

# FINANCIAL REPORT

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FIRST QUARTER 2014

May 2014



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**Notes:**

- All figures in dollars are calculated using the observed dollar exchange rate for April 1, 2014 (Ch\$ 551.18 per US\$1).
- Symbols for periods in the year: Quarters: 1Q (first quarter), 2Q (second quarter), 3Q (third quarter) and 4Q (fourth quarter). 1S (First semester) and 9M (first nine months of the year), as applicable.
- Other symbols: SSS (Same store sales).
- Currency symbols: Ch\$: Chilean pesos; US\$: U.S. dollars; MM: millions.

## Summary of Consolidated Results 1st Quarter 2014

- The First Quarter 2014 Consolidated Revenues increased by 18.3% to Ch\$ 55.592 million (US\$ 100.9 million), a record high for a first quarter.
- Gross Margin of Ch\$ 30,598 million (US\$ 55.5 million) increased by 14.2%, obtaining a gross margin of 55.0% as a percentage of net Revenues in the 1Q 2014.
- Operating Income decreased by -2.8% in the 1Q 2014 to Ch\$ 10,948 million (US\$ 19.9 million).
- EBITDA of Ch\$ 12,475 million (US\$ 22.6 million) increased by 0.2%, reaching an EBITDA margin of 22.4% in the 1Q 2014.
- Net Profit increased by 11.4% to Ch\$ 9,814 million (US\$ 17.8 million). As a percentage of net revenues, it represents 17.7%.
- The Revenues from the international operations in Colombia, Peru and Uruguay represented 17.5% of the consolidated revenues in the 1Q 2014, this is 2.3 percentage points higher than the 15.2% of the consolidated revenues in 1Q'13.

**Stores Opening**

**Total of new stores opened in 1Q 2014: 16 stores**

During the 1Q 2014 the company opened the following new stores:

Country	# Stores	Chain	Store	City	Sq. meters
<b>Chile</b>		Shoe Express	Paseo Estación	Santiago	74
		Caterpillar	Alto las Condes	Santiago	92
		Merrell	Arauco Maipú	Santiago	88
		We love Shoes	Arauco Maipú	Santiago	62
		Merrell	Valdivia	Valdivia	73
		Rockford	Plaza Egaña	Santiago	147
		Merrell	Portal Temuco	Temuco	55
		Azaleia	Mall San Antonio	San Antonio	43
		Hush Puppies	Mall San Antonio	San Antonio	70
		7Veinte	Plaza Egaña	Santiago	120
		Caterpillar	Plaza Egaña	Santiago	122
		Columbia	Plaza Egaña	Santiago	103
		Merrell	Plaza Egaña	Santiago	100
		FunSport	Plaza Egaña	Santiago	82
<b>Total</b>	<b>14</b>				<b>1.230</b>
<b>Peru</b>		Billabong	El Sol	Lima	77
		Billabong	Orue	Lima	96
<b>Total</b>	<b>2</b>				<b>174</b>
<b>Total</b>	<b>16</b>				<b>1.404</b>

## Highlights of the 1st Quarter 2014

### Launch e-commerce brand Jansport

In January 2014 the brand **Jansport** launched the e-commerce platform on their website ([www.jansport.cl](http://www.jansport.cl)). This is the fourth Forus' brand with e-commerce, since the launch of the brand Cat in May ([www.cat.cl](http://www.cat.cl)) and Columbia in September ([www.columbiachile.cl](http://www.columbiachile.cl)) and the brand Merrell in November 2013 ([www.merrell.cl](http://www.merrell.cl)).



### New Brand: Sperry Top - Sider in Chile and Uruguay

This year we introduced the American footwear brand **Sperry Top - Sider** in Chile in February and in Uruguay in March. This brand will be commercialized in Hush Puppies and Rockford stores. Sperry Top - Sider is a leading brand of footwear related to the nautical lifestyle.



### New Brand: Keds in Chile and Uruguay

This year the American footwear brand Keds was introduced in Chile in January and in Uruguay in February. This brand will be commercialized in Hush Puppies, Rockford and 7veinte stores. Keds is a brand of casual lifestyle in a canvas footwear, with a simple and elegant design focused on young girls.



### New Brand: Patagonia Apparel category for Peru and Uruguay

At the end of 2013 the Patagonia Brand Apparel category was introduced in Peru and Uruguay. This brand will be commercialized in Rockford stores. Patagonia is a brand of casual lifestyle related to the silent sports such as mountain climbing, skiing, snowboarding, surfing, fishing, rowing and trailrunning.



**FORUS S.A. & SUBSIDIARIES**  
**Consolidated Income Statement 1st Quarter**  
**expressed in Thousands of Chilean Pesos from January 1st to March 31**

	1Q'14 Th Ch\$	% Revenues	1Q'13 Th Ch\$	% Revenues	Var. % 14/13
Revenues	55.591.679		46.984.865		18,3%
Cost of Sales	(24.993.879)	-45,0%	(20.188.970)	-43,0%	23,8%
<b>Gross Margin</b>	<b>30.597.800</b>	<b>55,0%</b>	<b>26.795.895</b>	<b>57,0%</b>	<b>14,2%</b>
Logistic costs	(671.131)	-1,2%	(485.618)	-1,0%	38,2%
Administrative Expenses	(18.978.291)	-34,1%	(15.051.485)	-32,0%	26,1%
Selling, General and Administrative Expenses	(19.649.422)	-35,3%	(15.537.103)	-33,1%	26,5%
<b>Operating Income</b>	<b>10.948.378</b>	<b>19,7%</b>	<b>11.258.792</b>	<b>24,0%</b>	<b>-2,8%</b>
Other incomes of total operation	46.642		32.251		44,6%
Other expenses of total operation	(58.724)		(57.559)		2,0%
Financial Income	117.533		446.557		-73,7%
Financial Expenses	(156.872)		(109.938)		42,7%
Participation in gains (losses) of joint venture businesses accounted by using the proportional value of participation	256.183		78.728		225,4%
Exchange Differentials	1.105.795		(540.564)		-304,6%
Result of Indexation units	(21.450)		(1.176)		1724,0%
Other gains and losses	74.065		15.418		380,4%
<b>Non-Operating Income</b>	<b>1.363.172</b>	<b>2,5%</b>	<b>(136.283)</b>	<b>-0,3%</b>	<b>-1100,3%</b>
<b>Profit before income tax</b>	<b>12.311.550</b>	<b>22,1%</b>	<b>11.122.509</b>	<b>23,7%</b>	<b>10,7%</b>
(Expenses) Income Taxes	(2.497.729)		(2.310.716)		8,1%
<b>Profit (loss)</b>	<b>9.813.821</b>	<b>17,7%</b>	<b>8.811.793</b>	<b>18,8%</b>	<b>11,4%</b>
Profit (loss) attributable to equity holders of parent	9.919.291		8.869.357		11,8%
Profit (loss) attributable to minority interest	(105.470)		(57.564)		83,2%
<b>Profit (loss)</b>	<b>9.813.821</b>	<b>17,7%</b>	<b>8.811.793</b>	<b>18,8%</b>	<b>11,4%</b>
<b>EBITDA</b>	<b>12.475.117</b>	<b>22,4%</b>	<b>12.456.224</b>	<b>26,5%</b>	<b>0,2%</b>

## Operating Income

- **Forus S.A. and subsidiaries' Consolidated Revenues increased by 18.3% in the 1Q 2014 to Ch\$ 55,592 million (US\$ 100.9 million).**

This growth in sales is explained both by an increase in Chile's Retail and Wholesale business, as by a growth in sales in its subsidiaries.

In Chile Forus' sales grew 11.9%, totalizing Ch\$ 45,314 million (US\$ 82.2 million) during 1Q'14. This increase in sales is explained both by growth in Retail and Wholesale business.

Regarding Retail business, sales reached Ch\$ 30,889 million (US\$ 56.0 million) rising 16.1% regarding 1Q 2013 and represented 68.2% of Chile's total revenues. This rise is explained by a 21.4% growth in square meters in 1Q'14 compared to 1Q'13 and a 4.4% increase in Same Store Sales (nominal value), above than the 2.2% reported in the 1Q'13. Wholesale business, where sales of Ch\$ 14,426 million (US\$ 26.2 million) represented 31.8% of Chile's total revenues, increased 3.9% with regards to 1Q'13. We highlight, according to IFRS mandatory rules, within Wholesale are considered the purchase of merchandise from China for the subsidiaries, so the actual sale of Wholesale without considering this effect grew by 12.9% compared to 1Q'13.

In regards to international subsidiaries, which revenues represented 17.5% during 1Q'14, they increased 36.2% as a whole regarding 1Q'13. The results of these companies are the following:

### Revenues (Million Ch\$)

	1Q '14	1Q '13	Var. % 14/13
Colombia	1.359	1.277	6,4%
Peru	4.842	2.792	73,4%
Uruguay	3.501	3.125	12,0%
<b>Total</b>	<b>9.702</b>	<b>7.194</b>	<b>34,9%</b>

### Without intra-company sales

	1Q '14	1Q '13	Var. % 14/13
Colombia	1.359	1.205	12,8%
Peru	4.842	2.792	73,4%
Uruguay	3.501	3.125	12,0%
<b>Total</b>	<b>9.702</b>	<b>7.122</b>	<b>36,2%</b>

## Analysis of Consolidated Results

**Same Store Sales.** Data in nominal values (in local currency)

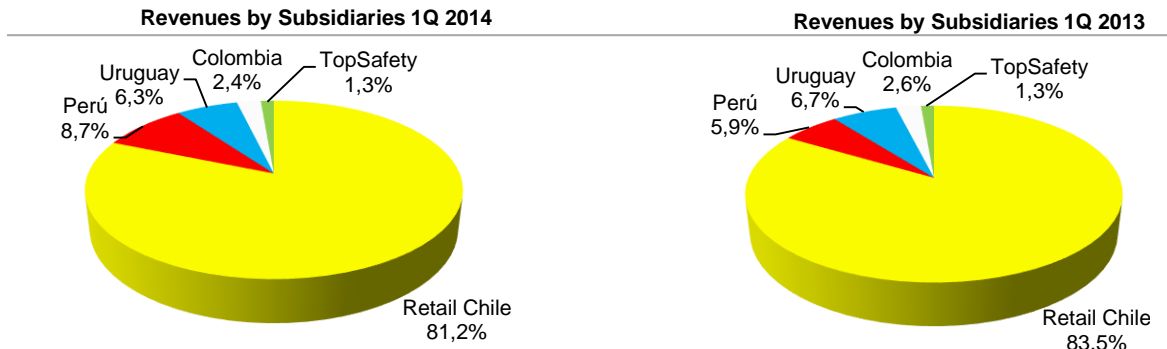
	1Q '14	1Q '13
Colombia	3,2%	18,2%
Peru	-8,0%	12,6%
Uruguay	-1,8%	-5,7%

- In **Peru**, sales of Ch\$ 4,842 million (US\$ 8.8 million) grew 73.4% during 1Q'14, as a result of the strong 95.8% growth in sq.mts. (30 stores), due to the 13 new stores opening and to the acquisition of 17 Billabong stores. It is noteworthy that the -8.0% drop in the sale (SSS) was due to inventory shortage, since the store opening plan considered 6 total stores opened by 2013, but eventually opened 16 stores (excluding Billabong), 12 of which were opened in the spring/summer (2S'13) season, this meant the merchandise sold out earlier in December, not leaving enough inventory for 1Q'14.
- In **Uruguay** sales of CH\$ 3,501 million grew 12.0% in 1Q'14, driven by 8 new stores opened since 1Q'13, which increased the total sales sq.mts. in 19.0% regarding March 2013. This, offsetting the negative effect of Argentinean devaluation in Uruguay, as our Same Store Sales decreased -1.8% compared to 1Q'13.
- In **Colombia** sales of Ch\$ 1,359 million (US\$ 2.5 million) grew 6.4% during 1Q'14. Adjusting intra-company sales, by excluding sales from Forus Colombia to Chile, there is an increase in sales of 12.8%, since there was sales in 1Q'13 by Ch\$72 million. This rise in sales is due both to an increase in Same Store Sales of 3.2% nominal and an increase in square meters of 38.5% (9 new stores).
- Regarding national subsidiary **TopSafety** (company dedicated to industrial safety footwear business) sales during 1Q'14 increased to Ch\$ 885 million (US\$ 1.6 million), rising by 22.5% with regards to the same quarter of the previous year. This growth is due to the successful introduction of new models in the retail channels and the successful incorporation of existing products in key accounts and large industrial sector, which made its annual replenishment preferring our footwear products.



**Analysis of Consolidated Results**

Revenues of international operations in Colombia, Peru and Uruguay represented 17.5% of consolidated revenues of 1Q'14, this is an increase of 2.3 percentage points regarding the 15.2% rise in 1Q'13. This analysis excludes intercompany sales.



**Note:** Inter-company sales were excluded in this analysis.

- **Gross Margin of Ch\$ 30,598 million (US\$ 55.5 million) increased by 14.2%, obtaining a gross margin of 55.0% as a percentage of net Revenues in the 1Q 2014.**

The consolidated gross margin increase is due to rise in Chile (Retail and Wholesale) by 10.1% compared to 1Q'13, as well as by the 36.7% growth of the international subsidiaries. However, gross margin as a percentage of revenue decreased by 2 percentage points from 57.0% in 1Q'13 to 55.0% in 1Q'14 due to a negative effect of exchange rate, since the autumn/winter 2014 collection entered at a 14.7% higher exchange rate, compared to the inputs of the autumn/winter 2013 collection. This effect of exchange rate affected Chile and all the subsidiaries.

Chile's Individual gross margin grew 10.1% compared to 1Q'13, achieving Ch\$ 24,956 million (US\$ 45.3 million). Gross margin as a percentage over sales percentage of 55.1% fell by 0.9 percentage points, compared to 56.0% obtained in 1Q'13. Gross margin in Retail business of Ch\$ 17,698 million (US\$ 32.1 million) increased 12.8% in 1Q'14 and achieved a 57.3% as a percentage of income.

## Analysis of Consolidated Results

Gross margin in Wholesale business of Ch\$ 7,258 million (US\$ 13.2 million) in 1Q'14, increased 4.1%, increasing in 0.1 percentage points from 50.2% in 1Q'13 to 50.3% in 1Q'14. We highlight this improvement considering the negative effect of higher exchange rate.

International subsidiaries gross margin increased as a whole 36.7% during 1Q14 (considering values adjusted by intercompany sales), obtaining Ch\$ 5,342 million (US\$ 9.7 million). Details by country are as follows:

- **Peru:** a gross margin of Ch\$ 2,810 million (US\$ 5.1 million) increased 82.7%, which as a percentage of revenues rises 2.9 percentage points, from 55.1% in 1Q'13 to 58.0% in 1Q'14. This increase in margin is explained by the new brand and stores of Billabong, which has higher gross margins than other Forus brands.
- **Uruguay:** a gross margin of Ch\$ 1,952 million (US\$ 3.5 million) rose 8.8%, reaching a 55.8% as a percentage of revenues. Gross margin as a percentage of revenues decreased 1.7 percentage points, as well as by the higher exchange rate as by a greater weight in Wholesale Business compared to 1Q'13.
- **Colombia:** a gross margin of Ch\$ 580 million (US\$ 1.1 million) increased 0.7% regarding the same quarter of the previous year, as a percentage of revenues decreased by -2.4 points from 45.1% in 1Q'13 to 42.7% in 1Q'14 for 3 effects: (1) the exchange rate increase; (2) higher weight of Wholesale business, which has a lower gross margin than the Retail business; (3) and the negative impact of the Colombian Decree 74, which increases the cost of product sales.

- **The Operating Income of Ch\$ 10,948 million (US\$ 19.9 million), diminished by -2.8% in the 1Q 2014.**

This -2.8% decrease of Consolidated Operating Income is explained mainly by (1) the decrease in Forus Chile Operating Income -explains 93.3% of Consolidated Operating Income- which decreased by -2.3 % compared to 1Q'13 , reaching Ch\$ 10,214 million, as well as by (2) a -14.4% decrease of international subsidiaries Operating Income. The decrease in operating income was due to the higher increase in SG&A than the revenues growth, as increased by 2.3 percentage points as a percentage of revenue, reaching 35.3%. This is explained as: (1) 62% by the Chile 20.8% SG&A increase, representing 32.5% of revenues in 1Q'14 and by (2) 38% by international subsidiaries 50.1% greater SG&A, representing 47.9 % of revenues to 1Q'14. This surge in SG&A is due to the increase in the rate of store openings and to the recent acquisition of 7veinte and Billabong in Chile and Peru.

Chile's Retail business operating income of Ch\$ 5,582 million (US\$ 10.1 million) increased 1.7%, explained by an increase in revenues and gross margin. On the other hand, selling and administrative expenses represented 39.2% of revenues in 1Q'14, thus increasing 0.9 percentage points regarding its 38.3% of revenues in 1Q'13, explained by the incorporation of Billabong and 7veinte new stores. If there weren't these stores, the SGA as a percentage of sales would have been even smaller than the 1Q'13.

On the other hand, in the Wholesale business, a positive operating income of Ch\$ 4,632 million (US\$ 8.4 million) was obtained, decreasing in 6.6%. This is due to an increase in SG&A as a percentage of sales by 3.7 percentage points, from representing 14.5% of revenues in 1Q'13 to 18.2% of revenues in 1Q'14, also explained by the 7veinte and Billabong brands acquisition, which have a stronger weight in Wholesale.

Regarding international subsidiaries as a whole, these presented an Operating Income of Ch\$ 698 million (US\$ 1.3 million), decreasing 14.4% regarding 1Q'13 -due to the SG&A increase- and operating income as a percentage of revenue of 7.2%. Operating Incomes by countries are the following:

## Analysis of Consolidated Results

- **Peru:** Its Operating Income grows 66.6%, obtaining Ch\$ 612 million (US\$ 1.1 million) in 1Q'13, obtaining an Operating Income as a percentage of revenues of 12.6%, 0.5 percentage points below the previous quarter, given the 3.5 increase percentage points in SG&A due to the new stores in the portfolio, as previously detailed.
- **Uruguay:** Its Operating Income of Ch\$ 271 million (US\$ 0.5 million) dropped -45.3% regarding 1Q'13, obtaining an Operating Income as a percentage of revenues of 7.8% in 1Q'14, due to an SG&A increase, explained by the 19.0% expansion in sq.mts. (8 new stores) in 1Q'14 compared to the same period last year.
- **Colombia:** Its Operating Income of -Ch\$ 185 million (-US\$ 0.3 million) increased in 284.7% from the -Ch\$ 48 million (-US\$ 0.1 million) in 1Q'13. SG&A increased by 22.6% reaching a percentage over revenues of 56.3% in 1Q'14, explained by the 32.1% sq.mts. expansion (9 new stores) compared to the same period in 2013.

## Non Operating Result

- **Non Operating Result achieved a gain of Ch\$ 1.363 million (US\$ 2.5 million) improving regarding the loss of -Ch\$ 136 (-US\$ 0.2 million) in 1Q'13.**

This gain is explained by the exchange differential account, which obtained a profit of Ch\$ 1.106 million (US\$ 2.0 million) in 1Q'14, much higher compared to a loss of -Ch\$ 540 million (-US\$ 1.0 million) in 1Q'13. To a lesser extent, Participation in gains (losses) of joint venture businesses increased by 225.4% to a gain of Ch\$ 256 (US\$ 0.5 million), which reflected the gain of the company from LBC Colombia where Forus has a 49% stake.

**Net Profit and EBITDA**

- **Net Profit increased by 11.4% to Ch\$ 9,814 million (US\$ 17.8 million).**

As a percentage of net revenues, it represents 17.7%, -1.1 percentage points below than the 18.8% obtained in 1Q'13.

- **EBITDA of Ch\$ 12,475 million (US\$ 22.6 million) increased by 0.2%, reaching an EBITDA margin of 22.4% in the 1Q 2013.**

This improvement in Forus Consolidated EBITDA would be explained mainly by the subsidiaries' EBITDA growth. Chile's EBITDA of Ch\$ 11,313 million (US\$ 20.5 million) slightly decreased -0.3% from 1Q'13, and represents an EBITDA margin of 25.0% in 1Q'14.

**Data by Country and Business**
**CHILE**

- Retail**

(Million Ch\$)

EERR	1Q '14	% Revenues	1Q '13	% Revenues	Var. % 14/13
Revenues	30.889		26.607		16,1%
Cost of Sales	-13.191		-10.924		20,8%
Gross Margin	17.698	57,3%	15.683	58,9%	12,8%
Operating Income	5.582	18,1%	5.491	20,6%	1,7%

**Same Store Sales Growth**

Data in nominal values (in local currency)

	2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
SSS	2,2%	4,3%	5,9%	8,4%	4,4%			

**Stores Openings / Closings**

	Date	Chain	Store	Sq.meters
Opening	Jan-14	Shoe Express	Paseo Estación	74
Opening	Jan-14	Caterpillar	Alto las Condes	92
Opening	Jan-14	Merrell	Arauco Maipú	88
Opening	Jan-14	We love Shoes	Arauco Maipú	62
Opening	Feb-14	Merrell	Valdivia	73
Opening	Feb-14	Rockford	Plaza Egaña	147
Opening	Mar-14	Merrell	Portal Temuco	55
Opening	Mar-14	Azaleia	Mall San Antonio	43
Opening	Mar-14	Hush Puppies	Mall San Antonio	70
Opening	Mar-14	7Veinte	Plaza Egaña	120
Opening	Mar-14	Caterpillar	Plaza Egaña	122
Opening	Mar-14	Columbia	Plaza Egaña	103
Opening	Mar-14	Merrell	Plaza Egaña	100
Opening	Mar-14	FunSport	Plaza Egaña	82
<b>Total</b>				<b>1.230</b>

## Data by Country and Business

### Change in Total square meters

	March 2014	March 2013	Var. 14/13	Var. % 14/13
N° Stores	287	238	49	20,6%
Square meters sales area + window	32.396	26.690	5.707	21,4%

**Note:** from this quarter and from now on we will show the information as for Chile and as for the rest of the countries of the square meters of just sales area and store's window (without the warehouse).

- Wholesale**

(Million Ch\$)

EERR	1Q '14	% Revenues	1Q '13	% Revenues	Var. % 14/13
Revenues	14.426		13.884		3,9%
Cost of Sales	-7.167		-6.909		3,7%
Gross Margin	7.258	50,3%	6.975	50,2%	4,1%
Operating Income	4.632	32,1%	4.960	35,7%	-6,6%

- TopSafety**

(Million Ch\$)

EERR	1Q '14	% Revenues	1Q '13	% Revenues	Var. % 14/13
Revenues	885		722		22,5%
Cost of Sales	-586		-493		18,8%
Gross Margin	299	33,8%	229	31,7%	30,6%
Operating Income	37	4,2%	-6	-0,9%	-677,4%

## Data by Country and Business

### COLOMBIA

(Million Ch\$)

EERR	1Q '14	% Revenues	1Q '13	% Revenues	Var. % 14/13
Revenues	1.359		1.277		6,4%
Cost of Sales	-778		-701		11,1%
Gross Margin	580	42,7%	576	45,1%	0,7%
Operating Income	-185	-13,6%	-48	-3,8%	284,7%

### Without intra-company inventory sales from Forus Colombia to Chile

EERR	1Q '14	% Revenues	1Q '13	% Revenues	Var. % 14/13
Revenues	1.359		1.205		12,8%
Cost of Sales	-778		-628		23,9%
Gross Margin	580	42,7%	576	47,9%	0,7%
Operating Income	-185	-13,6%	-48	-4,0%	284,7%

### Same Store Sales Growth

Data in nominal values (in local currency)

	2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
SSS	18,2%	-1,3%	8,9%	11,9%	3,2%			

### Stores Openings / Closings

There were no openings or closings of stores during this quarter.

### Change in Total square meters

	March 2014	March 2013	Var. 14/13	Var. % 14/13
N° Stores	37	28	9	32,1%
Square meters sales area + window	2.402	1.734	668	38,5%



**Data by Country and Business**
**PERU**

(Million Ch\$)

EERR	1Q '14	% Revenues	1Q '13	% Revenues	Var. % 14/13
Revenues	4.842		2.792		73,4%
Cost of Sales	-2.033		-1.254		62,1%
Gross Margin	2.810	58,0%	1.538	55,1%	82,7%
Operating Income	612	12,6%	367	13,1%	66,6%

**Same Store Sales Growth**

Data in nominal values (in local currency)

	2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
SSS	12,6%	0,2%	0,9%	4,2%	-8,0%			

**Stores Openings / Closings**

	Date	Chain	Store	Sq.meters
Opening	Mar-14	Billabong	El Sol	77
Opening	Mar-14	Billabong	Orue	96
Closing	Mar-14	Billabong	Benavides	-79
Closing	Mar-14	Billabong	Surquillo	-55
<b>Total</b>				<b>40</b>

**Change in Total square meters**

	March 2014	March 2013	Var. 14/13	Var. % 14/13
N° Stores	66	36	30	83,3%
Square meters sales area + window	5.158	2.635	2.524	95,8%

**Data by Country and Business**
**URUGUAY**

(Million Ch\$)

EERR	1Q '14	% Revenues	1Q '13	% Revenues	Var. % 14/13
Revenues	3.501		3.125		12,0%
Cost of Sales	-1.549		-1.330		16,4%
Gross Margin	1.952	55,8%	1.794	57,4%	8,8%
Operating Income	271	7,8%	496	15,9%	-45,3%

**Same Store Sales Growth**

Data in nominal values (in local currency)

	2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
SSS	-5,7%	-5,1%	-12,0%	-9,4%	-1,8%			

**Stores Openings / Closings**

	Date	Chain	Store	Sq.meters
Closing	Jan-14	Just Smile	Costa Urbana	-176
<b>Total</b>				<b>-176</b>

**Change in Total square meters**

	March 2014	March 2013	Var. 14/13	Var. % 14/13
N° Stores	44	36	8	22,2%
Square meters sales area + window	3.978	3.342	635	19,0%

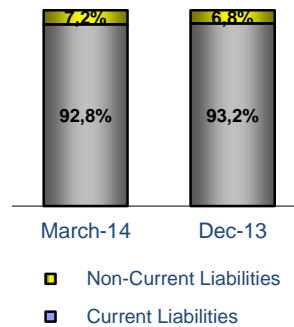
## Financial and Profitability Ratios

- Liquidity Ratios**

	Units	March-14	Dec-13
Current liquidity	times	4,9	4,3
Acid ratio	times	2,7	2,5

- Financial Ratios**

	Units	March-14	Dec-13
Liabilities composition			
Current Liabilities	%	92,8%	93,2%
Non-Current Liabilities	%	7,2%	6,8%



	Units	March-14	Dec-13
Leverage	times	0,19	0,22

- Profitability Ratios**

	Units	March-14	Dec-13
ROA	%	5,7%	5,3%
ROS	%	17,7%	18,8%
ROE	%	6,7%	6,5%

All data is in term of Consolidated Forus.

**Consolidated Balance Sheets**
**FORUS S.A. & SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

expressed in Thousands of Chilean Pesos, as for March 31, 2014 and December 31, 2013

	2014 Th Ch\$	2013 Th Ch\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	8.950.580	8.383.418
Other financial assets, current	24.569.709	33.687.676
Other non-financial assets, current	3.276.874	2.358.196
Trade and other account receivables	30.448.686	21.880.727
Accounts receivables from related companies	328	6.626
Inventories	55.302.297	48.473.974
Tax Assets, current	1.610.132	1.471.459
<b>Total Current Assets</b>	<b>124.158.606</b>	<b>116.262.076</b>
<b>Non-Current Assets</b>		
Other financial assets, Non-current	118.810	331.283
Other non-financial assets, Non-current	2.180.512	2.298.391
Fees receivables, Non-current	175.904	166.060
Investments in Associated	3.271.514	3.110.712
Net intangibles assets	3.392.970	3.417.123
Goodwill	8.810.772	8.810.772
Property, plant and equipments	29.490.271	29.084.804
Deferred tax Assets	1.685.894	1.577.054
<b>Total Non-Current Assets</b>	<b>49.126.647</b>	<b>48.796.199</b>
<b>TOTAL ASSETS</b>	<b>173.285.253</b>	<b>165.058.275</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Other financial liabilities, current	3.162.881	2.199.410
Current trade and other current accounts payable	9.908.347	12.784.120
Current accounts payable to related companies	310.939	304.828
Other current Provisions	8.144.902	7.501.216
Current tax liabilities	529.205	166.214
Current Provisions for employees benefits	2.009.105	3.053.515
Other non-financial liabilities, current	1.440.161	1.314.019
<b>Total Current Liabilities</b>	<b>25.505.540</b>	<b>27.323.322</b>
<b>Non-Current Liabilities</b>		
Other non-current financial liabilities	1.879.619	1.877.777
Deferred taxes liabilities	-	-
Other non-financial non-current liabilities	97.362	108.842
<b>Total Non-Current Liabilities</b>	<b>1.976.981</b>	<b>1.986.619</b>
<b>TOTAL LIABILITIES</b>	<b>27.482.521</b>	<b>29.309.941</b>
<b>SHAREHOLDER'S EQUITY</b>		
Paid-in capital	24.242.787	24.242.787
Retained earnings	101.906.888	92.093.067
Issue Premium	17.386.164	17.386.164
Other reserves	724.223	422.035
Equity attributable to equity holders of the parent	144.260.062	134.144.053
Non-controlling interest	1.542.670	1.604.281
<b>Total Net Equity</b>	<b>145.802.732</b>	<b>135.748.334</b>
<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>173.285.253</b>	<b>165.058.275</b>

**FORUS S.A. & SUBSIDIARIES**  
**CONSOLIDATED INCOME STATEMENT**

expressed in Thousands of Chilean Pesos for the quarters

	1Q'14 Th Ch\$	1Q'13 Th Ch\$
Revenues	55.591.679	46.984.865
Cost of Sales	(24.993.879)	(20.188.970)
<b>Gross Margin</b>	<b>30.597.800</b>	<b>26.795.895</b>
Other incomes of total operation	46.642	32.251
Logistic costs	(671.131)	(485.618)
Administrative Expenses	(18.978.291)	(15.051.485)
Other expenses of total operation	(58.724)	(57.559)
Other gains or (losses)	74.065	15.418
Financial Income	117.533	446.557
Financial Expenses	(156.872)	(109.938)
Participation in gains (losses) of joint venture businesses accounted by using the proportional value of participation	256.183	78.728
Exchange Differentials	1.105.795	(540.564)
Result of Indexation units	(21.450)	(1.176)
<b>Profit before income tax</b>	<b>12.311.550</b>	<b>11.122.509</b>
Income Taxes	(2.497.729)	(2.310.716)
<b>Profit (loss)</b>	<b>9.813.821</b>	<b>8.811.793</b>
Profit (loss) attributable to equity holders of parent	9.919.291	8.869.357
Profit (loss) attributable to minority interest	(105.470)	(57.564)
<b>Profit (loss)</b>	<b>9.813.821</b>	<b>8.811.793</b>
<b>Income per Common Share</b>	<b>\$ 38,0</b>	<b>\$ 34,1</b>

**Forus S.A.**

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