

FINANCIAL REPORT

THIRD QUARTER 2016
NOVEMBER 2016

FORUS
brands & retail



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Notes:

- All figures in dollars are calculated using the observed dollar exchange rate for October 3rd, 2016 (Ch\$ 658.02 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). SG&A: Selling, General and Administration.
- Currency symbols: Ch\$: Chilean pesos; US\$: U.S. dollars; MM: millions.

- Consolidated Revenues increased 2.8% to Ch\$ 55,756 million (US\$ 84.7 million) in the 3Q 2016.
- Gross Margin of Ch\$ 28,373 million (US\$ 43.1 million) grew 1.2%, obtaining a gross margin of 50.9% as a percentage of Revenues in 3Q 2016, 0.8 percentage points below the 51.7% reported in 3Q 2015.
- Operating Income of Ch\$ 5,261 million (US\$ 8.0 million) decreased -10.9% during 3Q 2016. The Operating margin reached a 9.4% of Revenues in 3Q 2016, 1.4 percentage point lower than the 10.9% reported in 3Q 2015.
- EBITDA of Ch\$ 6,765 million (US\$ 10.3 million) fell -15.2%, reaching an EBITDA margin of 12.1% in 3Q 2016, a decreased of 2.6 percentage points below the 14.7% of 3Q 2015.
- Net Profit decreased -36.5% to Ch\$ 4,148 million (US\$ 6.3 million). Its represents 7.4% as a percentage of 3Q 2016 net revenues.
- The Revenues from the International Operations in Colombia, Peru and Uruguay represented 16.7% of the Consolidated Revenues in 3Q 2016.

- Consolidated Revenues increased 3.7% to Ch\$ 179,949 million (US\$ 273.5 million) accumulated as of September 2016.
- Gross Margin of Ch\$ 95,545 million (US\$ 145.2 million) grew 2.6%, obtaining a gross margin of 53.1% as a percentage of Revenues accumulated as of September 2016, 0.5 percentage points below the 53.6% reported as of September 2015.
- Operating Income of Ch\$ 26,383 million (US\$ 40.1 million) decreased -1.3% accumulated as of September 2016. The Operating margin contracted to 14.7% of Revenues during the 9M 2016.
- EBITDA of Ch\$ 31,043 million (US\$ 47.2 million) fell -3.6%, reaching an EBITDA margin of 17.3% accumulated as of September 2016.
- Net Profit decreased -21.1% to Ch\$ 19,068 million (US\$ 29.0 million) accumulated as of September 2016. Its represents 10.6% as a percentage of 9M 2016 net revenues.
- The Revenues from the International Operations in Colombia, Peru and Uruguay represented 16.9% of the Consolidated Revenues in 9M 2016.

Stores Opening

Total of new stores opened in 3Q 2016: 10 stores

During the 3Q 2016 the company opened the following new stores:

Country	# Stores	Chain	Store	City	Sq. meters
Chile		Funsport	Vivo San Fernando	San Fernando	96
		Azaleia	Vivo San Fernando	San Fernando	53
		Hush Puppies Kids	Paseo Costanera	Santiago	72
Total	3				220
Peru		D House	Lurín	Lima	322
Total	1				322
Colombia		Merrell	La Estación	Cali	56
		Cat	La Estación	Cali	65
		D House	La Floresta	Bogotá	83
Total	3				204
Uruguay		Columbia	Montevideo Shopping	Montevideo	72
		Columbia	Punta Carretas	Montevideo	51
		Columbia	Tres Cruces	Montevideo	35
Total	3				158
Total	10				904

New CEO in Forus S.A

On July 4, **Hugo Ovando Zalazar** joined the Forus Company as the Chief Executive Officer of Forus S.A. He studied business administration at Pontificia Universidad Católica de Chile and has an MBA at Babson College, USA. Ovando had a successful career for over 18 years at Compañía Cervecerías Unidas S.A. (CCU), the leading Chilean company in the consumer sector, becoming CEO of the CCU Brewery division.

New Brand Columbia Brand in Uruguay

On July of this year, Forus acquired the license of the Columbia brand in Uruguay. The brand will be sold mainly through Columbia stores and in a lesser extent, through D House and Rockford stores. In August 2016, Columbia opened 2 new stores and on September was opened the 3rd store. Now we have the Columbia brand in the markets of Chile, Peru and Uruguay.



New Brand Body & Soul in Chile

On August of this year, Forus launched the brand Body & Soul in Chile. It is an own brand of apparel and accessories for the Lifestyle Sports concept of Running, Fitness and Yoga, which will complement the Brooks running shoe collection. The brand is commercialized through Brooks and Funsport stores.



Launch of e-commerce for the brand Keds in Chile

On October of 2016, a new e-commerce for the brand **Keds** was launched in Chile (www.keds.cl). This is the ninth e-commerce site of Forus, along with the e-commerce sites of Cat, My Hush Puppies, Columbia and Merrell in 2013, Jansport, 7veinte and Norsej in 2014 and Zapatos.cl in 2015.

FORUS S.A. & SUBSIDIARIES
Consolidated Income Statement 3rd Quarter
expressed in Thousands of Chilean Pesos from July 1st to September 30th

	3Q'16 Th Ch\$	% Revenues	3Q'15 Th Ch\$	% Revenues	Var. % 16/15
Revenues	55.756.428		54.260.626		2,8%
Cost of Sales	(27.383.389)	-49,1%	(26.234.475)	-48,3%	4,4%
Gross Margin	28.373.039	50,9%	28.026.151	51,7%	1,2%
Logistic costs	(784.314)	-1,4%	(644.290)	-1,2%	21,7%
Administrative Expenses	(22.328.001)	-40,0%	(21.479.203)	-39,6%	4,0%
Selling, General and Administrative Expenses	(23.112.315)	-41,5%	(22.123.493)	-40,8%	4,5%
Operating Income	5.260.724	9,4%	5.902.658	10,9%	-10,9%
Other incomes of total operation	29.726		334.661		-91,1%
Other expenses of total operation	(79.986)		(106.651)		-25,0%
Financial Income	389.272		398.120		-2,2%
Financial Expenses	(95.130)		(98.199)		-3,1%
Participation in gains (losses) of joint venture businesses accounted by using the proportional value of participation	(15.911)		140.093		-111,4%
Exchange Differentials	127.075		1.887.303		-93,3%
Result of Indexation units	(12.037)		(29.929)		-59,8%
Other gains and losses	(5.615)		(8.013)		-29,9%
Non-Operating Income	337.394	0,6%	2.517.385	4,6%	-86,6%
Profit before income tax	5.598.118	10,0%	8.420.043	15,5%	-33,5%
(Expenses) Income Taxes	(1.450.052)		(1.888.828)		-23,2%
Profit (loss)	4.148.066	7,4%	6.531.215	12,0%	-36,5%
Profit (loss) attributable to equity holders of parent	4.206.473		6.557.486		-35,9%
Profit (loss) attributable to minority interest	(58.407)		(26.271)		122,3%
Profit (loss)	4.148.066	7,4%	6.531.215	12,0%	-36,5%
EBITDA	6.764.679	12,1%	7.981.409	14,7%	-15,2%

FORUS S.A. & SUBSIDIARIES
Consolidated Income Statement

expressed in Thousands of Chilean Pesos accumulated to September 30th

	9M 2016	% Revenues	9M 2015	% Revenues	Var. % 16/15
	Th Ch\$		Th Ch\$		
Revenues	179.949.366		173.583.400		3,7%
Cost of Sales	(84.404.777)	-46,9%	(80.459.669)	-46,4%	4,9%
Gross Margin	95.544.589	53,1%	93.123.731	53,6%	2,6%
Logistic costs	(2.096.223)	-1,2%	(1.857.463)	-1,1%	12,9%
Administrative Expenses	(67.064.937)	-37,3%	(64.541.691)	-37,2%	3,9%
Selling, General and Administrative Expenses	(69.161.160)	-38,4%	(66.399.154)	-38,3%	4,2%
Operating Income	26.383.429	14,7%	26.724.577	15,4%	-1,3%
Other incomes of total operation	276.623		547.977		-49,5%
Other expenses of total operation	(214.858)		(242.863)		-11,5%
Financial Income	1.387.360		501.802		176,5%
Financial Expenses	(268.894)		(312.575)		-14,0%
Participation in gains (losses) of joint venture businesses accounted by using the proportional value of participation	(180.447)		203.446		-188,7%
Exchange Differentials	(1.922.726)		3.203.386		-160,0%
Result of Indexation units	(39.587)		(17.391)		127,6%
Other gains and losses	55.933		498.057		-88,8%
Non-Operating Income	(906.596)	-0,5%	4.381.839	2,5%	-120,7%
Profit before income tax	25.476.833	14,2%	31.106.416	17,9%	-18,1%
(Expenses) Income Taxes	(6.408.828)		(6.945.187)		-7,7%
Profit (loss)	19.068.005	10,6%	24.161.229	13,9%	-21,1%
Profit (loss) attributable to equity holders of parent	19.297.215		24.282.219		-20,5%
Profit (loss) attributable to minority interest	(229.210)		(120.990)		89,4%
Profit (loss)	19.068.005	10,6%	24.161.229	13,9%	-21,1%
EBITDA	31.042.720	17,3%	32.211.961	18,6%	-3,6%

Operating Income

- **Consolidated Revenues increased 2.8% to Ch\$ 55,756 million (US\$ 84.7 million) in the 3Q 2016.**

The increase in sales can be explained only by the 4.4% increase in sales in Chile, which reached a figure of Ch\$ 46,505 million (US\$ 70.7 million) during 3Q'16 and representing 83.3% of consolidated sales. This growth is only explained by the growth of sales of the Retail business, which grew 5.8% in 3Q'16, while the wholesale business grew by only 0.2%.

Regarding the Retail business in Chile, sales amounted to Ch\$ 34,915 million (US\$ 53.1 million), growing by 5.8% compared to 3Q'15 and representing 75% of Chile's total sales. These higher sales are explained only by the 3.5% growth (nominal value in local currency) in SSS (same equivalent stores) during the period, since the growth per square meters was only 0.6% to September 2016 compared to the same period of the previous year, which consists of 3 new net stores (openings minus closures). Growth in SSS can be explained by the factors of climate and collection. First, the climate was a factor that helped the sales growth in both July and September, similar to what happened in the 2Q'16. In September, the transition to summer was marked and on time, and with temperatures higher than the same period last year and the historical average, in addition to very few rainfalls compared to the same period of the previous year. These factors allowed to boost sales of mid-season products and the early summer collection during the quarter. Regarding the collection effect, the summer collection came with a good choice of product mix in stores, positively impacting sales. On the other hand, the economic environment continued to have a negative impact on the country, noting that consumer confidence - measured by the IPEC index - reached its all-time low in August this year. In addition, the quarterly IPEC was again lower than the 3Q'15 by 1.5 percentage points, from 34.1 to 32.6 in this quarter. On the other hand, the average IMACEC index of 3Q'16 grew by 1.9%, less than the 2.2% growth in 3Q'15.

As for Wholesale's business, revenues of Ch\$ 11,590 million (US\$ 17.6 million) grew 0.2% compared to 3Q'15 and accounted for 25% of Chile's sales in 3Q'16, which is 1 percentage point lower than the 26% in 3Q'15.

In regards to international subsidiaries, whose revenues represented 16.7% of total consolidated revenues during 3Q'16, they fell by -5.2% as a whole regarding 3Q'15. The results of these companies are the following:

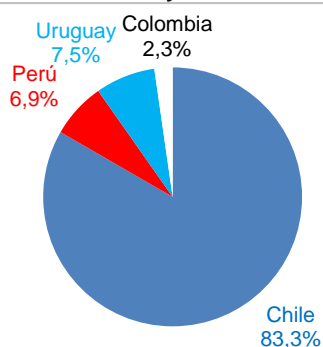
- **Colombia:** sales of Ch\$ 1,265 million (US\$ 1.9 million) decreased -2.5% in 3Q'16. This decrease is explained by the currency translation effect since in its local currency consolidated sales remained stable, growing by 0.4% in 3Q'16. This decrease in sales in CLP is explained by the decrease in the wholesale business, since sales of the retail business grew by 2.3%, explained by the growth in square meters of 19.0% as of September 2016 compared to September 2015, which consists of 8 new net stores that helped counteract the low performance of SSS, which decreased -1.5% nominal in local currency, compared to 3Q'15.
- **Peru:** sales of Ch\$ 3,856 million (US\$ 5.9 million) decreased -11.0% compared to sales in 3Q'15. This drop on sales is explained both by the decrease of SSS of -4.2% (local currency, nominal value) during 3Q'16, compared to 3Q'15, as well as by the currency translation effect still present - given the 5% depreciation of the Peruvian sol and the appreciation of 6% of the Chilean peso against the dollar - since sales in local currency decreased only by -5.3%. On the other hand, square meters with respect to September 2015 grew by 3.2%, but the number of net stores fell by 2 less net stores.
- **Uruguay:** sales of Ch \$ 4,169 million (US\$ 6.3 million) in 3Q'16 remained neutral compared to 3Q'15, with a variation of 0.0%. This is explained only by a currency conversion effect, since in local currency sales increased by 3.1% over the same

Analysis of Consolidated Results

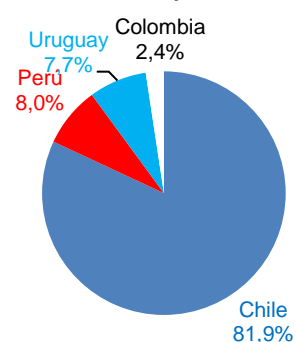
period of the previous year. This growth in sales in local currency is explained only due to the 4.2% square meter increase in stores, which consists of 2 additional net stores, among which are the 3 new Columbia brand stores opened during this quarter. On the other hand, the SSS was -1.2% (in local currency, nominal value) during 3Q'16.

Revenues of international operations in Colombia, Peru and Uruguay represented a **16.7%** of consolidated revenues in **3Q'16**.

Revenues by Subsidiaries 3Q 2016



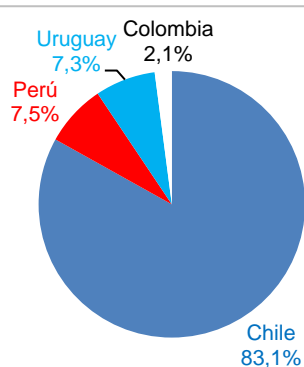
Revenues by Subsidiaries 3Q 2015



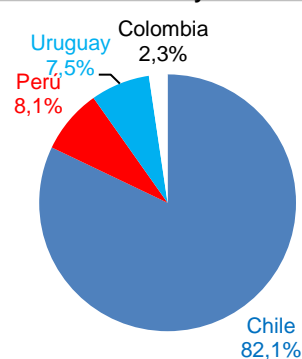
Note: Inter-company sales were excluded in this analysis.

Revenues of international operations in Colombia, Peru and Uruguay represented a **16.9%** of consolidated revenues **accumulated as of September of 2016**.

Revenues by Subsidiaries 9M '16



Revenues by Subsidiaries 9M '15



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

- **Gross Margin of Ch\$ 28,373 million (US\$ 43.1 million) increased 1.2%, obtaining a gross margin of 50.9% as a percentage of net Revenues in the 3Q 2016.**

The Consolidated Gross Margin as a percentage of revenues decreased by 0.8 percentage points from 51.7% in 3Q'15 to 50.9% in 3Q'16, explained by the negative effect of the exchange rate presented in all local currencies during great part of the quarter, because of a depreciation against the dollar due to the final sales of the fall / winter 2016 collection. The increase, in absolute terms, of the Gross Margin is due only to the 2.5% increase in gross margin in Chile -by both the Retail and Wholesale business. On the other hand, the gross margin of the subsidiaries decreased -4.5% compared to 3Q'15.

Chile's consolidated gross margin reached Ch\$ 23,670 million (US\$ 36.0 million) and grew 2.5% compared to 3Q'15, thanks to the gross margin growth in both Retail and Wholesale business. In percentage terms, the gross margin was 50.9% with respect to sales in 3Q'16, which decreased by 0.9 percentage points compared to the margin in 3Q'15. This percentage decrease in gross margin was due to the fact that in this quarter, in July and August and part of September, products from the autumn / winter collection were sold, which has a negative effect of the exchange rate due to the increase of the dollar by 15.4% compared to the fall / winter collection 2015. In addition, July and August were months where the negative impact on the gross margin was higher, given the comparative basis of a July and August 2015 with few price discounts (in fact the percentage gross margin was increased in those months compared to 2014) versus July and August of 2016 where normal end-of-season discounts were made, according to the competitor's behavior.

The gross margin of the Retail business of Ch\$ 18,201 million (US\$ 27.7 million) during 3Q'16 grew by 1.4% compared to the same period of the previous year. The gross margin was 52.1% in 3Q'16, which decreased by 2.3 percentage points compared to the 54.4% margin of 3Q'15, both due to the remaining depreciation effect of 15.4% we had with the fall / winter collection that ended up being sold in

this quarter, as by the comparable base effect against the third quarter of 2015 explained in the previous paragraph regarding the late fall / winter season discount policy, which were higher than those of 3Q'15.

The Gross margin of business Wholesale of Ch\$ 5,469 million (US\$ 8.3 million) in 3Q'16 increased 6.1% compared to 3Q'15. In percentage terms, the gross margin increased by 2.6 percentage points over the same quarter of the previous year, despite the negative exchange rate effect of the fall / winter collections and the almost zero FX effect with which it entered the new collection spring / summer that allowed to reduce the pressure in margins.

As for the gross margin of international subsidiaries in the 3Q'16, it decreased -4.5%, as a whole, reaching Ch\$ 4.703 million (US\$ 7.1 million), with a gross margin of 50.6% as a percentage of revenues, which increased by 0,35 points over the same period last year. The breakdown by country is as follows:

- **Colombia:** gross margin of Ch\$ 510 million (US\$ 0.8 million) decreased by -18.1% compared to the same period of the previous year. As a percentage of revenues decreased by -7.7 percentage points from 48.0% in 3Q'15 to 40.3% in 3Q'16. This decrease in the gross margin is mainly explained by the Retail business, which fell by -8.6 percentage points due to an increase in the COGS, due to the strong depreciation of the Colombian peso against the dollar in the fall / winter 2016 collections. On the other hand, there is a currency translation effect, where the combined effect of the Colombian peso and the Chilean peso against the dollar still has a negative effect on translating local currency into CLP. Finally, Colombia is facing a challenging market environment, where competition in competitive price and policies pushes the gross margin downwards. In addition, the adverse macroeconomic scenario still present in the country, where consumer confidence remains negative - reaching a weighted average of -7.78 for the quarter - and economic expectations are still negative, generating high pressure in Colombia's margins.

- **Peru:** gross margin of Ch\$ 1,956 million (US\$ 3.0 million) decreased by -10.5% in 3Q'16 compared to the same period of the previous year and in percentage terms, it increased by 0.3 percentage points from 50.4% in 3Q'15 to 50.7% for the 3Q'16. It should be noted that the percentage gross margin has increased, considering that there is still a negative effect on the margins due to the depreciation of the currency against the dollar. On the other hand, the decrease in gross margin is due only to the drop in sales of -11.0% compared to 3Q'15, as the gross margin as a percentage of sales increased by 0.3 percentage points. The growth in the gross margin is explained only because it is part of the company's strategy to protect margins in that country aligned with the strategy to make the operation profitable, which is only possible by maintaining a healthy inventory level and having a good perform in revenue management. That's how the gross margin in the Retail business increased by 0.7 percentage points compared to 3Q'15.

Uruguay: gross margin of Ch\$ 2,238 million (US\$ 3.4 million) grew 5.6% compared to 3Q'15, which as a percentage of revenues reached 53.7% to 3Q'16, that is 2.8 percentage points over 50.9% obtained in 3Q'15. The good gross margin obtained in this quarter stands out, considering the negative effect of exchange rate on the COGS of the fall / winter 2016 collection.

- **Operating Income decreased -10.9% in the 3Q 2016 to Ch\$ 5,261 million (US\$ 8.0 million). The Operating margin in 3Q'16 was 9.4%.**

The decrease in Consolidated Operating Result is due to the fact that the Consolidated gross margin grew by only 1.2%, while SG&A expenses increased by 4.5% compared to 3Q'15. On the other hand, this drop in the Consolidated Operating Result is due to the fall in Chile's operating result, which decreased by -10.2% compared to 3Q'15, reaching a figure of Ch \$ 5,771 million (US\$ 8.8 million) in 3Q'16,

while the operating results of the subsidiaries almost remained stable, decreasing their loss by -2.1% in 3Q'16.

The operating result of Chile as a percentage of sales was 12.4%, which is 2.0 percentage points lower than the 14.4% of 3Q'15. Operating Income from the Retail business in Chile of Ch \$ 3,236 million (US\$ 4.9 million) decreased -18.0% in 3Q'16 and, as a percentage of revenues, reached an operating margin of 9.3% in 3Q'16, which is -2.7 Percentage points lower than the operating margin of 12.0% obtained in Q3'15. This fall in the operating income is mainly explained by the fall in the gross margin by 2.3 percentage points, due to the discount policies established during the end of the autumn / winter season, as well as the increase in SG&As, which increased in 6.9% and, as a percentage of sales, were 42.9% in 3Q'16, rising by 0.4 percentage points over 3Q'15. This increase in SG&A was mainly due to higher commercial costs and, together with the decrease in gross margin, came to offset sales growth in the quarter, impacting negatively on operating income.

The Operating Result of the Wholesale business in Chile of Ch\$ 2,535 million (US\$ 3.9 million) increased 2.2% compared to 3Q'15, and as a percentage of revenues represented 21.9% in 3Q'16, increasing the operating margin by 0.4 percentage points compared to 3Q'15. This growth is due only to the growth of the gross margin by 2.6 percentage points, which allowed to counteract the growth of SG&As costs by 9.7% during the period.

Regarding International subsidiaries, they had, as a whole, an operating loss of Ch\$ - 511 million (US\$ -0.8 million), decreasing -2.1% compared to the Ch\$ -522 million loss of 3Q'15. Operating Results by country are as follows:

- **Colombia:** The operating loss of Ch\$ -189 million (US\$ -0.3 million) - explained by 83% of the operating loss of Wholesale business, particularly affected by the country's economic environment - increased by 68.5% compared to the Ch\$ -112 in 3Q'15, resulting of both the decrease in sales of -2.5% and the sharp decline in

gross margin by 7.7 percentage points in 3Q'16. However, it is worth mentioning the decrease of the SG&As in absolute values by -4.9% compared to 3Q'15, as well as a percentage of sales, decreasing by 1.4 percentage points in 3Q'16 with respect to the same Period of the previous year. Yet, this improvement in SG&A was not enough to compensate for the fall in the gross margin, so the loss of the operational result grows.

- **Peru:** The Operating Loss of Ch\$ -396 million (US\$ -0.6 million) decreases by -4.0% in relation to the operating loss of Ch \$ -413 million of 3Q'15. This loss is explained only by the decrease in sales of -11.0% during the quarter, which also affected the gross margin, as the subsidiary did not manage to dilute operating costs due to lower sales, as the SG&A, despite the fact that they decreased by -9.4% in absolute values, increased by 1.1 percentage points as percentages of sales during 3Q'16. It should be highlighted that there are still a large number of immature stores in Peru due to the great growth in stores of previous years, having to date 63% of the total of the stores not yet mature in sales, which still impacts negatively on the SG&As.
- **Uruguay:** Operating Income of Ch\$ 74 million (US\$ 0.1 million) increased 2240.5% compared to the profit of Ch\$ 3 million of 3Q'15. This result is obtained by the increased in gross margin by 5.6% during 3Q'16, which increased by 2.8 percentage points as a percentage of sales. The increase in operating income is mainly explained by the increase in operating results of the wholesale business, and to a lesser extent by the Retail business - which explains it by 21%. On the other hand, the SG&As increased by 2.2% in 3Q'16, which was not enough to offset the good performance of the gross margin.

Non-Operating Result

- **Non-Operating Result achieved a gain of Ch\$337 million (US\$ 0.5 million), but decreased by -86.6% compared to the 3Q'15, representing 0.6% of revenues in 3Q'16.**

This decrease in Non-Operating Income compared to 3Q'15 is mainly explained by the Exchange Differences account, which during the quarter had a gain of only Ch\$ 127 million (US\$ 0.2 million), decreasing -93.3% compared to the gain of Ch\$ 1,887 million reported in 3Q '15, due to a devaluation effect of the foreign currency - dollar - in which the cash is invested. Another account that explains this fall is Other Income by function, whose income decreases -91.1%, obtaining a profit of Ch\$ 30 million compared to the Ch\$ 335 million reported in 3Q'15. Finally, the Participation in gain (losses) of joint ventures businesses account decreased -111.4%, obtaining losses by Ch\$ -16 million compared to the profit of Ch\$ 140 million of 3Q'15.

Net Profit and EBITDA

- **Net Profit of Ch\$ 4,148 million (US\$ 6.3 million) decreased -36.5% compared to the 3Q'15.**

Net Income as a percentage of revenues, represented 7.4% to 3Q'16. The drop in pre-tax income is explained for the most part - by 77% - by the fall in non-operating income of 3Q'16 by -86.6% compared to 3Q'15, while 23% is explained by the drop of -10.9% in Operating Income. On the other hand, there is an increase in the effective tax rate from 22.4% in 3Q'15 to a rate of 25.9% in 3Q'16.

- **EBITDA of Ch\$ 6,765 million (US\$ 10.3 million) fell -15.2%, reaching an EBITDA margin of 12.1% in 3Q 2016.**

This fall in consolidated EBITDA is explained in 90% due the decrease in Chile's EBITDA by -14.0% in 3Q'16 compared to 3Q'15, reaching a figure of Ch\$ 6,738 million (US\$ 10.2 million) and representing an EBITDA margin of 14,5% for 3Q'16. On the other hand, the EBITDA of the international subsidiaries as a whole decreased by –

82.1%, due to both the fall in Colombia's and Peru's EBITDA, which explains the remaining 10% of the consolidated EBITDA. It must be highlighted the positive EBITDA of Uruguay, which grew 47.6% in 3Q'16.

Summary Table of Countries

Revenues (Million Ch. \$)

	3Q '16	3Q '15	Var %	Var % Local Currency	9M 2016	9M 2015	Var %	Var % Local Currency
Chile	46.505	44.553	4,4%	4,4%	149.707	142.678	4,9%	4,9%
Colombia	1.265	1.297	-2,5%	0,4%	3.713	4.059	-8,5%	0,3%
Peru	3.856	4.335	-11,0%	-5,3%	13.516	14.083	-4,0%	-3,3%
Uruguay	4.169	4.168	0,0%	3,1%	13.189	12.938	1,9%	10,5%
Total Filiales	9.290	9.799	-5,2%		30.418	31.080	-2,1%	

Same Store Sales

Data in nominal values (in local currency)

	2015				2015 FY	2016				2015 9M	2016
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q		
Chile	0,8%	-6,4%	-1,2%	-4,5%	-3,2%	-1,8%	9,0%	3,5%		-2,6%	3,9%
Colombia	12,8%	6,3%	4,9%	-1,3%	4,4%	-4,1%	1,5%	-1,5%		7,7%	-1,4%
Peru	2,1%	-6,7%	-12,2%	-11,6%	-7,5%	-2,2%	2,7%	-4,2%		-5,7%	-1,2%
Uruguay	-6,9%	-6,4%	-3,2%	1,5%	-3,5%	9,5%	12,2%	-1,2%		-5,5%	7,2%

Number of Stores and Surfaces of square meters

	Sep. 2016		Sep. 2015	
	# Stores	Surface of sqm	# Stores	Surface of sqm
Chile	321	36.471	318	36.245
Colombia	54	3.628	46	3.048
Perú	76	6.538	78	6.332
Uruguay	50	4.233	48	4.063
Total	501	50.869	490	49.688

CHILE

• **Retail**

(Million Ch\$)

P&L	3Q '16	% Revenues	3Q '15	% Revenues	Var. % 16/15
Revenues	34.915		32.988		5,8%
Cost of Sales	-16.714		-15.041		11,1%
Gross Margin	18.201	52,1%	17.946	54,4%	1,4%
SG&A	-14.964	-42,9%	-14.002	-42,4%	6,9%
Operating Income	3.236	9,3%	3.945	12,0%	-18,0%

(Million Ch\$)

P&L	9M 2016	% Revenues	9M 2015	% Revenues	Var. % 16/15
Revenues	115.024		106.870		7,6%
Cost of Sales	-50.907		-46.263		10,0%
Gross Margin	64.117	55,7%	60.607	56,7%	5,8%
SG&A	-45.452	-39,5%	-42.176	-39,5%	7,8%
Operating Income	18.666	16,2%	18.431	17,2%	1,3%

Same Store Sales Growth

Data in nominal values (in local currency)

	2015					FY	2016				9M	
	1Q	2Q	3Q	4Q	1Q		2Q	3Q	4Q	2015	2016	
SSS	0,8%	-6,4%	-1,2%	-4,5%	-3,2%	-1,8%	9,0%	3,5%		-2,6%	3,9%	

Stores Openings / Closings

	Date	Chain	Store	Sq.meters
Opening	jul-16	Funsport	Vivo San Fernando	96
Closing	aug-16	We Love Shoes	Parque Arauco	-113
Opening	aug-16	Azaleia	Vivo San Fernando	53
Opening	aug-16	Hush Puppies Kids	Paseo Costanera	72
Total				107

Change in Total square meters

	Sep. 2016	Sep. 2015	Var. 15/14	Var. % 16/15
N° Stores	321	318	3	0,9%
Square meters	36.471	36.245	226	0,6%

- Wholesale**

(Million Ch\$)

P&L (Corrected)*	3Q '16	% Revenues	3Q '15	% Revenues	Var. % 16/15
Revenues	11.590		11.566		0,2%
Cost of Sales	-6.121		-6.412		-4,5%
Gross Margin	5.469	47,2%	5.153	44,6%	6,1%
SG&A	-2.934	-25,3%	-2.673	-23,1%	9,7%
Operating Income	2.535	21,9%	2.480	21,4%	2,2%

(Million Ch\$)

P&L (Corrected)*	9M 2016	% Revenues	9M 2015	% Revenues	Var. % 16/15
Revenues	34.683		35.809		-3,1%
Cost of Sales	-18.810		-19.598		-4,0%
Gross Margin	15.873	45,8%	16.210	45,3%	-2,1%
SG&A	-7.582	-21,9%	-7.947	-22,2%	-4,6%
Operating Income	8.292	23,9%	8.263	23,1%	0,4%

- Total Chile (Retail + Wholesale)**

EERR	3Q '16	% Ingresos	3Q '15	% Ingresos	Var. % 16/15
Ingresos	46.505		44.553		4,4%
Costos	-22.836		-21.453		6,4%
Margen Bruto	23.670	50,9%	23.100	51,8%	2,5%
GAV	-17.898	-38,5%	-16.675	-37,4%	7,3%
Resultado Operacional	5.771	12,4%	6.424	14,4%	-10,2%

EERR	9M 2016	% Ingresos	9M 2015	% Ingresos	Var. % 16/15
Ingresos	149.707		142.678		4,9%
Costos	-69.717		-65.861		5,9%
Margen Bruto	79.991	53,4%	76.817	53,8%	4,1%
GAV	-53.033	-35,4%	-50.123	-35,1%	5,8%
Resultado Operacional	26.957	18,0%	26.694	18,7%	1,0%

COLOMBIA

(Million Ch\$)

P&L	3Q '16	% Revenues	3Q '15	% Revenues	Var. % 16/15
Revenues	1.265		1.297		-2,5%
Cost of Sales	-755		-674		12,0%
Gross Margin	510	40,3%	622	48,0%	-18,1%
SG&A	-699	-55,2%	-734	-56,6%	-4,9%
Operating Income	-189	-14,9%	-112	-8,6%	68,5%

(Million Ch\$)

P&L	9M 2016	% Revenues	9M 2015	% Revenues	Var. % 16/15
Revenues	3.713		4.059		-8,5%
Cost of Sales	-2.125		-2.066		2,8%
Gross Margin	1.588	42,8%	1.992	49,1%	-20,3%
SG&A	-2.264	-61,0%	-2.397	-59,1%	-5,6%
Operating Income	-676	-18,2%	-405	-10,0%	67,0%

Same Store Sales Growth

Data in nominal values (in local currency)

	2015				FY	2016				9M	
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q	2015	2016
SSS	12,8%	6,3%	4,9%	-1,3%	4,4%	-4,1%	1,5%	-1,5%		7,7%	-1,4%

Stores Openings / Closings

	Date	Chain	Store	Sq.meters
Opening	jul-16	Merrell	La Estación	56
Opening	jul-16	Cat	La Estación	65
Opening	ago-16	D House	La Floresta	83
Total				204

Change in Total square meters

	Sep. 2016	Sep. 2015	Var. 15/14	Var. % 16/15
N° Stores	54	46	8	17,4%
Square meters	3.628	3.048	580	19,0%

PERU

(Million Ch\$)

P&L	3Q '16	% Revenues	3Q '15	% Revenues	Var. % 16/15
Revenues	3.856		4.335		-11,0%
Cost of Sales	-1.901		-2.151		-11,6%
Gross Margin	1.956	50,7%	2.184	50,4%	-10,5%
SG&A	-2.352	-61,0%	-2.597	-59,9%	-9,4%
Operating Income	-396	-10,3%	-413	-9,5%	-4,0%

(Million Ch\$)

P&L	9M 2016	% Revenues	9M 2015	% Revenues	Var. % 16/15
Revenues	13.516		14.083		-4,0%
Cost of Sales	-6.728		-6.903		-2,5%
Gross Margin	6.788	50,2%	7.180	51,0%	-5,5%
SG&A	-7.612	-56,3%	-7.485	-53,1%	1,7%
Operating Income	-824	-6,1%	-305	-2,2%	170,1%

Same Store Sales Growth

Data in nominal values (in local currency)

	2015				FY	2016				9M	
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q	2015	2016
SSS	2,1%	-6,7%	-12,2%	-11,6%	-7,5%	-2,2%	2,7%	-4,2%		-5,7%	-1,2%

Stores Openings / Closings

	Date	Chain	Store	Sq.meters
Opening	jul-16	D House	Lurín	322
Closing	sep-16	Nine West	Larcomar	-57

Total **265**

Change in Total square meters

	Sep. 2016	Sep. 2015	Var. 15/14	Var. % 16/15
N° Stores	76	78	-2	-2,6%
Square meters	6.538	6.332	205	3,2%

URUGUAY

(Million Ch\$)

P&L	3Q '16	% Revenues	3Q '15	% Revenues	Var. % 16/15
Revenues	4.169		4.168		0,0%
Cost of Sales	-1.931		-2.048		-5,7%
Gross Margin	2.238	53,7%	2.120	50,9%	5,6%
SG&A	-2.164	-51,9%	-2.117	-50,8%	2,2%
Operating Income	74	1,8%	3	0,1%	2240,5%

(Million Ch\$)

P&L	9M 2016	% Revenues	9M 2015	% Revenues	Var. % 16/15
Revenues	13.189		12.938		1,9%
Cost of Sales	-6.011		-5.803		3,6%
Gross Margin	7.178	54,4%	7.135	55,1%	0,6%
SG&A	-6.252	-47,4%	-6.394	-49,4%	-2,2%
Operating Income	926	7,0%	740	5,7%	25,0%

Same Store Sales Growth

Data in nominal values (in local currency)

	2015				FY	2016				9M	
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q	2015	2016
SSS	-6,9%	-6,4%	-3,2%	1,5%	-3,5%	9,5%	12,2%	-1,2%		-5,5%	7,2%

Stores Openings / Closings

	Date	Chain	Store	Sq.meters
Closing	jul-16	Shoe Express	Paso Molino	-78
Opening	ago-16	Columbia	Montevideo Shopping	72
Opening	ago-16	Columbia	Punta Carretas	51
Opening	sep-16	Columbia	Tres Cruces	35
Total				80

* the enlargement of the D House Malvin Store of 111 Mt2 wasn't considered for this table.

Change in Total square meters

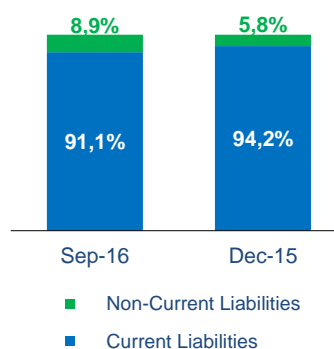
	Sep. 2016	Sep. 2015	Var. 15/14	Var. % 16/15
N° Stores	50	48	2	4,2%
Square meters	4.233	4.063	170	4,2%

- Liquidity Ratios**

	Units	Sep-16	Dec-15
Current liquidity	times	8,7	5,2
Acid ratio	times	5,4	3,0

- Financial Ratios**

	Units	Sep-16	Dec-15
Liabilities composition			
Current Liabilities	%	91,1%	94,2%
Non-Current Liabilities	%	8,9%	5,8%



	Units	Sep-16	Dec-15
Leverage	times	0,11	0,18

- Profitability Ratios**

	Units	Sep-16	Dec-15
ROA	%	9,0%	15,8%
ROS	%	10,6%	14,1%
ROE	%	10,0%	18,7%

Consolidated Balance Sheets



FORUS S.A. & SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

expressed in Thousands of Chilean Pesos, as for

	September 2016 Th Ch\$	December 2015 Th Ch\$
ASSETS		
Current Assets		
Cash and cash equivalents	2.650.833	6.542.903
Other financial assets, current	65.030.341	55.091.566
Other non-financial assets, current	4.119.284	3.247.456
Trade and other account receivables	25.216.641	24.002.279
Accounts receivables from related companies	324	-
Inventories	62.850.770	67.669.510
Tax Assets, current	4.468.063	3.107.986
Total Current Assets	164.336.256	159.661.700
Non-Current Assets		
Other financial assets, Non-current	132.683	369.223
Other non-financial assets, Non-current	2.532.552	1.971.909
Fees receivables, Non-current	184.385	180.313
Investments in Associated	4.042.525	3.948.400
Net intangibles assets	2.893.663	3.424.364
Goodwill	7.126.310	7.126.310
Property, plant and equipments	28.960.640	31.069.163
Deferred tax Assets	1.616.920	1.235.638
Total Non-Current Assets	47.489.678	49.325.320
TOTAL ASSETS	211.825.934	208.987.020
LIABILITIES		
Current Liabilities		
Other financial liabilities, current	432.138	1.472.616
Current trade and other current accounts payable	11.184.828	15.149.159
Current accounts payable to related companies	529.810	740.018
Other current Provisions	1.746.641	7.089.543
Current Provisions for employees benefits	3.912.587	3.834.044
Other non-financial liabilities, current	992.798	2.235.118
Total Current Liabilities	18.798.802	30.520.498
Non-Current Liabilities		
Other non-current financial liabilities	1.824.500	1.865.109
Other non-financial non-current liabilities	7.921	7.770
Total Non-Current Liabilities	1.832.421	1.872.879
TOTAL LIABILITIES	20.631.223	32.393.377
SHAREHOLDER'S EQUITY		
Paid-in capital	24.242.787	24.242.787
Retained earnings	149.069.419	133.301.493
Issue Premium	17.386.164	17.386.164
Other reserves	(948.018)	300.677
Equity attributable to equity holders of the parent	189.750.352	175.231.121
Non-controlling interest	1.444.359	1.362.522
Total Net Equity	191.194.711	176.593.643
TOTAL NET EQUITY AND LIABILITIES	211.825.934	208.987.020

Consolidated Income Statement



FORUS S.A. & SUBSIDIARIES CONSOLIDATED INCOME STATEMENT

expressed in Thousands of Chilean Pesos for the end of the periods of

and for the quarters

	September 2016		September 2015		3Q'16		3Q'15	
	Th	Ch\$	Th	Ch\$	Th	Ch\$	Th	Ch\$
Revenues	179.949.366		173.583.400		55.756.428		54.260.626	
Cost of Sales	(84.404.777)		(80.459.669)		(27.383.389)		(26.234.475)	
Gross Margin	95.544.589		93.123.731		28.373.039		28.026.151	
Other incomes of total operation	276.623		547.977		29.726		334.661	
Logistic costs	(2.096.223)		(1.857.463)		(784.314)		(644.290)	
Administrative Expenses	(67.064.937)		(64.541.691)		(22.328.001)		(21.479.203)	
Other expenses of total operation	(214.858)		(242.863)		(79.986)		(106.651)	
Other gains or (losses)	55.933		498.057		(5.615)		(8.013)	
Financial Income	1.387.360		501.802		389.272		398.120	
Financial Expenses	(268.894)		(312.575)		(95.130)		(98.199)	
Participation in gains (losses) of joint venture businesses accounted by using the proportional value of participation	(180.447)		203.446		(15.911)		140.093	
Exchange Differentials	(1.922.726)		3.203.386		127.075		1.887.303	
Result of Indexation units	(39.587)		(17.391)		(12.037)		(29.929)	
Profit before income tax	25.476.833		31.106.416		5.598.118		8.420.043	
Income Taxes	(6.408.828)		(6.945.187)		(1.450.052)		(1.888.828)	
Profit (loss)	19.068.005		24.161.229		4.148.066		6.531.215	
Profit (loss) attributable to equity holders of parent	19.068.005		24.282.219		4.206.473		6.557.486	
Profit (loss) attributable to minority interest	(229.210)		(120.990)		(58.407)		(26.271)	
Profit (loss)	19.068.005		24.161.229		4.148.066		6.531.215	
Income per Share Common shares		\$ 73,8		\$ 93,5		\$ 16,0		\$ 25,3

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