

S.A.C.I. Falabella

Corporate Presentation



August 2017



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THE COMPANY



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CORPORATE STRUCTURE



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THE COMPANY

Presence In 7 Countries In Latin America



DEPARTMENT STORES	HOME IMPROVEMENT	SUPERMARKETS	FINANCIAL SERVICES	REAL ESTATE
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US\$ 4.2 billion Revenues

US\$ 5.6 billion Revenues

US\$ 2.1 billion Revenues

US\$ 6.9 billion Loan Book
5 million CMR accounts

2.0 million m² of GLA¹
19/21 Malls/power centers

44 Stores
305,000 m²

85 Stores
715,000 m²

62 Stores
206,000 m²

2,388,000 active CMR cards

25 shopping centers
1,467,000 m² GLA

29 Stores
177,000 m²

56 Stores
372,000 m²

61 Stores
225,000 m²

1,012,000 active CMR cards

14 shopping centers
517,000 m² GLA

26 Stores
175,000 m²

38 Stores
366,000 m²

1,039,000 active CMR cards

1 shopping center
27,000 m² GLA

11 Stores
58,000 m²

8 Stores
86,000 m²

512,000 active CMR cards

56 Stores
158,000 m²

3 Stores
25,000 m²

COMING SOON !

Recently launched Falabella-Soriana credit card



1. Does not include an 964,000 m2 of additional GLA in free standing stores in the region also owned by S.A.C.I. Falabella.
Note: Revenues as of June 2017 LTM. Number of stores and sales area as of June 2017. Number of CMR accounts with balance. FX rate as of July 3rd 2017 (664.29 CLP/US\$). Home Improvement includes Sodimac Colombia which the company does not consolidate. Does not include Uruguay revenue, which the company does consolidate.

Main Figures

TOTAL REVENUES (LTM)



US\$ 13.2 billion

LOAN BOOK



US\$ 6.9 billion

CMR ACCOUNTS



+ 4,950,000

STORES
479



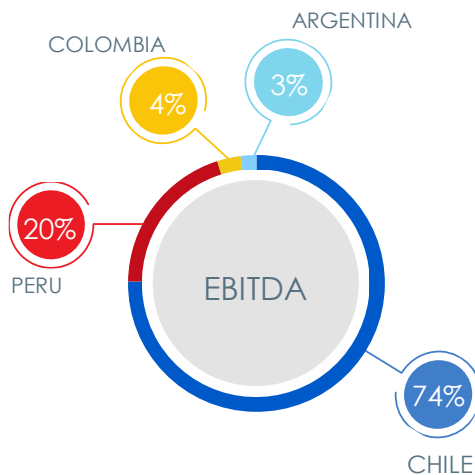
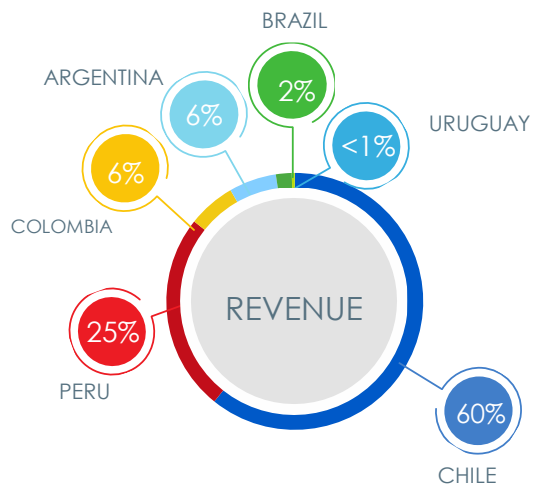
2,868,000 m²
sales area

SHOPPING CENTERS
40

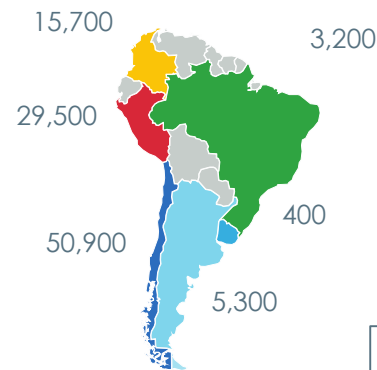


2,011,000 m²
GLA

Mix by Country (LTM)



Total Employees:



Total: 105,200



Note: Revenue and EBITDA do not include Sodimac Colombia, which do not consolidate.
 CMR accounts with balance and employees as of June 2017.
 Total number of employees includes +200 employees in Asia and Mexico.



INVESTMENT HIGHLIGHTS

1.
**Leadership
in Latam
across
formats**




2.
**Responsible
growth
strategy**



3.
**Differentiating
brands**



4.
**Customer
centric
strategy**



5.
**Sustainable business
development**



6.
**Experienced
management
team**



7.
**Corporate
governance
practices**



Leadership In Latam Across Formats



Market Position ¹

DEPARTMENT STORES

Revenues MMUS\$



HOME IMPROVEMENT

Revenues MMUS\$



SUPERMARKETS

Revenues MMUS\$



FINANCIAL SERVICES

CMR Accounts

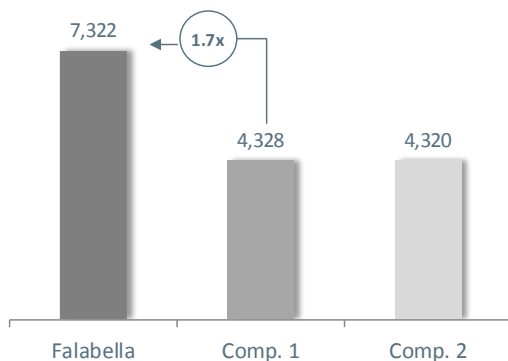


REAL ESTATE

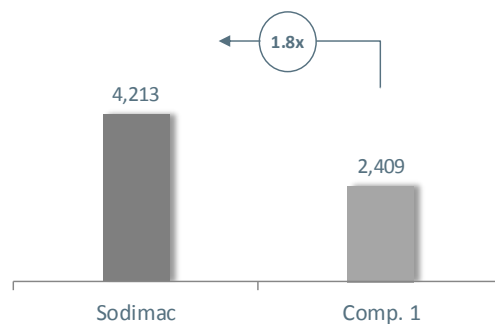


Sales LTM / m² (US\$)²

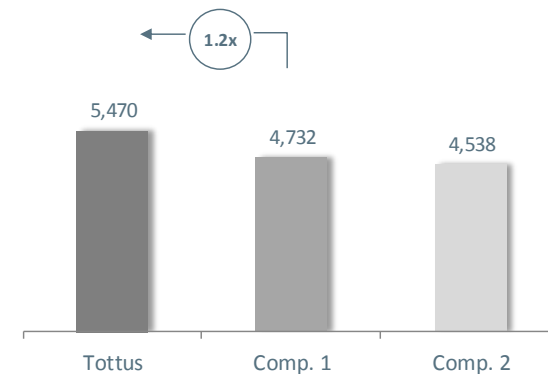
Department Stores in Chile



Home Improvement in Chile



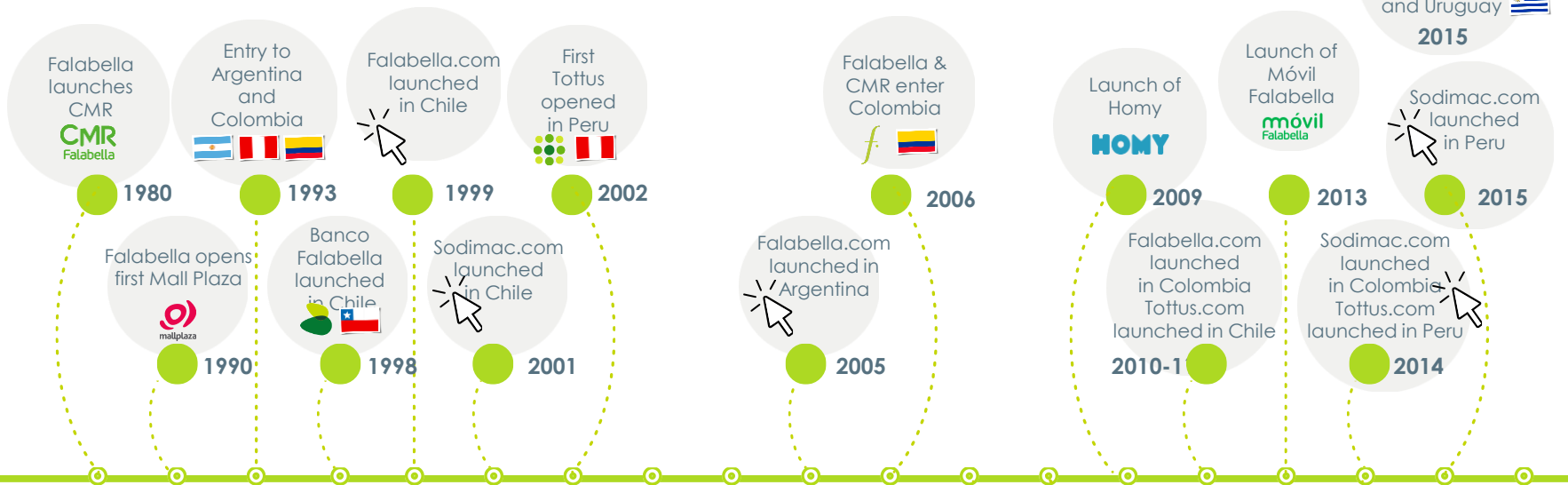
Supermarkets in Peru



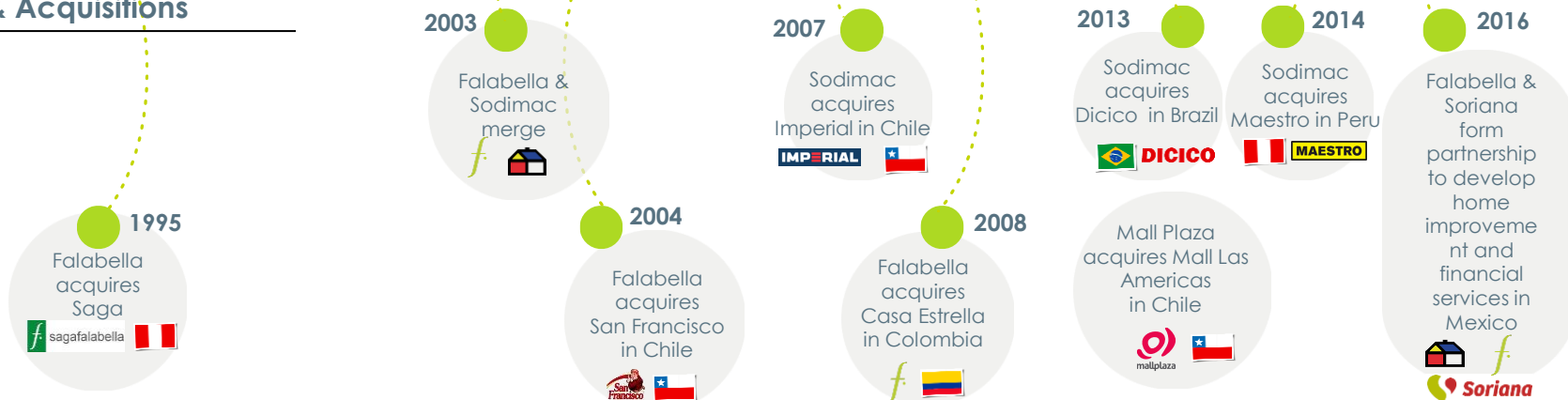
1. Revenues as of June 2017 LTM. Number of CMR accounts, malls and GLA as of June 2017. FX rates as of July 3rd, 2017 (664.29 CLP/US\$).

2. Sales LTM per square meter as of March 2017. FX rates as of April 3rd, 2017 (663.97 CLP/US\$). Tottus' sales area excludes check out area, in order to compare with peer's reported sales per square meter.

Organic Initiatives



Merges & Acquisitions

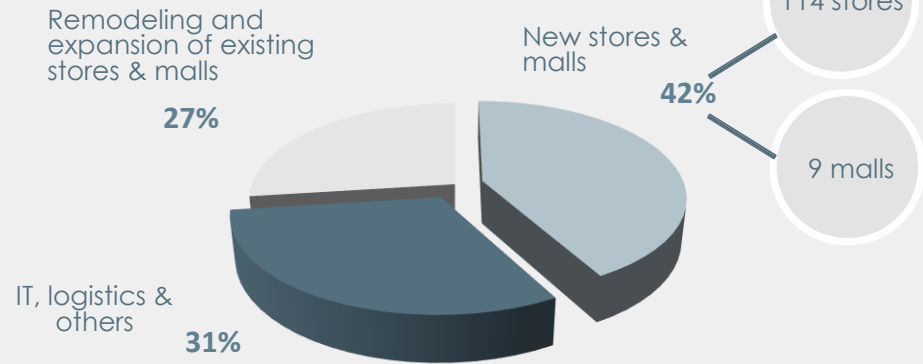


Investment Plan 2017-2020

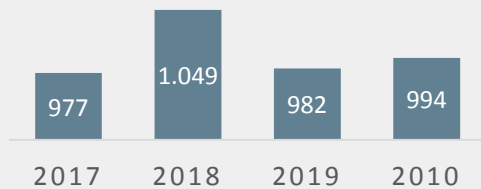
As of January 2017

US\$ 4.0 bn

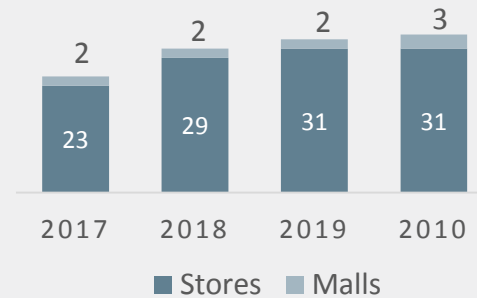
Investment over the next 4 years



Investment (US\$ million)



Store and Mall Openings



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

Private Labels



Exclusive Brands



+4.9
million

CMR accounts with a balance

+319
million

transactions in our retail businesses

385
million

visits to our shopping centers in the region

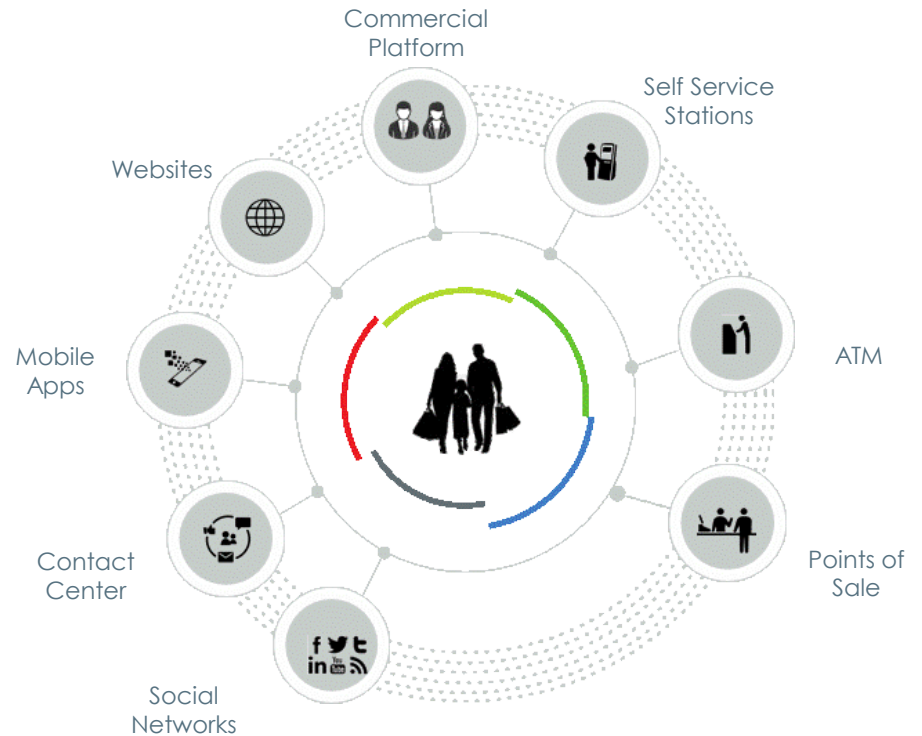
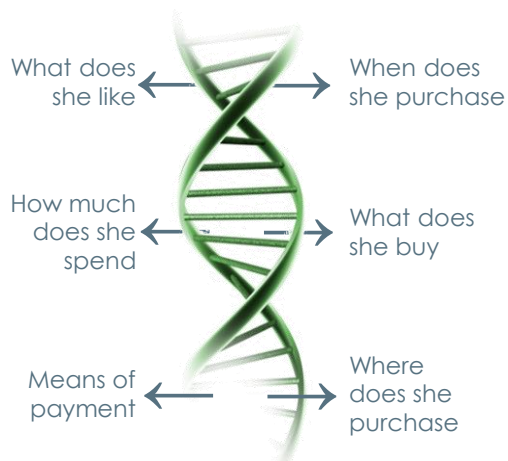
+1.6
million

bank accounts with Banco Falabella

497,000

Passengers travelled using Viajes Falabella

Customer knowledge through consistent interaction



Top Executives



15 years

Average number of years that these executives have worked at the Falabella Group

Employees



+107,300 employees



52% women



+85,300 Evaluated employees



+4.2 million hours of training



30% of employees belong to a union. 58% in Chile.

Community

100 Haciendo Escuela schools

+80,000 Benefited students

Corporate Volunteer Work

+96,900 hours

Financial Education Program

"Juntos Juguemos"

5,800 students from **60** schools from Haciendo Escuela

Healthy Eating Program

Implemented in low-income schools

3,000 students from **16** schools

Programa Buen Vecino

84 projects with **+50,400** people benefited

Suppliers



+30,600

Retail suppliers

+15,200

Total SMEs

Partnership with



Falabella

Sodimac

Environment



22 certified stores and 1 shopping center with LEED Certification and 1 with pre-certification

67 stores and 23 eco-friendly shopping centers



Board of Directors

Chairman

Carlo Solari Donaggio

Vice-Chairman

Juan Carlos Cortés Solari

Directors

Sergio Cardone Solari

Juan Pablo del Río Goudie

José Luis del Río Goudie

Carlos Heller Solari

María Cecilia Karlezi Solari

Paola Cúneo Queirolo

Independent Director

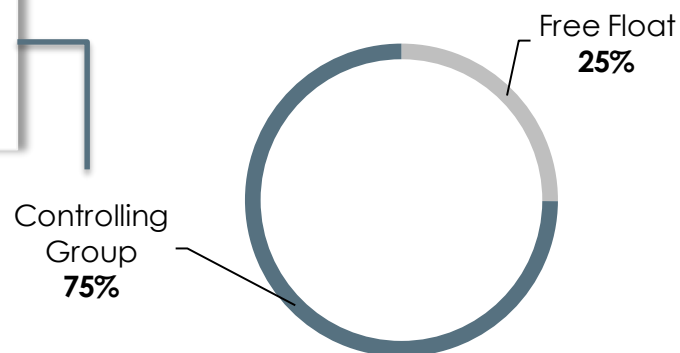
Hernán Büchi Buc

Presence of an independent director at holding level and in relevant subsidiaries

Board Committees



Controlling Group consisting of 7 families





CONSOLIDATED STATEMENTS

Income Statement

(Million of USD)	2Q16	% Rev.	2Q17	% Rev.	Var %	1H16	% Rev.	1H17	% Rev.	Var %
Revenues of Non-Banking Operations	2,934		3,034		3.4%	5,778		5,972		3.4%
Revenues of Banking Operations	258		281		9.1%	505		552		9.3%
Total Revenues	3,191	100.0%	3,315	100.0%	3.9%	6,283	100.0%	6,524	100.0%	3.8%
COGS of Non-Banking Operations	(1,925)	-65.6%	(1,965)	-64.8%	2.1%	(3,832)	-66.3%	(3,893)	-65.2%	1.6%
COGS of Banking Operations	(127)	-49.2%	(139)	-49.5%	9.8%	(238)	-47.2%	(270)	-48.9%	13.3%
Gross Profit	1,139	35.7%	1,211	36.5%	6.3%	2,213	35.2%	2,361	36.2%	6.7%
SG&A Expenses	(816)	-25.6%	(874)	-26.4%	7.0%	(1,601)	-25.5%	(1,698)	-26.0%	6.1%
Operational Income	323	10.1%	337	10.2%	4.3%	612	9.7%	662	10.2%	8.3%
Depreciation + Amortization	98	3.1%	106	3.2%	8.4%	192	3.1%	210	3.2%	9.2%
EBITDA	421	13.2%	443	13.4%	5.3%	804	12.8%	872	13.4%	8.5%
Other Income / (Expenses)	(1)		13		NM	1		4		409.4%
Net Financial Income / (Cost)	(93)		(70)		-24.7%	(178)		(149)		-16.6%
Profit / (Loss) in Associates	9		5		-47.3%	17		11		-34.8%
Exchange Rate Differences	10		(5)		-149.1%	10		(1)		-113.0%
Non-Operating Profit	(76)	-2.4%	(57)	-1.7%	-24.2%	(151)	-2.4%	(135)	-2.1%	-10.5%
Profit Before Tax Expenses	247	7.8%	280	8.4%	13.0%	461	7.3%	527	8.1%	14.4%
Income Tax	(55)		(71)		28.5%	(98)		(127)		29.5%
Minority Interest	(15)		(16)		8.1%	(30)		(34)		13.2%
Net Profit / (Loss)	177	5.6%	193	5.8%	8.6%	333	5.3%	367	5.6%	10.1%

Note: All dollar figures are calculated based on the observed exchange rate as of July 3rd 2017: 664.29 \$/US\$.

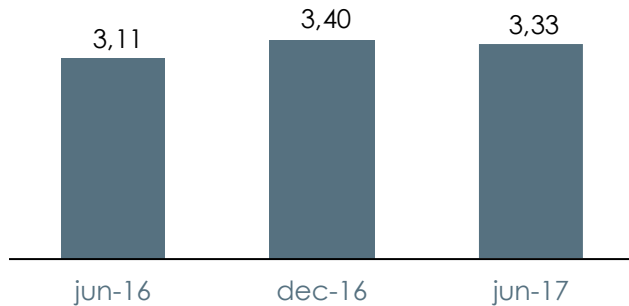
Balance Sheet

<i>(USD Million)</i>	Dec 16	Jun 17	<i>(USD Million)</i>	Dec 16	Jun 17
Cash & cash equivalents	303	266	Other current financial liabilities	1,614	1,485
Current trade & other receivables	2,707	2,692	Current trade & other payables	1,577	1,333
Inventories	1,817	1,802	Others	507	444
Others	317	310	Total Non-Banking Current Liabilities	3,698	3,261
Total Non-Banking Current Assets	5,144	5,070	Other non-current financial liabilities	4,051	4,262
Non-Current trade & other receivables	362	365	Others	976	1,000
Goodwill	782	788	Total Non-Banking Non-Current Liab.	5,027	5,262
PP&E & Investment properties	8,013	8,194	Total Non-Banking Oper. Liabilities	8,725	8,523
Others	990	1,049	Total Banking Oper. Liabilities	4,662	4,840
Total Non-Banking Non-Current Assets	10,147	10,396	TOTAL LIABILITIES	13,387	13,363
Total Non-Banking Operations Assets	15,292	15,466	Shareholders' Equity	7,600	7,974
Loans & accounts receivable from clients	3,947	3,941	TOTAL EQUITY & LIABILITIES	20,987	21,337
Others	1,748	1,929			
Total Banking Operations Assets	5,695	5,871			
TOTAL ASSETS	20,987	21,337			

Note: All dollar figures are calculated based on the observed exchange rate as of July 3rd 2017: 664.29 \$/US\$.

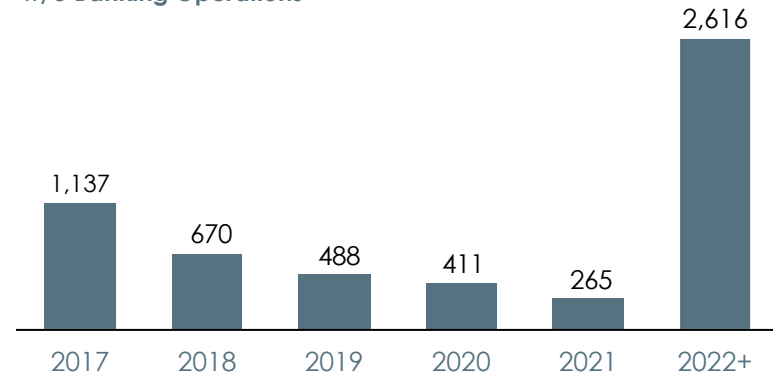
Net Financial Debt/Ebitda (times)

w/o Banking Operations



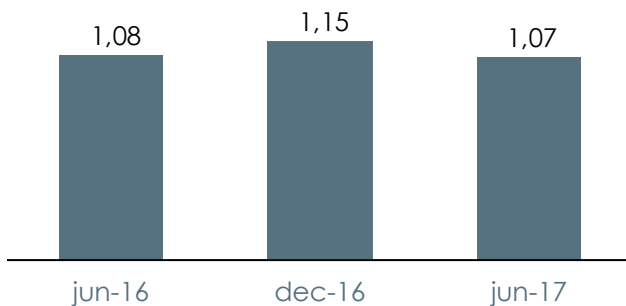
Debt Profile (US\$ million)

w/o Banking Operations



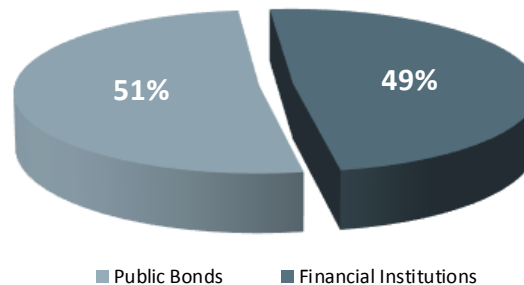
Leverage (times)

w/o Banking Operations



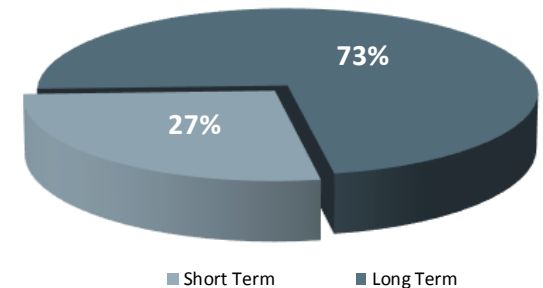
Debt By Maturity

w/o Banking Operations



Debt By Type

w/o Banking Operations



Duration:
4.82 years

Financial Debt w/o Banks¹:
US\$ 5,587 MM

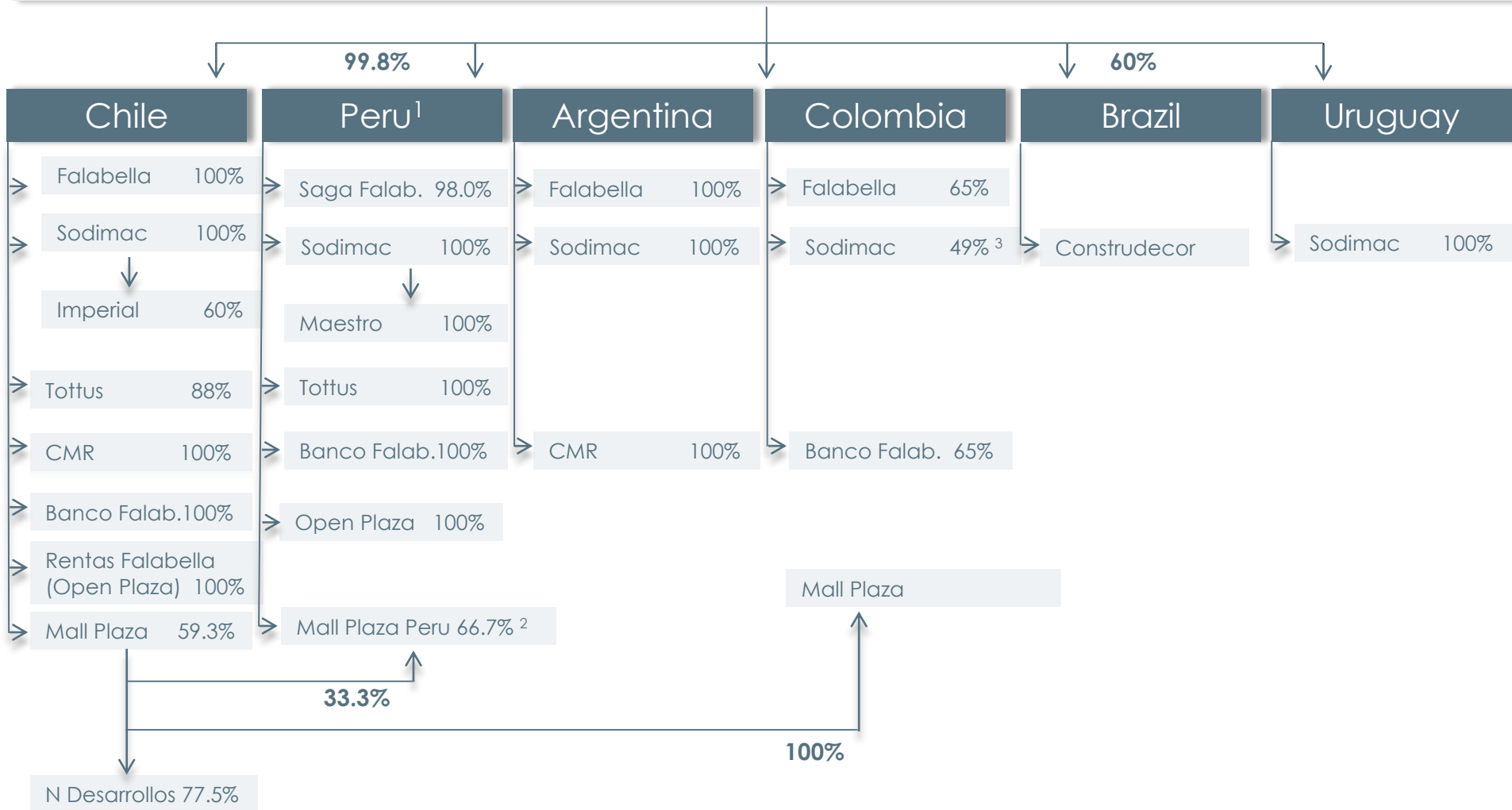
Note: All dollar figures are calculated based on the observed exchange rate as of July 3rd 2017: 664.29 \$/US\$.

1. Does not include accrued interests



CORPORATE STRUCTURE

SACI Falabella



1 Through Falabella Perú S.A.A.

2 New company created with assets from dissolution of Aventura Plaza JV.

3 Does not consolidated



BUSINESS UNIT OVERVIEW

Business Overview

- Main categories: apparel, home electronics and home accessories / furniture.
- Diverse portfolio of private brands and exclusive international brands.
- Leading online retailer, with click & collect implemented in all four countries.
- Operates specialty stores for exclusive and second generation apparel and footwear brands.

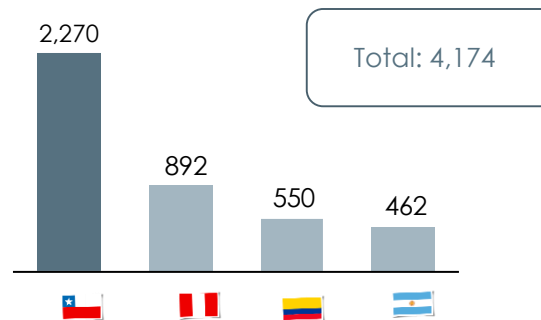


Regional Footprint

	Chile	44 stores
	Peru	29 stores
	Colombia	26 stores
	Argentina	11 stores
TOTAL	110	

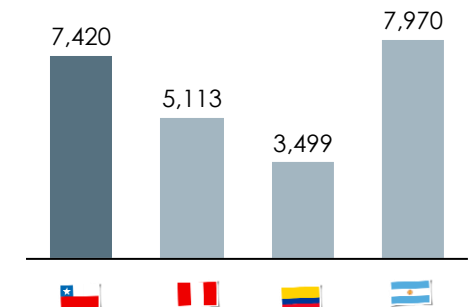
Revenues

(US\$ million, June 2017 LTM)



Sales /m²¹

(US\$, June 2017 LTM)



Note: All dollar figures are calculated based on the observed exchange rate as of July 3rd 2017: 664.29 \$/US\$. Number of stores as of June 2017.

1. Sales LTM divided by average m².

Business Overview

- Main categories: lumber & building materials, hardware, appliances, bath & kitchen, home accessories, furniture, outdoor & garden, lighting.
- Formats: Sodimac Homecenter, Sodimac Constructor, Sodimac Homecenter /Constructor, Imperial, Homy, Dicico and Maestro.
- Expertise in selling directly to construction sector players and large companies, as well as DIY customers and families.
- Strong online sales strategy, click & collect.

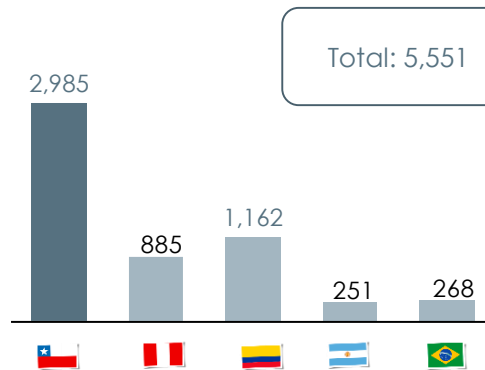


Regional Footprint

	Chile	85 stores
	Peru	56 stores
	Colombia	38 stores
	Argentina	8 stores
	Brazil	56 stores
	Uruguay	3 stores
TOTAL	246	

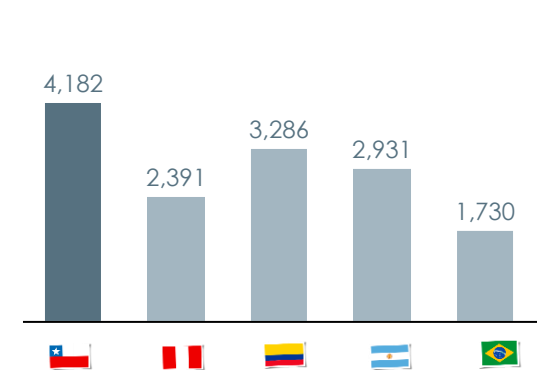
Revenues

(US\$ million, June 2017 LTM)



Sales /m²¹

(US\$, June 2017 LTM)



Note: All dollar figures are calculated based on the observed exchange rate as of July 3rd 2017: 664.29 \$/US\$. Number of stores as of June 2017.

1. Does not include revenue from Sodimac Uruguay 2. Sales LTM divided by average m².

Business Overview

- Formats: hypermarkets, supermarkets and Hiperbodega Precio Uno in Peru.
- Started operations in 2002 in Peru under Tottus brand and entered Chilean market in 2004 with the acquisition of San Francisco, which was later rebranded as Tottus.
- Increased penetration of private labels (Tottus and Precio Uno).
- E-commerce platform.

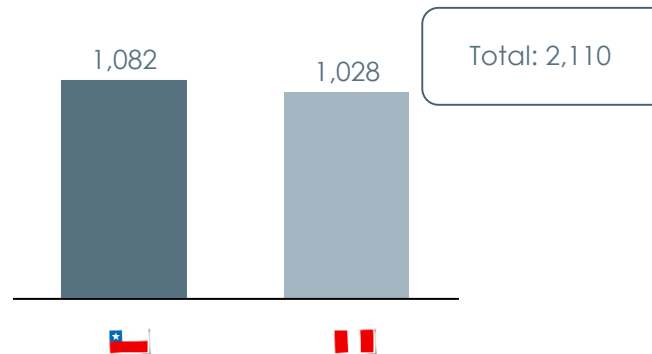


Regional Footprint

	Chile	62 stores
	Peru	61 stores
	TOTAL	123

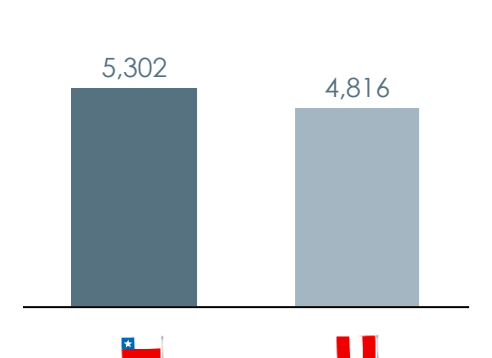
Revenues

(US\$ million, December 2016 LTM)



Sales /m² 1

(US\$, March 2017 LTM)

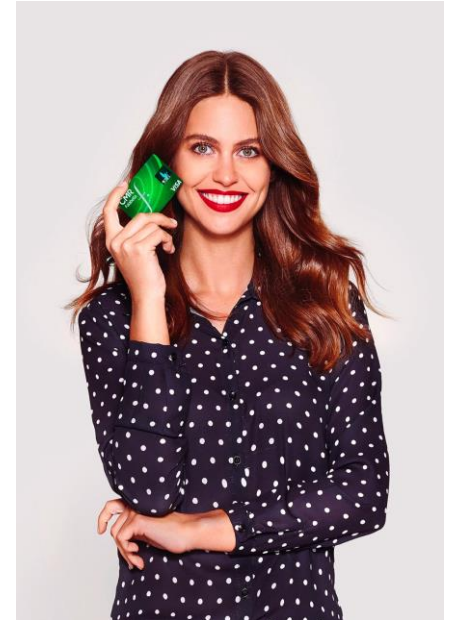


Note: All dollar figures are calculated based on the observed exchange rate as of July 3rd 2017: 664.29 \$/US\$. Number of stores as of June 2017.

1. Sales LTM divided by average m². Sales area considered for Tottus does not include the check out area in order to be comparable with peer's sales area.

Business Overview

- Falabella Financiero offers a wide range of integrated financial products and services.
- Provides customers access to credit, combining the traditional financial business with the proximity to customers through retail formats.
- Five business units: CMR Falabella (credit card), Banco Falabella (bank), Seguros Falabella (insurance broker), Viajes Falabella (travel agency) and Movil Falabella (mobile virtual operator).
- Operates in Chile, Peru, Colombia and Argentina.



Regional Footprint



Chile 2.4 m CMR accounts
98 bank branches



Peru 1.0 m CMR accounts
78 bank branches



Colombia 1.0 m CMR accounts
70 bank branches



Argentina 0.5 m CMR accounts
18 bank branches

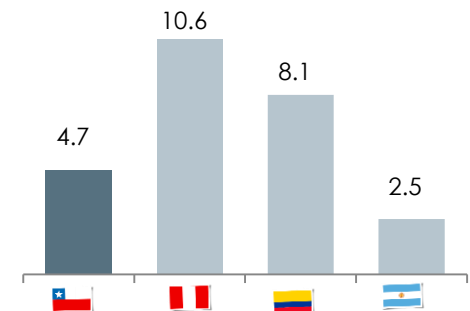
Gross Loan Portfolio

(US\$ million, June 2017)



Loan Loss Provision ¹

% June 2017



Note: All dollar figures are calculated based on the observed exchange rate as of July 3rd 2017: 664.29 \$/US\$.

1. Per local regulation (not comparable across countries).

Business Overview

- Largest operator in Chile and one of the leaders in Latin America:
 - **Mallplaza:** Operates large shopping malls in Chile, Peru and Colombia.
 - **Open Plaza:** Operates small shopping centers with 2 or 3 anchor stores, as well as other stores.



Regional Footprint

	# Shopping Malls		'000 GLA	
	jun-16	jun-17	jun-16	jun-17
Mall Plaza	15	15	1,210	1,238
Open Plaza	10	10	228	229
CHILE	25	25	1,438	1,467
AP/Mall Plaza Peru ¹	4	3	276	201
Open Plaza	10	11	273	316
PERU	14	14	549	517
Mall Plaza	1	1	26	27
COLOMBIA	1	1	26	27
TOTAL Real State	40	40	2,013	2,011
Free Standing Stores²			1,020	964
Total GLA			3,033	2,975

Integrated Offering ²

+2,761 specialty stores	+404 restaurants	134 cinema screens
18 medical centers	10 public libraries	17 gyms
38 game areas	13 educational institutions	3 exhibition rooms

¹ Owned by the company throughout the region.
² Information for Mall Plaza shopping centers as of December 2016.

www.falabella.com/inversionistas

inversionistas@falabella.cl

Phone: +56 (2) 2487-3910

Andrea González

Head of IR

agonzalezba@Falabella.cl

Constanza Saver

IR Analyst

csaver@falabella.cl

Andrea Jiménez

IR Analyst

apjimenez@falabella.cl

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f...

falabella

 **SODIMAC**

 **TOTTUS**

CMR
Falabella

 Banco
Falabella


mallplaza

OPEN
PLAZA