423,686	At Maturity	8,73	23,423,686	8,73
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	9,637,406	9,637,406	-	-	-	At Maturity	7,44	8,979,500	6,72
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	3,737,802	3,737,802	-	-	-	At Maturity	7,86	5,387,700	6,73
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO HSBC	BRAZIL	USD	-	-	9,205,111	9,205,111	-	-	-	At Maturity	7,38	7,654,844	7,97
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	8,737,273	-	8,737,273	-	-	-	At Maturity	7,55	40,000	6,67
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	CITIBANK N.A.	BRAZIL	USD	-	-	13,634,968	13,634,968	-	-	-	At Maturity	7,50	11,673,350	7,30
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO ITAU	BRAZIL	USD	-	-	12,373,956	12,373,956	-	-	-	At Maturity	7,10	11,673,350	8,41
Foreign	CONSTRUDECOR S.A.	BRAZIL	Foreign	BANCO SANTANDER S.A.	BRAZIL	USD	-	-	3,872,078	3,872,078	-	-	-	At Maturity	7,14	3,591,800	8,47
Total Bank Loans							118,305,803	73,558,956	282,234,511	474,099,270	418,339,778	81,424,573	499,764,351				

When the nominal rate is equal to the effective rate in these tables, 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)

f) Bond obligations as of December 31, 2018 are detailed 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
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	USD	-	-	2,171,156	2,171,156	344,292,230	-	344,292,230	At Maturity	4,01	347,385,000	3,75
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	USD	-	-	5,167,352	5,167,352	-	276,039,941	276,039,941	At Maturity	4,55	277,908,000	4,38
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	USD	-	-	1,736,925	1,736,925	-	272,113,509	272,113,509	At Maturity	4,07	277,908,000	3,75
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	944,732	944,732	-	93,278,448	93,278,448	At Maturity	4,41	96,480,265	3,96
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	9,381,226	-	9,381,226	18,762,452	18,381,896	-	18,381,896	Six monthly	2,26	36,754,386	2,29
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	1,166,047	1,166,047	-	79,146,278	79,146,278	At Maturity	3,44	82,697,370	3,08
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	342,022	342,022	-	53,772,287	53,772,287	At Maturity	3,18	55,131,580	2,98
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	223,561	223,561	-	78,320,434	78,320,434	At Maturity	3,12	82,697,370	2,78
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	CLP	-	-	381,942	381,942	78,119,461	-	78,119,461	At Maturity	5,04	78,000,000	5,03
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	CLP	-	-	661,054	661,054	62,899,216	-	62,899,216	At Maturity	5,16	63,000,000	5,04
90749000-9	FALABELLA S.A.	CHILE	Miscellaneous Creditors	CLP	-	-	1,024,709	1,024,709	94,131,733	-	94,131,733	At Maturity	6,74	94,588,500	6,5
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	4,218,136	4,218,136	29,492,746	48,451,597	77,944,343	Six monthly	4,72	83,307,263	4,5
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	604,558	604,558	-	81,182,948	81,182,948	At Maturity	4	83,289,920	3,85
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	402,480	402,480	-	54,170,115	54,170,115	At Maturity	3,99	55,526,613	3,85
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	327,603	327,603	-	65,740,374	65,740,374	At Maturity	3,9	69,222,676	3,5
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	277,433	277,433	-	82,117,535	82,117,535	At Maturity	3,92	82,975,095	3,9
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	5,446,567	5,178,270	10,624,837	10,346,963	-	10,346,963	Six monthly	3,34	20,951,723	3,5
76017019-4	PLAZA S.A.	CHILE	Miscellaneous Creditors	UF	-	1,192,360	-	1,192,360	-	82,761,314	82,761,314	At Maturity	3,76	83,901,995	3,8
96792430-K	SODIMAC S.A.	CHILE	Miscellaneous Creditors	UF	-	132,843	-	132,843	40,453,071	-	40,453,071	Six monthly	3,98	41,475,019	3,7
Foreign	CMR FALABELLA S.A.	ARGENTINA	Miscellaneous Creditors	ARS	1,664,688	1,870,718	777,044	4,312,450	-	-	-	Monthly	72,16	5,306,208	38
Foreign	HIPERMERCADOS TOTTUS S.A.	PERU	Miscellaneous Creditors	PEN	20,938	64,766	200,412	286,116	1,281,714	5,896,499	7,178,213	Three monthly	0,08	7,502,200	0,07
Foreign	HIPERMERCADOS TOTTUS S.A.	PERU	Miscellaneous Creditors	PEN	21,000	64,890	200,973	286,863	1,284,522	5,901,848	7,186,370	Three monthly	0,08	7,502,200	0,07
Foreign	HIPERMERCADOS TOTTUS S.A.	PERU	Miscellaneous Creditors	PEN	26,246	81,103	251,173	358,522	1,605,435	7,376,894	8,982,329	Three monthly	0,08	9,377,752	0,07
Foreign	HIPERMERCADOS TOTTUS S.A.	PERU	Miscellaneous Creditors	PEN	26,295	81,201	251,614	359,110	1,607,645	7,381,100	8,988,745	Three monthly	0,08	9,377,752	0,07
Foreign	SAGA FALABELLA S.A.	PERU	Miscellaneous Creditors	PEN	-	334,418	927,607	1,262,025	3,095,250	-	3,095,250	Three monthly	0,06	4,333,350	0,06
Foreign	SAGA FALABELLA S.A.	PERU	Miscellaneous Creditors	PEN	-	229,471	619,050	848,521	2,269,850	-	2,269,850	Three monthly	0,06	3,095,250	0,05
Foreign	SAGA FALABELLA S.A.	PERU	Miscellaneous Creditors	PEN	305,175	-	773,598	1,078,773	3,610,344	-	3,610,344	Three monthly	0,05	4,642,876	0,05
Foreign	FALABELLA PERU S.A.A.	PERU	Miscellaneous Creditors	PEN	137,345	163,929	-	301,274	-	20,175,583	20,175,583	Three monthly	0,08	20,222,300	0,08
Foreign	FALABELLA PERU S.A.A.	PERU	Miscellaneous Creditors	PEN	162,420	26,197	3,346,272	3,534,889	23,460,445	-	23,460,445	Three monthly	0,07	26,825,500	0,07
Foreign	FALABELLA PERU S.A.A.	PERU	Miscellaneous Creditors	PEN	78,222	103,455	925,566	1,107,243	13,923,071	-	13,923,071	Three monthly	0,07	14,857,200	0,06
Foreign	FALABELLA PERU S.A.A.	PERU	Miscellaneous Creditors	PEN	244,445	425,807	-	670,252	8,843,571	32,393,012	41,236,583	Three monthly	0,07	41,270,000	0,07
Foreign	FALABELLA PERU S.A.A.	PERU	Miscellaneous Creditors	PEN	200,988	142,637	-	343,625	-	41,244,301	41,244,301	Three monthly	0,06	41,270,000	0,06
Total Bond Obligations					12,268,988	10,360,362	42,482,515	65,111,865	739,099,163	1,387,464,017	2,126,563,180				

When the nominal rate is equal to the effective rate in these tables, 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)

g) Financial lease obligations as of December 31, 2018 are detailed 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
77612410-9	ADESSA LTDA,	CHILE	97032000-8	IMB S.A.	CHILE	USD	10,634	-	-	10,634	-	-	-	Monthly	1,19	20,002	1,19
77612410-9	ADESSA LTDA,	CHILE	97032000-8	IMB S.A.	CHILE	USD	77,768	-	77,768	155,536	-	-	-	Monthly	1,19	149,237	1,19
77612410-9	ADESSA LTDA,	CHILE	97032000-8	IMB S.A.	CHILE	USD	7,511	22,534	60,089	90,134	258,320	-	258,320	Monthly	1,99	365,270	1,99
Foreign	OPEN PLAZA S.A.C.,	PERU	Foreign	SCOTIABANK	PERU	PEN	24,004	28,355	132,151	184,510	847,742	1,290,915	2,138,657	Monthly	7,13	1,301,530	6,9
Foreign	OPEN PLAZA S.A.C.,	PERU	Foreign	SCOTIABANK	PERU	PEN	38,970	45,908	214,027	298,905	1,375,462	2,100,993	3,476,455	Monthly	7,13	2,121,558	6,9
Foreign	OPEN PLAZA S.A.C.,	PERU	Foreign	SCOTIABANK	PERU	PEN	25,019	29,477	137,421	191,917	883,064	1,348,658	2,231,722	Monthly	7,13	1,361,753	6,9
Foreign	OPEN PLAZA S.A.C.,	PERU	Foreign	SCOTIABANK	PERU	PEN	95,706	165,349	767,180	1,028,235	6,323,891	-	6,323,891	Monthly	6,48	7,368,854	6,3
Foreign	OPEN PLAZA S.A.C.,	PERU	Foreign	BANCO DE CREDITO (PERU)	PERU	PEN	100,159	122,332	570,974	793,465	6,160,368	-	6,160,368	Monthly	7,55	6,973,424	7,3
Foreign	OPEN PLAZA S.A.C.,	PERU	Foreign	BANCO SANTANDER CENTRAL HISPANO	PERU	PEN	140,026	232,526	1,082,932	1,455,484	6,659,065	-	6,659,065	Monthly	7,6	4,655,755	7,35
Foreign	OPEN PLAZA S.A.C.,	PERU	Foreign	BANCO SANTANDER CENTRAL HISPANO	PERU	PEN	6,444	12,647	12,808	31,899	-	-	-	Monthly	7,26	31,759	7,26
Foreign	SAGA FALABELLA S.A,	PERU	Foreign	SCOTIABANK	PERU	PEN	-	1,055	-	1,055	-	543,289	543,289	Three monthly	5,81	709,544	5,5
Foreign	MALL PLAZA S.A,	PERU	Foreign	SCOTIABANK	PERU	PEN	158,499	316,997	1,418,017	1,893,513	22,781,387	-	22,781,387	Bi-monthly	9,34	25,180,368	8,81
79990670-8	ADMINISTRADORA PLAZA VESPUCIO S.A,	CHILE	95714000-9	CLARO SERVICIOS EMPRESARIALES S.A,	CHILE	UF	-	18,445	41,532	59,977	57,998	-	57,998	Monthly	5,42	117,975	5,42
96653650-0	PLAZA OESTE S.A,	CHILE	95714000-9	CLARO SERVICIOS EMPRESARIALES S.A,	CHILE	UF	-	76,656	171,990	248,646	240,176	-	240,176	Monthly	5,42	488,822	5,42
96653660-8	PLAZA DEL TEBOL S.A,	CHILE	95714000-9	CLARO SERVICIOS EMPRESARIALES S.A,	CHILE	UF	-	16,005	36,057	52,062	50,352	-	50,352	Monthly	5,42	102,414	5,42
96791560-2	PLAZA TOBALABA S.A,	CHILE	95714000-9	CLARO SERVICIOS EMPRESARIALES S.A,	CHILE	UF	-	6,362	14,332	20,694	20,014	-	20,014	Monthly	5,42	40,708	5,42
96795700-3	PLAZA LA SERENA S.A,	CHILE	95714000-9	CLARO SERVICIOS EMPRESARIALES S.A,	CHILE	UF	-	6,437	14,479	20,916	20,219	-	20,219	Monthly	5,42	41,135	5,42
99555550-6	PLAZA ANTOFAGASTA S.A,	CHILE	95714000-9	CLARO SERVICIOS EMPRESARIALES S.A,	CHILE	UF	-	11,665	20,649	32,314	28,836	-	28,836	Monthly	5,42	61,150	5,42
96951230-0	INMOBILIARIA MALL CALAMA S.A,	CHILE	95714000-9	CLARO SERVICIOS EMPRESARIALES S.A,	CHILE	UF	-	7,267	16,356	23,623	22,841	-	22,841	Monthly	5,42	46,464	5,42
76882330-8	NUEVOS DESARROLLOS S.A,	CHILE	95714000-9	CLARO SERVICIOS EMPRESARIALES S.A,	CHILE	UF	-	16,728	43,209	59,937	60,340	-	60,340	Monthly	5,42	120,277	5,42
76882330-8	NUEVOS DESARROLLOS S.A,	CHILE	76182576-3	TERMIKA HOLDING S.A,	CHILE	UF	-	57,655	124,844	182,499	745,489	-	745,489	Monthly	4,81	927,988	4,81
76882330-8	NUEVOS DESARROLLOS S.A,	CHILE	76182576-3	TERMIKA HOLDING S.A,	CHILE	UF	-	31,050	94,294	125,344	545,834	523,806	1,069,640	Monthly	2,44	1,194,984	2,44
99555550-6	PLAZA ANTOFAGASTA S.A,	CHILE	76182576-3	TERMIKA HOLDING S.A,	CHILE	UF	-	13,860	29,779	43,639	168,196	189,179	357,375	Monthly	2,44	401,014	2,44
Total Finance Leases							684,740	1,239,310	5,080,888	7,004,938	47,249,594	5,996,840	53,246,434				

When the nominal rate is equal to the effective rate in these tables, 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)

Dec-31-2017

h) Bank Loans as of December 31, 2017 were detailed as follows:

Debtor ID number	Debtor	Debtor Country	Creditor ID number	Creditor	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 ThCh\$	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	240.482	-	-	240.482	33.134.696	-	33.134.696	Semestral	2.25	33.375.178	2.25
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	69.438	-	-	69.438	25.000.000	-	25.000.000	Al Vencimiento	3.03	25.069.438	3.03
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	3.302.317	-	-	3.302.317	3.884.923	-	3.884.923	Semestral	4.57	7.187.240	4.57
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	27.733	-	-	27.733	19.919.999	-	19.919.999	Al Vencimiento	3.12	20.027.733	3.12
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	25.127.209	-	-	25.127.209	-	-	-	Al Vencimiento	4.69	25.127.209	4.69
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	29.630	-	25.000.000	-	-	-	-	Al Vencimiento	4.3	25.029.630	4.3
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	82.670	-	-	82.670	20.000.000	-	20.000.000	Al Vencimiento	3.64	20.082.670	3.64
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	82.674	-	-	82.674	20.000.000	-	20.000.000	Al Vencimiento	3.64	20.082.674	3.64
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	27.733	-	-	27.733	20.000.000	-	20.000.000	Al Vencimiento	3.12	20.027.733	3.12
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	191.850	-	25.000.000	25.191.850	-	-	-	Al Vencimiento	3.3	25.191.850	3.3
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	25.010.708	-	-	25.010.708	-	-	-	Al Vencimiento	3.08	25.010.708	3.08
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	25.010.625	-	-	25.010.625	-	-	-	Al Vencimiento	3.06	25.010.625	3.06
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.023.000-9	BANCO ITAU (CHILE)	CHILE	CLP	638.721	-	-	638.721	24.799.999	-	24.799.999	Al Vencimiento	5.12	25.597.333	5.12
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP	59.901.217	-	-	59.901.217	-	-	-	Al Vencimiento	2.67	59.901.217	2.67
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	CLP	13.643	-	-	13.643	-	-	-	Al Vencimiento	2.96	13.643	2.96
90.749.000-9	S.A.C.I. FALABELLA	CHILE	97.032.000-8	BANCO BBVA CHILE	CHILE	CLP	21.252.646	-	-	21.252.646	-	-	-	Al Vencimiento	2.67	21.252.644	2.67
77.261.280-K	FALABELLA RETAIL S.A. (EX INVERFIN S.A.)	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	USD	2.748.331	3.915.388	-	6.663.719	-	-	-	Al Vencimiento	1.89	-	-
77.261.280-K	FALABELLA RETAIL S.A. (EX INVERFIN S.A.)	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP	1.746	-	-	1.746	-	-	-	Al Vencimiento	3.12	-	-
77.261.280-K	FALABELLA RETAIL S.A. (EX INVERFIN S.A.)	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	USD	-	98.502	-	98.502	-	-	-	Al Vencimiento	1.9	-	-
78.627.210-6	HIPERMERCADOS TOTTUS S.A.	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	USD	91.255	754.507	-	845.762	-	-	-	Al Vencimiento	2.06	844.022	2.06
78.627.210-6	HIPERMERCADOS TOTTUS S.A.	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	CLP	203	-	-	203	-	-	-	Al Vencimiento	3.12	203	3.12
99.593.960-6	DESARROLLOS INMOBILIARIOS S.A.	CHILE	97.008.000-7	BANCO CITIBANK (CHILE)	CHILE	UF	-	-	3.094.553	3.094.553	10.779.856	-	10.779.856	Semestral	3.94	13.914.419	3.64
99.593.960-6	DESARROLLOS INMOBILIARIOS S.A.	CHILE	97.023.000-9	BANCO ITAU (CHILE)	CHILE	CLP	-	-	13.790.975	13.790.975	12.479.995	-	12.479.995	Annual	7.27	25.000.000	7.1
99.593.960-6	DESARROLLOS INMOBILIARIOS S.A.	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	CLP	-	365.799	-	365.799	24.106.855	-	24.106.855	Al Vencimiento	5.13	24.131.850	5.1
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.023.000-9	BANCO CORPBANCA (CHILE)	CHILE	UF	9.977.553	-	-	9.977.553	-	-	-	Al Vencimiento	2.06	9.972.728	1.38
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.023.000-9	BANCO CORPBANCA (CHILE)	CHILE	UF	1.301.189	-	-	1.301.189	-	-	-	Al Vencimiento	2.87	1.300.838	1.51
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.023.000-9	BANCO CORPBANCA (CHILE)	CHILE	CLP	2.003.176	-	-	2.003.176	-	-	-	Al Vencimiento	3.38	2.000.000	2.63
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.023.000-9	BANCO CORPBANCA (CHILE)	CHILE	CLP	2.203.626	-	-	2.203.626	-	-	-	Al Vencimiento	3.47	2.200.000	2.72
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	CLP	2.205.198	-	-	2.205.198	-	-	-	Al Vencimiento	4.26	2.203.433	2.81
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	CLP	2.001.603	-	-	2.001.603	-	-	-	Al Vencimiento	4.26	2.000.000	2.81
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	CLP	2.101.420	-	-	2.101.420	-	-	-	Al Vencimiento	4.01	2.100.000	2.56
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	CLP	3.002.954	-	-	3.002.954	-	-	-	Al Vencimiento	3.48	3.000.000	2.74
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	CLP	898.840	-	-	898.840	-	-	-	Al Vencimiento	3.49	897.957	2.74
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	CLP	2.999.213	-	-	2.999.213	-	-	-	Al Vencimiento	4.83	3.000.000	2.83
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	UF	-	49.203	-	49.203	5.247.804	-	5.247.804	Al Vencimiento	2.25	5.247.853	2.25
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	UF	-	50.140	-	50.140	5.278.807	-	5.278.807	Al Vencimiento	2.28	5.285.560	2.25
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	UF	-	25.221	-	25.221	2.655.317	-	2.655.317	Al Vencimiento	2.28	2.658.713	2.25
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	UF	-	25.951	-	25.951	2.667.129	-	2.667.129	Al Vencimiento	2.34	2.676.954	2.25
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	UF	-	26.241	-	26.241	2.665.220	-	2.665.220	Al Vencimiento	2.36	2.678.251	2.25

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

h) Bank Loans as of December 31, 2017 were detailed as follows: (continued)

Debtor ID number	Debtor	Debtor Country	Creditor ID number	Creditor	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 TrCh\$	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	97.004.000-5	BANCO DE CHILE	CHILE	UF		40.125		40.125	4.051.476		4.051.476	Al Vencimiento	2.38	4.073.732	2.25
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	UF		26.560		26.560	2.666.151		2.666.151	Al Vencimiento	2.39	2.682.411	2.25
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	UF			3.002	3.002	11.254.991		11.254.991	Al Vencimiento	2.4	11.255.219	2.4
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP		385.827		385.827	28.197.968		28.197.968	Al Vencimiento	4.21	28.198.030	4.21
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.006.000-6	BANCO DE CREDITO E INVERSIONES (CHILE)	CHILE	UF			17.412	17.412	30.817.859		30.817.859	Al Vencimiento	2.26	30.817.861	2.26
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.006.000-6	BANCO DE CREDITO E INVERSIONES (CHILE)	CHILE	UF			6.007	6.007	10.138.569		10.138.569	Al Vencimiento	2.37	10.138.569	2.37
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.023.000-9	BANCO CORPBANCA (CHILE)	CHILE	UF			32.962	32.962	26.754.113		26.754.113	Al Vencimiento	2.61	26.798.140	2.58
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	UF		547.369		547.369	53.497.293		53.497.293	Al Vencimiento	2.46	53.596.280	2.42
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.032.000-8	BANCO BBVA (CHILE)	CHILE	UF			140.228	140.228	25.547.552		25.547.552	Al Vencimiento	2.6	25.547.552	2.6
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	CLP	4.744.711		4.373.864	9.118.575	13.123.131		13.123.131	Semestral	3.99	21.874.594	3.98
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP		8.536.331	7.592.811	16.129.142	22.806.448		22.806.448	Semestral	7.19	38.061.417	7.05
76.882.330-8	NUEVOS DESARROLLOS S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP			8.371.621	8.371.621	8.261.038		8.261.038	Semestral	5.23	16.539.207	5.13
96.573.100-8	MANUFACTURAS DE VESTUARIOS MAVESA LTDA.	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	USD		7.345		7.345			-	Al Vencimiento	2.12	7.085	2.01
96.573.100-8	MANUFACTURAS DE VESTUARIOS MAVESA LTDA.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	USD		70.341		70.341			-	Al Vencimiento	2.18	68.647	2.01
96.792.430-K	SODIMAC S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	EUR	603.024	316.801		919.825			-	Al Vencimiento	1.19	940.631	1.88
96.792.430-K	SODIMAC S.A.	CHILE	97.023.000-9	BANCO ITAU (CHILE)	CHILE	USD	608.813	319.843		928.656			-	Al Vencimiento	2.57	968.133	1.9
96.792.430-K	SODIMAC S.A.	CHILE	97.004.000-5	BANCO DE CHILE	CHILE	USD	1.020.262	536.000		1.556.262			-	Al Vencimiento	2.74	1.614.035	1.84
96.792.430-K	SODIMAC S.A.	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	USD	271.647	142.711		414.358			-	Al Vencimiento	3.14	430.125	1.95
96.792.430-K	SODIMAC S.A.	CHILE	97.006.000-6	BANCO DE CRÉDITO E INVERSIONES (CHILE)	CHILE	CLP		4		4			-	Al Vencimiento	.26	4	.26
76.821.330-5	IMPERIAL S.A.	CHILE	97.036.000-K	BANCO SANTANDER - SANTIAGO (CHILE)	CHILE	CLP		1.251.254		1.251.254			-	Mensual	3.01	1.250.000	3.01
76.821.330-5	IMPERIAL S.A.	CHILE	97.032.000-8	BANCO BBVA CHILE	CHILE	CLP			1.303.625	1.303.625	8.743.583		8.743.583	Semestral	5.96	10.053.922	5.85
76.821.330-5	IMPERIAL S.A.	CHILE	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	CLP		181.957		181.957	7.983.967		7.983.967	Semestral	4.72	8.188.004	4.6
76.821.330-5	IMPERIAL S.A.	CHILE	97.032.000-8	BANCO BBVA CHILE	CHILE	USD		1.938.597		1.938.597			-	Al Vencimiento	2.62	1.936.200	1.79
76.821.330-5	IMPERIAL S.A.	CHILE	97.023.000-9	BANCO ITAU (CHILE)	CHILE	USD		185.264		185.264			-	Al Vencimiento	2.62	185.112	1.74
76.821.330-5	IMPERIAL S.A.	CHILE	97.006.000-6	BANCO DE CRÉDITO E INVERSIONES (CHILE)	CHILE	CLP	36.996			36.996			-	Al Vencimiento	.02	36.996	.2
0-E	FALABELLA S.A.	ARGENTINA	0-E	BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARGENTINA	ARS	32.263			32.263	6.614.826		6.614.826	Al Vencimiento	24.00	6.647.090	24.00
0-E	FALABELLA S.A.	ARGENTINA	0-E	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	2.444		827.750	830.194			-	Al Vencimiento	30.84	830.194	30.84
0-E	FALABELLA S.A.	ARGENTINA	0-E	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	2.609		269.864	272.473	541.745		541.745	Al Vencimiento	17.00	814.218	17.00
0-E	FALABELLA S.A.	ARGENTINA	0-E	BBVA	ARGENTINA	ARS	162.856			162.856			-	Mensual	22.91	162.856	22.91
0-E	FALABELLA S.A.	ARGENTINA	0-E	ICBC (ARGENTINA)	ARGENTINA	ARS	263.894			263.894			-	Mensual	22.91	263.894	22.91

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

h) Bank Loans as of December 31, 2017 were detailed as follows: (continued)

Debtor ID number	Debtor	Debtor Country	Creditor ID number	Creditor	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 ThCh\$	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
0-E	FALABELLA S.A.	ARGENTINA	0-E	BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARGENTINA	ARS	40.787			40.787				Mensual	22.91	40.787	22.91
0-E	FALABELLA S.A.	ARGENTINA	0-E	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	2.341.889			2.341.889				Mensual	22.91	2.341.889	22.91
0-E	FALABELLA S.A.	ARGENTINA	0-E	CITIBANK N.A. (ARGENTINA)	ARGENTINA	ARS	444.878			444.878				Mensual	22.91	444.878	22.91
0-E	FALABELLA S.A.	ARGENTINA	0-E	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	2.275			2.275				Mensual	22.91	2.275	22.91
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BBVA	ARGENTINA	ARS	11.764.016			11.764.016				Mensual	30,00	11.764.016	29.82
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BANCO ITAU BUEN AYRE S.A. (ARGENTINA)	ARGENTINA	ARS	7.234.508			7.234.508				Mensual	33,00	7.234.508	32.67
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BANCO SANTANDER RIO S.A. (ARGENTINA)	ARGENTINA	ARS	2.835			2.835				Mensual	30,03	2.835	30,03
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BANCO PATAGONIA S.A. (ARGENTINA)	ARGENTINA	ARS	14.423.390			14.423.390				Mensual	32,00	14.423.390	32,09
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	8.245.819			8.245.819				Mensual	31,00	8.245.819	22,95
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	ICBC (ARGENTINA)	ARGENTINA	ARS	321			321				Mensual	32,5	321	30,62
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	5.385.486			5.385.486				Mensual	30,00	5.385.486	30,56
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	ICBC (ARGENTINA)	ARGENTINA	ARS	15.196.153			15.196.153				Mensual	32,5	15.196.153	30,62
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BBVA	ARGENTINA	ARS	27.397		2.947.617	2.975.014	1.983.865	1.983.865		Al Vencimiento	22,75	4.958.878	22,75
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BANCO DE LA CIUDAD DE BUENOS AIRES (ARGENTINA)	ARGENTINA	ARS	125.287	247.903	262.042	635.232				Mensual	30,5	635.233	26,92
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARGENTINA	ARS	33.900			33.900	6.616.449	6.616.449		Al Vencimiento	24,00	6.650.349	24,00
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS				-	4.954.327	4.954.327		Al Vencimiento	22,75	4.954.327	22,75
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	67.843			67.843	6.272.803	6.272.803		Al Vencimiento	23,00	6.340.646	23,00
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BANCO PATAGONIA S.A. (ARGENTINA)	ARGENTINA	ARS	130.109	217.091	976.302	1.323.502	761.256	761.256		Mensual	33,18	2.084.758	29,00
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	BBVA	ARGENTINA	ARS	545		1.953.269	1.953.814	1.320.373	1.320.373		Al Vencimiento	24,00	3.274.187	24,00
0-E	CMR ARGENTINA S.A.	ARGENTINA	0-E	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS		3.991		3.991	3.311.000	3.311.000		Al Vencimiento	24,36	3.314.991	22,00
0-E	CMR ARGENTINA S.A.	ARGENTINA	97.030.000-7	BANCO ESTADO (CHILE)	CHILE	USD	23.972		6.257.790	6.281.762				Al Vencimiento	2,58	6.281.762	2,58
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARGENTINA	ARS	32.263			32.263	6.614.826	6.614.826		Al Vencimiento	24,00	6.647.089	24,00
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	2.444		827.749	830.193				Al Vencimiento	17,00	830.193	17,00
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	BANCO HIPOTECARIO SOCIEDAD ANONIMA	ARGENTINA	ARS	2.609		269.864	272.473	541.745	541.745		Anual	17,00	814.218	17,00
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	CITIBANK N.A. (ARGENTINA)	ARGENTINA	ARS	3.563.928			3.563.928				Mensual	28,00	3.563.928	28,00
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	BANCO DE LA PROVINCIA DE BUENOS AIRES (ARGENTINA)	ARGENTINA	ARS	30			30				Mensual	25,9	30	25,9
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	BANCO PATAGONIA S.A. (ARGENTINA)	ARGENTINA	ARS	209			209				Mensual	25,9	209	25,9
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	BBVA	ARGENTINA	ARS	161.225			161.225				Mensual	25,00	161.225	25,00
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	BANCO DE GALICIA Y BUENOS AIRES S.A. (ARGENTINA)	ARGENTINA	ARS	403			403				Al Vencimiento	24,00	403	24,00
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	HSBC BANK ARGENTINA S.A.	ARGENTINA	ARS	1.635.976			1.635.976				Mensual	21,00	1.635.976	21,00

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

h) Bank Loans as of December 31, 2017 were detailed as follows: (continued)

Debtor ID number	Debtor	Debtor Country	Creditor ID number	Creditor	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 ThCh\$	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
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	BANCO SANTANDER RIO S.A. (ARGENTINA)	ARGENTINA	ARS	34			34				Mensual	25.9	34	25.9
0-E	SODIMAC ARGENTINA	ARGENTINA	0-E	ICBC (ARGENTINA)	ARGENTINA	ARS	152.030			152.030				Mensual	26,00	152.030	26,00
0-E	FALABELLA PERU S.A.A. (Ex-Inversiones y Servicios Falabella Perú S.A.)	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	-	1.228.753	-	1.228.753	47.211.349	-	47.211.349	Semestral	7.12	47.420.000	6.85
0-E	FALABELLA PERU S.A.A. (Ex-Inversiones y Servicios Falabella Perú S.A.)	PERU	0-E	SCOTIABANK (PERU)	PERU	PEN	-	575.743	28.435.684	29.011.427	-	-	-	Semestral	5.84	28.452.000	5.75
0-E	FALABELLA PERU S.A.A. (Ex-Inversiones y Servicios Falabella Perú S.A.)	PERU	0-E	INTERBANK (PERU)	PERU	PEN	480.943	885.397	4.074.074	5.440.414	16.318.881	-	16.318.881	Mensual	7.08	21.770.435	6.82
0-E	FALABELLA PERU S.A.A. (Ex-Inversiones y Servicios Falabella Perú S.A.)	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	-	2.261.551	6.826.770	9.088.321	17.249.637	-	17.249.637	Trimestral	7.27	26.385.936	6.88
0-E	FALABELLA PERU S.A.A. (Ex-Inversiones y Servicios Falabella Perú S.A.)	PERU	0-E	SCOTIABANK (PERU)	PERU	PEN	-	-	332.800	332.800	28.413.306	-	28.413.306	Trimestral	6.52	28.452.000	6.35
0-E	FALABELLA PERU S.A.A. (Ex-Inversiones y Servicios Falabella Perú S.A.)	PERU	0-E	THE BANK OF TOKYO-MITSUBISHI UFJ, LTD (Japanese)	JAPON	USD	-	518.699	-	518.699	30.650.894	-	30.650.894	Semestral	2.62	30.984.228	2.36
0-E	FALABELLA PERU S.A.A. (Ex-Inversiones y Servicios Falabella Perú S.A.)	PERU	0-E	INTERBANK (PERU)	PERU	PEN	467.161	858.034	3.940.943	5.266.138	19.037.711	-	19.037.711	Mensual	6.96	24.329.390	6.7
0-E	SODIMAC PERU S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	-	14.322.743	-	14.322.743	-	-	-	Al Vencimiento	2.42	14.320.840	2.42
0-E	SODIMAC PERU S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	-	5.695.276	-	5.695.276	-	-	-	Al Vencimiento	2.4	5.690.400	2.4
0-E	SODIMAC PERU S.A.	PERU	0-E	BANCO CONTINENTAL (PERU)	PERU	PEN	-	2.846.986	-	2.846.986	-	-	-	Al Vencimiento	1.9	2.845.200	1.9
0-E	SODIMAC PERU S.A.	PERU	0-E	BANCO CONTINENTAL (PERU)	PERU	PEN	-	3.226.062	-	3.226.062	-	-	-	Al Vencimiento	1.88	3.224.560	1.88
0-E	SODIMAC PERU S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	39.170	79.054	365.611	483.835	1.573.443	-	1.573.443	Mensual	7.17	2.057.281	7.17
0-E	SODIMAC PERU S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	95.393	191.679	984.596	1.271.668	1.789.052	-	1.789.052	Mensual	6.05	3.060.719	6.05
0-E	MALLS PERU S.A.	PERU	0-E	SCOTIABANK (PERU)	PERU	PEN	-	-	2.439.492	2.439.492	609.683	-	609.683	Mensual	7.57	3.049.817	7.15
0-E	MALLS PERU S.A.	PERU	0-E	SCOTIABANK (PERU)	PERU	PEN	-	-	533.191	533.191	133.258	-	133.258	Mensual	7.57	666.594	7.15
0-E	SAGA FALABELLA S.A. (PERU)	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	35.120.864	35.120.864	-	-	-	Mensual	2.4	35.090.800	2.4
0-E	HIPERMERCADOS TOTTUS S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	14.238.189	14.238.189	-	-	-	Al Vencimiento	2.4	14.226.000	2.37
0-E	HIPERMERCADOS TOTTUS S.A.	PERU	0-E	BANCO CONTINENTAL (PERU)	PERU	PEN	-	-	4.742.517	4.742.517	-	-	-	Al Vencimiento	1.98	4.742.000	1.96
0-E	HIPERMERCADOS TOTTUS S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	79.325	138.255	643.465	861.045	2.686.198	-	2.686.198	Mensual	7.17	3.555.712	6.94
0-E	HIPERMERCADOS TOTTUS S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	63.499	125.380	385.652	574.531	-	-	-	Mensual	7.25	574.039	7.02
0-E	HIPERMERCADOS TOTTUS S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	58.905	111.504	517.352	687.761	3.587.151	-	3.587.151	Mensual	6.6	4.285.574	6.41
0-E	HIPERMERCADOS TOTTUS S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	117.621	206.008	955.812	1.279.441	6.768.690	-	6.768.690	Mensual	6.6	8.060.241	6.41
0-E	MAESTRO PERU S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	-	1.898.425	-	1.898.425	-	-	-	Al Vencimiento	2.4	1.896.800	2.4
0-E	AVENTURA PLAZA S.A.	PERU	0-E	BANCO DE CREDITO (PERU)	PERU	PEN	-	-	5.696.648	5.696.648	-	-	-	Al Vencimiento	2.5	5.696.648	2.5
0-E	CENTRO COMERCIAL EL CASTILLO	COLOMBIA	0-E	CORPBANCA	COLOMBIA	COP	324.854	665.000	1.773.333	2.763.187	10.412.723	8.593.568	19.006.291	Al Vencimiento	9.4	21.769.478	8.97
0-E	CENTRO COMERCIAL MANIZALES S.A.S.	COLOMBIA	0-E	CORPBANCA	COLOMBIA	COP						21.951.468	21.951.468	Al Vencimiento	8.79	21.951.468	8.79
0-E	MALL PLAZA COLOMBIA S.A.S.	COLOMBIA	0-E	BANCOLOMBIA	COLOMBIA	COP	89.906			89.906				Al Vencimiento	12.4	89.906	12.4
0-E	OTRAS SOCIEDADES	COLOMBIA	0-E	BANCO DAVIVIENDA (COLOMBIA)	COLOMBIA	COP	75.999			75.999		12.222.484	12.222.484	Al Vencimiento	9.39	12.298.483	9.39

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

h) Bank Loans as of December 31, 2017 were detailed as follows: (continued)

Debtor ID number	Debtor	Debtor Country	Creditor ID number	Creditor	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 ThCh\$	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
0-E	FALABELLA DE COLOMBIA S.A	COLOMBIA	0-E	BANCO AV VILLAS (COLOMBIA)	COLOMBIA	COP	92.059		10.416.000	10.508.059			-	Al Vencimiento	7.49	10.508.059	7.29
0-E	FALABELLA DE COLOMBIA S.A	COLOMBIA	0-E	BANCO BOGOTA (COLOMBIA)	COLOMBIA	COP	83.796			83.796	25.500.504		25.500.504	Al Vencimiento	7.23	25.584.300	7.04
0-E	FALABELLA DE COLOMBIA S.A	COLOMBIA	0-E	BANCOLOMBIA	COLOMBIA	COP	296.572			296.572	10.500.000		10.500.000	Al Vencimiento	8.35	10.796.572	8.05
0-E	FALABELLA DE COLOMBIA S.A	COLOMBIA	0-E	BANCO POPULAR (COLOMBIA)	COLOMBIA	COP	34.959			34.959	10.500.000		10.500.000	Al Vencimiento	7.7	10.534.958	7.49
0-E	CONSTRUDECOR S.A.	BRASIL	0-E	CITIBANK N.A.	BRASIL	USD			7.829.284	7.829.284			-	Al Vencimiento	8.01	2.610.000	6.73
0-E	CONSTRUDECOR S.A.	BRASIL	0-E	CITIBANK N.A.	BRASIL	USD			10.043.733	10.043.733			-	Al Vencimiento	7.86	3.352.067	6.72
0-E	CONSTRUDECOR S.A.	BRASIL	0-E	CITIBANK N.A.	BRASIL	USD			5.985.567	5.985.567			-	Al Vencimiento	8.17	1.989.619	6.67
0-E	CONSTRUDECOR S.A.	BRASIL	0-E	BANCO SAFRA (BRASIL)	BRASIL	USD			12.919.272	12.919.272			-	Al Vencimiento	6.75	3.989.623	7.97
0-E	CONSTRUDECOR S.A.	BRASIL	0-E	BANCO HSBC (BRASIL)	BRASIL	USD			207.560	207.560	7.912.794		7.912.794	Al Vencimiento	11.93	2.564.900	7.97
0-E	CONSTRUDECOR S.A.	BRASIL	0-E	BANCO BRADESCO (BRASIL)	BRASIL	USD		11.695.320		11.695.320			-	Al Vencimiento			
Total Préstamos Bancarios							273.737.849	67.796.131	262.727.716	604.261.696	676.463.253	133.157.495	809.620.748				

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)

i) Obligations to the Public (Bonds payable) as of December 31, 2017 were detailed as follows:

Debtor ID number	Debtor	Debtor Country	Creditor	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 ThCh\$	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	Varios Acreedores	UF	-	-	982.341	982.341	-	90.592.321	90.592.321	Al Vencimiento	4.38	93.793.490	4.00
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	UF	544.438	-	17.865.427	18.409.865	35.810.387	-	35.810.387	Al Vencimiento	2.24	53.596.280	2.3
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	UF	1.199.517	-	-	1.199.517	-	77.083.740	77.083.740	Al Vencimiento	3.26	80.394.420	3.1
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	CLP	-	-	670.386	670.386	62.990.031	-	62.990.031	Al Vencimiento	5.1	63.000.000	5.15
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	UF	-	-	346.758	346.758	-	52.293.657	52.293.657	Al Vencimiento	3.00	53.596.280	3.15
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	CLP	-	-	385.761	385.761	78.309.461	-	78.309.461	Al Vencimiento	5.04	78.000.000	4.84
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	UF	-	-	238.470	238.470	-	76.080.360	76.080.360	Al Vencimiento	3.16	80.394.420	3.11
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	CLP	-	-	1.038.945	1.038.945	-	94.032.569	94.032.569	Al Vencimiento	6.63	94.588.500	6.5
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	USD	-	-	2.014.304	2.014.304	-	303.974.329	303.974.329	Al Vencimiento	3.98	307.375.000	3.75
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	USD	4.698.987	-	-	4.698.987	-	243.905.317	243.905.317	Al Vencimiento	4.5	245.900.000	4.38
90.749.000-9	S.A.C.I. FALABELLA	CHILE	Varios Acreedores	USD	-	-	1.641.771	1.641.771	-	240.204.766	240.204.766	Al Vencimiento	4.03	245.900.000	3.75
76.017.019-4	PLAZA S.A.	CHILE	Varios Acreedores	UF	-	-	587.058	587.058	-	78.832.869	78.832.869	Al Vencimiento	4.00	80.394.420	3.85
76.017.019-4	PLAZA S.A.	CHILE	Varios Acreedores	UF	-	-	390.850	390.850	-	52.604.885	52.604.885	Al Vencimiento	3.99	53.596.280	3.85
76.017.019-4	PLAZA S.A.	CHILE	Varios Acreedores	UF	-	-	317.668	317.668	-	63.746.576	63.746.576	Al Vencimiento	3.41	66.995.350	3.5
76.017.019-4	PLAZA S.A.	CHILE	Varios Acreedores	UF	-	-	269.619	269.619	-	79.804.732	79.804.732	Al Vencimiento	3.9	80.394.420	3.9
76.017.019-4	PLAZA S.A.	CHILE	Varios Acreedores	UF	-	1.159.192	-	1.159.192	-	80.459.156	80.459.156	Al Vencimiento	3.92	80.394.420	3.8
76.017.019-4	PLAZA S.A.	CHILE	Varios Acreedores	UF	-	-	612.212	612.212	24.811.442	54.290.089	79.101.531	Semestral	3.76	80.394.420	4.5
76.017.019-4	PLAZA S.A.	CHILE	Varios Acreedores	UF	-	-	8.949.765	8.949.765	-	-	-	Semestral	4.72	8.932.713	3.5
76.017.019-4	PLAZA S.A.	CHILE	Varios Acreedores	UF	-	5.429.936	5.040.094	10.470.030	20.129.995	-	20.129.995	Semestral	3.74	30.147.908	3.5
96.792.430-K	SODIMAC S.A.	CHILE	Varios Acreedores	UF	-	-	128.901	128.901	-	39.561.230	39.561.230	Semestral	3.98	39.381.690	3.7
0-E	CMR FALABELLA S.A.	ARGENTINA	Varios Acreedores	ARS	247.380	218.761	27.218	493.359	-	-	-	Mensual	29.71	520.657	23.3
0-E	CMR FALABELLA S.A.	ARGENTINA	Varios Acreedores	ARS	618.149	716.766	300.198	1.635.113	-	-	-	Mensual	31.04	1.768.470	22.8
0-E	CMR FALABELLA S.A.	ARGENTINA	Varios Acreedores	ARS	1.136.892	1.067.480	766.528	2.970.900	-	-	-	Mensual	31.97	3.165.919	22.37
0-E	CMR FALABELLA S.A.	ARGENTINA	Varios Acreedores	ARS	1.578.630	1.858.835	1.085.944	4.523.409	-	-	-	Mensual	31.73	4.821.493	22.53
0-E	CMR FALABELLA S.A.	ARGENTINA	Varios Acreedores	ARS	2.103.446	2.547.544	1.660.572	6.311.562	-	-	-	Mensual	33.65	6.963.989	24.57
0-E	FALABELLA PERU S.A.	PERU	Varios Acreedores	PEN	276.935	-	-	276.935	-	18.543.475	18.543.475	Trimestral	8.33	18.588.640	8.06
0-E	FALABELLA PERU S.A.	PERU	Varios Acreedores	PEN	-	173.379	-	173.379	-	24.635.032	24.635.032	Trimestral	7.42	24.658.400	7.19
0-E	FALABELLA PERU S.A.	PERU	Varios Acreedores	PEN	167.001	-	-	167.001	-	13.646.457	13.646.457	Trimestral	6.53	13.656.960	6.25
0-E	FALABELLA PERU S.A.	PERU	Varios Acreedores	PEN	616.106	-	-	616.106	-	37.866.462	37.866.462	Trimestral	7.23	37.936.000	7.03
0-E	SAGA FALABELLA S.A. (PERU)	PERU	Varios Acreedores	PEN	(135)	343.288	337.498	680.651	-	-	-	Trimestral	7.83	677.429	7.56
0-E	SAGA FALABELLA S.A. (PERU)	PERU	Varios Acreedores	PEN	351.261	(305)	676.058	1.027.014	-	-	-	Trimestral	7.28	1.016.143	7.09
0-E	SAGA FALABELLA S.A. (PERU)	PERU	Varios Acreedores	PEN	(195)	313.930	851.803	1.165.538	3.983.280	-	3.983.280	Trimestral	5.94	5.121.360	5.81
0-E	SAGA FALABELLA S.A. (PERU)	PERU	Varios Acreedores	PEN	(109)	216.383	568.058	784.332	2.845.200	-	2.845.200	Trimestral	5.52	3.603.920	5.41
0-E	SAGA FALABELLA S.A. (PERU)	PERU	Varios Acreedores	PEN	290.107	(172)	710.527	1.000.462	3.792.666	474.200	4.266.866	Trimestral	5.12	5.216.200	5.00
0-E	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Varios Acreedores	PEN	19.100	55.280	170.986	245.366	1.092.481	5.749.216	6.841.697	Trimestral	7.61	7.126.561	7.4
0-E	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Varios Acreedores	PEN	19.157	55.392	171.497	246.046	1.095.237	5.754.643	6.849.880	Trimestral	7.61	7.126.561	7.4
0-E	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Varios Acreedores	PEN	23.941	69.232	214.331	307.504	1.368.832	7.192.882	8.561.714	Trimestral	7.61	8.908.201	7.4
0-E	HIPERMERCADOS TOTTUS S.A. (PERU)	PERU	Varios Acreedores	PEN	23.082	67.512	214.734	305.328	1.371.001	7.197.152	8.568.153	Trimestral	7.61	8.908.201	7.4
Total Obligations to the Public					13.913.690	14.292.433	49.236.282	77.442.405	237.600.013	1.748.526.115	1.986.126.128				

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

j) Financial lease obligations as of December 31, 2017 were detailed as follows:

Debtor ID number	Debtor	Debtor Country	Creditor ID number	Creditor	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 ThCh\$	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	2,523,773	-	-	2,523,773	-	-	-	Monthly	3.26	2,292,207	3.26
77,612,410-9	ADESSA LTDA.	CHILE	77,164,280-2	TANNER LEASING VENDOR LIMITADA	CHILE	CLP	697,710	-	-	697,710	-	-	-	Monthly	5.15	697,710	5.15
77,612,410-9	ADESSA LTDA.	CHILE	92,040,000-0	IBM S.A.	CHILE	USD	2,885	8,652	23,073	34,610	6,261	-	6,261	Monthly	1.19	44,094	1.19
77,612,410-9	ADESSA LTDA.	CHILE	92,040,000-0	IBM S.A.	CHILE	USD	-	-	136,813	136,813	68,811	-	68,811	Monthly	1.19	132,838	1.19
77,612,410-9	ADESSA LTDA.	CHILE	Foreign	REFLEXIS SYSTEMS, INC.	USA	USD	70,493	-	48,021	118,514	323,200	-	323,200	Monthly	1.99	441,715	1.99
79,990,670-8	ADMINISTRADORA PLAZA VESPUCCIO S.A.	CHILE	95,714,000-9	CLARO SERVICIOS EMPRESARIALES S.A.	CHILE	UF	-	22,121	38,280	60,401	109,866	-	109,866	Monthly	5.42	170,267	5.42
96,653,650-0	PLAZA OESTE S.A.	CHILE	95,714,000-9	CLARO SERVICIOS EMPRESARIALES S.A.	CHILE	UF	-	51,486	158,600	210,086	454,965	-	454,965	Monthly	5.42	665,052	5.42
96,653,660-8	PLAZA DEL TRÉBOL S.A.	CHILE	95,714,000-9	CLARO SERVICIOS EMPRESARIALES S.A.	CHILE	UF	-	13,974	33,250	47,224	95,381	-	95,381	Monthly	5.42	142,604	5.42
96,791,560-2	PLAZA TOBALABA S.A.	CHILE	95,714,000-9	CLARO SERVICIOS EMPRESARIALES S.A.	CHILE	UF	-	4,290	13,216	17,506	37,913	-	37,913	Monthly	5.42	55,420	5.42
96,795,700-3	PLAZA LA SERENA S.A.	CHILE	95,714,000-9	CLARO SERVICIOS EMPRESARIALES S.A.	CHILE	UF	-	4,334	13,352	17,686	38,301	-	38,301	Monthly	5.42	55,987	5.42
99,555,550-6	PLAZA ANTOFAGASTA S.A.	CHILE	95,714,000-9	CLARO SERVICIOS EMPRESARIALES S.A.	CHILE	UF	-	6,182	19,042	25,224	54,624	-	54,624	Monthly	5.42	79,847	5.42
96,951,230-0	INMOBILIARIA MALL CALAMA S.A.	CHILE	95,714,000-9	CLARO SERVICIOS EMPRESARIALES S.A.	CHILE	UF	-	4,896	15,083	19,979	43,267	-	43,267	Monthly	5.42	63,246	5.42
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	95,714,000-9	CLARO SERVICIOS EMPRESARIALES S.A.	CHILE	UF	-	13,287	39,846	53,133	114,294	-	114,294	Monthly	5.42	167,427	5.42
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	76,182,576-3	TERMIKA HOLDING S.A.	CHILE	UF	-	87,146	115,797	202,943	691,464	177,612	869,076	Monthly	4.81	1,072,020	4.81
76,882,330-8	NUEVOS DESARROLLOS S.A.	CHILE	76,182,576-3	TERMIKA HOLDING S.A.	CHILE	UF	-	78,747	89,277	168,024	504,738	654,609	1,159,347	Monthly	2.44	1,327,370	2.44
Foreign	OPEN PLAZA S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	-	158,495	158,495	722,098	1,404,235	2,126,333	Monthly	7.13	2,329,347	6.9
Foreign	OPEN PLAZA S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	-	256,599	256,599	1,170,749	2,284,695	3,455,444	Monthly	7.13	3,796,956	6.9
Foreign	OPEN PLAZA S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	450,006	450,006	2,090,470	692,551	2,783,021	Monthly	8.6	3,255,256	8.28
Foreign	OPEN PLAZA S.A.	PERU	Foreign	BANCO INTERAMERICANO DE FINANZAS (BIF)	PERU	PEN	-	-	564,801	564,801	501,718	-	501,718	Monthly	8.5	1,061,103	8.19
Foreign	OPEN PLAZA S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	-	164,758	164,758	751,663	1,466,602	2,218,265	Monthly	7.13	2,437,132	6.9
Foreign	OPEN PLAZA S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	1,326,100	1,326,100	6,463,821	971,561	7,435,382	Monthly	8.7	8,926,945	8.37
Foreign	OPEN PLAZA S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	-	886,820	886,820	6,745,575	-	6,745,575	Monthly	6.48	7,670,648	6.3
Foreign	OPEN PLAZA S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	684,600	684,600	6,355,669	-	6,355,669	Monthly	7.55	7,080,045	7.3
Foreign	OPEN PLAZA S.A.	PERU	Foreign	BANCO SANTANDER CENTRAL HISPANO	PERU	PEN	-	-	1,236,589	1,236,589	7,436,177	-	7,436,177	Monthly	7.6	8,689,308	7.35
Foreign	OPEN PLAZA S.A.	PERU	Foreign	BANCO DE CREDITO	PERU	PEN	-	-	66,771	66,771	29,157	-	29,157	Monthly	7.26	95,870	7.26
Foreign	HIPERMERCADOS TOTIUS S.A.	PERU	Foreign	BANCO SANTANDER CENTRAL HISPANO	PERU	PEN	105,673	106,143	-	211,816	-	-	-	Monthly	6.95	211,719	6.74
Foreign	HIPERMERCADOS TOTIUS S.A.	PERU	Foreign	BANCO SANTANDER CENTRAL HISPANO	PERU	PEN	9,795	9,872	-	19,667	-	-	-	Monthly	6.95	19,736	6.74
Foreign	HIPERMERCADOS TOTIUS S.A.	PERU	Foreign	BANCO SANTANDER CENTRAL HISPANO	PERU	PEN	9,435	9,490	-	18,925	-	-	-	Monthly	6.95	18,930	6.74

Note 18 - Other Current and Non-Current Financial Liabilities (continued)

j) Financial lease obligations as of December 31, 2017 were detailed as follows: (continued)

Debtor ID number	Debtor	Debtor Country	Creditor ID number	Creditor	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 ThCh\$	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	SCOTIABANK	PERU	PEN	77,462	-	-	77,462	-	-	-	Monthly	6.5	77,593	6.5
Foreign	MAESTRO PERU S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	69,895	-	-	69,895	-	-	-	Monthly	6.5	70,014	6.5
Foreign	MAESTRO PERU S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	67,459	-	67,459	-	-	-	Monthly	6.5	68,240	6.5
Foreign	MALL PLAZA PERU S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	94,849	288,060	768,558	1,151,467	7,380,010	2,897,878	10,277,888	Monthly	8.08	11,861,071	7.38
Foreign	MALL PLAZA PERU S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	100,372	301,117	854,997	1,256,486	22,884,892	-	22,884,892	Monthly	9.34	24,202,902	8.81
Total Finance Leases							3,762,342	1,077,256	8,162,744	13,002,342	65,075,085	10,549,742	75,624,827				

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,

k) Reconciliation of current and non-current financial liabilities to the statement of cash flow required by IAS 7:

	Dec-31-18 ThCh\$	Cash flow ThCh\$	Interest and indexation ThCh\$	Other non-monetary movements ThCh\$	Dec-31-19 ThCh\$
Bank loans	973,863,621	(286,183,340)	47,166,436	131,450,764	866,297,481
Bond obligations	2,191,675,045	(106,469,068)	120,291,988	53,589,105	2,259,087,070
Finance lease obligations ⁽¹⁾	60,251,372	-	-	(60,251,372)	-
Other financial liabilities	139,009,206	(3,748,332)	22,387,168	(25,800,860)	131,847,182
Total current & non-current other financial liabilities	3,364,799,244	(396,400,740)	189,845,592	98,987,637	3,257,231,733

⁽¹⁾ Finance lease obligations are presented as lease liabilities with effect from January 1, 2019 as a result of applying IFRS 16 (see Note 19),

Note 19 - Current and Non-Current Leasing Liabilities

As of December 31, 2019 these are detailed as follows,

Leasing liabilities	Current				Non-current		
	Up to 1 month	1 to 3 months	3 to 12 months	Total	1 to 5 years	Over 5 years	Total
Non-Banking Business	4,648,641	21,975,019	56,257,807	82,881,467	305,552,400	594,822,162	900,374,562
Banking Business	331,569	981,859	3,493,368	4,806,796	15,329,508	15,388,263	30,717,771

Note 20 - Current and Non-Current Trade and Other Payables

Trade and other payables are detailed as follows:

Dec-31-19						
Liability	Up to 1 month	1 to 3 months	3 to 12 months	Total Current	1 to 5 years	Total Non-Current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Trade creditors	696,460,736	198,302,595	40,228,351	934,991,682	-	-
Miscellaneous creditors	14,235,213	4,996,957	2,487,343	21,719,513	1,920,686	1,920,686
Other payables	70,561,401	3,904,144	78,029,239	152,494,784	-	-
Total	781,257,350	207,203,696	120,744,933	1,109,205,979	1,920,686	1,920,686

Dec-31-18						
Liability	Up to 1 month	1 to 3 months	3 to 12 months	Total Current	1 to 5 years	Total Non-Current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Trade creditors	494,092,946	213,445,568	20,942,881	728,481,395	-	-
Miscellaneous creditors	6,539,000	9,049,660	2,925,817	18,514,477	1,089,919	1,089,919
Other payables	151,333,381	42,867,960	78,238,851	272,440,192	-	-
Total	651,965,327	265,363,188	102,107,549	1,019,436,064	1,089,919	1,089,919

Dec-31-17						
Liability	Up to 1 month	1 to 3 months	3 to 12 months	Total Current	1 to 5 years	Total Non-Current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Trade creditors	547,316,871	225,310,549	41,694,883	814,322,303	-	-
Miscellaneous creditors	3,208,334	9,993,118	4,288,586	17,490,038	1,081,931	1,081,931
Other payables	2,792,197	32,829,328	124,057,201	159,678,726	-	-
Total	553,317,402	268,132,995	170,040,670	991,491,067	1,081,931	1,081,931

The Company's principal suppliers as of December 31, 2019 are detailed as follows, The average supplier payment term varies between 43 and 79 days, depending on the business and the country,

Supplier Name
Gloria
Celulosa Arauco
CTI S,A,
CMPC
Codelpa
Colceramica
Colchones Rosen
Alicorp
Agrosuper
Intcomex

Note 20 - Current and Non-Current Trade and Other Payables (continued)

Creditors not due

Dec-31-19

Supplier	According to Payment Terms					Total ThCh\$
	Under 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121-365 days	
Goods	486,913,893	153,193,053	47,329,057	8,538,399	4,438,686	700,413,088
Services	172,091,892	4,986,110	2,543,513	878,227	2,809,927	183,309,669
Others	21,032,288	830,954	2,446,764	2,139,754	1,725,140	28,174,900
Total ThCh\$	680,038,073	159,010,117	52,319,334	11,556,380	8,973,753	911,897,657

Dec-31-18

Supplier	According to Payment Terms					Total ThCh\$
	Under 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121-365 days	
Goods	313,503,436	164,155,839	36,197,002	7,551,391	3,567,179	524,974,847
Services	166,252,198	6,527,117	1,622,263	1,822,041	2,544,669	178,768,288
Others	10,289,233	1,136,094	15,213	1,527,382	98,849	13,066,771
Total ThCh\$	490,044,867	171,819,050	37,834,478	10,900,814	6,210,697	716,809,906

Dec-31-17

Supplier	Amounts According to Payment Terms					Total ThCh\$
	Under 30 days	31-60 days	61-90 days	91-120 days	121-365 days	
Goods	369,173,362	178,069,020	38,002,947	9,905,522	7,748,297	602,899,148
Services	173,990,464	4,605,479	1,411,610	768,418	1,702,006	182,477,977
Others	17,837,135	777,113	223,681	65,993	156,757	19,060,679
Total ThCh\$	561,000,961	183,451,612	39,638,238	10,739,933	9,607,060	804,437,804

Creditors overdue

Falabella 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 overdue amounts owed to suppliers as of December 31, 2019, 2018 and 2017 are primarily due to invoices that contain differences, the majority of which are rapidly resolved, due to the continuing management of supplier payables,

Dec-31-19

Creditor	According to Payment Terms						Total ThCh\$
	Under 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121-180 days	Over 180 days	
Goods	4,354,464	2,378,652	2,314,195	5,847,389	1,052,637	2,885,406	18,832,743
Services	529,106	719,605	843,984	434,102	414,741	495,987	3,437,525
Others	373,728	236,207	81,381	2,551	96,211	33,679	823,757
Total ThCh\$	5,257,298	3,334,464	3,239,560	6,284,042	1,563,589	3,415,072	23,094,025

Dec-31-18

Creditor	According to Payment Terms						Total ThCh\$
	Under 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121-180 days	Over 180 days	
Goods	3,264,980	907,065	1,864,410	1,038,757	349,233	482,579	7,907,024
Services	225,168	356,129	63,680	52,049	33,971	175,520	906,517
Others	557,931	563,587	37,170	1,634,238	7,466	57,556	2,857,948
Total ThCh\$	4,048,079	1,826,781	1,965,260	2,725,044	390,670	715,655	11,671,489

Dec-31-17

Creditor	Amounts According to Payment Terms						Total ThCh\$
	Under 30 days	31-60 days	61-90 days	91-120 days	121-180 days	Over 180 days	
Goods	2,344,982	3,338,664	1,123,998	433,491	545,941	591,317	8,378,393
Services	181,308	246,535	56,825	30,143	63,922	250,814	829,547
Others	32,027	409,970	70,110	137,628	8,512	18,312	676,559
Total	2,558,317	3,995,169	1,250,933	601,262	618,375	860,443	9,884,499

Note 21 - Current and Non-Current Provisions

a) Provisions for the Non-Banking Business are detailed as follows:

Non-Banking Business	Current			Non-Current		
	Dec-31-19	Dec-31-18	Dec-31-17	Dec-31-19	Dec-31-18	Dec-31-17
Provisions	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Legal claims and contingencies provisions ⁽¹⁾	22,516,176	22,700,736	13,639,800	6,432,212	6,546,953	8,711,948
Dismantling, restoration and rehabilitation costs ⁽²⁾	-	-	-	3,158,646	2,777,402	2,333,811
Allowances for unused lines of credit ⁽³⁾	1,003,763	1,793,109	-	-	-	-
Other provisions ⁽⁴⁾	238,195	238,585	194,651	-	-	-
Total	23,758,134	24,732,430	13,834,451	9,590,858	9,324,355	11,045,759

b) Provisions for the Banking Business are detailed as follows:

Banking Business			
Provisions	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Legal claims and contingencies provisions ⁽¹⁾	2,138,533	1,478,615	878,695
Dismantling, restoration and rehabilitation costs ⁽²⁾	332,541	469,310	247,496
Allowances on used lines of credit ⁽³⁾	29,309,244	39,361,963	970,891
Other provisions ⁽⁴⁾	236,864	120,500	34,546
Total	32,017,182	41,430,388	2,131,628

⁽¹⁾ Legal claims and contingencies provisions 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 assets acquired or built,

⁽³⁾ Allowances for unused lines of credit are the expected credit losses on the unused portion of credit lines, which must be recognized according to IFRS 9,

⁽⁴⁾ Other provisions are other third party obligations, where there is a high probability of payment,

Note 21 - Current and Non-Current Provisions (continued)

c) Movements in provisions for the Non-Banking Business are detailed as follows:

Movements in provisions	Legal claims provision		Dismantling, restoration and rehabilitation costs		Unused lines of credit		Other provisions		Total	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Balance as of January 1, 2019	22,700,736	6,546,953	-	2,777,402	1,793,109	-	238,585	-	24,732,430	9,324,355
Additional provisions	4,134,233	424,764	-	87,480	-	-	-	-	4,134,233	512,244
Increase (decrease) in current provisions	(3,910,498)	(1,021,278)	-	75,742	(214,694)	-	(390)	-	(4,125,582)	(945,536)
Conversion adjustment	(408,295)	481,773	-	218,022	(574,652)	-	-	-	(982,947)	699,795
Balance as of Dec 31, 2019	22,516,176	6,432,212	-	3,158,646	1,003,763	-	238,195	-	23,758,134	9,590,858
Balance as of Jan 1, 2018	13,639,800	8,711,948	-	2,333,811	-	-	194,651	-	13,834,451	11,045,759
Increase due to new accounting standards ⁽¹⁾	-	-	-	-	542,445	-	-	-	542,445	-
Restated opening balance	13,639,800	8,711,948	-	2,333,811	542,445	-	194,651	-	14,376,896	11,045,759
Additional provisions	2,454,696	641,312	-	32,079	-	-	-	-	2,454,696	673,391
Acquisitions through business combinations ⁽²⁾	9,985,446	-	-	-	-	-	-	-	9,985,446	-
Increase (decrease) in current provisions	(1,415,100)	(3,405,319)	-	238,959	1,462,807	-	43,934	-	91,641	(3,166,360)
Conversion adjustment	(1,964,106)	599,012	-	172,553	(212,143)	-	-	-	(2,176,249)	771,565
Balance as of Dec 31, 2018	22,700,736	6,546,953	-	2,777,402	1,793,109	-	238,585	-	24,732,430	9,324,355
Balance as of January 1, 2017	13,041,075	10,369,528	-	2,506,280	-	-	189,342	-	13,230,417	12,875,808
Additional provisions	3,952,897	985,425	-	4,241	-	-	45,311	-	3,998,208	989,666
Increase (decrease) in current provisions	(1,918,739)	(2,081,154)	-	(62,141)	-	-	(40,002)	-	(1,958,741)	(2,143,295)
Conversion adjustment	(1,435,433)	(561,851)	-	(114,569)	-	-	-	-	(1,435,433)	(676,420)
Balance as of December 31, 2017	13,639,800	8,711,948	-	2,333,811	-	-	194,651	-	13,834,451	11,045,759

⁽¹⁾ The effect of IFRS 9 (see Note 2,29,c),

⁽²⁾ Provisions incorporated when New TIN Linio I GmbH was acquired (Note 41),

Note 21 - Current and Non-Current Provisions (continued)

d) Movements in provisions for the Banking Business are detailed as follows:

Movements in provisions	Legal claims provision ThCh\$	Dismantling, restoration and rehabilitation costs ThCh\$	Unused lines of credit ThCh\$	Other provisions ThCh\$	Total ThCh\$
Balance as of January 1, 2019	1,478,615	469,310	39,361,963	120,500	41,430,388
Additional provisions	726,291	-	-	-	726,291
Increase (decrease) in current provisions	(114,363)	(131,583)	(10,466,502)	102,808	(10,609,640)
Conversion adjustment	47,990	(5,186)	413,783	13,555	470,142
Balance as of Dec 31, 2019	2,138,533	332,541	29,309,244	236,863	32,017,181
Balance as of January 1, 2018	878,695	247,496	970,891	34,547	2,131,629
Increase due to new accounting standards ⁽¹⁾	-	-	35,908,785	-	35,908,785
Restated opening balance	878,695	247,496	36,879,676	34,547	38,040,414
Additional provisions	824,168	174,221	-	105,250	1,103,639
Increase (decrease) in current provisions	(248,810)	44,106	2,384,913	(14,581)	2,165,628
Conversion adjustment	24,562	3,487	97,374	(4,716)	120,707
Balance as of Dec 31, 2018	1,478,615	469,310	39,361,963	120,500	41,430,388
Balance as of January 1, 2017	615,493	189,269	1,153,120	384,271	2,342,153
Additional provisions	1,575,723	-	-	1,776	1,577,499
Increase (decrease) in current provisions	(1,295,433)	47,091	(182,229)	(354,157)	(1,784,728)
Conversion adjustment	(17,088)	11,136	-	2,656	(3,296)
Balance as of December 31, 2017	878,695	247,496	970,891	34,546	2,131,628

⁽¹⁾ Due to adopting IFRS 9 (see Note 2,29,c)

Note 22 - Current and Non-Current Employee Benefits Provisions

a) Employee benefit expenses are included in the statement of net income under the item Administrative expenses and are detailed as follows:

Non-Banking Business

Employee Benefit Expenses	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Wages and salaries	885,536,947	852,092,937	819,366,644
Bonuses and other short-term benefits	157,907,332	139,725,135	134,083,303
Defined benefit expense	4,981,253	3,451,850	2,162,714
Termination expenses	20,589,821	18,367,580	21,886,455
Share-based payments ⁽¹⁾	3,258,756	1,516,865	5,384,312
Other personnel expenses	14,453,918	23,749,056	19,738,056
Staff costs	1,086,728,027	1,038,903,423	1,002,621,484

Banking Business

Employee Benefit Expenses	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Wages and salaries	103,692,611	96,635,023	85,396,798
Bonuses and other short-term benefits	31,796,482	30,227,791	33,015,253
Termination expenses	2,899,367	4,010,291	2,336,959
Share-based payments ⁽¹⁾	366,286	246,247	716,203
Other personnel expenses	10,754,964	11,715,164	10,991,331
Staff costs	149,509,710	142,834,516	132,456,544

⁽¹⁾ As of December 31, 2018, ThCh\$ 204,130 was included in Other reserves (ThCh\$ 1,476,115 in 2017).

b) Employee benefit provisions for the Non-Banking Business are detailed as follows:

Employee Benefit Provisions	Current			Non-Current		
	Dec-31-19	Dec-31-18	Dec-31-17	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Vacation provision	50,608,081	47,128,517	45,560,733	-	-	-
Profit sharing and bonuses provision	55,286,183	58,790,765	54,486,138	11,652,235	10,469,873	8,203,217
Defined benefit provisions	2,358,274	1,563,655	1,914,961	44,316,578	34,712,969	24,293,658
Withholdings	26,120,068	25,798,956	23,620,832	-	-	-
Remuneration provisions	10,982,874	7,445,250	5,799,928	-	-	-
Other provisions	4,093,861	2,606,483	2,918,754	-	-	-
Total Employee Benefit Provisions	149,449,341	143,333,626	134,301,346	55,968,813	45,182,842	32,496,875

c) The Employee defined benefit provisions are detailed as follows:

	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Defined benefit provisions, current	2,358,274	1,563,655	1,914,961
Defined benefit provisions, non-current	44,316,578	34,712,969	24,293,658
Total Defined Benefit Provisions	46,674,852	36,276,624	26,208,619

Note 22 - Current and Non-Current Employee Benefits Provisions (continued)

c) The Employee defined benefit provisions are detailed as follows: (continued)

c,1) A reconciliation of the defined benefit provisions, detailed expenses for the year and main assumptions used to calculate the obligation:

Reconciliation of the Defined Benefits Present Value	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Opening balance as of January 1	36,276,624	26,208,619	24,293,280
Cost of current service, defined benefits obligations ⁽¹⁾	3,442,698	2,205,426	1,138,828
Cost of interest on defined benefits obligations ⁽¹⁾	1,538,555	1,246,424	1,023,887
Actuarial gains (losses) on defined benefits obligation by experience and assumptions ⁽²⁾	8,141,129	9,299,135	1,510,130
Defined benefits obligation payments	(2,724,154)	(2,682,980)	(1,757,506)
Closing balance, present value of defined benefit obligations	46,674,852	36,276,624	26,208,619

⁽¹⁾ Recorded in the statement of net income as Administrative Expense,

⁽²⁾ Recorded in the statement of other comprehensive income within "Other reserves" in equity,

c,2) Actuarial assumptions

The main actuarial assumptions are detailed as follows:

	Dec-31-19	Dec-31-18	Dec-31-17
Discount rate used	BCU average rate	BCU average rate	BCU average rate
Expected salary increase rate	2,57% actual average rate, according to position,	2,55% actual average rate, according to position,	2% actual average rate, according to position,
Average staff turnover rate	8,12% turnover rate, according to historical company data,	8,66% turnover rate, according to historical company data,	10,68% turnover rate, according to historical company data,
Mortality table name	GS FMC 398	GS FMC 398	GS FMC 398
Other significant actuarial assumptions	Legal ages of retirement by gender	Legal ages of retirement by gender	Legal ages of retirement by gender

c,3) Sensitivity analysis

As of December 31, 2019, given variations of one point in the current discount rate, the value of the actuarial liability for employee benefits increases by ThCh\$ 5,104,514 if the rate falls, and decreases by ThCh\$ 4,309,711 if the rate rises,

d) Share-based payments

At the Extraordinary Shareholders' Meeting held on August 27, 2013, 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 2013 program included the repurchase of those shares, but not newly issued shares, as exercised at 30%, 30% and 40% in years 3, 4 and 5, respectively,

As of December 31, 2019, 2018 and 2017, the Company has treasury shares related to the 2013 program of ThCh\$ 43,405,118, ThCh\$ 44,808,966, and ThCh\$ 27,042,749 respectively, which have been accounted for as an equity decrease,

As the stock options become irrevocable after 5 years, the services were received by the Company during the same period and with the same progression, and therefore the payroll expense was accrued over the same period,

The expense recognized in the year ended December 31, 2018 was ThCh\$ 204,130 (ThCh\$ 1,476,115 as of December 31, 2017), with a credit to Other Reserves,

Note 22 - Current and Non-Current Employee Benefits Provisions (continued)

d) Share-based payments (continued)

The main assumptions used to calculate the fair value of the options recognized as a payroll expense are detailed as follows:

Plan 2013	
Dividend yield (%)	1,17%
Expected volatility %	27,09%
Risk-free interest rate (%)	5,09%
Expected life of the option (years)	5
Weighted average share price (Ch\$)	4,692,20
Estimated percentage of cancellations	4%
Period covered	08-28-2013/06-30-2018
Model used	Binomial
Model name	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,

The 2013 program expired on June 30, 2018,

The Board of Directors approved a long-term incentive plan for Company executives on May 12, 2015 and May 31, 2016, This plan retains and aligns incentives for senior executives with those of shareholders, 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 share price for the last 60 days when the plan begins, This benefit shall be in cash, defined at the time the plan begins, which aims to encourage executives to invest in Company shares, Similarly to the previous component, it depends on the position and performance of the executive,

The expense for the years ended December 31, 2019 and 2018 was ThCh\$ 444,716, ThCh\$ 2,217,207 and ThCh\$ 7,262,371, respectively, and was charged to Administration expenses, with the counterpart in Employee benefit provisions,

The 2016 and 2015 plans were paid during June 2019 and 2018, respectively,

The Board of Directors approved a long-term incentive plan for Company executives on May 30, 2017, This plan retains and aligns incentives for senior executives with those of shareholders, The incentive plan is divided into two components, each lasting for three years,

Note 22 - Current and Non-Current Employee Benefits Provisions (continued)

d) Share-based payments (continued)

The first component is subject to the executive remaining with the Company for the duration of the program, 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,

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 a cash bonus equivalent to a factor of such shares purchased, valued at the average market value of the Company's shares 60 days prior to the date of payment, Similarly to the previous component, it depends on the position and performance of the executive,

The expense for the years ended December 31, 2019, 2018 and 2017 was ThCh\$ 325,498, ThCh\$ 3,698,556 and ThCh\$ 1,943,951, respectively, and was charged to Administration expenses, with the counterpart in Employee benefit provisions,

The Board of Directors approved a long-term incentive plan for Company executives on April 24, 2018, This new plan seeks to retain and align incentives for senior executives with those of shareholders, The incentive plan is divided into two components, each lasting for three years,

The first component is subject to the executive remaining with the Company for the duration of the program, 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 a minimum value of the average share price, which will increase according to a factor,

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 a cash bonus equivalent to a factor of such shares purchased, valued at the average market value of the Company's shares 60 days prior to the date of payment, Similarly to the previous component, it depends on the position and performance of the executive,

The expense for the years ended December 31, 2019 and 2018 was ThCh\$ 1,614,226 and ThCh\$ 2,284,896, respectively, and was charged to Administration expenses, with the counterpart in Employee benefit provisions.

On April 23, 2019, the Board of Directors approved a new long-term incentive plan for Company executives, This new plan seeks to retain and align incentives for senior executives with those of shareholders, The incentive plan is divided into two components, each lasting for three years,

The first component is subject to the executive remaining with the Company for the duration of the program, 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 a minimum value of the average share price, which will increase according to a factor,

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 a cash bonus equivalent to a factor of such shares purchased, valued at the average market value of the Company's shares 60 days prior to the date of payment, Similarly to the previous component, it depends on the position and performance of the executive,

Note 22 - Current and Non-Current Employee Benefits Provisions (continued)

d) Share-based payments (continued)

The expense for the year ended December 31, 2019 for this new plan was ThCh\$ 1,685,318, and was charged to Administration expenses, with the counterpart in Employee benefit provisions,

The main assumptions used to calculate the fair value of the first component of these plans are detailed as follows:

	Plan 2017	Plan 2018	Plan 2019
Number of shares granted	1,961,614	2,122,407	2,783,766
Dividend yield (%)	2,35%	2,35%	2,35%
Expected volatility in the share price (%)	28,75%	28,75%	28,75%
Risk-free interest rate (%)	2,00%	2,00%	2,00%
Plan life (years)	3	3	3
Share price (Ch\$)	3,241,00	3,241,00	3,241,00
Period covered	09-01-2017/ 05-15-2020	09-01-2018/ 05-15-2021	06-01-2019/ 05-15-2022
Model used	Monte Carlo Simulation	Monte Carlo Simulation	Monte Carlo Simulation
Model name	Bivariate Brownian Motion	Bivariate Brownian Motion	Bivariate Brownian Motion

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 23 - Other Current and Non-Current Non-Financial Liabilities

Current and non-current other non-financial liabilities are detailed as follows:

Other non-financial liabilities	Current			Non-Current		
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Guarantees received	944,528	1,076,658	1,024,704	-	-	-
Prepaid rent	1,341,023	2,015,460	2,357,519	35,179,894	38,116,606	32,251,192
Deferred income from customer loyalty programs (CMR points)	8,424,992	6,557,823	6,260,243	-	-	-
Prepaid sales	77,286,339	67,291,281	64,328,178	-	-	-
Credit notes payable to customers	1,288,557	2,135,744	1,957,241	-	-	-
VAT payable	50,032,193	41,887,210	51,183,416	-	-	-
Withholdings	12,431,913	10,406,702	8,480,349	-	-	-
Unexpired risk reserve	6,089,069	5,028,940	4,202,182	18,741,901	15,992,324	12,663,759
Others	7,723,097	9,727,551	7,029,568	1,104,078	1,015,745	766,476
Total	165,561,711	146,127,369	146,823,400	55,025,873	55,124,675	45,681,427

Note 24 - Deposits and Other Time Deposits - Banking Business

Deposits and other time deposits are detailed as follows:

Deposits and Other Time Deposits	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Time deposits	2,874,058,379	2,396,974,219	1,856,480,113
Savings deposits	153,192,853	141,408,175	131,245,953
Total	3,027,251,232	2,538,382,394	1,987,726,066

Note 25 - Bank Obligations - Banking Business

a) As of December 31, 2019 the breakdown is detailed 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		
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	-	25,760,750	-	-	-	25,760,750	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	25,568,895	-	-	-	25,568,895	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	-	-	25,218,166	-	-	25,218,166	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	-	-	25,207,256	-	-	25,207,256	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	121,917	25,000,000	-	-	25,121,917	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	114,236	25,000,000	-	-	25,114,236	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97023000-9	BANCO ITAU	CHILE	CLP	-	-	25,100,201	-	-	25,100,201	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	-	64,917	25,000,000	-	-	25,064,917	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	41,028	25,000,000	-	-	-	25,041,028	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	8,021	-	25,000,000	-	-	25,008,021	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	7,674	-	25,000,000	-	-	25,007,674	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	-	15,087,383	-	-	15,087,383	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	-	64,463	15,000,000	-	-	15,064,463	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	-	-	15,048,763	-	-	15,048,763	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	14,917	-	15,000,000	-	-	15,014,917	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	11,321	15,000,000	-	-	-	15,011,321	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	11,321	-	15,000,000	-	-	15,011,321	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	7,467	15,000,000	-	-	-	15,007,467	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	11,367	-	10,000,000	-	-	10,011,367	At Maturity	10,000,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO SANTANDER COLOMBIA S.A.	COLOMBIA	COP	-	-	11,391,211	-	-	11,391,211	At Maturity	11,270,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COP	-	-	11,160,251	-	-	11,160,251	At Maturity	11,036,274
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO ITAU CORPBANCA COLOMBIA S.A.	COLOMBIA	USD	-	-	7,552,685	-	-	7,552,685	At Maturity	7,537,422
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO ITAU CORPBANCA COLOMBIA S.A.	COLOMBIA	USD	-	-	7,122,620	-	-	7,122,620	At Maturity	7,066,333
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	COLOMBIA	COP	-	6,970,305	-	-	-	6,970,305	At Maturity	6,898,905
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCOLOMBIA	COLOMBIA	COP	-	-	6,929,554	-	-	6,929,554	At Maturity	6,900,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	6,047,462	-	-	6,047,462	At Maturity	6,029,938
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BCSC S.A.	COLOMBIA	COP	-	5,755,904	-	-	-	5,755,904	At Maturity	5,750,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BCSC S.A.	COLOMBIA	COP	-	5,755,904	-	-	-	5,755,904	At Maturity	5,750,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BCSC S.A.	COLOMBIA	COP	-	5,753,937	-	-	-	5,753,937	At Maturity	5,750,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BCSC S.A.	COLOMBIA	COP	-	5,753,937	-	-	-	5,753,937	At Maturity	5,750,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE LA REPUBLICA	COLOMBIA	COP	-	5,751,328	-	-	-	5,751,328	At Maturity	5,751,328
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	5,291,995	-	-	5,291,995	At Maturity	5,276,195
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE LA REPUBLICA	COLOMBIA	COP	-	4,601,063	-	-	-	4,601,063	At Maturity	4,600,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE LA REPUBLICA	COLOMBIA	COP	-	4,371,009	-	-	-	4,371,009	At Maturity	4,371,009
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE LA REPUBLICA	COLOMBIA	COP	-	3,680,850	-	-	-	3,680,850	At Maturity	3,680,850
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	3,018,310	-	-	3,018,310	At Maturity	3,014,969
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO ITAU CORPBANCA COLOMBIA S.A.	COLOMBIA	COP	-	2,301,323	-	-	-	2,301,323	At Maturity	2,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COP	-	605,987	-	-	-	605,987	At Maturity	604,260
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COP	-	346,502	-	-	-	346,502	At Maturity	345,515
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	CAJA MUNICIPAL DE AHORRO Y CREDITO AREQUIPA S.A.	PERU	PEN	-	-	6,844,298	-	-	6,844,298	At Maturity	6,784,200
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	CAJA MUNICIPAL DE AHORRO Y CREDITO AREQUIPA S.A.	PERU	PEN	-	-	6,803,677	-	-	6,803,677	At Maturity	6,784,200
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	-	5,880,271	-	-	5,880,271	At Maturity	5,834,412
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO RIPLEY PERU S.A.	PERU	PEN	4,523,080	-	-	-	-	4,523,080	At Maturity	4,522,800
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	SCOTIABANK	PERU	PEN	-	3,628,775	-	-	-	3,628,775	At Maturity	3,618,240
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	CITIBANK DEL PERU	PERU	PEN	3,618,464	-	-	-	-	3,618,464	At Maturity	3,618,240
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO FALABELLA PERU S.A.	PERU	PEN	2,713,848	-	-	-	-	2,713,848	At Maturity	2,713,680
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO AZTECA DEL PERU	PERU	PEN	2,261,686	-	-	-	-	2,261,686	At Maturity	2,261,400
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	INTERBANK	PERU	PEN	2,261,686	-	-	-	-	2,261,686	At Maturity	2,261,400
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	CREDISOTIA FINANCIERA S.A.	PERU	PEN	2,035,386	-	-	-	-	2,035,386	At Maturity	2,035,260
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	INTERBANK	PERU	PEN	1,130,843	-	-	-	-	1,130,843	At Maturity	1,130,700

Note 25 - Bank Obligations - Banking Business (continued)

a) As of December 31, 2019 these are detailed 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 AZTEGA DEL PERU	PERU	PEN	1,130,770	-	-	-	-	-	1,130,770	At Maturity	1,130,700
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO GNB PERU S.A.	PERU	PEN	678,462	-	-	-	-	-	678,462	At Maturity	678,420
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO DE COMERCIO	PERU	PEN	452,308	-	-	-	-	-	452,308	At Maturity	452,280
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	FONDO MI VIVIENDA	PERU	USD	6,192	12,502	51,633	267,931	-	-	338,258	Monthly	338,261
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CONTINENTAL	PERU	PEN	226,154	-	-	-	-	-	226,154	At Maturity	226,140
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	FONDO MI VIVIENDA	PERU	PEN	214	431	1,777	9,161	-	-	11,583	Monthly	11,583
							21,152,209	161,984,935	363,757,513	277,092	-	-	547,171,749		

b) As of December 31, 2018 these are detailed 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			
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	97,200	-	15,000,000	-	-	-	15,097,200	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	83,713	-	15,000,000	-	-	-	15,083,713	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	94,387	-	15,000,000	-	-	-	15,094,387	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	6,875	-	15,000,000	-	-	-	15,006,875	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	-	15,042,933	-	-	-	15,042,933	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	15,026,785	-	-	-	-	-	15,026,785	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	15,197,333	-	-	-	-	-	15,197,333	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	-	15,166,600	-	-	-	-	15,166,600	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	-	15,155,458	-	-	-	-	15,155,458	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	-	75,854	25,000,000	-	-	-	25,075,854	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	-	15,093,425	-	-	-	-	15,093,425	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	11,733	15,000,000	-	-	-	-	15,011,733	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	-	15,073,563	-	-	-	-	15,073,563	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97036000-K	BANCO SANTANDER	CHILE	CLP	-	-	25,125,020	-	-	-	25,125,020	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97004000-5	BANCO DE CHILE	CHILE	CLP	-	-	25,089,864	-	-	-	25,089,864	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97023000-9	BANCO ITAU (CHILE)	CHILE	CLP	124,444	-	25,000,000	-	-	-	25,124,444	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	-	30,311	20,000,000	-	-	-	20,030,311	At Maturity	20,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97032000-8	BANCO BBVA	CHILE	CLP	-	30,311	20,000,000	-	-	-	20,030,311	At Maturity	20,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	25,069,980	-	-	-	-	-	25,069,980	At Maturity	25,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	-	-	15,054,258	-	-	-	15,054,258	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	-	-	15,054,258	-	-	-	15,054,258	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97018000-1	BANCO SCOTIABANK	CHILE	CLP	-	-	15,054,258	-	-	-	15,054,258	At Maturity	15,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	20,046,343	-	-	-	-	20,046,343	At Maturity	20,000,000
90743000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97030000-7	BANCO ESTADO	CHILE	CLP	-	20,046,343	-	-	-	-	20,046,343	At Maturity	20,000,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO SANTANDER COLOMBIA S.A.	COLOMBIA	COP	-	-	2,732,065	-	-	-	2,732,065	At Maturity	2,730,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO SANTANDER COLOMBIA S.A.	COLOMBIA	COP	-	-	7,577,591	-	-	-	7,577,591	At Maturity	7,560,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	COLOMBIA	COP	-	-	6,303,989	-	-	-	6,303,989	At Maturity	6,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COP	-	-	10,081,277	-	-	-	10,081,277	At Maturity	10,076,598
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	2,732,990	-	-	-	2,732,990	At Maturity	2,729,790
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	6,215,502	-	-	-	-	6,215,502	At Maturity	6,142,027
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	1,380,655	-	-	-	1,380,655	At Maturity	1,364,895

Note 25 - Bank Obligations - Banking Business (continued)

b) As of December 31, 2018 these are detailed 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 S.A.	COLOMBIA	Foreign	BANCO BOGOTA (COLOMBIA)	COLOMBIA	USD	-	-	4,119,691	-	-	4,119,691	At Maturity	4,094,685
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO ITAU CORP BANCA COLOMBIA S.A.	COLOMBIA	USD	-	-	6,410,608	-	-	6,410,608	At Maturity	6,397,945
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA (COLOMBIA)	COLOMBIA	COP	2,100,956	-	-	-	-	2,100,956	At Maturity	2,100,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO MULTIBANK S.A.	COLOMBIA	COP	1,575,717	-	-	-	-	1,575,717	At Maturity	1,575,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO MUNDO MUJER S.A.	COLOMBIA	COP	1,974,995	-	-	-	-	1,974,995	At Maturity	1,974,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	FINANCIERA DE DESARROLLO TERRITORIAL S A FINDETER	COLOMBIA	COP	8,404,853	-	-	-	-	8,404,853	At Maturity	8,400,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AGRARIO DE COLOMBIA, BOGOTÁ	COLOMBIA	COP	6,302,869	-	-	-	-	6,302,869	At Maturity	6,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DE LA REPUBLICA (COLOMBIA)	COLOMBIA	COP	4,201,956	-	-	-	-	4,201,956	At Maturity	4,200,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO AZTECA DEL PERU	PERU	PEN	2,064,433	-	-	-	-	2,064,433	At Maturity	2,063,500
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO DE COMERCIO (PERU)	PERU	PEN	4,127,311	-	-	-	-	4,127,311	At Maturity	4,127,000
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO FALABELLA PERU S.A.	PERU	PEN	184	372	1,533	-	9,391	11,480	Monthly	12,973
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO FALABELLA PERU S.A.	PERU	USD	6,298	12,718	52,526	-	324,380	395,922	Monthly	447,749
							86,472,022	121,946,800	301,813,516	-	333,771	510,566,109		

c) As of December 31, 2017 these were detailed as follows:

Debtor ID number	Debtor	Debtor Country	Creditor ID number	Creditor	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	97,030,000-7	BANCO DEL ESTADO DE CHILE	CHILE	CLP	12,001,667	-	-	-	-	12,001,667	At Maturity	12,000,000
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,030,000-7	BANCO ESTADO	CHILE	CLP	-	-	20,096,036	-	-	20,096,036	At Maturity	20,000,000
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,004,000-5	BANCO DE CHILE	CHILE	CLP	-	17,779,482	-	-	-	17,779,482	At Maturity	17,650,000
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,018,000-1	BANCO SCOTIABANK	CHILE	CLP	-	-	25,587,417	-	-	25,587,417	At Maturity	25,000,000
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,018,000-1	BANCO SCOTIABANK	CHILE	CLP	15,004,767	-	-	-	-	15,004,767	At Maturity	15,000,000
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER - SANTIAGO	CHILE	CLP	15,004,767	-	-	-	-	15,004,767	At Maturity	15,000,000
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,036,000-K	BANCO SANTANDER - SANTIAGO	CHILE	CLP	15,012,730	-	-	-	-	15,012,730	At Maturity	15,000,000
90,743,000-6	PROMOTORA CMR FALABELLA S.A.	CHILE	97,030,000-7	BANCO ESTADO	CHILE	CLP	15,012,730	-	-	-	-	15,012,730	At Maturity	15,000,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO SANTANDER COLOMBIA S.A.	COLOMBIA	COL	-	-	10,509,374	-	-	10,509,374	At Maturity	10,500,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO POPULAR	COLOMBIA	COL	-	-	10,086,804	-	-	10,086,804	At Maturity	10,080,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO SANTANDER COLOMBIA S.A.	COLOMBIA	COL	-	7,575,674	-	-	-	7,575,674	At Maturity	7,560,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO AV VILLAS	COLOMBIA	COL	-	-	6,328,789	-	-	6,328,789	At Maturity	6,300,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	5,680,960	-	-	5,680,960	At Maturity	5,639,760
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO OCCIDENTE S.A.	COLOMBIA	COL	5,256,679	-	-	-	-	5,256,679	At Maturity	5,250,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	2,508,179	-	-	2,508,179	At Maturity	2,506,560
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO MULTIBANK S.A.	COLOMBIA	COL	2,101,055	-	-	-	-	2,101,055	At Maturity	2,100,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO DAVIVIENDA	COLOMBIA	COL	1,891,433	-	-	-	-	1,891,433	At Maturity	1,890,000
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	1,881,212	-	-	1,881,212	At Maturity	1,879,920
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	1,255,863	-	-	1,255,863	At Maturity	1,253,280
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	1,255,862	-	-	1,255,862	At Maturity	1,253,280
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	1,255,862	-	-	1,255,862	At Maturity	1,253,280
Foreign	BANCO FALABELLA S.A.	COLOMBIA	Foreign	BANCO BOGOTA	COLOMBIA	USD	-	-	1,255,862	-	-	1,255,862	At Maturity	1,253,280
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	2,473,344	-	-	-	2,473,344	At Maturity	2,465,840
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	1,522,014	-	-	-	1,522,014	At Maturity	1,517,440
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	1,340,724	-	-	-	-	1,340,724	At Maturity	1,327,760
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	1,149,074	-	-	-	-	1,149,074	At Maturity	1,138,080
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	948,757	-	-	-	948,757	At Maturity	948,400
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	948,749	-	-	-	948,749	At Maturity	948,400
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	948,742	-	-	-	948,742	At Maturity	948,400
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	FONDO MI VIVIENDA	PERU	USD	11,933	12,086	49,916	359,434	8,721	442,090	Monthly	442,089
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	380,482	-	-	-	380,482	At Maturity	379,360
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	BANCO CENTRAL DE RESERVA DEL PERU	PERU	PEN	-	380,471	-	-	-	380,471	At Maturity	379,360
Foreign	BANCO FALABELLA PERU S.A.	PERU	Foreign	FONDO MI VIVIENDA	PERU	PEN	308	312	1,288	9,192	221	11,321	Monthly	11,321
Total Bank Obligations							83,787,867	32,970,113	87,753,424	368,626	8,942	204,888,972		

Note 26 - Debt Instruments and Other Financial Obligations - Banking Business

a) As of December 31, 2019 these are detailed 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		
96509660-4	BANCO FALABELLA S.A.	CHILE	Current Bonds	UF	-	-	-	-	56,004,669	56,004,669	Six monthly	56,097,060
96509660-4	BANCO FALABELLA S.A.	CHILE	Current Bonds	UF	-	-	-	-	42,960,889	42,960,889	Six monthly	42,072,795
96509660-4	BANCO FALABELLA S.A.	CHILE	Current Bonds	UF	-	-	-	-	36,883,486	36,883,486	Six monthly	36,463,089
96509660-4	BANCO FALABELLA S.A.	CHILE	Current Bonds	UF	-	-	-	-	36,243,002	36,243,002	At Maturity	35,060,662
96509660-4	BANCO FALABELLA S.A.	CHILE	Subordinated Bonds	UF	-	-	-	-	32,741,647	32,741,647	Six monthly	47,682,501
96509660-4	BANCO FALABELLA S.A.	CHILE	Current Bonds	CLP	-	-	-	30,052,404	-	30,052,404	At Maturity	30,000,000
96509660-4	BANCO FALABELLA S.A.	CHILE	Current Bonds	UF	-	-	-	28,386,118	-	28,386,118	At Maturity	28,048,530
Foreign	BANCO FALABELLA PERU S.A.	PERU	Fourth issue series "a" Bonds	PEN	-	605,985	-	-	-	605,985	Three monthly	605,732
Total debt instruments					-	605,985	-	58,438,522	204,833,693	263,878,200		

b) As of December 31, 2018 these are detailed 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		
96509660-4	BANCO FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	-	-	54,454,992	54,454,992	Six monthly	55,131,580
96509660-4	BANCO FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	-	-	41,819,025	41,819,025	Six monthly	41,348,685
96509660-4	BANCO FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	-	-	36,507,625	36,507,625	Six monthly	35,838,712
96509660-4	BANCO FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	-	-	35,862,438	35,862,438	At Maturity	34,459,843
96509660-4	BANCO FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	-	-	35,024,934	35,024,934	Six monthly	34,499,080
96509660-4	BANCO FALABELLA S.A.	CHILE	Miscellaneous Creditors	CLP	-	-	-	30,965,378	-	30,965,378	At Maturity	30,000,000
96509660-4	BANCO FALABELLA S.A.	CHILE	Miscellaneous Creditors	UF	-	-	-	27,540,322	-	27,540,322	At Maturity	27,565,790
Foreign	BANCO FALABELLA PERU S.A.	PERU	Miscellaneous Creditors	PEN	-	791,705	2,395,352	-	-	3,187,057	Three monthly	5,313,341
Foreign	BANCO FALABELLA PERU S.A.	PERU	Miscellaneous Creditors	PEN	-	544,577	1,105,446	1,105,446	-	2,755,469	Three monthly	4,729,027
Total debt instruments					-	1,336,282	3,500,798	59,611,146	203,669,014	268,117,240		

c) As of December 31, 2017 these were detailed as follows:

Debtor ID number	Debtor	Debtor Country	Creditor	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		
96509660-4	BANCO FALABELLA	CHILE	Miscellaneous Creditors	UF	-	-	-	-	52,857,762	52,857,762	Six monthly	52,497,941
96509660-4	BANCO FALABELLA	CHILE	Miscellaneous Creditors	UF	-	-	-	-	40,642,200	40,642,200	Six monthly	40,197,990
96509660-4	BANCO FALABELLA	CHILE	Miscellaneous Creditors	UF	-	-	-	-	36,997,502	36,997,502	Six monthly	36,889,591
96509660-4	BANCO FALABELLA	CHILE	Miscellaneous Creditors	UF	-	-	-	-	34,924,296	34,924,296	Six monthly	34,920,511
96509660-4	BANCO FALABELLA	CHILE	Miscellaneous Creditors	CLP	-	-	-	-	30,247,432	30,247,432	At Maturity	30,000,000
96509660-4	BANCO FALABELLA	CHILE	Miscellaneous Creditors	UF	-	-	-	-	26,676,513	26,676,513	At Maturity	26,158,876
96509660-4	BANCO FALABELLA	CHILE	Miscellaneous Creditors	UF	-	-	-	-	9,056,815	9,056,815	Six monthly	9,040,359
Foreign	BANCO FALABELLA PERU S.A.	PERU	Miscellaneous Creditors	PEN	-	721,802	2,201,843	2,935,791	-	5,859,436	Three monthly	5,871,582
Foreign	BANCO FALABELLA PERU S.A.	PERU	Miscellaneous Creditors	PEN	-	494,722	1,016,143	3,048,429	-	4,559,294	Three monthly	4,572,643
Foreign	BANCO FALABELLA PERU S.A.	PERU	Miscellaneous Creditors	USD	-	435,521	-	-	-	435,521	Three monthly	439,109
Total debt instruments					-	1,652,045	3,217,986	5,984,220	231,402,520	242,256,771		

d) Other Financial Obligations are detailed as follows:

Other Financial Obligations	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Mortgage bonds	74,291,972	84,363,541	95,188,184
Public-sector obligations	15,115,488	21,769,552	35,453,204
Total	89,407,460	106,133,093	130,641,388

Note 27 - Other Liabilities - Banking Business

Other Liabilities for the Banking Business are detailed as follows:

Other liabilities	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Suppliers and payables	108,944,312	60,534,109	138,370,425
Deferred income from customer loyalty programs	25,252,847	19,639,073	19,932,747
Associated trade	143,312,082	113,368,585	7,993,969
Vacation and employee benefits provision	9,937,781	8,358,905	5,240,663
Employee withholdings and others	2,902,889	4,756,198	6,333,934
Profit sharing	4,851,954	3,926,672	4,876,673
Others	65,761	9,620	9,599
Total	295,267,626	210,593,162	182,758,010

Note 28 - Operating Revenue

28,1 Operating Revenue - Non-Banking Business

a) The Company's revenue is detailed as follows:

Description	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Sales revenue ⁽¹⁾	7,678,650,570	7,593,790,993	7,395,361,718
Investment properties rental income	311,383,023	306,584,018	279,319,518
Interest income	35,905,529	41,009,772	34,078,768
Commission income	27,643,713	35,513,622	33,875,459
Total revenue	8,053,582,835	7,976,898,405	7,742,635,463

⁽¹⁾ Includes income from the sale of investment properties of ThCh\$ 14,642,558 in 2018,

b) Income from interest and commissions related to the company's Financial Retail business is detailed as follows:

Description	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Loan interest	35,905,529	41,009,772	34,078,768
Subtotal Interest income	35,905,529	41,009,772	34,078,768
Commission income	15,931,060	18,141,225	23,714,266
Payment services	11,712,653	17,372,397	10,161,193
Subtotal Commission income	27,643,713	35,513,622	33,875,459
Total interest and commission income	63,549,242	76,523,394	67,954,227

28,2 Operating Revenue - Banking Business

a) The Company's income is detailed as follows:

Description	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Interest and indexation income,	1,108,745,967	1,030,424,240	980,136,398
Commission income	245,043,799	222,880,446	210,484,271
Total revenue	1,353,789,766	1,253,304,686	1,190,620,669

Note 28 - Operating Revenue (continued)

28,2 Operating Revenue - Banking Business (continued)

b) Income from interest and commissions is detailed as follows:

Description	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Loan interest	1,102,685,588	1,025,861,895	973,810,721
Other interest income	6,060,379	4,562,345	6,325,677
Subtotal interest and indexation income	1,108,745,967	1,030,424,240	980,136,398
Commission income ⁽¹⁾	107,302,815	91,820,267	61,584,311
Payment services	137,740,984	131,060,179	148,899,960
Subtotal Commission income	245,043,799	222,880,446	210,484,271
Total interest and commission income	1,353,789,766	1,253,304,686	1,190,620,669

⁽¹⁾ Income from direct debits, financial brokerage and account maintenance,

Note 29 - Cost of Continuing Operations

29,1 Cost of Continuing Operations - Non-Banking Business

a) These are detailed as follows:

Description	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Cost of sales of goods and services ⁽¹⁾	5,290,835,811	5,098,627,291	4,943,960,675
Cost of sales, financial entities	34,907,636	62,614,711	38,996,189
Cost of depreciation and maintenance of investment properties	107,326,803	94,514,351	82,424,362
Total Cost of Continuing Operations - Non-Banking Business	5,433,070,250	5,255,756,353	5,065,381,226

⁽¹⁾ Cost of sales of goods and services includes the cost of inventories, provisions for net realizable value, shortages and obsolescence (all disclosed in Note 8 - "Inventories") and depreciation on leased machinery (Note 14). It includes the costs associated with the sale of investment properties of ThCh\$ 4,228,379 in 2018,

b) The Cost of Sales of the Retail Financial business is detailed as follows:

Description	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Interest costs	17,925,550	40,389,653	25,386,771
Other sales costs	9,236,217	11,641,228	12,201,666
Allowance for doubtful receivables and write-offs	7,745,869	10,583,830	1,407,752
Total Cost of Sales Financial Entities	34,907,636	62,614,711	38,996,189

c) Investment Property Costs are detailed as follows:

Description	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Depreciation	52,366,827	48,444,860	40,789,347
Maintenance and other	54,959,976	46,069,491	41,635,015
Total	107,326,803	94,514,351	82,424,362

29,2 Cost of Continuing Operations - Banking Business

Description	Jan 01-19	Jan 01-18	Jan 01-17
	Dec-31-19	Dec-31-18	Dec-31-17
	ThCh\$	ThCh\$	ThCh\$
Interest and indexation expense	183,119,743	159,244,897	165,774,933
Commission expense	116,057,421	117,165,207	106,070,394
Credit risk allowances	337,736,214	291,664,726	281,520,876
Total Cost of Continuing Operations - Banking Business	636,913,378	568,074,830	553,366,203

Note 30 - Administrative Expenses

a) Administrative Expenses for the Non-Banking Business are detailed as follows:

Description	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Staff remuneration and costs ⁽¹⁾	1,086,728,027	1,039,098,423	1,002,621,484
Rent and common expenses ⁽²⁾	74,639,880	191,939,585	175,293,925
Depreciation and amortization ⁽²⁾	344,785,180	251,931,294	222,466,105
Basic energy and water services	58,047,793	55,244,555	55,311,544
Computer services	9,984,308	7,147,054	6,062,476
Materials and consumables	43,158,307	44,603,250	44,826,640
Travel and accommodation	22,452,454	19,670,108	20,603,842
Taxes, property taxes, vehicle taxes, insurance and other	74,996,963	75,340,312	79,893,807
Third party fees and services	143,501,500	127,901,375	120,177,888
Maintenance and repairs	47,970,583	44,333,098	35,411,548
Communication	6,188,416	3,762,582	3,462,559
Commission	44,750,199	39,936,139	38,841,453
Others	3,390,115	3,102,460	64,514
Total	1,960,593,725	1,904,010,235	1,805,037,785

⁽¹⁾ See Note 22.

⁽²⁾ The effect of IFRS 16 (see Note 2,29,c),

b) Administrative Expenses for the Banking Business are detailed as follows:

Description	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Staff remuneration and costs ⁽¹⁾	149,509,710	142,834,516	135,688,564
Administrative expenses	197,819,946	177,860,670	158,095,753
Depreciation and amortization ⁽²⁾	34,996,501	21,175,299	19,762,997
Other operating expenses	44,322,854	46,024,862	40,011,202
Total	426,649,011	387,895,347	353,558,516

⁽¹⁾ See Note 22.

⁽²⁾ The effect of IFRS 16 (see Note 2,29,c),

Note 31 - Financial Costs and Indexation Income

Financial costs (income) in the Non-Banking Business are detailed as follows:

Description	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Interest expense, bank loans	47,166,436	52,344,532	60,552,848
Interest expense, bonds and other loans	98,347,987	93,843,289	85,846,796
Interest expense on leases ⁽¹⁾	55,445,226	2,893,893	4,493,351
Interest expense, swap and forward	22,387,168	22,374,031	26,064,027
Other financial costs ⁽²⁾	(13,436,017)	9,686,349	18,096,099
Subtotal interest costs	209,910,800	181,142,094	195,053,121
Gain (loss) on indexed assets and liabilities	21,944,001	22,494,868	17,264,195
Total financial costs	231,854,801	203,636,962	212,317,316

⁽¹⁾ Includes interest due to the effect of IFRS 16 (See Note 2,29 c),

⁽²⁾ Includes the effects of subsidiaries' exposure to inflation in Argentina (Note 2,6),

Note 32 - Other Income (Losses)

Other income (losses) from the Non-Banking Business are detailed as follows:

Description	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Losses due to public disturbances ⁽¹⁾	(28,036,405)	-	-
Compensation ⁽²⁾	37,757,245	4,596,418	15,690,707
Gain (loss) on withdrawal of property, plant and equipment ⁽³⁾	(14,428,950)	16,083,918	(4,556,890)
Reversal of provisions	5,846,193	11,730,762	5,628,821
Lawsuits and litigation	(3,219,153)	(3,738,575)	(5,393,482)
Gain on sale of business ⁽⁴⁾	10,308,935	-	-
Tax recoveries ⁽⁵⁾	11,157,350	-	-
Effects of storms in Peru ⁽⁶⁾	-	-	(7,874,433)
Effect of terminating the Puerto Baron concession ⁽⁷⁾	-	-	(6,375,729)
Impairment of assets held for sale	-	(4,528,874)	-
Others	1,411,321	513,600	6,133,777
Total	20,796,536	24,657,249	3,252,771

(1) Specific stores, offices and shopping centers owned by our subsidiaries operating in Chile have suffered damage or operational disruptions of various magnitudes, as a consequence of the events that have occurred in Chile since October 18, 2019 and the resulting public disturbances. This has led to a temporary or permanent suspension of their services, Falabella has assessed the damage, and based on its understanding of the facts and circumstances, the estimated damage amounts to approximately ThCh\$ 28,036,405, which was mainly related to the impairment of inventories and fixed assets, Falabella S.A, and its subsidiaries have appropriate insurance cover for the risks of impairment, stoppage and other related risks to its property, all contracted with first class companies in the insurance market. The corresponding insurance claims have been submitted. A receivable from insurance companies has been recognized of ThCh\$ 32,952,770 as of the reporting date, which is a preliminary and partial amount confirmed by them. It does not include compensation for stoppage losses or loss of profit, which has not yet been calculated. Compensation for damage to physical assets has been calculated at their respective replacement values,

(2) Includes insurance claims for the asset losses mentioned in (1) and (6),

(3) Includes ThCh\$ 27,575,490 as of December 31, 2018, for the sale of property, plant and equipment, related to a supermarket and two home improvement stores,

(4) Shares of the subsidiaries Viajes Falabella Chile, Peru and Argentina were sold on June 7, 2019, Subsequently, shares of the subsidiary Viajes Falabella Colombia were sold on July 31, 2019,

(5) Recognition of recoverable taxes related to PIS and COFINS by our subsidiary in Brazil,

(6) Some locations used by Group companies were affected by a heavy storm that hit northern Peru at the end of March 2017, The Group has assessed the damage and based on its understanding of the facts and circumstances, The estimated damage amounts to approximately ThCh\$ 7,874,433, which was mainly related to the impairment of 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, The corresponding insurance claims have been submitted, As of the end of this reporting period, the total amount recovered from insurance companies amounts to ThCh\$ 12,439,060, The total compensation received has been disclosed under "Compensation" within this note,

(7) Non-recoverable investments related to the Puerto Barón de Plaza S,A, project, On December 27, 2017, the Third Chamber of the Supreme Court revoked the building permit granted by the Valparaíso Municipal Works Directorate to Empresa Portuaria de Valparaíso on February 14, 2013, to execute the Puerto Baron project, as it would not comply with the requirements of the General Ordinance of Urbanism and Construction, This decision reversed the ruling issued by the Valparaíso Court of Appeals, which unanimously upheld the legitimacy of this permit, Plaza S,A, had established provisions for investments that would not produce future income, as a result of the judgment handed down by the Valparaíso Supreme Court, which revoked the building permit for a shopping mall at this concession,

Note 33 - Earnings per Share

Basic earnings per share are calculated by dividing net income attributable to the Company's shareholders by the weighted average of common shares outstanding in the year, Diluted earnings per share includes incremental shares of share-based compensation plans assumed to have been exercised as of the reporting date,

	Jan 01-19 Dec-31-19 ThCh\$	Jan 01-18 Dec-31-18 ThCh\$	Jan 01-17 Dec-31-17 ThCh\$
Earnings attributable to shareholders of the parent company	295,473,530	478,468,376	509,593,496
Basic earnings per share	0,12	0,19	0,21
Diluted earnings per share	0,12	0,19	0,21
Basic weighted average number of shares	2,508,844,629	2,508,844,629	2,434,465,103
Incremental shares in share-based compensation plans	-	-	-
Diluted weighted average number of shares	2,508,844,629	2,508,844,629	2,434,465,103

Note 34 - 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, Therefore, we have to place 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,
- 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 customer 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 available information, in an attempt to reflect customers' 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, we might have to incur greater costs to maintain our businesses,

Note 34 - Financial Instruments and Risk Management (continued)

1. Risk Management (continued)

- 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 each country, 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 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 condition of these countries or regions deteriorates, the economy in this 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 against the US dollar, Therefore, we have mitigation policies for this risk,

2. Financial Risk

Falabella's main financial instruments that arise either directly from its businesses or from its financing services consist of 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 other services, They do not include lease liabilities arising from IFRS 16,

Financial assets and liabilities held by the Company are detailed as follows:

a) Non-Banking Business

Financial instruments by category	Dec-31-19	Dec-31-18	Dec-31-17
Financial assets			
Financial assets held for trading	17,276,973	18,195,253	17,222,839
Customer loans and receivables	559,050,012	574,280,365	2,249,065,302
Hedging assets	201,878,512	113,161,845	64,135,673
Total financial assets	778,205,497	705,637,463	2,330,423,814
Financial Liabilities			
Financial liabilities at fair value	7,271,583	31,129	2,344,453
Hedging liabilities	124,575,599	138,978,077	148,902,796
Financial liabilities at amortized cost	4,253,603,598	4,261,624,552	4,783,761,664
Total financial liabilities	4,385,450,780	4,400,633,758	4,935,008,913

Note 34 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

b) Banking Business

Financial instruments by category	Dec-31-19	Dec-31-18	Dec-31-17
Financial assets			
Financial assets held for trading and derivatives	590,514,776	243,736,006	97,783,544
Loans and receivables	5,219,216,732	4,631,682,308	2,590,709,808
Financial assets held for sale	681,030,022	658,887,042	657,507,389
Total financial assets	6,490,761,530	5,534,305,356	3,346,000,741
Financial Liabilities			
Financial liabilities at fair value	458,352,017	87,064,300	31,181,315
Financial liabilities at amortized cost	4,730,080,711	4,062,280,540	2,985,169,489
Total financial liabilities	5,188,432,728	4,149,344,840	3,016,350,804

c) Total financial assets and liabilities:

Financial instruments by category	Dec-31-19	Dec-31-18	Dec-31-18
Financial assets			
Financial assets held for trading and derivatives	607,791,749	261,931,259	115,006,383
Loans and receivables	5,778,266,744	5,205,962,673	4,839,775,110
Financial assets held for sale	681,030,022	658,887,042	657,507,389
Hedging assets	201,878,512	113,161,845	64,135,673
Total financial assets	7,268,967,027	6,239,942,819	5,676,424,555
Financial Liabilities			
Financial liabilities at fair value	465,623,600	87,095,429	33,525,768
Hedging liabilities	124,575,599	138,978,077	148,902,796
Financial liabilities at amortized cost	8,983,684,309	8,323,905,092	7,768,931,153
Total financial liabilities	9,573,883,508	8,549,978,598	7,951,359,717

The book value of the Company's financial assets and liabilities approximates to 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 reporting date, The fair value and book value of long-term financial obligations are detailed as follows:

	Dec-31-19		Dec-31-18		Dec-31-17	
	Book value	Market Value ⁽¹⁾	Book value	Market Value ⁽¹⁾	Book value	Market Value ⁽¹⁾
Interest-bearing loans	1,545,316,412	1,416,500,107	1,683,690,308	1,533,103,458	1,858,645,834	1,617,154,086
Bond obligations	2,522,965,270	2,974,679,801	2,459,792,285	2,467,285,341	2,305,825,304	2,495,163,582

⁽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, Part of those instruments qualifies for hedge accounting, but the remainder are accounted for as an investment, even though they fulfill a hedge role, as they do not comply with the requirements in IAS 39,

Note 34 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

c) Total financial assets and liabilities: (continued)

Derivatives (continued)

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, 2019, were 69 currency and interest rate swaps with a notional value of ThCh\$ 1,243,393,286 and 840 currency forwards of ThCh\$ 417,128,449. All these derivative instruments total a contracted notional value of ThCh\$ 1,660,521,735, as of December 31, 2018 there were 69 currency swaps with a notional value of ThCh\$ 1,419,411,870, and 924 currency forwards totaling ThCh\$ 204,098,987, which total a contracted notional value of ThCh\$ 1,623,510,857, and As of December 31, 2017 there were 68 currency and interest rate swaps for ThCh\$ 1,435,218,125, and 516 currency forwards amounting to ThCh\$ 201,452,535, which in total add up to a contracted notional value of ThCh\$ 1,636,670,660,

d) Assets and Liabilities at Fair Value

Financial instruments by category	Fair value as of the reporting date			
	Dec-31-19	Level 1	Level 2	Level 3
Financial assets				
Financial assets held for trading and derivatives	607,791,749	195,099,165	412,692,584	-
Financial assets held for sale	681,030,022	681,030,022	-	-
Hedging assets	201,878,512	-	201,878,512	-
Total financial assets	1,490,700,283	876,129,187	614,571,096	-
Financial Liabilities				
Financial liabilities at fair value	465,623,600	-	465,623,600	-
Hedging liabilities	124,575,599	-	124,575,599	-
Total financial liabilities	590,199,199	-	590,199,199	-

Financial instruments by category	Fair value as of the reporting date			
	Dec-31-18	Level 1	Level 2	Level 3
Financial assets				
Financial assets held for trading and derivatives	261,931,259	169,201,332	92,729,927	-
Financial assets held for sale	658,887,042	658,887,042	-	-
Hedging assets	113,161,845	-	113,161,845	-
Total financial assets	1,033,980,146	828,088,374	205,891,772	-
Financial Liabilities				
Financial liabilities at fair value	87,095,429	-	87,095,429	-
Hedging liabilities	138,978,077	-	138,978,077	-
Total financial liabilities	226,073,506	-	226,073,506	-

Financial instruments by category	Fair value as of the reporting date			
	Dec-31-17	Level 1	Level 2	Level 3
Financial assets				
Financial assets held for trading and derivatives	115,006,383	86,337,705	28,668,678	-
Financial assets held for sale	657,507,389	657,507,389	-	-
Hedging assets	64,135,673	-	64,135,673	-
Total financial assets	836,649,445	743,845,094	92,804,351	-
Financial Liabilities				
Financial liabilities at fair value:	33,525,768	-	33,525,768	-
Hedging liabilities	148,902,796	-	148,902,796	-
Total financial liabilities	182,428,564	-	182,428,564	-

Note 34 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

2.1. Financial Risk

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 Falabella is exposed are exchange rates, inflation and interest rates,

a) Exchange Rate Risk

Various products purchased for our retail businesses to sell, such as department stores, home improvement stores and supermarkets, are imported and denominated in foreign currencies, primarily the U.S. dollar, which creates an exposure to foreign exchange risk between the local currency in each country and foreign currencies, The Company has an exchange rate risk hedging policy for the retail segment, where it divides exchange rate risk into two categories, i) Exchange rate risk on liabilities for importing merchandise, and ii) Exchange rate risk of an economic nature, arising on its merchandise purchasing commitments on future imports (firm commitments),

Therefore, as of December 31, 2019, the Company had consolidated payables in US dollars for imported merchandise of Ch\$ 86,298 million, which includes Ch\$ 13,706 million in letters of credit,

The hedging policy defines the financial instruments used to mitigate foreign exchange risk described above as: i) cash in foreign currency; ii) receivables in foreign currency; iii) currency forwards, The Company had a hedge of Ch\$ 259,625 million as of December 31, 2019, to cover current liabilities and future obligations in foreign currency, which generated a net book asset in US dollars of Ch\$ 158,510 million, The Company estimates its firm commitments associated with consolidated imports of Ch\$ 184,546 million, Thus, the Company had an economic exposure after hedges of Ch\$ 26,036 million,

The Company estimates with 95% reliability that the maximum financial loss that it may suffer in a 30 day period following simultaneous depreciation of the local currencies (Chilean Peso, Peruvian nuevo sol, Colombian peso, Argentine peso, Brazilian real and Uruguayan peso) with respect to the US dollar would be Ch\$ 1,419 million, which is 5,45% of the exposure described in the previous paragraph, This simultaneous depreciation was calculated as the weighted average between the depreciation estimated by currency and the exposure after coverage for each country,

In order to minimize exposure to fluctuations in exchange rates, debt is mostly obtained in the currency of the countries where the Company operates, As of December 31, 2019, 76,30% of consolidated financial debt after derivatives, excluding the banking business and non-financial leases under IFRS 16, was expressed in Chilean pesos (including in UF), 14,93% in Peruvian soles, 6,05% in Colombian pesos, 2,52% in Brazilian reals, and 0,20% in Argentine pesos, 99,9% of our financial debt after hedges is contracted in local currency,

Note 34 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

2.1.1. Market Risk (continued)

a) Exchange Rate Risk (continued)

The Company has invested in businesses in Peru, Colombia, Argentina, Brazil, Uruguay, Mexico, Germany, Hong Kong, Ecuador and Panama, Therefore, Falabella has an exposure of Ch\$ 1,408,040 million in Peruvian soles, Ch\$ 272,527 million in Colombian pesos, Ch\$ 39,368 million in Argentine pesos, Ch\$ 114,331 million in Brazilian reals, Ch\$ 42,744 million in Uruguayan pesos, Ch\$ 102,794 million in Mexican pesos, Ch\$ 4,079 million in Euros, Ch\$ 805 million in US dollars and Ch\$ 1,225 million in Hong Kong dollars as of December 31, 2019,

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, 2019, simultaneous depreciation of 12,66% in the nine foreign currencies described above with respect to the Chilean peso, keeping the remaining variables constant, would result in a comprehensive loss of Ch\$ 250,268 million, The depreciation percentage for these currencies was determined by averaging the maximum theoretical variation that could occur in one year in each of the currencies with respect to the Chilean peso with a significance level of 10%, over the last 3 years,

IFRS 16 was adopted on January 1, 2019, Accordingly, the Company recognizes leasing liabilities that are denominated in local and foreign currencies, Therefore, 61,03% was denominated in Chilean pesos (including UF), 12,52% in Peruvian nuevo soles, 1,42% in Argentine pesos, 8,47% in Colombian pesos, 8,45% in U,S, dollars and 8,11% in other currencies, as of December 31, 2019 and after IFRS 16 hedges,

b) Inflation Risk

As of December 31, 2019, consolidated financial debt expressed in UF after derivatives, excluding the banking business, was Ch\$ 857,150 million or 28,6%, Most of this debt finances the real estate business in Chile, which generates income 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 100 base points and keeping all other variables constant, the effect on the statement of net income resulting from net exposure to inflation on Falabella's financial debt would be a loss of approximately Ch\$ 8,572 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, which can increase financial expenses,

As of December 31, 2019, 86,3% of the Company's consolidated financial debt after derivatives, and excluding the banking business, was at a fixed interest rate, 13,3% at a variable interest rate and 0,4% was overdrafts and letters of credit, which due to their term can be treated as variable interest rate,

In summary, as of December 31, 2019, Ch\$ 409,653 million or 13,7% of the Company's financial debt principal after derivatives and excluding the banking business, was subject to short-term fluctuations in 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\$ 4,097 million,

Note 34 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

2.1. Financial Risks (continued)

2.1.2. Credit Risk

Credit risk is the risk of loss for Falabella in case a customer or other counterparty does not comply with their contractual obligations. The main credit risk to which Falabella is exposed centers around its operations with credit cards and consumer loans. Total gross Falabella credit card loans, excluding banking transactions that are dealt with separately below, was Ch\$ 60,592 million as of December 31, 2019. Falabella's credit portfolio is broadly dispersed, and there are no individual debtors owing large amounts, which substantially mitigates credit risk.

Falabella's retail financial segment uses risk ratings to evaluate and accept customers and determine their credit limit, as well as regular credit quality reviews of its customers, to anticipate any potential changes in payment ability, to take prompt corrective measures and to assess current and potential losses. In addition, Banco Falabella Chile, Banco Falabella Peru and Banco Falabella Colombia are regulated by the superintendents of banks or financial institutions of each country, which regulate and require worldwide standards covering 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. Falabella also limits its exposure to credit risk by investing exclusively in highly liquid and credit-rated products.

Lastly, all Falabella's derivative transactions are with counterparties with a minimum risk rating, who are also subject to a credit analysis by the Company before initiating any transaction.

Note 34 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

2.1. Financial Risks (continued)

2.1.2. Credit Risk (continued)

Maximum Exposure to Credit Risk

The Company's maximum exposure to credit risk, without considering guarantees, as of December 31, 2019, 2018 and December 31, 2017 is as follows:

	Maximum Exposure		
	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Cash and Cash equivalents	837,781,863	689,411,677	494,958,665
Time deposits	64,830,195	98,059,423	91,272,427
Highly liquid financial instruments	241,622,372	111,977,660	37,139,707
Liquidity transactions in progress, net (bank subsidiaries)	6,933,576	10,876,799	6,231,104
Other cash and cash equivalents	524,395,720	468,497,795	360,315,427
Financial assets at fair value, current	548,092,099	211,741,813	83,044,991
Derivative instruments	420,545,709	107,877,636	36,012,694
Others	127,546,390	103,864,177	47,032,297
Trade and other receivables, current	503,747,308	505,261,560	1,965,407,382
Trade receivables, net	241,921,747	240,992,195	213,852,093
Notes receivable, net	108,924,626	91,210,297	80,107,555
Miscellaneous receivables, net	96,658,735	70,498,867	106,439,309
Financing receivables, net	56,242,200	102,560,201	1,565,008,425
Related company receivables, current	44,176,657	60,013,844	8,568,867
Loans and Receivables - Banking Business	5,219,216,732	4,631,682,308	2,590,709,808
Customer loans and receivables, net	5,219,216,732	4,631,682,308	2,590,709,808
Financial assets at fair value, non-current	204,578,162	105,525,159	65,197,065
Derivative instruments	193,061,706	97,307,652	56,615,338
Others	11,516,456	8,217,507	8,581,727
Trade and other receivables, non-current	11,126,047	9,004,961	275,089,053
Trade receivables, net	321,094	326,703	279,853
Notes receivable, net	3,103,885	2,492,371	3,253,361
Miscellaneous receivables, net	6,029,185	1,301,297	2,627,737
Financing receivables, net	1,671,883	4,884,590	268,928,102
Total	7,368,718,868	6,212,641,322	5,482,975,831

2.1.3. Liquidity risk

The Company has various tools to limit liquidity risk, These include maintaining enough cash and cash equivalents to cover regular business obligations, Falabella S,A, and its main subsidiaries have access to bank financing such as overdrafts and loans, and can quickly access 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 alternative sources of financing to meet its operating and financial obligations,

Note 34 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

2.2. Risk Management - Banking Business (continued)

2.2.2. Liquidity Risk (continued)

The contractual maturities of obligations that accrue interest, separated into capital and interest payable are detailed as follows:

ThCh\$	1 year	2 years	3 years	4 years	5 years	Over 5 years
Capital	2,980,501,069	1,476,949,584	262,131,741	750,473,888	89,700,902	1,750,449,641
Interest	160,956,719	138,193,097	106,073,470	80,783,380	69,831,870	342,024,334

The maturity 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, that seeks to comply 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,

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,

Note 34 - Financial Instruments and Risk Management (continued)

2. Financial Risk (continued)

2.2., Risk Management - Banking Business (continued)

2.2.3. Market Risk (continued)

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, 2019, 2018 and 2017, each Falabella banking subsidiary complies with these restrictions,

Note 34 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency

a) The balances as of December 31, 2019 are detailed as follows:

	Chilean peso ThCh\$	US dollar ThCh\$	Euros ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies ThCh\$	Total ThCh\$
Assets - Non-Banking Business								
Cash and cash equivalents	97,753,802	23,439,600	1,638,100	82,607,847	8,094,013	77,912,584	8,519,407	299,965,353
Other financial assets, current	10,499,547	635,420	-	3,236,279	34,226	132,515	39,336	14,577,323
Other non-financial assets, current	76,640,018	451,511	-	7,295,206	1,641,420	924,074	10,445,225	97,397,454
Trade and other receivables, current	307,697,662	20,166,122	203,921	34,003,701	75,628,574	19,769,865	46,277,463	503,747,308
Related party receivables, current	5,000,925	-	-	-	-	5,003,344	34,172,388	44,176,657
Inventories	685,408,706	-	-	441,159,156	44,022,158	98,960,719	63,302,916	1,332,853,655
Tax assets, current	84,424,829	38,913	-	12,096,280	656,968	18,950,857	993,225	117,161,072
Non-current assets or disposal groups classified as held for sale	17,371,457	-	-	-	-	-	-	17,371,457
Total current assets	1,284,796,946	44,731,566	1,842,021	580,398,469	130,077,359	221,653,958	163,749,960	2,427,250,279
Other financial assets, non-current	18,758,213	185,819,949	-	-	-	-	-	204,578,162
Other non-financial assets, non-current	43,563,064	3,963,186	-	2,619,519	16,135,906	22,681,664	14,879,598	103,842,937
Trade and other receivables, non-current	6,662,496	1,351,499	-	688,837	1,678,477	744,738	-	11,126,047
Equity method investments	285,687	-	-	-	-	133,218,614	57,974,377	191,478,678
Intangible assets other than goodwill	282,610,295	-	-	22,505,786	8,243,267	1,606,374	27,716,712	342,682,434
Goodwill	259,964,833	-	-	250,944,203	-	-	138,240,766	649,149,802
Property, plant and equipment	2,007,807,174	20,568	-	1,277,947,915	71,042,881	171,702,100	169,865,143	3,698,385,781
Investment properties	2,641,065,847	466	-	399,520,690	-	194,482,700	-	3,235,069,703
Tax assets, non-current	12,255,523	-	-	1,942,420	909,777	2,312,347	-	17,420,067
Deferred tax assets	125,215,234	809,066	-	36,034,766	2,416,937	10,690,829	37,117,876	212,284,708
Total Non-Current Assets	5,398,188,366	191,964,734	-	1,992,204,136	100,427,245	537,439,366	445,794,472	8,666,018,319
Total Assets - Non-Banking Business	6,682,985,312	236,696,300	1,842,021	2,572,602,605	230,504,604	759,093,324	609,544,432	11,093,268,598
Assets - Banking Business								
Cash and bank deposits	177,289,414	55,997,316	-	32,461,977	-	38,606,513	-	304,355,220
Transactions pending settlement,	64,905,198	15,883,840	-	137,893	-	-	-	80,926,931
Instruments held for trading	156,555,180	-	-	-	-	22,781,294	-	179,336,474
Financial derivative contracts	411,178,302	-	-	-	-	-	-	411,178,302
Customer loans and receivables	3,680,548,465	660,794	-	699,325,870	-	838,681,603	-	5,219,216,732
Investment instruments held for sale	583,283,677	-	-	78,891,608	-	18,854,737	-	681,030,022
Investments in companies	-	-	-	3,721,554	-	-	-	3,721,554
Intangible assets	29,853,800	-	-	31,223,029	-	17,041,653	-	78,118,482
Property, plant and equipment	20,325,103	-	-	35,806,168	-	16,776,689	-	72,907,960
Current taxes	12,694,107	-	-	-	-	-	-	12,694,107
Deferred taxes	41,454,385	-	-	4,912,909	-	2,437,535	-	48,804,829
Other assets	90,288,317	39,903,486	-	3,789,290	-	14,130,534	-	148,111,627
Total assets - banking businesses	5,268,375,948	112,445,436	-	890,270,298	-	969,310,558	-	7,240,402,240
Total assets	11,951,361,260	349,141,736	1,842,021	3,462,872,903	230,504,604	1,728,403,882	609,544,432	18,333,670,838

Note 34 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

a) Balances as of December 31, 2019 are detailed as follows: (continued)

	Chilean peso ThCh\$	US dollar ThCh\$	Euros ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies ThCh\$	Total ThCh\$
Liabilities - Non-Banking Business								
Other financial liabilities, current	255,945,954	45,845,487	21,710,677	95,552,962	10,264,721	14,612,647	-	443,932,448
Leasing liabilities, current	53,545,981	12,941,813	-	984,625	692,257	8,390,451	6,326,340	82,881,467
Trade and other payables	567,941,866	72,592,437	7,022,280	250,213,345	53,033,857	82,079,462	76,322,732	1,109,205,979
Related company payables, current	11,503,784	-	-	-	-	4,672,562	916,036	17,092,382
Other provisions, current	3,214,061	-	-	5,842,802	4,358,751	36,200	10,306,320	23,758,134
Tax liabilities, current	25,025,940	102,509	-	4,492,322	12,173	1,074,618	98,527	30,806,089
Employee benefits provisions, current	86,137,816	-	-	38,454,095	9,115,770	5,929,632	9,812,028	149,449,341
Other non-financial liabilities, current	88,402,897	294,793	-	33,193,754	12,750,502	19,416,804	11,502,961	165,561,711
Total current liabilities	1,091,718,299	131,777,039	28,732,957	428,733,905	90,228,031	136,212,376	115,284,944	2,022,687,551
Other financial liabilities, non-current	1,305,105,839	988,566,154	7,460,400	365,422,669	2,747,580	143,996,643	-	2,813,299,285
Leasing liabilities, non-current	495,999,697	208,176,218	-	56,789,409	12,367,960	58,822,226	68,219,052	900,374,562
Trade and other payables, non-current	1,070,446	-	-	850,240	-	-	-	1,920,686
Other provisions, non-current	391,569	-	-	7,580,995	30,495	296,046	1,291,753	9,590,858
Deferred tax liabilities	478,057,704	-	-	126,658,141	4,343,148	-	4,923,013	613,982,006
Employee benefit provisions, non-current	54,502,342	-	-	878,878	56,182	270,574	260,837	55,968,813
Other non-financial liabilities, non-current	43,735,467	2,004,262	-	8,932,941	-	144,500	208,703	55,025,873
Total non-current liabilities	2,378,863,064	1,198,746,634	7,460,400	567,113,273	19,545,365	203,529,989	74,903,358	4,450,162,083
Total Liabilities - Non-Banking Business	3,470,581,363	1,330,523,673	36,193,357	995,847,178	109,773,396	339,742,365	190,188,302	6,472,849,634
Liabilities - Banking Business								
Deposits and other demand obligations	591,568,698	347,534	-	68,100,235	-	142,355,603	-	802,372,070
Transactions pending settlement,	41,911,829	32,081,526	-	-	-	-	-	73,993,355
Deposits and other time deposits,	1,853,635,661	71,365,578	-	581,874,873	-	520,375,120	-	3,027,251,232
Financial derivative contracts	457,066,804	1,285,213	-	-	-	-	-	458,352,017
Bank borrowings	392,470,063	29,301,003	-	44,271,618	-	81,129,065	-	547,171,749
Debt instruments issued	263,272,215	-	-	605,985	-	-	-	263,878,200
Other financial obligations	89,407,460	-	-	-	-	-	-	89,407,460
Leasing liabilities	11,954,328	8,466,443	-	4,169,254	-	10,934,542	-	35,524,567
Current taxes	61,383	-	-	1,886,652	-	1,025,635	-	2,973,670
Provisions	25,573,173	-	-	2,791,118	-	3,652,891	-	32,017,182
Other liabilities	202,172,835	30,595,091	-	19,435,738	-	43,063,962	-	295,267,626
Total liabilities - banking businesses	3,929,094,449	173,442,388	-	723,135,473	-	802,536,818	-	5,628,209,128
Total liabilities	7,399,675,812	1,503,966,061	36,193,357	1,718,982,651	109,773,396	1,142,279,183	190,188,302	12,101,058,762

Note 34 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

b) Balances as of December 31, 2018 are detailed as follows:

	Chilean peso ThCh\$	US dollar ThCh\$	Euros ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies ThCh\$	Total ThCh\$
Assets - Non-Banking Business								
Cash and cash equivalents	199,296,313	30,574,401	2,114,368	57,695,889	3,138,442	18,487,731	6,184,238	317,491,382
Other financial assets, current	13,839,801	5,663,768	33,202	2,258,688	3,885,293	-	151,187	25,831,939
Other non-financial assets, current	97,417,184	1,827,011	-	18,663,508	2,507,534	1,069,337	5,543,332	127,027,906
Trade and other receivables, current	278,250,438	18,240,530	-	33,545,486	127,052,621	18,460,922	29,711,563	505,261,560
Related party receivables, current	4,577,527	-	-	-	-	13,020,134	42,416,183	60,013,844
Inventories	787,956,732	-	-	407,843,293	57,993,504	83,196,109	73,504,978	1,410,494,616
Tax assets, current	54,155,184	35,489	-	19,699,662	2,788,568	9,458,077	641,135	86,778,115
Non-current assets or disposal groups classified as held for sale	17,371,457	-	-	-	-	-	-	17,371,457
Total current assets	1,452,864,636	56,341,199	2,147,570	539,706,526	197,365,962	143,692,310	158,152,616	2,550,270,819
Other financial assets, non-current	8,217,507	97,307,652	-	-	-	-	-	105,525,159
Other non-financial assets, non-current	37,837,265	5,543,453	-	23,781,883	544,756	22,157,418	5,296,891	95,161,666
Trade and other receivables, non-current	3,059,182	121,185	-	683,084	5,141,510	-	-	9,004,961
Equity method investments	288,282	-	-	-	-	113,586,583	21,860,431	135,735,296
Intangible assets other than goodwill	262,248,954	891,579	-	22,560,005	8,656,497	1,647,247	16,871,892	312,876,174
Goodwill	253,422,612	-	-	228,983,534	-	-	143,508,734	625,914,880
Property, plant and equipment	1,521,910,513	26,731	-	960,559,784	41,867,349	101,290,839	99,682,851	2,725,338,067
Investment properties	2,518,124,580	-	-	304,459,867	-	149,462,002	-	2,972,046,449
Tax assets, non-current	16,341,601	-	-	-	-	-	-	16,341,601
Deferred tax assets	86,319,946	797,293	-	29,904,852	3,713,951	10,305,627	34,345,481	165,387,150
Total non-current assets	4,707,770,442	104,687,893	-	1,570,933,009	59,924,063	398,449,716	321,566,280	7,163,331,403
Total Assets - Non-Banking Business	6,160,635,078	161,029,092	2,147,570	2,110,639,535	257,290,025	542,142,026	479,718,896	9,713,602,222
Assets - Banking Business								
Cash and bank deposits	176,767,410	60,643,317	-	34,028,874	-	31,777,763	-	303,217,364
Transactions pending settlement,	34,165,068	22,901,476	-	224,061	-	-	-	57,290,605
Instruments held for trading	127,706,871	-	-	-	-	27,927,872	-	155,634,743
Financial derivative contracts	87,282,445	818,818	-	-	-	-	-	88,101,263
Customer loans and receivables	3,428,559,812	1,833,399	-	594,313,317	-	606,975,780	-	4,631,682,308
Investment instruments held for sale	592,542,834	-	-	54,606,478	-	11,737,730	-	658,887,042
Investments in companies	-	-	-	3,179,466	-	-	-	3,179,466
Intangible assets	27,558,196	-	-	25,821,847	-	14,880,098	-	68,260,141
Property, plant and equipment	17,728,960	-	-	17,158,343	-	6,496,971	-	41,384,274
Current taxes	3,894,640	-	-	228,782	-	2,811,530	-	6,934,952
Deferred taxes	41,620,680	-	-	3,933,468	-	4,038,069	-	49,592,217
Other assets	78,126,621	7,902,492	-	5,389,146	-	12,320,445	-	103,738,704
Total assets - banking businesses	4,615,953,537	94,099,502	-	738,883,782	-	718,966,258	-	6,167,903,079
Total assets	10,776,588,615	255,128,594	2,147,570	2,849,523,317	257,290,025	1,261,108,284	479,718,896	15,881,505,301

Note 34 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

b) Balances as of December 31, 2018 are detailed as follows: (continued)

	Chilean peso ThCh\$	US dollar ThCh\$	Euros ThCh\$	Peruvian nuevo sol ThCh\$	Argentine peso ThCh\$	Colombian peso ThCh\$	Other currencies ThCh\$	Total ThCh\$
Liabilities - Non-Banking Business								
Other financial liabilities, current	178,181,898	130,967,266	382,160	155,862,348	87,155,765	3,724,909	1,939,312	558,213,658
Trade and other payables	555,341,744	74,806,316	5,033,174	207,005,251	53,613,610	58,518,691	65,117,278	1,019,436,064
Related company payables, current	12,569,084	-	-	-	-	2,739,447	-	15,308,531
Other provisions, current	3,845,078	-	-	5,247,275	5,482,141	145,779	10,012,157	24,732,430
Tax liabilities, current	22,589,603	-	-	2,855,495	1,120,102	633,143	287,222	27,485,565
Employee benefits provisions, current	88,721,068	-	-	32,670,283	9,526,523	5,475,452	6,940,300	143,333,626
Other non-financial liabilities, current	86,190,585	302,229	-	24,817,573	14,024,365	13,957,607	6,835,010	146,127,369
Total current liabilities	947,439,060	206,075,811	5,415,334	428,458,225	170,922,506	85,195,028	91,131,279	1,934,637,243
Other financial liabilities, non-current	1,455,128,874	892,704,000	-	319,339,691	16,448,259	121,891,762	1,073,000	2,806,585,586
Trade and other payables, non-current	1,076,211	-	-	13,708	-	-	-	1,089,919
Other provisions, non-current	335,775	-	-	7,424,744	44,877	242,136	1,276,823	9,324,355
Deferred tax liabilities	477,567,957	-	-	109,634,125	2,718,402	6,687	4,402,187	594,329,358
Employee benefit provisions, non-current	43,213,853	-	-	1,144,509	201,471	392,559	230,450	45,182,842
Other non-financial liabilities, non-current	39,499,936	454,490	-	12,838,418	3,186	2,088,094	240,551	55,124,675
Total non-current liabilities	2,016,822,606	893,158,490	-	450,395,195	19,416,195	124,621,238	7,223,011	3,511,636,735
Total Liabilities - Non-Banking Business	2,964,261,666	1,099,234,301	5,415,334	878,853,420	190,338,701	209,816,266	98,354,290	5,446,273,978
Liabilities - Banking Business								
Deposits and other demand obligations	506,433,322	476,186	-	23,589,784	-	108,582,412	-	639,081,704
Transactions pending settlement,	19,685,792	26,728,014	-	-	-	-	-	46,413,806
Deposits and other time deposits,	1,568,739,412	102,382,364	-	477,822,850	-	389,437,768	-	2,538,382,394
Financial derivative contracts	87,046,945	-	-	-	-	17,355	-	87,064,300
Bank borrowings	431,851,249	21,255,367	-	6,203,224	-	51,256,269	-	510,566,109
Debt instruments issued	262,174,714	-	-	5,942,526	-	-	-	268,117,240
Other financial obligations	106,133,093	-	-	-	-	-	-	106,133,093
Current taxes	91,904	-	-	-	-	-	-	91,904
Provisions	31,545,431	-	-	2,588,767	-	7,296,190	-	41,430,388
Other liabilities	153,466,194	6,580,647	-	18,519,574	-	32,026,747	-	210,593,162
Total liabilities - banking businesses	3,167,168,056	157,422,578	-	534,666,725	-	588,616,741	-	4,447,874,100
Total liabilities	6,131,429,722	1,256,656,879	5,415,334	1,413,520,145	190,338,701	798,433,007	98,354,290	9,894,148,078

Note 34 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

c) Balances as of December 31, 2017 are detailed as follows:

	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	108,052,960	15,805,121	538,332	53,683,039	4,098,039	16,626,134	6,524,730	205,328,355
Other financial assets, current	9,504,866	1,290	2,186	3,527,834	1,774,653	-	1,350,618	16,161,447
Other non-financial assets, current	92,510,583	1,271,758	-	9,661,378	1,663,751	535,768	3,362,865	109,006,103
Trade and other receivables, current	257,620,787	7,531,026	-	37,401,757	199,556,401	23,660,823	18,976,161	544,746,955
Related company receivables, current	5,046,225	-	-	-	-	1,673,956	1,848,686	8,568,867
Inventories	687,953,049	-	-	346,027,258	68,812,563	69,847,541	65,498,372	1,238,138,783
Current tax assets	40,856,802	-	-	13,647,511	128,468	21,911,331	42,937	76,587,049
Non-current assets or disposal groups held for sale	10,866,456	-	-	-	-	-	-	10,866,456
Total Current Assets	1,212,411,728	24,609,195	540,518	463,948,777	276,033,875	134,255,553	97,604,369	2,209,404,015
Other financial assets, non-current	15,110,466	50,086,599	-	-	-	-	-	65,197,065
Other non-financial assets, non-current	46,511,605	582,241	-	9,910,609	957,128	14,497,224	2,217,879	74,676,686
Trade and other receivables, non-current	3,447,757	1,337,412	-	632,539	12,826,059	153,247	-	18,397,014
Investments accounted for using the equity method	290,754	-	-	-	-	110,819,869	27,185,895	138,296,518
Intangible assets other than goodwill	227,098,897	8,964	-	26,774,569	6,746,058	3,620,440	15,081,366	279,330,294
Goodwill	259,964,833	-	-	210,485,082	-	-	33,944,602	504,394,517
Property, plant and equipment	1,456,165,902	30,575	-	875,891,827	19,803,022	102,508,800	90,190,157	2,544,590,283
Investment properties	2,520,033,047	-	-	265,804,290	-	122,939,871	-	2,908,777,208
Deferred tax assets	69,146,878	751,785	-	24,284,865	4,378,632	12,547,180	26,644,182	137,753,522
Total Non-Current Assets	4,597,770,139	52,797,576	-	1,413,783,781	44,710,899	367,086,631	195,264,081	6,671,413,107
Total Assets - Non-Banking Business	5,810,181,867	77,406,771	540,518	1,877,732,558	320,744,774	501,342,184	292,868,450	8,880,817,122
Assets - Banking Business								
Cash and bank deposits	131,284,910	62,101,973	-	36,205,992	-	22,902,378	-	252,495,253
Transactions pending settlement,	15,687,377	5,374,333	-	308,590	-	-	-	21,370,300
Instruments held for trading	56,546,632	5,228,842	-	-	-	9,407,152	-	71,182,626
Financial derivative contracts	26,573,956	-	-	-	-	26,962	-	26,600,918
Customer loans and receivables	3,213,225,447	3,318,169	-	596,239,285	-	427,868,237	-	4,240,651,138
Investment instruments held for sale	463,120,473	88,338,050	-	93,412,662	-	12,636,204	-	657,507,389
Investments in companies	239,935	-	-	2,621,316	-	-	-	2,861,251
Intangible assets	25,244,797	-	-	19,913,204	-	15,500,538	-	60,658,539
Property, plant and equipment	15,310,912	-	-	13,740,555	-	5,215,617	-	34,267,084
Current taxes	212,277	-	-	4,438,366	-	3,115,740	-	7,766,383
Deferred taxes	21,655,936	-	-	4,125,142	-	619,974	-	26,401,052
Other assets	47,720,756	240,525	-	6,569,368	-	3,596,573	-	58,127,222
Total Assets - Banking Business	4,016,823,408	164,601,892	-	777,574,480	-	500,889,375	-	5,459,889,155
Total Assets	9,827,005,275	242,008,663	540,518	2,655,307,038	320,744,774	1,002,231,559	292,868,450	14,340,706,277

Note 34 - Financial Instruments and Risk Management (continued)

3. Categories presented in the Consolidated Statement of Financial Position classified by currency (continued)

c) Balances as of December 31, 2017 are detailed as follows: (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	359,161,993	76,835,002	1,017,747	129,121,031	96,220,440	-	48,794,092	711,150,305
Trade and other payables, current	560,497,601	57,425,957	3,926,709	188,961,836	71,983,917	63,032,155	45,662,892	991,491,067
Related company payables, current	5,932,746	-	-	-	-	1,703,583	-	7,636,329
Other provisions, current	4,252,850	-	-	4,500,211	4,919,462	133,250	28,678	13,834,451
Current tax liabilities	19,341,257	2,120	-	2,857,571	4,318,396	1,315,028	87,240	27,921,612
Employee benefit provisions, current	80,574,459	104,425	-	29,898,667	13,603,104	4,910,678	5,210,013	134,301,346
Other non-financial liabilities, current	87,353,432	219,850	-	17,664,777	20,696,303	16,760,304	4,128,734	146,823,400
Total Current Liabilities	1,117,114,338	134,587,354	4,944,456	373,004,093	211,741,622	87,854,998	103,911,649	2,033,158,510
Other financial liabilities, non-current	1,698,075,807	827,046,372	-	333,926,155	39,533,215	99,680,747	7,912,794	3,006,175,090
Trade and other payables, non-current	758,836	323,095	-	-	-	-	-	1,081,931
Other provisions, non-current	303,696	-	-	8,858,195	80,710	168,516	1,634,642	11,045,759
Deferred tax liabilities	468,553,194	-	-	95,448,024	-	-	4,621,096	568,622,314
Employee benefit provisions, non-current	30,608,411	2,360	-	1,171,341	214,579	483,481	16,703	32,496,875
Other non-financial liabilities, non-current	34,721,496	1,536,948	-	7,102,268	160,206	2,160,509	-	45,681,427
Total Non-Current Liabilities	2,233,021,440	828,908,775	-	446,505,983	39,988,710	102,493,253	14,185,235	3,665,103,396
Total Liabilities - Non-Banking Business	3,350,135,778	963,496,129	4,944,456	819,510,076	251,730,332	190,348,251	118,096,884	5,698,261,906
Liabilities - Banking Business								
Deposits and other demand obligations	426,165,597	436,081	-	21,553,372	-	94,999,171	-	543,154,221
Transactions pending settlement,	4,485,219	10,653,977	-	-	-	-	-	15,139,196
Deposits and other time deposits,	1,134,953,937	162,503,007	-	460,771,147	-	229,497,975	-	1,987,726,066
Financial derivative contracts	30,871,454	180,042	-	-	-	129,819	-	31,181,315
Bank borrowings	135,499,596	15,223,619	-	10,545,768	-	43,619,989	-	204,888,972
Debt instruments issued	231,402,520	435,522	-	10,418,729	-	-	-	242,256,771
Other financial obligations	130,641,388	-	-	-	-	-	-	130,641,388
Current taxes	9,109,300	-	-	-	-	-	-	9,109,300
Provisions	1,435,673	3	-	448,456	-	247,496	-	2,131,628
Other liabilities	125,303,217	27,105,644	-	1,833,742	-	28,515,407	-	182,758,010
Total Liabilities - Banking Business	2,229,867,901	216,537,895	-	505,571,214	-	397,009,857	-	3,348,986,867
Total Liabilities	5,580,003,679	1,180,034,024	4,944,456	1,325,081,290	251,730,332	587,358,108	118,096,884	9,047,248,773

Note 35 - Share Capital

a) The Company's capital management objectives, policies and processes

Falabella S,A, achieves 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 reduces the cost of capital,

Falabella monitors capital using an index of net consolidated financial debt (excluding the banking businesses) over equity, As of December 31, 2019, this index was 0,45,

The Company has been rated locally as follows by the Feller-Rate and Fitch Ratings credit ratings:

	Feller-Rate	Fitch Ratings
Shares	1st C,N, 1	1st C,N, 1
Bonds and lines of bonds	AA	AA
Commercial paper	AA / Level 1+	AA / Level 1+

The Company also has an international credit rating from Standard & Poor's (BBB+, Negative Outlook) and Fitch Ratings (BBB+, Stable Outlook)

b) Share capital and number of shares

As of December 31, 2019, the Company's capital was detailed as follows:

Number of shares

Series	Number of Shares	Number of Shares	Number of Shares
	Subscribed	Paid	With Voting Rights
Single	2,508,844,629	2,508,844,629	2,508,844,629

Share capital

Series	Dec-31-19		Dec-31-18		Dec-31-17	
	Subscribed capital	Paid capital	Subscribed capital	Subscribed capital	Subscribed capital	Subscribed capital
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Single	919,419,389	919,419,389	919,419,389	919,419,389	533,409,643	533,409,643

An Extraordinary Shareholders Meeting of Falabella S,A, held on August 20, 2018 approved the share capital increase of Ch\$ 505,188,141,300 by issuing 84,330,000 new nominative shares with no par value from the current series, These shares must be subscribed and paid in Chilean pesos within a 3 year period from the date of the meeting,

The fifth article and the transitory article of the Company's statutes were amended, to reflect this capital increase, As a result of this increase and in accordance with the terms of the new transitional article, the capital of Falabella S,A, amounted to Ch\$ 1,038,597,784,976, divided into 2,518,795,103 single series shares with no par value,

The shares that represent the capital increase were registered on September 27, 2018 in the FMC Securities Registry,

Note 35 - Share Capital (continued)

b) Share capital and number of shares (continued)

On October 18, 2018, the Board agreed the price of Ch\$ 5,250 each for the 84,330,000 new shares offered to Company shareholders during the preferential option period, which began on October 19 and ended on November 17, 2018,

49,669,211 shares issued by the Company were offered to the public on October 19, 2018, These became available to the Company as the controlling shareholders partially waived their preferential subscription rights for these shares, The remaining 34,660,789 new shares could have been subscribed during the preferential subscription period by shareholders registered on October 12, 2018, who had not waived their preferential subscription rights,

The capital increase was detailed as follows:

	Shares	ThCh\$
Share capital	84,330,000	442,732,500
Subscribed and paid capital	74,379,526	390,492,470
Issue costs	-	(4,482,724)
Subscribed and paid capital from the issue	74,379,526	386,009,746
Initial subscribed and paid capital	2,434,465,103	533,409,643
Subscribed and paid capital as of December 31, 2018	2,508,844,629	919,419,389

c) Share Premium on Placement

As of December 31, 2019 the cumulative amount was ThCh\$ 93,482,329, ,

d) Other reserves as of December 31, 2019 and 2018 was detailed as follows:

Other reserves	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-17 ThCh\$
Conversion reserve	25,472,380	(136,148,355)	(249,687,237)
Cash flow hedge reserve	(36,810,863)	(51,220,385)	(28,860,865)
Actuarial gains or losses on defined benefit plans reserve	(21,475,754)	(15,532,698)	(8,744,314)
Reserves for gains or losses on revaluing financial assets held for sale	869,698	(570,932)	2,007
Share-based payments reserve	40,106,269	40,106,269	39,902,139
Capital adjustment due to currency restatement (1)	12,256,323	12,256,323	12,256,323
Other reserves (2)	(170,361,418)	(170,258,848)	(148,710,857)
Total Other Reserves	(149,943,365)	(321,368,626)	(383,842,804)

Movement in Other Reserves	Dec-31-19 ThCh\$	Dec-31-18 ThCh\$	Dec-31-18 ThCh\$
Opening balance	(321,368,626)	(383,842,804)	(283,783,440)
Conversion reserve	161,620,735	113,538,882	(102,802,927)
Cash flow hedge reserve	14,409,522	(22,359,520)	3,348,194
Actuarial gains or losses on defined benefit plans reserves	(5,943,056)	(6,788,384)	(1,092,737)
Reserves for gains or losses on revaluing financial assets held for sale	1,440,630	(572,939)	(609,475)
Share-based payments reserve	-	204,130	1,476,115
Other reserves	(102,570)	(21,547,991)	(378,534)
Total Movement	171,425,261	62,474,178	(100,059,364)
Closing balance	(149,943,365)	(321,368,626)	(383,842,804)

(1) This one off effect was caused by adopting IFRS due to the obligation to apply the CPI for local purposes,

(2) Primarily due to reserves on the acquisition of minority interests,

Note 35 - Share Capital (continued)

e) Dividend policy

Falabella's dividend policy is to 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 (hereinafter the "Policy") to calculate distributable earnings, in accordance with Circular 1,945, complemented by Circular 1,983, both issued by the FMC. 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 through to 2015, the Company has not adjusted the "Net Income (Loss) Attributable to Owners of the Parent" in its financial statements,

On December 27, 2016, the Board agreed to amend the Policy on the basis of the results for 2016, to exclude the following:

- i. Unrealized gains on the fair value valuation of assets and liabilities, which arise as a result of business combinations or corporate restructuring, including at subsidiaries and associates, They will be reinstated when realized,
- ii. Unrealized gains on the fair value valuation of investment properties, They will be reinstated into distributable earnings when realized,
- iii. 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.

On April 23, 2019, an Ordinary Shareholders' Meeting approved the distribution of a final dividend of Ch\$50 per share from earnings for 2018, This dividend was paid on May 8, 2019.

On December 19, 2019, an Ordinary Shareholders' Meeting approved the distribution of a final dividend of Ch\$17 per share from earnings for 2019, This dividend was paid on January 2, 2020.

On December 27, 2018, the Board of Directors approved the distribution of an interim dividend of Ch\$26 per share from earnings for 2018, This dividend was paid on January 10, 2019.

On April 24, 2018, an Ordinary Shareholders' Meeting approved the distribution of a final dividend of Ch\$54 per share from earnings for 2017, This dividend was paid on May 8, 2018.

On April 25, 2017, an Ordinary Shareholders' Meeting approved the distribution of a final dividend of Ch\$54 per share from earnings for 2016, This dividend was paid on May 9, 2017.

Note 35 - Share Capital (continued)

f) Summarized financial information for subsidiaries with non-controlling interests:

The Chilean subsidiary Plaza S,A, has non-controlling interests that are significant for Falabella, before inter-company eliminations and other adjustments for consolidation, Financial information regarding this subsidiary is detailed as follows:

	Dec-31-19	Dec-31-18	Dec-31-17
Non-controlling interest	40,7220%	40,7220%	40,7220%
Non-current assets	3,229,045,228	3,114,217,717	3,053,150,085
Current assets	154,869,705	215,254,946	168,947,316
Non-current liabilities	(1,268,906,168)	(1,320,725,946)	(1,302,126,371)
Current liabilities	(202,437,521)	(180,324,032)	(176,351,235)
Net assets	1,912,571,244	1,828,422,685	1,743,619,795
Revenue	309,598,345	309,369,848	280,471,520
Net income for the period	104,578,612	125,749,457	109,475,156
Comprehensive income	11,535,500	5,082,420	100,642,848
Net income (loss) attributable to non-controlling interests	4,503,811	8,390,835	3,497,015
Cash flow from operating activities	222,937,457	206,879,633	196,107,707
Cash flow from investing activities	(78,178,426)	(88,236,697)	(162,237,471)
Cash flow from financing activities, before dividends paid to parties with non-controlling interests	(142,340,510)	(76,950,204)	(12,531,821)
Cash flow from financing activities, cash dividends to parties with non-controlling interests	(18,421,905)	(18,303,814)	(15,937,014)

Note 36 - Financial Information by Segment

General description of segments and their measurement:

The Company's operating segments have been selected in accordance with Falabella's main businesses, which are regularly reviewed by Senior Management, in order to measure performance, evaluate risks, allocate resources, and segmented information is available, Certain segments have been grouped because they possess similar financial characteristics, The information that the Company's Management regularly examines is net income from each of the operating segments in Chile and consolidated net income from each foreign subsidiary,

The same policies described in the accounting criteria note are used to produce Management and accounting reports, There are no overall differences between the accounting policies used to measure net income, assets and liabilities for each segment, 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,

Falabella has the following business segments:

- a) Department stores: This segment operates under the Falabella brand and its activities are the sale of a 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) Real estate: Operates in the real estate segment through constructing and leasing malls,

Note 36 - Financial Information by Segment (continued)

- e) Other businesses and inter-segment eliminations include the remaining Falabella companies, which includes Linio, the industrial sector, Viajes Falabella⁽¹⁾, Corredora de Seguros de Chile, CF Seguros de Vida, investments in Uruguay and Mexico, investment companies and eliminations, In addition, the consolidated businesses 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 retail financial 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,
- f) Banking Business: includes information on all banking business, in Chile and abroad,

The customer portfolio is broadly dispersed 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 Falabella's final consolidated figures, This presentation is the same used by management for its regular reviews of the Company's performance,

Operating revenue for the Chile Real Estate segment of ThCh\$ 385,944,470 as of December 31, 2019 (ThCh\$ 398,110,866 as of December 31, 2018 and ThCh\$ 358,036,928 as of December 31, 2017) is total income receivable from real estate companies in Chile from third parties and related companies, Conversely, Note 14 i) presents the leasing income receivable from third parties for all real estate companies of Falabella,

⁽¹⁾ Shares of the subsidiaries Viajes Falabella Chile, Peru and Argentina were sold on June 7, 2019, Subsequently, shares of the subsidiary Viajes Falabella Colombia were sold on July 31, 2019,

Note 36 - Financial Information by Segment (continued)

Segment Information - Non-Banking Business

Segment Information Non-Banking Business	Department Stores Chile	Home Improvement and Construction Materials Chile	Supermarkets Chile	Real Estate Chile	Department Stores Peru	Home Improvement and Construction Materials Peru	Supermarkets Peru	Other Businesses and Eliminations Peru	Department Stores, 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 and Inter-segment eliminations	Total Non-Banking Business	
December 31, 2019																		
Operating revenue	1,472,210,617	2,092,652,566	750,664,899	385,944,470	650,251,832	669,966,327	881,829,505	53,259,898	325,768,779	64,896,360	(3,981,114)	436,045,192	23,033,978	209,119,069	-	41,920,457	8,053,582,835	
Operating Costs	(1,015,850,704)	(1,473,123,084)	(561,726,207)	(111,011,638)	(453,945,796)	(472,236,690)	(659,655,900)	(5,456,561)	(177,530,206)	(34,907,636)	98,492	(306,703,513)	440,872	(138,277,978)	-	(23,183,701)	(5,433,070,250)	
Non-Banking financial income	8,903,366	3,219,588	1,487,962	2,628,848	458,729	494,992	465,038	260,512	3,061,044	233,592	129,424	568,616	852,628	154,760	3,852	4,477,999	27,400,950	
Non-Banking financial expenses	(26,860,725)	(38,545,360)	(10,007,285)	(66,337,834)	(12,559,711)	(20,193,567)	(17,200,142)	(154,952)	3,199,576	525,499	(182,136)	(12,537,098)	18,814	(13,702,674)	(41,846)	(17,275,360)	(231,854,801)	
Net financial expenses all segments	(17,957,359)	(35,325,772)	(8,519,323)	(63,708,986)	(12,100,982)	(19,698,575)	(16,735,104)	105,560	6,260,620	759,091	(52,712)	(11,968,482)	871,442	(13,547,914)	(37,994)	(12,797,361)	(204,453,851)	
Depreciation and amortization all segments	(79,521,960)	(96,212,280)	(42,159,406)	(57,917,636)	(23,209,560)	(29,549,588)	(34,242,798)	(2,039,778)	(9,650,361)	(1,705,829)	(131,686)	(20,207,980)	(1,559,537)	(11,490,181)	-	8,733,858	(400,864,722)	
Net income before tax	(87,089,170)	12,938,573	(17,404,817)	161,299,344	39,016,382	6,765,287	20,138,846	50,286,017	(14,032,771)	710,197	(702,195)	4,087,163	31,870,212	(10,866,172)	(86,883)	(11,948,052)	184,981,961	
Income tax (expense) income	27,036,805	(2,889,058)	4,876,884	(37,483,776)	(12,184,030)	(2,412,819)	(6,963,626)	(14,704,670)	(1,260,494)	(1,813,462)	255,929	(1,233,366)	(4,529,810)	(275,681)	(15,096)	(8,501,719)	(62,097,989)	
Net income all segments	(60,052,365)	10,049,515	(12,527,933)	123,815,568	26,832,352	4,352,468	13,175,220	35,581,347	(15,293,265)	(1,103,265)	(446,266)	2,853,797	27,340,402	(11,141,853)	(101,979)	(20,449,771)	122,883,972	
Share of net income of associates and joint ventures accounted for using the equity method	-	-	-	15,718	-	-	-	-	-	-	-	-	19,338,265	-	-	(19,017,199)	336,784	
Trade and other receivables, current	67,054,702	125,418,403	34,349,769	68,811,254	8,497,637	6,512,041	9,726,335	24,627,594	17,653,352	58,478,964	18,811	11,942,444	5,544,773	33,137,526	510	31,973,193	503,747,308	
Inventories	278,617,983	321,031,239	78,719,680	222,324	155,667,637	160,455,987	125,035,532	-	44,022,158	-	-	98,960,719	-	52,589,151	-	17,531,245	1,332,853,655	
Trade and other receivables, non-current	-	520,334	-	3,093,085	280,801	86,779	-	680,719	-	2,168,822	6,593	7,566	744,738	-	-	3,536,610	11,126,047	
Property, Plant and Equipment	473,464,760	767,939,232	287,055,982	864,814,592	213,930,024	350,124,345	458,221,311	262,368,864	67,429,306	2,747,961	865,614	160,350,568	2,654,997	123,802,325	-	(337,384,100)	3,698,385,781	
Investment Properties	-	-	-	2,840,890,935	-	18,236,165	-	377,430,706	-	-	-	-	-	-	-	-	(1,488,103)	3,235,069,703
Total segment assets	1,015,585,937	1,398,932,652	449,794,138	4,081,902,025	428,827,403	837,256,403	659,665,194	611,616,634	155,872,732	76,029,166	(11,590,850)	321,907,803	168,638,817	265,163,644	47,796,736	585,870,164	11,093,268,598	
Equity method investments	-	-	-	285,687	-	-	-	-	-	-	-	-	133,218,612	-	-	57,974,379	191,478,678	
Other financial liabilities, current	5,796,417	11,371,743	1,386,587	113,710,670	8,062,874	41,844,257	2,704,740	40,190,557	1,144,046	9,120,675	-	11,472,152	-	46,450,127	-	150,677,603	443,932,448	
Trade and other payables	148,104,550	175,042,534	80,492,432	79,426,050	71,036,461	80,457,163	123,175,747	9,733,736	45,857,675	11,506,634	661,822	76,599,391	7,710,575	36,942,097	9,980	162,449,132	1,109,205,979	
Other financial liabilities, non-current	-	53,373,822	-	788,224,034	23,333,861	-	34,026,632	308,062,176	617,879	2,129,701	-	56,032,671	-	32,639,250	-	1,514,859,259	2,813,299,285	
Leasing liabilities, non-current	247,640,801	537,548,298	155,464,165	16,825,861	91,427,898	105,246,299	124,134,819	(75,900,094)	26,833,064	1,395,699	631,544	63,611,686	1,674,837	58,031,665	-	(454,191,980)	900,374,562	
Total segment liabilities	907,809,549	1,207,426,500	399,463,675	1,822,887,851	299,635,684	438,100,850	414,340,055	67,026,398	124,536,146	62,620,216	(9,615,356)	249,985,348	17,540,072	193,536,012	4,637,877	272,918,757	6,472,849,634	
Disbursements of the segment's non-monetary assets	(86,324,432)	(91,346,325)	(43,618,177)	(157,455,868)	(17,645,344)	(19,252,496)	(42,331,641)	(72,707,051)	(8,704,178)	(2,676,251)	(92,814)	(21,462,927)	(217,002)	(11,797,889)	-	(64,482,816)	(640,115,211)	
Segment's operating cash flow	41,385,229	238,922,710	67,950,807	261,415,995	70,137,135	94,432,484	69,315,742	12,069,618	16,126,452	58,470,499	1,635,060	26,412,397	(147,845,734)	(5,026,695)	-	(22,812,728)	782,588,971	
Segment's investing cash flow	(122,535,891)	(88,643,004)	(41,029,165)	(117,350,258)	35,399,140	(7,379,298)	(20,475,992)	(149,600,194)	(882,049)	(1,807,999)	(461,987)	(19,108,033)	20,746,005	(11,724,430)	-	(89,346,985)	(614,200,140)	
Segment's financing cash flow	79,230,621	(150,893,065)	(28,504,514)	(160,005,387)	(101,149,127)	(79,883,352)	(43,457,278)	61,435,955	(12,678,484)	(54,226,249)	(583,866)	(1,525,487)	150,481,714	17,761,653	(10,035)	(252,119,750)	(576,126,651)	

Note 36 - Financial Information by Segment (continued)

Segment Information - Non-Banking Business (continued)

Segment Information Non-Banking Business	Department Stores Chile	Home Improvement and Construction Materials Chile	Supermarkets Chile	Real Estate Chile	Department Stores Peru	Home Improvement and Construction Materials Peru	Supermarkets Peru	Other Businesses and Eliminations Peru	Department Stores, 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 and Inter- segment eliminations	Total Non- Banking Business
December 31, 2018																	
Operating revenue	1,525,908,483	2,169,506,069	776,141,604	398,110,866	605,024,577	615,900,562	773,459,616	49,360,884	366,609,541	80,675,756	(4,938,460)	402,256,918	25,475,066	182,789,963	-	10,616,960	7,976,898,405
Operating Costs	(1,005,152,289)	(1,492,383,885)	(574,873,722)	(107,142,205)	(414,860,861)	(434,446,539)	(582,193,067)	(12,670,187)	(198,025,073)	(62,614,711)	94,044	(274,808,597)	657,633	(119,461,798)	-	22,124,904	(5,255,756,353)
Non-Banking financial income	6,097,692	5,602,905	2,735,949	2,175,928	1,086,685	1,713,916	967,143	557,012	10,318,919	3,213,548	(1,118,990)	1,741,168	1,160,354	135,730	15,635	(179,249)	36,224,345
Non-Banking financial expenses	(11,386,763)	(16,503,205)	(2,902,372)	(68,225,282)	(4,856,777)	(12,289,914)	(7,747,165)	(8,957,703)	(6,574,430)	(2,392,548)	975,313	(6,056,682)	542,879	(6,326,946)	(309,244)	(50,626,123)	(203,636,962)
Net financial expenses all segments	(5,289,071)	(10,900,300)	(1,666,423)	(66,049,354)	(3,770,092)	(10,575,998)	(6,780,022)	(8,400,691)	3,744,489	821,000	(143,677)	(4,315,514)	1,703,233	(6,191,216)	(293,609)	(50,805,372)	(167,412,617)
Depreciation and amortization all segments	(39,209,885)	(49,812,944)	(21,402,161)	(57,907,893)	(13,951,033)	(21,260,941)	(26,954,520)	(8,549,791)	(5,864,323)	(1,040,372)	(202,092)	(15,056,173)	(1,178,553)	(4,675,513)	-	(37,091,462)	(304,157,656)
Net income before tax	(1,075,893)	89,141,500	13,039,735	205,971,031	47,452,667	12,512,578	16,428,488	36,304,344	(7,373,971)	(10,954,381)	452,330	6,311,797	30,769,796	(22,745,362)	(382,864)	(4,867,488)	410,984,307
Income tax (expense) income	2,911,474	(21,998,160)	(2,603,638)	(37,596,485)	(14,599,484)	(4,570,740)	(5,332,821)	(11,086,650)	(1,746,425)	2,251,071	(265,601)	(3,283,665)	(4,503,608)	7,993,176	(360)	(6,735,179)	(101,167,095)
Net income all segments	1,835,581	67,143,340	10,436,097	168,374,546	32,853,183	7,941,838	11,095,667	25,217,695	(9,120,396)	(8,703,310)	186,729	3,028,132	26,266,188	(14,752,186)	(383,224)	(11,602,666)	309,817,214
Share of net income of associates and joint ventures accounted for using the equity method	-	-	-	15,389	-	-	-	-	-	-	-	-	19,132,437	-	-	(12,055,640)	7,092,186
Trade and other receivables, current	70,769,483	126,661,809	11,693,855	63,694,714	7,233,551	9,071,130	9,616,283	15,046,730	21,867,317	104,626,069	867,659	11,440,968	6,295,999	19,621,762	491	26,753,740	505,261,560
Inventories	306,823,683	393,518,638	80,141,158	226,722	149,139,411	157,309,612	101,390,258	4,012	57,993,504	-	-	83,196,109	-	57,822,923	-	22,928,586	1,410,494,616
Trade and other receivables, non-current	-	587,722	-	2,481,596	-	138,946	-	655,187	-	5,141,510	-	-	-	-	-	-	9,004,961
Property, Plant and Equipment	235,929,940	225,048,477	112,773,954	912,153,948	125,358,213	240,238,925	298,185,000	296,775,550	40,958,963	908,386	-	91,294,258	1,569,749	67,780,761	-	76,361,943	2,725,338,067
Investment Properties	-	-	-	2,669,727,437	-	22,451,843	-	281,355,272	-	-	-	-	-	-	-	(1,488,103)	2,972,046,449
Total segment assets	786,675,961	941,726,943	241,726,912	3,983,246,131	388,758,572	724,489,707	485,295,320	463,192,650	143,795,004	126,663,110	(5,707,904)	218,070,999	133,741,063	191,665,884	45,942,785	844,319,085	9,713,602,222
Equity method investments	-	-	-	288,282	-	-	-	-	-	-	-	-	113,586,568	-	-	21,860,446	135,735,296
Other financial liabilities, current	3,940,224	21,562,326	148,404	132,958,231	78,762,008	45,860,452	16,799,846	49,808,833	21,199,690	73,101,996	-	430,135	-	61,198,594	-	52,442,919	558,213,658
Trade and other payables	159,495,796	138,725,597	35,891,860	84,054,725	65,376,282	62,893,422	102,279,108	9,151,774	40,799,106	15,872,011	224	54,751,866	9,984,456	37,830,469	73,065	202,256,303	1,019,436,064
Other financial liabilities, non-current	-	54,687,128	-	866,125,623	10,223,970	465,884	32,335,658	276,314,179	6,558,899	9,889,360	-	55,135,269	-	-	-	1,494,849,616	2,806,585,586
Total segment liabilities	570,733,572	669,816,698	163,368,016	1,804,674,781	247,877,203	338,034,848	260,196,371	26,080,413	103,501,915	117,748,201	(6,286,332)	140,834,134	9,446,827	110,671,692	4,460,022	885,115,617	5,446,273,978
Disbursements of the segment's non-monetary assets	(76,921,532)	(86,427,948)	(35,928,567)	(129,481,746)	(22,558,707)	(11,008,386)	(33,551,936)	(27,884,737)	(14,656,115)	(3,373,539)	(124,654)	(8,039,945)	(596,701)	(11,960,185)	-	(147,277,106)	(609,791,804)
Segment's operating cash flow	65,973,269	39,873,467	(10,930,280)	246,846,285	54,625,348	44,609,235	73,263,662	16,433,777	(3,049,218)	(13,345,199)	(1,101,655)	6,428,038	6,989,371	(22,058,521)	-	(78,957,817)	425,599,762
Segment's investing cash flow	(79,136,259)	(85,510,422)	(39,697,361)	(68,276,725)	(16,658,788)	(7,884,870)	(35,234,004)	(36,831,650)	(6,163,655)	(3,527,920)	98,008	(6,858,002)	7,946,175	(11,655,333)	-	(147,733,321)	(537,124,127)
Segment's financing cash flow	20,608,182	50,561,242	53,977,915	(155,263,573)	(38,394,392)	(35,222,866)	(32,786,428)	2,188,152	10,211,998	16,739,977	734	(3,395,743)	(12,601,779)	34,297,849	(23,781)	(261,111,219)	(350,213,732)

Note 36 - Financial Information by Segment (continued)

Segment Information - Non-Banking Business (continued)

Segment Information Non-Banking Business	Department Stores Chile	Home Improvement and Construction Materials Chile	Supermarkets Chile	Real Estate Chile	Department Stores Peru	Home Improvement and Construction Materials Peru	Supermarkets Peru	Other Businesses and Eliminations Peru	Department Stores 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 and Inter-segment eliminations	Total Non-Banking Business
December 31, 2017																	
Operating revenue	1,534,916,450	2,058,298,063	738,660,793	358,036,928	580,860,192	601,183,952	702,487,256	47,947,473	490,001,320	86,892,545	(5,555,172)	356,893,473	26,049,002	194,936,790	-	(28,973,602)	7,742,635,463
Operating Costs	(1,009,542,074)	(1,427,450,422)	(552,297,621)	(93,408,267)	(402,336,694)	(423,650,260)	(527,490,078)	(4,253,027)	(250,637,951)	(43,594,847)	42,268	(249,771,309)	51,232	(126,966,831)	-	45,924,655	(5,065,381,226)
Non-Banking financial income	4,456,414	3,853,568	1,408,052	2,078,411	319,106	649,674	373,244	898,000	4,462,410	302	453,535	303,774	561,637	196,855	15,189	(5,828,655)	14,201,516
Non-Banking financial expenses	(8,999,127)	(19,064,704)	(5,343,248)	(51,924,415)	(7,968,002)	(16,018,863)	(10,342,909)	(10,663,890)	(14,692,769)	(1,352)	(464,662)	(8,724,932)	1,682,928	(6,320,247)	(72,680)	(53,398,444)	(212,317,316)
Net financial expenses all segments	(4,542,713)	(15,211,136)	(3,935,196)	(49,846,004)	(7,648,896)	(15,369,189)	(9,969,665)	(9,765,890)	(10,230,359)	(1,050)	(11,127)	(8,421,158)	2,244,565	(6,123,392)	(57,491)	(59,227,099)	(198,115,800)
Depreciation and amortization all segments	(32,484,721)	(42,667,694)	(18,616,509)	(49,779,317)	(12,805,220)	(22,385,718)	(24,179,561)	(8,415,542)	(4,083,843)	(382,333)	(85,115)	(13,976,187)	(747,418)	(4,799,778)	-	(31,599,210)	(267,008,166)
Net income before tax	50,464,724	86,354,141	10,988,479	168,761,261	45,106,500	13,311,932	17,097,998	35,609,634	1,090,615	16,879,285	739,318	(7,273,247)	31,968,071	(24,779,541)	65,495	2,968,392	449,353,057
Income tax (expense) income	(11,029,612)	(20,296,610)	(1,854,862)	(39,028,404)	(14,109,962)	(4,231,005)	(5,900,763)	(10,404,231)	(1,041,437)	(5,988,753)	(485,667)	2,183,308	(5,263,016)	8,304,508	(35,789)	(5,190,406)	(114,372,701)
Net income all segments	39,435,112	66,057,531	9,133,617	129,732,857	30,996,538	9,080,927	11,197,235	25,205,403	49,178	10,890,532	253,651	(5,089,939)	26,705,055	(16,475,033)	29,706	(2,222,014)	334,980,356
Share of net income of associates and joint ventures accounted for using the equity method	-	-	-	15,007	-	-	-	-	-	-	-	-	19,272,235	-	-	(4,007,938)	15,279,304
Trade and other receivables, current	55,529,833	123,800,206	10,034,511	49,179,120	8,515,365	7,959,618	9,337,914	11,308,199	25,619,054	173,481,929	925,077	12,469,712	4,335,707	14,163,375	-	38,087,335	544,746,955
Inventories	298,926,812	314,056,752	68,315,795	226,835	119,481,142	141,455,553	84,389,034	3,906	69,024,499	-	-	69,930,897	-	57,501,572	-	14,825,986	1,238,138,783
Trade and other receivables, non-current	-	594,352	-	3,392,767	-	86,851	-	1,429,695	-	12,826,059	-	-	-	-	-	67,290	18,397,014
Property, plant and equipment	209,605,647	210,102,890	104,605,824	894,251,742	106,850,873	228,727,081	271,008,914	269,301,623	19,033,016	655,310	114,696	94,761,207	1,699,325	61,640,224	-	72,231,912	2,544,590,284
Investment properties	-	-	-	2,645,106,059	-	20,744,538	-	244,414,714	-	-	-	-	-	-	-	(1,488,103)	2,908,777,208
Total segment assets	848,936,253	803,115,968	216,972,578	3,870,822,545	356,704,184	675,391,520	440,945,927	378,257,163	154,144,665	196,176,465	(21,704,457)	230,030,392	115,288,413	166,664,027	47,723,827	401,347,652	8,880,817,122
Investments accounted for using the equity method	-	-	-	290,754	-	-	-	-	-	-	-	-	110,819,869	-	-	27,185,895	138,296,518
Other financial liabilities, current	7,803,017	10,035,672	1,486,020	114,104,953	39,837,718	29,965,933	23,759,487	68,974,190	11,040,273	91,461,929	-	10,923,386	-	48,794,092	-	252,963,635	711,150,305
Trade and other payables, current	174,591,025	163,738,721	68,977,172	62,830,662	67,936,983	56,629,495	88,603,848	7,165,074	45,009,384	30,218,298	1,521,337	61,567,544	8,381,343	40,510,723	2,850	113,806,608	991,491,067
Other financial liabilities, non-current	-	56,288,780	-	896,107,269	11,762,222	3,362,495	43,863,484	327,364,665	14,313,142	25,220,073	-	46,500,504	-	7,912,794	-	1,573,479,662	3,006,175,090
Total segment liabilities	626,447,932	541,364,547	149,324,365	1,806,227,073	232,557,298	330,224,873	255,958,129	(3,123,424)	116,693,244	174,236,780	(20,764,815)	168,593,641	(8,673,329)	107,026,094	4,625,017	1,217,544,481	5,698,261,906
Disbursements of the segment's non-monetary assets	(80,340,842)	(65,853,356)	(28,598,295)	(196,614,956)	(14,366,424)	(10,091,977)	(61,533,747)	(17,652,139)	(4,950,108)	(6,182,461)	(31,776)	(17,709,683)	(679,309)	(22,349,515)	-	(49,864,166)	(576,818,754)
Segment's operating cash flow	(8,516,812)	140,375,188	32,364,361	239,730,076	45,146,415	58,096,453	19,096,193	37,569,836	11,851,179	(27,337,476)	(155,055)	11,167,220	(8,207,962)	(3,025,767)	-	279,698,140	827,851,989
Segment's investing cash flow	(125,384,633)	(64,940,681)	(25,659,642)	(27,976,762)	38,949,850	4,624,048	(25,848,285)	(117,985,127)	(1,000,660)	(6,285,373)	320,634	(18,037,858)	10,631,949	(36,250,505)	-	51,849,570	(592,993,475)
Segment's financing cash flow	139,219,667	(70,539,797)	(4,952,569)	44,510,140	(84,650,583)	(61,380,047)	6,551,009	(6,211,903)	(9,890,761)	33,790,962	-	15,191,680	(2,355,287)	39,577,028	49,993	(264,323,234)	(225,413,720)

Note 36 - Financial Information by Segment (continued)

Segment Information Banking Business ⁽¹⁾

Segment Information Banking Business	Banking Business Chile	Banking Business Peru	Banking Business Colombia	Total Banking Business
December 31, 2019				
Banking interest and indexation income	764,610,389	190,926,596	153,208,982	1,108,745,967
Banking interest and indexation expense	(110,571,814)	(37,403,450)	(35,144,479)	(183,119,743)
Banking commission income	123,960,811	63,330,037	57,752,951	245,043,799
Banking commission expense	(84,811,508)	(14,658,387)	(16,587,526)	(116,057,421)
Other operating income	2,703,945	227,379	470,700	3,402,024
Net interest income all segments	693,187,878	202,194,796	159,229,928	1,054,612,602
Provisions and other operating costs	(227,718,937)	(56,721,100)	(31,818,824)	(316,258,861)
Depreciation and amortization all segments	(14,907,854)	(12,065,091)	(8,023,556)	(34,996,501)
Net income before tax	246,069,473	24,979,410	44,892,848	315,941,731
Income tax (expense) income	(59,635,233)	(7,726,165)	(15,287,831)	(82,649,229)
Net income all segments	186,434,240	17,253,245	29,605,017	233,292,502
Share of net income of associates and joint ventures accounted for using the equity method	-	834,977	-	834,977
Cash and bank deposits	180,757,203	84,254,514	39,343,503	304,355,220
Instruments held for trading	156,555,180	-	22,781,294	179,336,474
Customer receivables and loans	3,680,793,342	699,741,787	838,681,603	5,219,216,732
Property, Plant and Equipment	27,023,182	29,108,089	16,776,689	72,907,960
Total segment assets	5,331,702,453	936,242,297	972,457,490	7,240,402,240
Investment in associates and joint ventures accounted for using the equity method	-	3,721,554	-	3,721,554
Deposits and other time deposits	1,878,147,619	628,728,493	520,375,120	3,027,251,232
Total segment liabilities	4,009,013,662	786,085,352	833,110,114	5,628,209,128
Disbursements of the segment's non-monetary assets	(12,956,228)	(9,866,303)	(7,752,305)	(30,574,836)
Segment's operating cash flow	348,486,100	90,909,184	18,519,206	457,914,490
Segment's investing cash flow	167,140,337	(31,928,089)	(14,869,312)	120,342,936
Segment's financing cash flow	(48,425,206)	10,635,487	-	(37,789,719)

Banking Business Chile	Banking Business Peru	Banking Business Colombia	Total Banking Business
December 31, 2018			
734,015,476	173,172,897	123,235,867	1,030,424,240
(100,182,932)	(33,509,419)	(25,552,546)	(159,244,897)
114,342,699	54,100,988	54,436,759	222,880,446
(91,134,562)	(10,758,971)	(15,271,674)	(117,165,207)
5,617,152	-	1,522,308	7,139,460
657,040,681	183,005,495	136,848,406	976,894,582
(183,026,076)	(49,157,954)	(47,264,909)	(279,448,939)
(7,753,852)	(7,764,940)	(5,656,507)	(21,175,299)
275,148,178	22,458,656	19,634,136	317,240,970
(67,223,117)	(7,789,522)	(8,318,167)	(83,330,806)
207,925,061	14,669,134	11,315,969	233,910,164
-	551,214	-	551,214
184,691,894	86,577,548	31,947,922	303,217,364
127,706,871	-	27,927,872	155,634,743
3,429,282,238	595,424,290	606,975,780	4,631,682,308
17,728,960	17,158,343	6,496,971	41,384,274
4,654,549,670	792,715,726	720,637,683	6,167,903,079
-	3,179,466	-	3,179,466
1,622,237,125	526,707,501	389,437,768	2,538,382,394
3,247,748,699	590,596,155	609,529,246	4,447,874,100
(13,223,796)	(14,077,229)	(5,735,180)	(33,036,205)
558,937,156	(26,748,563)	13,648,716	545,837,309
(54,913,707)	25,740,361	(4,836,706)	(34,010,052)
139,770,022	(5,156,000)	-	134,614,022

Banking Business Chile	Banking Business Peru	Banking Business Colombia	Total Banking Business
December 31, 2017			
684,717,436	187,644,592	107,774,370	980,136,398
(94,587,879)	(45,580,821)	(25,606,233)	(165,774,933)
103,403,116	59,686,732	47,394,423	210,484,271
(82,149,143)	(10,155,022)	(13,766,229)	(106,070,394)
5,455,116	-	906,895	6,362,011
611,383,530	191,595,481	115,796,331	918,775,342
(161,473,632)	(70,845,155)	(38,443,288)	(270,762,075)
(9,986,675)	(5,313,830)	(4,462,492)	(19,762,997)
263,260,035	20,434,892	17,591,490	301,286,417
(62,929,132)	(6,769,527)	(7,663,920)	(77,362,579)
200,330,903	13,665,365	9,927,570	223,923,838
-	469,655	-	469,655
134,242,582	94,124,267	24,128,404	252,495,253
61,775,474	-	9,407,152	71,182,626
3,213,903,588	598,879,313	427,868,237	4,240,651,138
13,379,652	13,740,555	7,146,877	34,267,084
4,117,563,046	838,383,231	503,942,878	5,459,889,155
-	2,861,251	-	2,861,251
1,254,349,928	520,570,738	212,805,400	1,987,726,066
2,366,447,775	586,998,192	395,540,900	3,348,986,867
(12,655,685)	(13,113,665)	(8,120,765)	(33,890,115)
25,283,557	96,499,041	22,303,960	144,086,558
(64,824,520)	(46,751,941)	(13,354,158)	(124,930,619)
(80,607,067)	(7,706,337)	(5,813,229)	(94,126,633)

⁽¹⁾ The items affected by IFRS 16 were presented net of intra-group effects.

Note 36 - Financial Information by Segment (continued)

Operating revenue from external customers by country of domicile and geographic area is detailed as follows

Operating revenue	Dec-31-19
Operating revenue from external customers by country of domicile.	5,634,668,154
Operating revenue from external customers, all foreign countries	3,776,106,471

Operating revenue by geographical area, outside the country of domicile of the entity is detailed as follows:

Dec-31-19	
Country	Revenue
Peru	2,509,791,574
Argentina	386,684,025
Colombia	670,511,803
Brazil	209,119,069

The distribution of non-current assets by geographical area is detailed as follows:

Non-Current Assets	Dec-31-19
Non-current assets by country of domicile	7,961,116,751
Non-current assets, all foreign countries	2,616,781,094

The distribution of the most significant non-current assets by geographical area, outside the country of domicile of the entity is detailed as follows:

Non-Current Assets	Dec-31-19	
	Country Assets	Attributed to a Foreign Country
Property, plant and equipment, net	Peru	1,313,752,633
Investment properties, net	Peru	395,666,871
Financial receivables, non-current (net)	Peru	143,410,259
Property, plant and equipment, net	Argentina	71,042,881
Financial receivables, non-current (net)	Argentina	2,175,415
Property, plant and equipment, net	Colombia	179,782,254
Property, plant and equipment, net	Brazil	123,802,325

Note 37 - Contingencies, Lawsuits and Other Legal Issues

a) Litigation

a.1) The Parent Company and its subsidiaries are facing litigation or administrative proceedings, which are being resolved by the respective courts or administrative bodies. The Company has made provisions to reflect unfavorable contingencies. No provision has been made where these matters are likely to be resolved in the Company's favor. .

The litigation as of December 31, 2019 is detailed as follows:

Proceedings	Amount ThCh\$	Amount ThCh\$	Accounting provision ThCh\$
Civil	226	19,753,902	873,370
Consumer	981	7,573,208	2,625,042
Employment	1,142	20,548,496	9,668,909
Tax	122	24,338,774	15,565,909
Others	416	5,866,356	2,353,691

Note 37 - Contingencies, Lawsuits and Other Legal Issues (continued)

a) Litigation (continued)

- a.2) Taxation matters include the situation facing 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 Superintendent (SUNAT or "Superintendencia Nacional de Administración Tributaria") sent it assessments and penalties related to general sales tax and income tax for these periods, for an updated amount of 34,299,000 Peruvian nuevos soles (ThCh\$ 7,756,376).

On September 23, 2011, Inversiones Accionarias Limitada filed a recovery claim against Plaza Oeste S.A., asking for restitution of land with a surface area of approximately 1,005.80 square meters, located on the western side of the land on which Mall Plaza Norte is constructed, in addition to requesting the payment of mutual benefits and compensation for damages. The court of first instance considered that Plaza Oeste SpA acted in good faith and partially granted the claim of the plaintiff, ordering the former to return an area of 895.43 square meters, but rejecting the claim for mutual benefits and compensation for damages, and decreeing that Inversiones Accionarias Limitada must pay the defendant for the land improvements. Appeals were lodged against the judgment, which were rejected on June 27, 2019, and the ruling of first instance was upheld. This ruling does not change how the shopping center will function nor the Company's ability to operate it.

- a.3) Ribera Desarrollos S.A. owns a store leased by Sodimac in Argentina, but it filed for preventive insolvency proceedings on February 1, 2019. Preventive insolvency proceedings are a crisis process that do not imply that the debtor is disempowered, as the debtor can continue to manage its business under the supervision of a trustee appointed by the court.

On September 3, 2019, the judge verified that the loan in favor of Falabella S.A. (Argentina) was unsecured, with no opposition from the insolvent party or creditors.

As of December 31, 2019, the subsidiary Falabella S.A. (Argentina) has lent ThCh\$ 3,923,559 to Ribera Desarrollos S.A., disclosed under the heading "Other current and non-current non-financial assets" in these financial statements, which represents prepaid lease installments.

There is uncertainty as of the reporting date regarding the terms under which the loan could be collected, since the insolvent party has not yet submitted its preventive agreement proposal.

b) Others

Falabella Argentina provided customs guarantees of ThCh\$ 4,372,089 as of December 31, 2019.

Falabella Peru has assets in guarantee totaling ThCh\$ 56,801,689 as of December 31, 2019.

Note 38 - Guarantees with Third Parties

a) Guarantee deposits and other instruments received

- a.1) The Company has received guarantee deposits amounting to ThCh\$ 94,809,804 as of December 31, 2019, which primarily guarantee construction and contract performance obligations.
- a.2) Banks have pledged time deposits in favor of the Company for ThCh\$ 119,955,000 to support Cross Currency Swap contracts signed with these banks.
- a.3) Sodimac Chile had received checks in guarantee for ThCh\$ 1,225,100 as of December 31, 2019.

b) Guarantee deposits provided

The Company has provided guarantees amounting to ThCh\$ 63,882,394 as of December 31, 2019.

c) Indirect guarantees

Guarantees managed by subsidiaries with financial institutions are detailed as follows:

Guarantee creditor	Debtor Name	Relationship	Guarantee	Balance pending		
				Dec-31-2019 ThCh\$	Dec-31-2018 ThCh\$	Dec-31-2017 ThCh\$
SCOTIABANK (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	2,143,360	2,647,138	2,576,564
BBVA BANCO CONTINENTAL	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	4,550,273	4,585,514	4,194,023
BANCO DE CRÉDITO (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	1,092,288	1,601,632	483,252
INTERBANK	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	127,931	129,215	117,597
CITIBANK	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	1,358,300	1,389,540	1,229,500
BBVA BANCO CONTINENTAL	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	76,126	85,115	6,654
SCOTIABANK (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	5,582,365	5,554,881	5,086,617
BANCO DE CRÉDITO (PERU)	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	15,780,231	15,643,485	13,340,075
CITIBANK	SAGA FALABELLA S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	24,034	17,185	-
BANCO DE CRÉDITO (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	3,450,174	64,232	3,114,467
SCOTIABANK (PERU)	HIPERMERCADOS TOTTUS S.A. (PERU)	SUBSIDIARY	GUARANTEE LETTER	226,140	-	-
CITIBANK	HIPERMERCADOS TOTTUS S.A. (PERU)	SUBSIDIARY	STANDBY LETTER OF CREDIT	140,407	118,159	-
SCOTIABANK (PERU)	HIPERMERCADOS TOTTUS ORIENTE	SUBSIDIARY	GUARANTEE LETTER	74,874	-	-
BANCO DE CRÉDITO (PERU)	TIENDAS PARA EL MEJORAMIENTO DE HOGAR S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	2,873,075	6,043,044	3,745,513
BBVA BANCO CONTINENTAL	TIENDAS PARA EL MEJORAMIENTO DE HOGAR S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	9,211,211	3,477,374	-
SANTANDER CHILE	SHEARVAN CORPORATE S.A.	SUBSIDIARY	GUARANTOR (*)	23,662	58,315	81,530
SANTANDER CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	10,446,661	8,032,178	10,771,981
SANTANDER CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	125,937	-	184,788
BBVA S.A.	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	449,244	416,862	368,850
BBVA S.A.	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	4,524,077	4,283,588	3,982,910
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	299,496	260,539	215,163
BBVA S.A.	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	209,895	198,738	184,788
BBVA S.A.	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	1,055,186	999,095	928,966
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	13,000,000	10,000,000	7,000,000
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	176,000	157,942	148,944
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	299,496	277,908	245,900

(*) Falabella Retail S.A. is guarantor for Shervan Corporate S.A.

Note 38 - Guarantees with Third Parties (continued)

c) Indirect Guarantees (continued)

Guarantees managed by subsidiaries with financial institutions are detailed as follows (continued):

Guarantee creditor	Debtor Name	Relationship	Guarantee	Balance pending	
				Dec-31-2019 ThCh\$	Dec-31-2018 ThCh\$
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	74,874	69,477
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	9,359,250	8,684,625
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	79,760	67,571
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	765,143	688,320
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	167,916	158,990
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	79,495
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	748,740	694,770
BANCO DE CHILE	FALABELLA RETAIL S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	3,320,100
SCOTIABANK (COLOMBIA)	FALABELLA DE COLOMBIA S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	3,927,141	4,606,325
CITIBANK (COLOMBIA)	FALABELLA DE COLOMBIA S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	3,450,000	3,150,063
SCOTIABANK (COLOMBIA)	FALABELLA DE COLOMBIA S.A.	SUBSIDIARY	STANDBY LETTER OF CREDIT	-	35,100
BANCO GALICIA (ARGENTINA)	FALABELLA S.A. (ARGENTINA)	SUBSIDIARY	STANDBY LETTER OF CREDIT	319,037	248,238

The subsidiary Falabella Inversiones Financieras S.A. granted guarantees for MXN 482.4 million (Ch\$ 19,122 million) to a Mexican bank for loans contracted by Servicios Financieros Soriana S.A.P.I. de C.V.

Note 39 - Environment

Falabella Retail S.A. has partially implemented the Extended Product Responsibility Law, and provided continual resources to secure compliance with the requirements of this Law at all its stores, including the corporate building.

Falabella Retail S.A. has continued its real estate development based on environmentally sustainable conduct, in compliance with its declarations on corporate social responsibility. Its projects for 2019 include the remodeling at its Costanera Center, Parque Arauco and Los Ángeles stores and its corporate building, which will continue being built under international standards of sustainable development.

Recycling programs continue at 17 stores in the Metropolitan Region, which covers collection, removal and subsequent forwarding to specialized centers that process the waste generated by businesses, such as plastics, cardboard and paper. The Company has a hazardous waste store. It manages and disposes of hazardous waste according to specific requirements, in compliance with environmental standards.

Falabella Retail S.A. has partially implemented the Extended Product Responsibility Law, and providing resources to secure compliance at all its stores, including the corporate building. It has also joined the "Huella Chile" (Footprint Chile) program to calculate its carbon footprint of all its establishments.

The Peruvian subsidiaries SAGA Falabella S.A. and Hipermercados Tottus S.A. have received certified compliance with environmental standards for the last stores opened by these companies.

Sodimac S.A. has incorporated leading international environmental standards in the construction of its commercial stores, following the recommendations of the U.S.A. Green Building Council.

Currently, all the new stores for Sodimac S.A. incorporate sustainable construction characteristics and efficient resource use. Therefore, LED lighting has been incorporated, energy consumption is monitored, and centralized control systems for climate and lighting equipment have been installed, which results in lower energy consumption and a smaller carbon footprint, which is measured annually. Sodimac is also developing a project to make all its product dispatches carbon neutral as of 2019, through an alliance with the Santiago Climate Exchange (SCX).

Sodimac S.A. has focused on reducing and mitigating the environmental impact of operating its stores. It has focused on recycling, supplying eco-efficient products, and increasing energy and water efficiency. 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.

Furthermore, Sodimac declares all the environmental statements included in the Pollutant Release and Transfer Register (PRTR), which is a platform created by the Environment Ministry providing citizen access to information on emissions, waste and pollutant transfers by organizations.

Sodimac S.A. has the environmental permits for its commercial operations. However, the Company is monitoring the regulatory bodies for indications of any new requirements.

Note 39 - Environment (continued)

Summary of principal disbursements.

Company Name	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Disbursement Amount ThCh\$	Known or estimated disbursement date	Project In Progress or Finished
Nuevos Desarrollos S.A.	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	795	06/01/2020	In progress
	Water resources advice	Water audit	Expense	Internal audit of water use at the mall	1,472	per month	In progress
		Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment and the corresponding reagents for measuring free chlorine, to monitor water quality.	182	06/01/2020	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	3,426	05/01/2020	In progress
			Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	2,662	06/01/2020	In progress
			Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	991	08/01/2020	In progress
			Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	934	07/01/2020	In progress
			Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	1,415	02/01/2020	In progress
			Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	2,491	04/01/2020	In progress
	Hazardous waste control	Hazardous waste collection	Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	3,312	03/01/2020	In progress
			Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	622	02/01/2020	In progress
		Oil spill control	Expense	Purchase of containment kit for oily spills (hazardous waste) in common areas	2,181	12/01/2020	In progress
	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	284,383	05/01/2020	In progress
	Organic digester	Leased organic digester	Expense	Organic waste biodegradation system using organic waste from fast food stores to generate fertilizer for landscaping	14,919	per month	In progress
	Recycling equipment for bottles and cans	Ecoven equipment	Expense	Automatic recycling machine for PET bottles and aluminum cans. Users receive discounts at the mall for each item recycled.	4,728	per month	In progress
Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	268,187	per month	In progress	

Note 39 - Environment (continued)

Summary of principal disbursements (continued)

Company Name	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Disbursement Amount ThCh\$	Known or estimated disbursement date	Project In Progress or Finished
Nuevos Desarrollos S.A	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	1,120	03/01/2020	In progress
	Pest control program	Pest prevention and control, such as mice, and control of flying insects	Expense	Fumigation, sanitation and pest control	84,671	01/01/2020	In progress
	Recycling facility	Operating recycling facilities	Expense	Processing materials and maintaining and administrating the facilities, which includes a monthly management report.	21,289	per month	In progress
Inmobiliaria Mall Las Américas S.A.	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	91	06/01/2020	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	991	08/01/2020	In progress
	Hazardous waste control	Oil spill control	Expense	Purchase of absorbents for oil spill containment (hazardous waste) in common areas.	85	12/01/2020	In progress
	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	35,379	05/01/2020	In progress
	Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	30,249	per month	In progress
	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	160	03/01/2020	In progress
	Pest control program	Pest prevention and control, such as mice, and control of flying insects	Expense	Fumigation, sanitation and pest control	11,248	01/01/2020	In progress
Plaza Antofagasta S.A.	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	91	06/01/2020	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	2,548	07/01/2020	In progress
	Hazardous waste control	Hazardous waste collection	Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	510	03/01/2020	In progress
		Oil spill control	Expense	Purchase of absorbents for oil spill containment (hazardous waste) in common areas.	85	12/01/2020	In progress
	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	72,226	05/01/2020	In progress

Note 39 - Environment (continued)

Summary of principal disbursements (continued)

Company Name	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Disbursement Amount ThCh\$	Known or estimated disbursement date	Project In Progress or Finished
Plaza Antofagasta S.A.	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	72,226	05/01/2020	In progress
	Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	60,810	per month	In progress
	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	160	03/01/2020	In progress
Plaza del Trébol SpA	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	91	06/01/2020	In progress
	Water resources advice	Water audit	Expense	Internal audit of water use at the mall	1,132	per month	In progress
		Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment and the corresponding reagents for measuring free chlorine, to monitor water quality.	91	06/01/2020	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	3,170	06/01/2020	In progress
	Hazardous waste control	Hazardous waste collection	Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	2,519	03/01/2020	In progress
		Oil spill control	Expense	Purchase of containment kit for oily spills (hazardous waste) in common areas	85	12/01/2020	In progress
	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	77,692	05/01/2020	In progress
	Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	121,366	per month	In progress
	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	320	03/01/2020	In progress
Pest control program	Pest prevention and control, such as mice, and control of flying insects	Expense	Fumigation, sanitation and pest control	25,742	01/01/2020	In progress	

Note 39 - Environment (continued)

Summary of principal disbursements (continued)

Company Name	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Disbursement Amount ThCh\$	Known or estimated disbursement date	Project In Progress or Finished
Plaza La Serena SpA	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	91	06/01/2020	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	934	07/01/2020	In progress
	Hazardous waste control	Hazardous waste collection	Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	1,076	03/01/2020	In progress
		Oil spill control	Expense	Purchase of containment kit for oily spills (hazardous waste) in common areas	170	12/01/2020	In progress
	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	42,580	05/01/2020	In progress
	Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	32,273	per month	In progress
	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	160	03/01/2020	In progress
Pest control program	Pest prevention and control, such as mice, and control of flying insects	Expense	Fumigation, sanitation and pest control	11,562	01/01/2020	In progress	
Plaza Oeste SpA	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	483	06/01/2020	In progress
	Water resources advice	Water audit	Expense	Internal audit of water use at the mall	2,944	per month	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	651	06/01/2020	In progress
			Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	1,331	07/01/2020	In progress
	Hazardous waste control	Hazardous waste collection	Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	425	03/01/2020	In progress
			Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	481	02/01/2020	In progress
		Oil spill control	Expense	Purchase of containment kit for oily spills (hazardous waste) in common areas	878	12/01/2020	In progress
Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	85,934	05/01/2020	In progress	

Note 39 - Environment (continued)

Summary of principal disbursements (continued)

Company Name	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Disbursement Amount ThCh\$	Known or estimated disbursement date	Project In Progress or Finished
Plaza Oeste SpA	Recycling equipment for bottles and cans	Ecoven equipment	Expense	Automatic recycling machine for PET bottles and aluminum cans. Users receive discounts at the mall for each item recycled.	5,520	per month	In progress
	Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	95,119	per month	In progress
	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	320	03/01/2020	In progress
	Pest control program	Pest prevention and control, such as mice, and control of flying insects	Expense	Fumigation, sanitation and pest control	30,915	01/01/2020	In progress
Plaza Tobalaba SpA	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	176	06/01/2020	In progress
	Water resources advice	Water audit	Expense	Internal audit of water use at the mall	1,472	per month	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	651	06/01/2020	In progress
	Hazardous waste control	Hazardous waste collection	Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	481	03/01/2020	In progress
	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	20,340	05/01/2020	In progress
	Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	19,534	per month	In progress
	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	160	03/01/2020	In progress
	Pest control program	Pest prevention and control, such as mice, and control of flying insects	Expense	Fumigation, sanitation and pest control	13,705	01/01/2020	In progress
Plaza Vespucio SpA.	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	176	06/01/2020	In progress
	Water resources advice	Water audit	Expense	Internal audit of water use at the mall	1,472	per month	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	651	06/01/2020	In progress

Note 39 - Environment (continued)

Summary of principal disbursements (continued)

Company Name	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Disbursement Amount ThCh\$	Known or estimated disbursement date	Project In Progress or Finished
Plaza Vespucio SpA.	Hazardous waste control	Hazardous waste collection	Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	849	03/01/2020	In progress
		Oil spill control	Expense	Purchase of absorbents for oil spill containment (hazardous waste) in common areas.	85	12/01/2020	In progress
	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	45,593	05/01/2020	In progress
	Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	217,624	per month	In progress
	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	160	03/01/2020	In progress
	Pest control program	Pest prevention and control, such as mice, and control of flying insects	Expense	Fumigation, sanitation and pest control	19,712	01/01/2020	In progress
Patrimonio Autónomo Mallplaza Cali	Environmental monitoring of the Cali Project	Evaluates environmental monitoring	Expense	Evaluates environmental monitoring	676	02/01/2020	In progress
	Waste management at the Cali Project	Waste management advice	Expense	Waste management advice	989	02/01/2020	In progress
	Tree transfer for the Cali Project	Tree transfers	Expense	Tree transfers	3,840	12/01/2020	In progress
	Nest transfer study for the Cali Project	Nest removal diagnosis	Expense	Nest removal diagnosis	1,497	02/01/2020	In progress
Falabella Retail S.A.	Environmental management	Environment Ministry requirement for RM Stores	Expense	Transport and final waste disposal	429,499	Ongoing	In progress
	Environmental management	Environment Ministry requirement for RM Stores	Expense	Hazardous waste transport and final disposal	14,416	Ongoing	In progress
	Environmental management of EPR Law	Applying EPR Law in all stores	Expense	Environmental Advice	61,732	Ongoing	In progress
SAGA Falabella S.A.	LEED Implementation Efficiency	LEED Certification process advice (SF Lurin Distribution Center)	Asset	Property, machinery and equipment	37,920	12/31/2020	In progress
	LEED Implementation Efficiency	LEED Certification process advice (SF Puruchuco)	Asset	Property, machinery and equipment	20,500	03/31/2020	In progress
Sodimac S.A.	Recycling facilities	Recycling for customers	Expense	Environmental sustainability	680,358	Ongoing	In progress
	Inventory of Extended Product Responsibility (EPR) materials	Legal Compliance (EPR)	Expense	Environmental sustainability	20,670	Ongoing	In progress
	Environmental declarations	Legal Compliance	Expense	Environmental sustainability	68,998	Ongoing	In progress
	Environmental platform	Environmental Compliance	Expense	Environmental sustainability	36,265	Ongoing	In progress
	Waste storage	Hazardous waste storage	Asset	Environmental projects	9,500	Ongoing	In progress
	Waste treatment	Hazardous waste	Expense	Prevention of environmental risks	77,811	Ongoing	In progress

Note 39 - Environment (continued)

Summary of principal disbursements (continued)

Company Name	Project Name	Disbursement Description	Asset or Expense	Asset or Expense Description	Disbursement Amount ThCh\$	Known or estimated disbursement date	Project In Progress or Finished
Sodimac S.A.	Measuring Carbon Footprint	Carbon Footprint	Expense	Environmental sustainability	14,119	Ongoing	In progress
	Change lighting	LED lighting	Asset	Environmental projects	847,196	Ongoing	In progress
Inmobiliaria Mall Calama SpA	Drinking water quality	Monitoring chlorine free drinking water	Expense	Purchase of portable digital checking equipment for measuring free chlorine, to monitor water quality.	91	06/01/2020	In progress
	Noise control	Acoustic studies	Expense	External acoustic measurement of noise affecting Mall neighbors, complemented by acoustic modeling analysis that estimates noise levels by source.	934	07/01/2020	In progress
	Hazardous waste control	Hazardous waste collection	Expense	Removal of hazardous waste collected from the hazardous waste store at the mall, in compliance with DS 148 Art 31.	906	03/01/2020	In progress
	Control and treatment of effluents and sewage	Control and treatment of effluents and sewage	Expense	Preventive and corrective service covering the treatment of effluents (liquid industrial waste) according to environmental regulations	81,081	05/01/2020	In progress
	Comprehensive waste management	Comprehensive waste management from collection to final disposal	Expense	Comprehensive waste management covers waste similar to disposable household, recyclable and organic waste Hazardous waste and debris will be treated at the request of Mall Plaza	29,216	per month	In progress
	Matrix of legal, environmental, energy, and occupational health and safety requirements	Phase 3: Updated legal regulations bulletin	Expense	Quarterly bulletin containing updated legal requirements, to reports any legal or regulatory change in environmental, energy and occupational health and safety regulations.	160	03/01/2020	In progress
	Pest control program	Pest prevention and control, such as mice, and control of flying insects	Expense	Fumigation, sanitation and pest control	10,003	01/01/2020	In progress
Cartagena shopping center, independent property	Organic waste collection.	Organic waste pilot test.	Expense	Organic waste pilot test.	844	01/01/2020	In progress
	Hazardous waste collection	Waste disposal	Expense	Waste disposal	217	01/01/2020	In progress
	Hazardous waste collection	Pilot test set up.	Expense	Pilot test set up.	422	01/01/2020	In progress
Manizales Dos shopping center, independent property	Integrated pest management.	Pest management.	Expense	Pest management.	2,444	08/01/2020	In progress
	Food hygiene control.	Food hygiene.	Expense	Food hygiene.	1,932	07/01/2020	In progress
Hipermercados Tottus S.A	Hazardous waste removal	Regulatory compliance	Expense	Hazardous waste removal to comply with DS 148 issued by the Ministry of Health.	3,970,025	12/20/2019	Regulations require removals every 6 months.
	AB management system that complies with EPR Law	Regulatory compliance	Expense	Incorporation fee to the AB management system that complies with EPR Law	4,134,864	12/15/2019	In progress
Construdecor S.A	Recycling facility	Waste collection service from the recycling facility	Expense	Expense	33,050	Monthly	In progress

Note 40 - Main Financial Covenants

As of December 31, 2019, Falabella S.A. and its subsidiaries have complied with all the covenants connected with their financial agreements. These are detailed as follows.

Falabella S.A.

- Bonds issued in Chile

Line Number	Series	Currency	Amount	Placement Date	Maturity
579	J	UF	3,500,000	April 1, 2009	April 1, 2033
395	L	UF	666,667	Jul 15, 2014	Jul 15, 2020
467	M	UF	3,000,000	Jul 15, 2014	Jul 15, 2037
578	O	CLP	63,000,000,000	April 15, 2016	April 15, 2022
578	P	UF	2,000,000	April 15, 2016	April 15, 2039
846	Q	CLP	78,000,000,000	November 25, 2016	November 25, 2021
847	S	UF	3,000,000	November 25, 2016	November 25, 2039

Covenants applicable only to Series J Bonds:

- The Issuer and/or its relevant 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 relevant subsidiaries exceeds 5.3% of the Issuer's Total Consolidated Assets.

As of December 2019, the Issuer does not have any guaranteed pledges or mortgages, so the restriction is met.

- **Borrowing Limit.** As of March 31, 2010, at the close of each quarter keep the Net Financial Debt in the Issuer's Financial Statements no greater than the Borrowing Limit defined in Appendix Two of the respective issue contract. Net Financial Debt is defined as (i) total liabilities for 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.

As of December 31, 2019, the borrowing limit was ThCh\$ 8,091,360,200 and net financial debt was ThCh\$ 2,825,419,198. Therefore the borrowing restriction is met (the methodology for calculating financial covenants is as follows).

Note 40 - Main Financial Covenants (continued)

Falabella S.A. (continued)

Financial Covenant Calculations

CALCULATION OF THE BORROWING LIMIT IN ACCORDANCE WITH BOND LINE 579 COVENANT (SERIES J) ⁽¹⁾

Figures expressed in ThCh\$

	Currency	As of December 31, 2019	As of September 30, 2019
Period end _i		12/31/2019	09/30/2019
Period end _{i-1}		09/30/2019	06/30/2019
UF _i	Ch\$/UF	28,309.94	28,048.53
Variation UF	%	0.93%	0.52%
Variation % Sol/US\$		-1.90%	2.49%
Variation % ARS/US\$		3.90%	35.67%
Variation % COP/US\$		-6.11%	8.57%
Variation % Real/US\$		-3.47%	8.36%
Variation % UYU/US\$		1.01%	5.06%
Variation % MEX/US\$		-4.27%	2.80%
Variation % EUR/US\$		-2.78%	4.29%
Variation % HKD/US\$		-0.68%	0.36%
Third party guarantees _i	ThCh\$	13,069,416	13,800,914
Variation in third party guarantees _i	ThCh\$	(860,121)	1,482,910
Total Equity _i	ThCh\$	6,232,612,076	6,089,845,834
Dividends payable _i	ThCh\$	43,165,553	463,575
Equity variation _i	ThCh\$	128,707,036	83,177,161
Fixed assets in Chile _{i-1} ^a	ThCh\$	4,727,817,146	4,728,575,209
Deferred taxes in Chile _{i-1} ^b	ThCh\$	43,709	43,617
Adjustment for initial revaluation to IFRS in Chile ^c	ThCh\$	1,378,565,594	1,378,565,594
Deferred taxes in Chile ^d	ThCh\$	284,395,520	284,395,520
Indexation of fixed assets in Chile _{i-1}	ThCh\$	33,864,885	18,915,982
Investment in Peru _i	ThCh\$	1,408,039,715	1,305,786,442
Investment in Argentina _i	ThCh\$	39,368,473	27,930,255
Investment in Colombia _i	ThCh\$	272,526,986	230,621,814
Investment in Brazil _i	ThCh\$	114,330,746	105,586,508
Investment in Uruguay _i	ThCh\$	42,744,040	41,196,652
Investment in Mexico _i	ThCh\$	102,793,524	88,774,235
Investment in Germany _i	ThCh\$	(4,079,358)	(2,506,627)
Investment in Hong Kong _i	ThCh\$	1,225,240	1,053,325
Investment in Ecuador _i	ThCh\$	10,250	16,212
Investment in Panama _i	ThCh\$	(815,678)	(795,748)
Investment adjustment, outside of Chile _i	ThCh\$	(49,629,373)	75,533,134
Borrowing Limit _{i-1}	ThCh\$	7,870,323,992	7,601,329,639
Borrowing Limit _i	ThCh\$	8,091,360,200	7,870,323,992
Net Financial Debt	ThCh\$	2,825,419,198	3,093,641,823

⁽¹⁾ Given the inclusion of Promotora CMR Falabella S.A. in the banking business, the borrowing limit is calculated as defined in Appendix 2 of the Series J Bond Issue Agreements.

^a Net of accumulated 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 initial revaluation adjustment of "Property, Plant and Equipment" and "Investment Properties" as of December 31, 2009.

Covenants applicable to the Series J, L, M, O and P Bonds

- Keep the revenue from retail sales, shopping mall administration and credit assessment, authorization and administration at least at 70% of the Issuer's total consolidated revenue, throughout the entire effective term of this Bond issue. Total consolidated revenue is Operating Revenue in the Issuer's Financial Statements, and is measured quarterly for the previous rolling twelve-month period.

As of December 31, 2019, 96.33% of total consolidated revenue arose from these businesses, so the covenant was met.

Note 40 - Main Financial Covenants (continued)

Falabella S.A. (continued)

Covenants applicable to the Series L, M, O, P, Q and S Bonds (continued)

- The Issuer and/or its relevant 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 relevant subsidiaries exceeds 7.5% of the Issuer's Total Consolidated Assets.

As of December 2019, the Issuer does not have any guaranteed pledges or mortgages, so the restriction is met.

- Ensure that the Financial Debt Ratio does not exceed 1.3 at every quarter end, based on the Issuer's Financial Statements. The Financial Debt Ratio is understood to be the ratio between // Net Financial Debt: /defined as total Non-Banking Liabilities, Other Financial Liabilities, Current, and Other Financial Liabilities, Non-current. However, this summation does not include the sub account "Other Financial Liabilities" that is presented in Note Non-Banking Business - Other Financial Liabilities Current and Non-current, less the Non-Banking Business Asset account, Cash and Cash equivalents, and (ii) Equity without any revaluation gains or losses on the re-adoption of IFRS, net of deferred taxes, defined as the Total Equity account minus three hundred sixty-five thousand three hundred thirteen million two hundred twelve thousand pesos (ThCh\$ 365,313,212).

As of December 31, 2019 the ratio is 0.48; which complies with the limit.

Figures expressed in ThCh\$

	Currency	As of December 31, 2019	As of September 30, 2019
Net Financial Debt ⁽¹⁾	ThCh\$	2,825,419,198	3,093,641,823
Total Equity	ThCh\$	5,867,298,864	5,724,532,622
Financial Debt Ratio		0.48	0.54

⁽¹⁾ As of December 31, 2019, Net Financial Debt does not include Promotora CMR Falabella S.A. This ratio cannot exceed 1.30 due to its covenants.

-International Bonds

Bonds 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 are detailed as follows.

Currency	Amount Placed	Placement Date	Maturity
USD	500,000,000	April 30, 2013	April 30, 2023
CLP	94,588,500	April 30, 2013	April 30, 2023
USD	400,000,000	October 27, 2014.	January 27, 2025
USD	400,000,000	October 30, 2017.	October 30, 2027.

Main restrictions in the International Bond contracts

- The Issuer and/or its relevant subsidiaries cannot establish guarantees, pledges, mortgages and sales with leaseback that guarantee new Bond issues 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 relevant subsidiaries exceeds 20% of the Total Net Consolidated Tangible Assets.

As of December 31, 2019 the Issuer has complied with the restrictions of the issue contract.

Note 40 - Main Financial Covenants (continued)

Falabella S.A. (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.

- Bonds issued in Chile

Line Number	Series	Currency	Amount	Placement Date	Maturity
677	K	UF	1,500,000	January 11, 2013:	December 3, 2033

Covenants applicable to the Series K Bonds

- The debt ratio should be less than 1.5. 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 dividends payable.

As of December 31, 2019, the financial debt ratio was 0.22, so the covenant was met.

- The book value of assets free of any pledge, mortgage or other encumbrance must be at least 1.20 times liabilities without guarantees, calculated quarterly according to the Issuer's quarterly consolidated financial statements. Therefore, the Issuer shall send the Bondholders' Representative, within the same period that the Financial Statements must be sent to the Financial Market Commission, details of total assets free of any pledge, mortgage or other encumbrance, and liabilities without guarantees.

As of December 31, 2019, Sodimac S.A. had complied with all the obligations and financial indicators set out in these 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 restrictions or guarantees.

Plaza S.A.

Line Number	Series	Currency	Amount	Placement Date	Maturity
583	D	UF	3,000,000	October 25, 2010	October 25, 2031
584	C	UF	2,863,636	May 2, 2009	May 2, 2030
584	E	UF	2,000,000	October 25, 2010	October 25, 2031
670	H	UF	2,500,000	May 15, 2011	May 15, 2033
670	K	UF	3,000,000	May 30, 2012	May 30, 2034
766	M	UF	375,000	August 15, 2013	August 15, 2020
767	N	UF	3,000,000	August 15, 2013	August 15, 2035

Net Financial Debt

Financial borrowing is defined as Total Other Current Financial Liabilities and Other Non-Current Financial Liabilities, divided by the value of the UF at the quarterly closing date of the Issuer's Consolidated Financial Statements. As from March 30, 2010, the Issuer must maintain financial borrowing at the quarterly closing date of the Issuer's Consolidated Financial Statements to less than or equal the value established by a formula.

Note 40 - Main Financial Covenants (continued)

Plaza S.A. (continued)

As of December 31, 2019, the borrowing limit was ThUF 111,852. Net financial debt as of that date was ThUF 31,570. Therefore, Plaza S.A. has complied with this restriction.

CALCULATION OF BORROWING LIMIT IN ACCORDANCE WITH COVENANTS FOR BOND LINES 583, 584, 670, 766 AND 767

	Currency	As of December 31, 2019	As of September 30, 2019
Year _i		12/31/2019	09/30/2019
Year _{i-1}		09/30/2019	06/30/2019
UF _i	Ch\$/UF	28,309.94	28,048.53
UF _{i-1}	Ch\$/UF	28,048.53	27,903.30
Cash and cash equivalents for period _i	ThCh\$	35,722,612	33,379,160
Cash and cash equivalents for period _{i-1}	ThCh\$	33,379,160	28,004,967
Cash variation _i	ThCh\$	2,343,452	5,374,193
Cash variation _i	Th UF	83	192
Third party guarantees _i	None	-	-
Total Equity _i	ThCh\$	1,912,571,244	1,902,568,659
Dividends payable _i	ThCh\$	31,408,494	31,282
Total Equity _{i-1}	ThCh\$	1,902,568,659	1,870,743,310
Dividends payable _{i-1}	ThCh\$	31,282	16,076
Equity variation _i	Th UF	1,462	1,135
Investment Property _{i-1} ^a	ThCh\$	2,822,160,793	2,814,050,270
Deferred tax, Investment Properties _{i-1} ^b	ThCh\$	438,070,357	438,070,357
Initial revaluation adjustment 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
Initial revaluation adjustment of Investment property under IFRS ^e	ThCh\$	454,824,534	454,824,534
Deferred tax due to initial revaluation of Investment Property ^f	ThCh\$	122,799,513	122,799,513
Percentage variation UF ^g	ThCh\$	0.93%	0.52%
Indexation of Investment Property in Chile _{i-1}	ThCh\$	12,360,483	6,860,568
Indexation of Investment Property in Chile _{i-1}	Th UF	437	245
Adjustment for Investment Properties outside of Chile _{i-1}	Th UF	(384)	456
Financial Borrowing Limit _{i-1}	Th UF	108,740	104,876
Financial Borrowing Limit _i	Th UF	111,852	108,740

^a Investment property in Chile, net of accumulated depreciation.

^b Associated with investment property in Chile

^c For investment property as of December 31, 2009

^d Associated with the initial revaluation adjustment under IFRS of investment properties as of December 31, 2009. Represents 17% of the initial revaluation adjustment under IFRS

^e For investment property as of December 31, 2016 under IFRS

^f Associated with the revaluation adjustment for investment property as of December 31, 2016 under the re-adoption of IFRS
Represents 27% of the revaluation adjustment under the re-adoption of IFRS

^g Percent variation between the values of UF_i and UF_{i-1}.

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.

Note 40 - Main Financial Covenants (continued)

Plaza S.A. (continued)

Financial Institutions

Plaza S.A. has negotiated several loans with financial institutions as of December 31, 2019, which are associated with the following financial covenants:

Company	Covenant	Limit	Actual as of December 31, 2019	Actual as of September 30, 2019
Nuevos Desarrollos S.A.	Consolidated Current Liabilities + Non-current Liabilities / Total Equity	$\leq 2.0x$	0.88x	0.90x
Patrimonio Autónomo Centro Comercial Cartagena	(EBITDA + Cash) / Debt Servicing	$\geq 1.1x$	1.30x	1.40x
Patrimonio Autónomo Centro Comercial Manizales Dos	Net Financial Debt < Borrowing Limit	MCOP 371.495	MCOP 79,166	MCOP 82,333
	Net financial debt / Equity	$\leq 2.3x$	0.20x	1.10x

As of December 31, 2019, all the covenants in these debt contracts have been satisfied.

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 lines of credit with no financial covenants.

Businesses in Peru

As of December 31, 2019, there are approximately nineteen financial safeguards that companies in the Falabella Group in Peru (Falabella Peru, Inverfal Peru, SAGA Falabella, Hipermercados Tottus, Tiendas de Mejoramiento del Hogar, Open Plaza and Mall Plaza Peru) must comply with and disclose to their respective creditors (banks and bondholder representatives) every quarter. Financial safeguards that apply to Peruvian companies can be grouped into three categories, which are debt ratios, solvency ratios and guarantee ratios. The most restrictive covenants are detailed as follows:

Company	Covenant	Limit	Actual as of December 31, 2019	Actual as of September 30, 2019
Falabella Perú S.A.A	Net Financial Debt excluding the Banking Business / Equity	$\leq 1.30x$	0.29x	0.34x
Inverfal Perú S.A.A	Net Financial Debt excluding the Banking Business / Equity	$\leq 1.30x$	0.24x	-
SAGA Falabella S.A.	Total liabilities / Equity	$\leq 3.00x$	1.36x	1.75x
SAGA Falabella S.A.	Net Financial Debt - Cash / Equity	$\leq 1.30x$	0.34x	0.87x
Hipermercados Tottus S.A.	Total liabilities / Equity	$\leq 2.50x$	1.10x	1.16x
Open Plaza S.A.C.	(Liabilities - Deferred Liabilities - Non-controlling Interests) / Equity	$\leq 1.60x$	0.15x	0.19x
Open Plaza S.A.C.	EBITDA / Debt Servicing (last 12 m)	$\geq 1.20x$	3.48x	3.37x
Open Plaza S.A.C.	Ceded Flows / Debt Servicing (next 12 months)	$\geq 1.30x$	5.18x	5.37x
Mall Plaza Perú S.A.	EBITDA / Debt Servicing	$> 1.20x$	2.85x	2.80x
Mall Plaza Perú S.A.	Net Financial Debt / Equity	$< 1.50x$	0.36x	0.33x
Mall Plaza Perú S.A.	Net Financial Debt / Fixed Assets	$< 0.75x$	0.22x	0.21x
Mall Plaza Perú S.A.	FC/ Installments not yet due (CAY)	$> 1.50x$	2.02x	2.02x

Note 41 - Business Combinations

On August 2, 2018, Inversiones MKTP SpA, a wholly owned subsidiary of Falabella S.A., acquired all the shares of New TIN Linio I GmbH (hereinafter "Linio"), a limited liability company incorporated in the Federal Republic of Germany, which is the direct and indirect controller of several entities in various jurisdictions, which operate trading platform businesses, also known as online marketplaces, under the Linio brand and internet address (www.linio.com) in Argentina, Chile, Colombia, Ecuador, Mexico, Panama, Peru and Venezuela. Linio was acquired for US\$ 138,599,651, equivalent to ThCh\$ 88,592,897 on the acquisition date.

The goodwill generated by the transaction represents the synergies and economies of scale of the business combination. Expenses related to the acquisition have been recorded as Administrative Expenses in the statement of income of the Company.

The price and the fair values of the assets and liabilities acquired as of the acquisition date are detailed as follows.

	Acquisition date ThCh\$	Revision date ⁽²⁾ ThCh\$
Acquisition price (A)	88,592,897	88,592,897
Acquired assets and liabilities		
Total current assets	13,119,240	12,708,862
Intangible assets ⁽¹⁾	1,967,732	11,491,840
Property, plant and equipment	433,005	433,005
Other assets, non-current	978,270	978,270
Total Assets	16,498,247	25,611,977
Current liabilities	38,573,686	38,573,686
Other liabilities, non-current	2,049	2,573,558
Total Liabilities	38,575,735	41,147,244
Total Net Assets Acquired (B)	(22,077,488)	(15,535,267)
Goodwill on acquisition (A) - (B)	110,670,385	104,128,164

⁽¹⁾ Includes the brand name and other intangible assets recognized upon acquisition.

⁽²⁾ Measured at the exchange rate on the acquisition date

In September 2019, the Company completed its valuation of the assets and liabilities acquired in the acquisition of New Tin Linio I GmbH. This resulted in the fair values of specific net assets increasing by ThCh\$ 6,542,221.

Therefore, the value of acquired goodwill has decreased by ThCh\$ 6,542,221. The financial statements as of December 31, 2018, are presented for comparative purposes only, so they have been amended to reflect these changes.

Note 42 - Subsequent Events

The consolidated financial statements of Falabella S.A. and subsidiaries as of December 31, 2019, have been approved by the Board of Directors at a meeting held on February 25, 2020, which was attended by the following Directors and the CEO:

- Carlo Solari Donaggio, Chairman
- Juan Carlos Cortés Solari, Vice-Chairman
- María Cecilia Karlezi Solari, Director
- Sergio Cardone Solari, Director
- Hernán Büchi Buc, Director
- Juan Pablo del Río Goudie, Director
- Paola Cuneo Queirolo, Director
- Gastón Bottazzini, CEO

On February 5, 2020, the subsidiary Plaza S.A. completed the third placement of virtual and bearer bonds in the local market under bond line 669 dated May 30, 2011. These are Series P bonds, for UF 2,000,000, maturing on January 15, 2045, with an annual placement rate of 2.08%.

On February 24, 2020, Law 21,210 on the Modernization of Chilean Tax Legislation was published. The Company is analyzing the potential effects of this law.

Between December 31, 2019, and the date these financial statements were issued, the Board is not aware of any other events of a financial or other nature that might significantly affect them or their interpretation.

FALABELLA



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