

FINANCIAL
REPORT
FIRST QUARTER 2017

MAY 2017

FORUS
brands & retail

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Notes:

- All figures in dollars are calculated using the observed dollar exchange rate for April 3rd, 2017: (Ch\$ 663,97 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.
- Currency symbols: Ch\$ or CLP: Chilean pesos; US\$: U.S. dollars; M: millions.
- Other symbols: SSS (Same store sales). SG&A: Selling, General and Administration.

Summary of Consolidated Results 1st Quarter 2017

- Net Profit increased 21.4% to Ch\$ 6,239 million (US\$ 9.4 million). Its represents 10.2% as a percentage of 1Q 2017 net revenues.
- Consolidated Revenues grew 3.1% to Ch\$ 61,356 million (US\$ 92.4 million) in the 1Q 2017.
- Gross Margin of Ch\$ 32,817 million (US\$ 49.4 million) increased 7.5%, obtaining a gross margin of 53.5% as a percentage of Revenues in 1Q 2017, 218 basis points over the 51.3% reported in 1Q 2016.
- Operating Income of Ch\$ 8,487 million (US\$ 12.8 million) grew 3.9% compared to 1Q 2016. The Operating margin reached a 13.8% of revenues in 1Q 2017, growing 11 basis points.
- EBITDA of Ch\$ 9,877 million (US\$ 14.9 million) increased 1.2%, reaching an EBITDA margin of 16.1% in 1Q 2017, 30 basis points lower than the 16.4% of 1Q 2016.
- The Revenues from the International Operations in Colombia, Peru and Uruguay represented 16.5% of the Consolidated Revenues in 1Q 2017.

Highlights of the 1st Quarter 2017

Stores Opening

Total of new stores opened in 1Q 2017: 2 stores

During the 1Q 2017 the company opened the following new stores:

Country	# Stores	Chain	Store	City	Sq. meters
Chile		7Veinte	Valdivia	Valdivia	91
Total	1				91
Peru		Hush Puppies	Cayma	Arequipa	58
Total	1				58
Total	2				149

New Brand PrAna in Chile

In April of this year, Forus launched the PrAna brand in Chile. It is a brand of the Columbia group focused on premium lifestyle clothing for the Outdoor and Wellness concept. The brand is marketed through Rockford stores.



Launch of E-commerce in Uruguay

In March 2017, the e-commerce business was launched in Uruguay for the CAT brand (<https://catlifestyle.com.uy/>). This is the first site with e-commerce in Uruguay, thus initiating the process of the internationalization of the digital business of Forus.

Consolidated Income Statement – IFRS

FORUS S.A. & SUBSIDIARIES

Consolidated Income Statement 1st Quarter

expressed in Thousands of Chilean Pesos from January 1st to March 31st

	1Q'17 Th Ch\$	% Revenues	1Q'16 Th Ch\$	% Revenues	Var. % 17/16
Revenues	61.356.436		59.515.387		3,1%
Cost of Sales	(28.539.450)	-46,5%	(28.981.657)	-48,7%	-1,5%
Gross Margin	32.816.986	53,5%	30.533.730	51,3%	7,5%
Logistic costs	(771.961)	-1,3%	(715.508)	-1,2%	7,9%
Administrative Expenses	(23.558.096)	-38,4%	(21.649.741)	-36,4%	8,8%
Selling, General and Administrative Expenses	(24.330.057)	-39,7%	(22.365.249)	-37,6%	8,8%
Operating Income	8.486.929	13,8%	8.168.481	13,7%	3,9%
Other incomes of total operation	234.457		34.534		578,9%
Other expenses of total operation	(134.390)		(86.789)		54,8%
Financial Income	315.162		435.943		-27,7%
Financial Expenses	(92.496)		(88.822)		4,1%
Participation in gains (losses) of joint venture businesses accounted by using the proportional value of participation	2.237		(84.124)		-102,7%
Exchange Differentials	(157.341)		(1.525.672)		-89,7%
Result of Indexation units	(6.667)		(10.718)		-37,8%
Other gains and losses	(51.483)		29.790		-272,8%
Non-Operating Income	109.479	0,2%	(1.295.858)	-2,2%	-108,4%
Profit before income tax	8.596.408	14,0%	6.872.623	11,5%	25,1%
(Expenses) Income Taxes	(2.357.559)		(1.734.101)		36,0%
Profit (loss)	6.238.849	10,2%	5.138.522	8,6%	21,4%
Profit (loss) attributable to equity holders of parent	6.348.165		5.227.809		21,4%
Profit (loss) attributable to minority interest	(109.316)		(89.287)		22,4%
Profit (loss)	6.238.849	10,2%	5.138.522	8,6%	21,4%
EBITDA	9.877.221	16,1%	9.757.377	16,4%	1,2%

Analysis of Consolidated Results

Operating Income

- **Consolidated Revenues grew 3.1% to Ch\$ 61,356 million (US\$ 92.4 million) in the 1Q 2017.**

The increase in revenues is only explained by the 3.8% increase in sales in Chile, as sales of the subsidiaries decreased -0.2% as a whole. This growth is due to consolidated same store sales growth of 2.8% in 1Q'17 and consolidated square meter growth of 2.3% to March 2017.

In Chile, sales amounted to Ch\$ 51,314 million (US\$ 77.3 million) during 1Q'17, growing 3.8% compared to the same period last year and accounting for 83.5% of consolidated revenues. This growth is explained in a 91% by the growth in sales of the Retail business, which grew by 5.0% in 1Q'17, while the remaining percentage is explained by the wholesale business, which grew by 1.1% compared to 1Q'16.

Regarding the Retail business in Chile, sales amounted to Ch\$ 35,972 million (US\$ 54.2 million), growing 5.0% in 1Q'17 and representing 70% of Chile's total sales. This increase in sales is explained by the growth in SSS (same equivalent stores) of 3.8% (nominal value in local currency) during the period and also by the maturity of sales of the new stores, which do not enter in the SSS base, where it can be highlighted that the total sales per square meters grew 5.0% in 1Q'17. The square meters of stores grew only 0.9%, which consists of 5 new net stores (openings minus closures) opened to March 2017 compared to the same period of the previous year. As for the Wholesale business, its revenues of Ch\$ 15,342 million (US\$ 23.1 million) grew 1.1% over 1Q'16 and accounted for 30% of Chile's sales in 1Q'17.

In terms of international subsidiaries, whose sales accounted for 16.5% of total consolidated revenues in 1Q'17, fell -0.2% as a whole compared to 1Q'16, explained only by the fall in sales in Peru by -12.4%, as the other two countries show growth in sales. The results by country are as follows:

- In **Colombia** sales of Ch\$ 1,275 million (US\$ 1.9 million) grew 9.7% in 1Q'17. This increase was only explained by the growth in sales in the retail business, which grew by 12.9%, both by the SSS growth of 4.3% and also by the 14.9% increase square meters, which consist in 8 new net stores.
- In **Peru**, sales of Ch\$ 4,677 million (US\$ 7.0 million) decreased -12.4% compared to 1Q'16. This decrease in sales is explained only by the climate disaster that struck Peru during February and March, which directly affected the dynamism of Forus

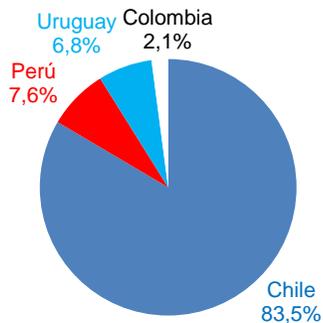
Analysis of Consolidated Results

and the industry in general, reflected in the decrease of SSS of -9.1% with respect to 1Q'16. This affected both Retail and Wholesale sales in this quarter.

- In **Uruguay**, sales of Ch\$ 4,177 million (US\$ 6.3 million) in 1Q'17 grew 14.6% in relation to 1Q'16, explained by the increase in the SSS of 3.2% as well as by the increase in the square meters of stores of 6.4 %, which consist of 3 new net stores.

Revenues from international operations in Colombia, Peru and Uruguay accounted for 16.5% of consolidated revenues in 1Q'17.

Revenues by Subsidiaries 1Q 2017



Revenues by Subsidiaries 1Q 2016



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

- **Gross Margin of Ch\$ 32,817 million (US\$ 49.4 million) increased 7.5%, obtaining a gross margin of 53.5% in 1Q 2017.**

Consolidated Gross Margin as a percentage of revenues grew by 218 basis points from 51.3% in 1Q'16, despite the negative effect of the spring/summer collection rate 2016, still present in this quarter as part of this spring/summer collection continues to be sold, which shows a 2.8% increase in the dollar compared to the previous year maintaining a slight pressure on margins during this quarter. However, we have a favorable exchange rate effect of the fall/winter 2017 collection which shows a decrease of the dollar of -6.2% compared to the 2016 collection, releasing the pressure on margins that the company has had the last two years. The increase in the Consolidated Gross Margin was due mainly to the growth of Chile's gross margin of 8.6% and, to a lesser extent, to the growth of the subsidiaries, which showed a growth of 1.7% of gross margin as a whole.

Analysis of Consolidated Results

Chile's Consolidated gross margin amounted to Ch\$ 27,771 million (US\$ 41.8 million) and grew 8.6% compared to 1Q'16, thanks to both the gross margin of the Retail business and the Wholesale business. In percentage terms, gross margin increased by 239 basis points from 1Q'16, reaching 54.1% in 1Q'17.

The gross margin of the Retail business of Ch\$ 20,215 million (US\$ 30.4 million) during 1Q'17 grew by 7.7% compared to the same period of the previous year. In percentage terms, the gross margin increased by 143 basis points from the 54.8% margin in 1Q'16, reaching 56.2% in 1Q'17, thanks to the favorable exchange rate difference of -6,2% in the cost of school and fall/winter 2017 collections.

Gross Wholesale margin of Ch\$ 7,556 million (US\$ 11.4 million) in 1Q'17 increased 11.0% over 1Q'16. In percentage terms, it grew by 440 basis points, explained by the positive exchange rate effect of the school and fall/winter 2017 collections.

As to the gross margin of the international subsidiaries, in 1Q'17 it increased by 1.7% as a whole, reaching Ch\$ 5,046 million (US\$ 7.6 million) and with a gross margin of 49.8%, which increased by 92 basis points over the same period of the previous year. The breakdown by country is as follows:

- **Colombia:** Gross margin of Ch\$ 539 million (US\$ 0.8 million) increased by 7.0% in 1Q'17. As a percentage of revenues, it decreased by 105 basis points from 43.3% in 1Q'16 to 42.3% in 1Q'17. This decline is explained by two effects: on one hand, Colombia continues to present a challenging market environment with great competition in prices and discount policies that press down the gross margin, and as a second effect, due to the aggressive strategy of reducing inventories, having managed to decrease them by -37% as of March 2017 compared to the same period of the previous year (in monetary value).
- **Perú:** Gross margin of Ch\$ 2,330 million (US\$ 3.5 million) decreased -10.4% in 1Q'17 mainly due to the one-off effect of the natural disasters that impacted the operation and affected sales. However, it stands out that, in percentage terms, the gross margin increased by 110 basis points from 48.7% in 1Q'16 to 49.8% in 1Q'17 for the fourth consecutive quarter, confirming the still present recovery trend that is having this subsidiary, maintaining focus in the protection of the margins, revenue management and level of inventories. Finally, there is a negative currency conversion effect, since in its local currency the gross margin decreases by -7.9% (instead of -10.4% in CLP).
- **Uruguay:** The gross margin of Ch\$ 2,177 million (US\$ 3.3 million) grew 17.2% over 1Q'16, which as a percentage of revenue reached 52.1% in 1Q'17, that is 119 basis

Analysis of Consolidated Results

points over the 50.9% obtained in 1Q'16, due to a growth in the gross margin of Wholesale, since the gross margin of Retail remained constant.

- **Operating Income of Ch\$ 8,487 million (US\$ 12.8 million) grew 3.9% compared to 1Q 2016. The Operating margin reached a 13.8% of revenues.**

This growth is only explained by the growth in Operating Income in Chile, which grew 5.9%, while in the subsidiaries, the operational loss increased by 40% as a whole.

Chile's operating income of Ch\$ 9,155 million (US\$ 13.8 million) increased 5.9%, and as a percentage of sales was 17.8%, 36 basis points higher than the 17.5% of 1Q'16. This increase in Operating Income was due both to the increase in sales and of the Gross Margin in 239 basis points, which was able to offset the 204 basis points increase in SG&As as a percentage of sales.

Operating Income of the Retail business amounted to Ch\$ 4,481 million (US\$ 6.7 million), grew 1.8% in 1Q'17, and as a percentage of revenues, the operating margin was 12.5%, 40 basis points lower than the Operating margin of 12.9% obtained in 1Q'16. This is due to the increase of SG&As by 9.6% in 1Q'17, 182 basis points higher than 1Q'16, due to the slow dynamism of sales, coupled with an increase in commercial costs, failed to dilute SG&As, offsetting the growth in gross margin achieved during the quarter. Operating Results of the Wholesale Business of Ch\$ 4,674 million (US\$ 7.0 million) increased 10.2% and as a percentage of revenues represented 30.5% in 1Q'17, increasing the operating margin by 252 basis points. This growth is due to the growth of the gross margin by 440 basis points, as the SG&As only increased by 187 basis points during the period, which allowed the expansion of the operating margin.

As for the subsidiaries as a whole, they had an operational loss of Ch\$ -668 million (US\$ -1.0 million), increasing the loss in 40% due to the decrease in sales of -0.2% and the increase of SG&As in 5.1%. The Operational Results by country are as follows:

- **Colombia:** The loss of Operating Results of Ch\$ -210 million (US\$ -0.3 million) improved by 12.8% compared to the loss of Ch\$ -241 million (US\$ -0.4 million) in 1Q'16. This was due both to the 9.7% increase in sales in the quarter and the increase of 7.0% in gross margin, as well as the good work accomplished in reducing SG&As, which grew by only 0.6% but decreased by 530 basis points as percentage of revenues. This improvement is due to the initiative of several internal strategic changes that Forus has been making in the operation of that

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country since 2016 that, even with the challenging macroeconomic and market environment, allowed to reduce the operational loss in that country.

- **Peru:** The operational loss of Ch\$ -333 million (US\$ -0.5 million) in 1Q'17 worsened by 120.8% from the Operating Loss of Ch\$ -151 million (US\$ -0.2 million) of 1Q'16. This was mainly due to the sharp fall in sales of -12.4%, explained by the natural disaster that hit that country between February and March.
- **Uruguay:** The operating loss of Ch\$ -125 million (US\$ -0.2 million) grew 47.8% in 1Q'17. This result is due to the fact that both the 14.6% growth in sales and the gross margin expansion of 119 basis points were not able to dilute operating costs, which grew by 18.6% in 1Q'17.

Non-Operating Result

- **Non-operating income for 1Q'17 reached a profit of Ch\$ 109 million (US\$ 0.2 million), improving 108.4% from 1Q'16 and representing 0.2% of 1Q'17 net revenues.**

This increase in Non - Operating Income is explained mainly by the Exchange Differential account, whose loss decreased - 89.7%, resulting in a loss of Ch\$ -157 million (US\$ -0.2 million) compared to Ch\$ -1,526 million (US\$ -2.3 million) in 1Q'16, due the amount of cash that is invested in dollars was less affected by the depreciation of the dollar in 1Q'17 compared to the variation obtained in 1Q'16. And to a lesser extent, it is explained by the account Other income by function, which grew 579%, reaching Ch\$ 234 million (US\$ 0.4 million) compared to the profit of Ch\$ 35 million (US\$ 0.1 million) reported in 1Q'16.

Net Profit and EBITDA

- **Net Profit increased 21.4% to Ch\$ 6,239 million (US\$ 9.4 million). Its represents 10.2% as a percentage of 1Q 2017 net revenues.**

Net Income as a percentage of revenues represented 10.2% in 1Q'17. The increase in pre-tax income is mainly explained by the improvement in non-operating income of 1Q'17 in 108.4%, and to a lesser extent, the increase in operating income by 3.9%. On the other hand, tax rate negatively affected profit before tax, increasing from 25.2% in 1Q'16 to 27.4% in 1Q'17.

Analysis of Consolidated Results

- **EBITDA of Ch\$ 9,877 million (US\$ 14.9 million) increased 1.2%, reaching an EBITDA margin of 16.1% in 1Q 2017, 30 basis points lower than the 16.4% of 1Q 2016.**

The increase in Consolidated EBITDA was due only to Chile's EBITDA growth, which grew by 4.1% in 1Q'17, reaching Ch\$ 10,082 million (US\$ 15.2 million), as the EBITDA of international subsidiaries decreased -368%, obtaining a EBITDA of Ch\$ -205 million (US\$ -0.3 million).

Consolidated Balance Sheet

- **Assets (in millions of Ch\$)**

	Mar-2017		Dec-2016		Var.	
	M	Ch\$	M	Ch\$	M	Ch\$
Current Assets	176.868		172.082		4.787	2,8%
Non-Current Assets	46.108		46.283		-175	-0,4%
Total Assets	222.976		218.365		4.611	2,1%

Current assets show significant variations in trade and other receivables, with an increase of Ch\$ 6,947 million (US\$ 10.5 million) and a decrease in inventories of Ch\$ 3,730 million (US\$ 5.6 million), both due to the seasonality of the sales of the wholesale business. Cash and cash equivalents showed a positive variation of Ch\$ 2,223 million (US\$ 3.3 million), which is due to the investment of temporary cash surpluses in term deposits payable before 3 months. The main variation of **non-current assets** is due to the fact that store openings were lower than the depreciation of the period, showing a decrease in properties, plants and equipment of Ch\$ 465 million (US\$ 0.7 million).

- **Liabilities (in millions of Ch\$)**

	Mar-2017		Dec-2016		Var.	
	M	Ch\$	M	Ch\$	M	Ch\$
Current Liabilities	24.069		26.024		-1.955	-7,5%
Non-Current Liabilities	1.840		1.944		-104	-5,3%
Shareholder's Equity	197.067		190.398		6.669	3,5%
Total Liabilities	222.976		218.365		4.611	2,1%

The decrease in **current liabilities** of Ch\$ 1,955 million (US\$ 2.9 million) was mainly due to the payment of obligations with suppliers, which decreased by Ch \$ 814 million (US\$

Analysis of Consolidated Results

1.2 million) and to the payment of obligations derived from current financial liabilities, which decreased by Ch\$ 1,581 million (US\$ 2.4 million), due to the seasonality of this business. **Non-current liabilities**, however, do not suffer variations that are different from the re-expression of the obligations due to changes in the currency in which they are to be paid and/or the reclassification of obligations that mature within the short term. And a decrease of deferred tax liabilities of Ch\$ 82 million (US\$ 0.1 million) as a result of the temporary increase in provisions for expenses.

- **Shareholder's Equity**

The balance of Equity as of March 31, 2017 and December 31, 2016 is as follows:

	Mar-2017		Dec-2016		Var.		
	M	Ch\$	M	Ch\$	M	Ch\$	
Paid-in capital		24.243		24.243		0	0,0%
Other reserves		16.935		16.433		502	3,1%
Retained earnings		154.718		148.479		6.239	4,2%
Non-controlling interest		1.172		1.243		-71	-5,7%
Total Patrimonio		197.067		190.398		6.669	3,5%

Shareholders' equity has a total increase of Ch\$ 6,669 million (US\$ 10.0 million), mainly due to consolidate income for the year. The accumulated result at 1Q'17 shows a 21.4% increase compared to the same period of the previous year.

The variation of Other Reserves corresponds to the differences in the conversion of subsidiaries according to the following detail:

	M Ch\$
Perú Forus S.A.	317
Uruforus S.A.	149
Elecmetal S.A.	-94
Forus Colombia S.A.S.	40
Lifestyle Brands of Colombia	90
Total Conversion Differentials	502

Analysis of Consolidated Results

Flujo de Caja Consolidado

	Mar-2017		Dec-2016		Var.	
	M	Ch\$	M	Ch\$	M	Ch\$
Cash Flow from Operating Activities		-1.243		-6.546		5.304
Cash flows from (used in) investment activities		-498		1.278		-1.777
Cash flows from (used in) financing activities		3.934		5.047		-1.113

Cash flow from operating activities generated a positive variation with respect to the same period of the previous year of Ch\$ 5,304 million (US\$ 8.0 million), which main variations are due, on the one hand, to a higher collection of sales of goods and/or services of Ch\$ 1,224 million (US\$ 1.8 million), in line with the increase in revenues, and, essentially, the lower disbursement for payment to suppliers for Ch\$ 3,120 million (US\$ 4.7 million).

The negative variation in the **flows of investment activities** is mainly due to the lower return of funds invested, which is shown as "Other cash inflows" of Ch\$ 1,307 million (US\$ 2.0 million), and a slight increase in disbursements due to the incorporation of fixed assets.

Finally, the negative variation in the **flows of financing activities** is mainly due to lower use of bank guarantees or letters of credit for the payment of merchandise.

Market Risk Analysis

Regional Risk: Chile remains economically stable, improving on previous quarters in both companies and consumer's confidence, as well as a decrease in the CPI, stabilizing the negative trend. But, high unemployment figures, weak consumption, and future growth prospects show that the country still remains unfavorable for growth. Uruguay continues with a tendency to recover during the quarter, favoring an environment to continue growing our business. Peru lowered its economic expectations and estimated growth, maintaining a complicated scenario at country level. Finally, in Colombia, the confidence index and economic expectations fell further, but with a bias to a slight recovery towards the end of the period, continuing the challenging economic environment for our business and the sector in general.

Analysis of Consolidated Results

Foreign exchange risk: In Chile, the exchange rate volatility decreased during the quarter, showing a favorable peso appreciation against the dollar for our business. In our subsidiaries, as a whole the volatility of the currencies was reduced and favorable exchange rates were appreciated in both Uruguay and Colombia with respect to the previous quarters.

Financial risk: The company continues the policy of conservative management of its cash, increasing its volume of fund for investments and maintaining a very low level of indebtedness during 2017.

Summary Table of Countries

Revenues (Millions Ch\$)

	1Q '17	1Q '16	Var %	Var % Local Currency
Chile	51.314	49.438	3,8%	3,8%
Colombia	1.275	1.162	9,7%	5,6%
Peru	4.677	5.339	-12,4%	-10,6%
Uruguay	4.177	3.646	14,6%	9,9%
Total Subsidiaries	10.129	10.148	-0,2%	

Same Store Sales

Data in nominal values (in local currency)

	2016				2017				2016	2017
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	
Chile	-1,8%	9,0%	3,5%	2,9%	3,8%				-1,8%	3,8%
Colombia	-4,1%	1,5%	-1,5%	4,1%	4,3%				-4,1%	4,3%
Peru	-2,2%	2,7%	-4,2%	9,9%	-9,1%				-2,2%	-9,1%
Uruguay	9,5%	12,2%	-1,2%	9,9%	3,2%				9,5%	3,2%

Number of stores and surfaces of square meters

	Mar. 2017		Mar. 2016	
	# Stores	Surface of sqm	# Stores	Surface of sqm
Chile	323	36.616	318	36.289
Colombia	60	3.993	52	3.474
Perú	73	6.286	77	6.243
Uruguay	52	4.412	49	4.147
Total	508	51.306	496	50.154

Data by Country and Business

CHILE

- Retail**

(Million Ch\$)

P&L	1Q '17	% Revenues	1Q '16	% Revenues	Var. %
Revenues	35.972		34.256		5,0%
Cost of Sales	-15.757		-15.494		1,7%
Gross Margin	20.215	56,2%	18.762	54,8%	7,7%
SG&A	-15.734	-43,7%	-14.359	-41,9%	9,6%
Operating Income	4.481	12,5%	4.403	12,9%	1,8%

Same Store Sales Growth

Data in nominal values (in local currency)

	2016				2017				1Q	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2016	2017
SSS	-1,8%	9,0%	3,5%	2,9%	3,8%				-1,8%	3,8%

Stores Openings / Closings

	Date	Chain	Store	Sq.meters
Opening	Mar-17	7Veinte	Valdivia	91
Closing	Mar-17	Funsport	Florida Center	-86
Total				5

Change in Total square meters

	Mar. 2017	Mar. 2016	Var. 17/16	Var. %
N° Stores	323	318	5	1,6%
Square meters sales area + window	36.616	36.289	326	0,9%

Data by Country and Business

- Wholesale

(Million Ch\$)

P&L	1Q '17	% Revenues	1Q '16	% Revenues	Var. %
Revenues	15.342		15.182		1,1%
Cost of Sales	-7.785		-8.372		-7,0%
Gross Margin	7.556	49,3%	6.810	44,9%	11,0%
SG&A	-2.883	-18,8%	-2.568	-16,9%	12,2%
Operating Income	4.674	30,5%	4.242	27,9%	10,2%

- Total Chile (Retail + Wholesale)

(Million Ch\$)

P&L	1Q '17	% Revenues	1Q '16	% Revenues	Var. %
Revenues	51.314		49.438		3,8%
Cost of Sales	-23.542		-23.866		-1,4%
Gross Margin	27.771	54,1%	25.572	51,7%	8,6%
SG&A	-18.617	-36,3%	-16.928	-34,2%	10,0%
Operating Income	9.155	17,8%	8.645	17,5%	5,9%

Data by Country and Business

COLOMBIA

(Million Ch\$)

P&L	1Q '17	% Revenues	1Q '16	% Revenues	Var. %
Revenues	1.275		1.162		9,7%
Cost of Sales	-736		-659		11,7%
Gross Margin	539	42,3%	503	43,3%	7,0%
SG&A	-749	-58,7%	-744	-64,0%	0,6%
Operating Income	-210	-16,5%	-241	-20,7%	-12,8%

Same Store Sales Growth

Data in nominal values (in local currency)

	2016				2017				1Q	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2016	2017
SSS	-4,1%	1,5%	-1,5%	4,1%	4,3%				-4,1%	4,3%

Store Openings / Closings

	Date	Chain	Store	Sq.meters
Closing	Mar-17	D House	Galerías	-46
Total				-46

Change in Total square meters

	Mar. 2017	Mar. 2016	Var. 17/16	Var. %
N° Stores	60	52	8	15,4%
Square meters sales area + window	3.993	3.474	518	14,9%

Data by Country and Business

PERÚ

(Million Ch\$)

P&L	1Q '17	% Revenues	1Q '16	% Revenues	Var. %
Revenues	4.677		5.339		-12,4%
Cost of Sales	-2.347		-2.738		-14,3%
Gross Margin	2.330	49,8%	2.601	48,7%	-10,4%
SG&A	-2.663	-56,9%	-2.752	-51,5%	-3,2%
Operating Income	-333	-7,1%	-151	-2,8%	120,8%

Same Store Sales Growth

Data in nominal values (in local currency)

	2016				2017				1Q	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2016	2017
SSS	-2,2%	2,7%	-4,2%	9,9%	-9,1%				-2,2%	-9,1%

Store Openings / Closings

	Date	Chain	Store	Sq.meters
Closing	Jan-17	Rockford	San Miguel	-96
Closing	Mar-17	Billabong	Plaza Norte	-58
Opening	Mar-17	Hush Puppies	Cayma	58
Total				-97

Change in Total square meters

	Mar. 2017	Mar. 2016	Var. 17/16	Var. %
N° Stores	73	77	-4	-5,2%
Square meters sales area + window	6.286	6.243	43	0,7%

Data by Country and Business

URUGUAY

(Million Ch\$)

P&L	1Q '17	% Revenues	1Q '16	% Revenues	Var. %
Revenues	4.177		3.646		14,6%
Cost of Sales	-2.000		-1.789		11,8%
Gross Margin	2.177	52,1%	1.857	50,9%	17,2%
SG&A	-2.301	-55,1%	-1.941	-53,2%	18,6%
Operating Income	-125	-3,0%	-84	-2,3%	47,8%

Same Store Sales Growth

Data in nominal values (in local currency)

	2016				2017				1Q	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2016	2017
SSS	9,5%	12,2%	-1,2%	9,9%	3,2%				9,5%	3,2%

Store Openings / Closings

There was no store movement this quarter.

Change in Total square meters

	Mar. 2017	Mar. 2016	Var. 17/16	Var. %
N° Stores	52	49	3	6,1%
Square meters sales area + window	4.412	4.147	265	6,4%

Financial and Profitability Ratios

- Liquidity Ratios**

	Units	Mar-17	Dec-16
Current liquidity	times	7,3	6,6
Acid ratio	times	4,4	3,8

- Financial Ratios**

	Units	Mar-17	Dec-16
Liabilities composition			
Current Liabilities	%	92,9%	93,1%
Non-Current Liabilities	%	7,1%	6,9%



	Units	Mar-17	Dec-16
Leverage	times	0,13	0,15
Interest Coverage	times	84,42	82,62

- Profitability Ratios**

	Units	Mar-17	Dec-16
ROA	%	2,8%	2,4%
ROS	%	10,2%	8,6%
ROE	%	3,2%	2,7%
EPS	\$	24,14	19,88

Consolidated Balance Sheets

FORUS S.A. & SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

expressed in Thousands of Chilean Pesos, as for

	March 2017 Th Ch\$	December 2016 Th Ch\$
ASSETS		
Current Assets		
Cash and cash equivalents	6.290.974	4.068.088
Other financial assets, current	61.542.846	61.696.758
Other non-financial assets, current	3.749.053	3.765.269
Trade and other account receivables	29.858.647	22.912.020
Accounts receivables from related companies	50	102
Inventories	70.259.382	73.989.175
Tax Assets, current	5.167.177	5.650.157
Total Current Assets	176.868.129	172.081.569
Non-Current Assets		
Other financial assets, Non-current	611.052	331.554
Other non-financial assets, Non-current	2.654.195	2.482.857
Fees receivables, Non-current	186.079	185.231
Investments in Associated	4.034.115	4.048.426
Net intangibles assets	2.553.319	2.714.059
Goodwill	6.026.310	6.026.310
Property, plant and equipments	28.728.516	29.193.449
Deferred tax Assets	1.314.549	1.301.601
Total Non-Current Assets	46.108.135	46.283.487
TOTAL ASSETS	222.976.264	218.365.056
LIABILITIES		
Current Liabilities		
Other financial liabilities, current	180.226	1.760.920
Current trade and other current accounts payable	11.333.217	12.146.810
Current accounts payable to related companies	762.239	845.467
Other current Provisions	6.350.946	5.789.365
Current Provisions for employees benefits	3.971.552	4.339.128
Other non-financial liabilities, current	1.470.794	1.141.997
Total Current Liabilities	24.068.974	26.023.687
Non-Current Liabilities		
Other non-current financial liabilities	1.782.313	1.803.939
Other non-financial non-current liabilities	7.984	7.952
Total Non-Current Liabilities	1.840.005	1.943.513
TOTAL LIABILITIES	25.908.979	27.967.200
SHAREHOLDER'S EQUITY		
Paid-in capital	24.242.787	24.242.787
Retained earnings	154.717.688	148.478.839
Issue Premium	17.386.164	17.386.164
Other reserves	(450.971)	(952.747)
Equity attributable to equity holders of the parent	195.895.668	189.155.043
Non-controlling interest	1.171.617	1.242.813
Total Net Equity	197.067.285	190.397.856
TOTAL NET EQUITY AND LIABILITIES	222.976.264	218.365.056

Consolidated Income Statement

FORUS S.A. & SUBSIDIARIES CONSOLIDATED INCOME STATEMENT

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

	March 2017 Th Ch\$	March 2016 Th Ch\$
Revenues	61.356.436	59.515.387
Cost of Sales	(28.539.450)	(28.981.657)
Gross Margin	32.816.986	30.533.730
Other incomes of total operation	234.457	34.534
Logistic costs	(771.961)	(715.508)
Administrative Expenses	(23.558.096)	(21.649.741)
Other expenses of total operation	(134.390)	(86.789)
Other gains or (losses)	(51.483)	29.790
Financial Income	315.162	435.943
Financial Expenses	(92.496)	(88.822)
Participation in gains (losses) of joint venture businesses accounted by using the proportional value of participation	2.237	(84.124)
Exchange Differentials	(157.341)	(1.525.672)
Result of Indexation units	(6.667)	(10.718)
Profit before income tax	8.596.408	6.872.623
Income Taxes	(2.357.559)	(1.734.101)
Profit (loss)	6.238.849	5.138.522
Profit (loss) attributable to equity holders of parent	6.238.849	5.227.809
Profit (loss) attributable to minority interest	(109.316)	(89.287)
Profit (loss)	6.238.849	5.138.522
Income per Share Common shares	\$ 24,1	\$ 19,9

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