

# Earnings Release 3<sup>rd</sup> Quarter 2015

*November 20<sup>th</sup>, 2015*

**3RD QUARTER**  
2015

# RE LE ASE



EMPRESAS LA POLAR S.A.

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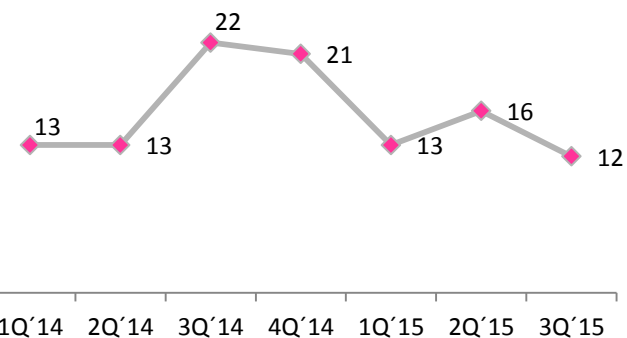
# Highlights 3Q 2015

- ✓ Positive EBITDA CLP B \$ 0.5 3Q 2015 and CLP B \$3.9 LTM
- ✓ Increase in 360 basis points in retail gross margin
- ✓ Retail Margin LTM 29,8%
- ✓ Increase in 4,8% Financial gross margin v/s 3Q2014
- ✓ 3,2% and 8,0% decrease in SG&A for 3Q 2015 and 9M 2015 respectively.
- ✓ Mr Andres Eyzaguirre is appointed as new CEO
- ✓ Ahumada deal

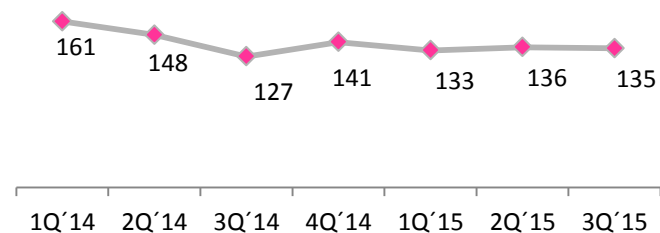
# Balance Sheet

|  | CLP B\$ 3Q'15 | CLP B\$ 3Q'14 | CLP B\$ 4Q'14 |
|--|---------------|---------------|---------------|
| <b>Current Assets</b>                  |               |               |               |
| Cash and Cash equivalents              | 12            | 22            | 21            |
| Current Trade and Accounts Receivables | 115           | 95            | 110           |
| Inventory                              | 63            | 60            | 58            |
| Other Current Assets                   | 33            | 38            | 42            |
| <b>Total Current Assets</b>            | <b>224</b>    | <b>215</b>    | <b>231</b>    |
| <b>Non-Current Assets</b>              |               |               |               |
| Long-term account receivable           | 20            | 32            | 31            |
| Properties, plant and equipment        | 52            | 60            | 59            |
| Other Non - Current Assets             | 25            | 24            | 20            |
| <b>Total Non - Current Assets</b>      | <b>97</b>     | <b>116</b>    | <b>111</b>    |
| <b>Total assets</b>                    | <b>321</b>    | <b>331</b>    | <b>342</b>    |
| <b>Current Liabilities</b>             |               |               |               |
| Other Current Financial Liabilities    | 27            | 37            | 44            |
| Other Trade and Other Account Payable  | 57            | 57            | 64            |
| Other Current Liabilities              | 16            | 12            | 17            |
| <b>Total Current Liabilities</b>       | <b>99</b>     | <b>106</b>    | <b>125</b>    |
| <b>Non - Current Liabilities</b>       |               |               |               |
| Long Term Financial Debt               | 30            | 185           | 186           |
| Other Non - Current Liabilities        | 51            | 54            | 50            |
| <b>Total Non - Current Liabilities</b> | <b>81</b>     | <b>240</b>    | <b>236</b>    |
| <b>Total Liabilities</b>               | <b>181</b>    | <b>345</b>    | <b>361</b>    |
| <b>Equity</b>                          | <b>140</b>    | <b>(14)</b>   | <b>(19)</b>   |

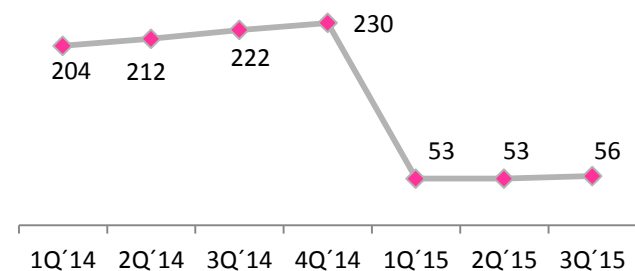
## Cash and Cash equivalents



## Accounts Receivables



## Financial Liabilities



# P&L 3Q

| CLP \$ B                | Consolidated |       |              | Retail       |       |              | Financial  |       |            |
|-------------------------|--------------|-------|--------------|--------------|-------|--------------|------------|-------|------------|
|                         | 3Q 2015      | △     | 3Q 2014      | 3Q 2015      | △     | 3Q 2014      | 3Q 2015    | △     | 3Q 2014    |
| Revenues                | 87.1         | 2,3%  | 85.1         | 70.6         | 1,4%  | 69.6         | 17.7       | 4,8%  | 16.9       |
| Costs                   | (55.0)       |       | (57.9)       | (49.8)       |       | (51.6)       | (5.5)      |       | (6.5)      |
| Gross Margin            | 32.1         | 17,7% | 27.3         | 20.7         | 15,5% | 18.0         | 12.2       | 17,8% | 10.4       |
| % Revenues              | 36,9%        |       | 32,0%        | 29,4%        |       | 25,8%        | 69,1%      |       | 61,5%      |
| SG&A (w/o depreciation) | (31.6)       | -3,2% | (32.6)       | (24.2)       | -2,3% | (24.8)       | (8.3)      | -7,3% | (9.0)      |
| % Revenues              | -36,3%       |       | -38,3%       | -34,3%       |       | -35,6%       | -46,9%     |       | -53,0%     |
| <b>EBITDA</b>           | <b>0.5</b>   |       | <b>(5.4)</b> | <b>(3.5)</b> |       | <b>(6.8)</b> | <b>3,9</b> |       | <b>1.4</b> |
| % Revenues              | 0,6%         |       | -6,3%        | -4,9%        |       | -9,8%        | 22,2%      |       | 8,5%       |

|                                |              |               |
|--------------------------------|--------------|---------------|
| Depretiation                   | (2.3)        | (1.9)         |
| Operating Income               | (1.8)        | (7.2)         |
| Non - Operating Income         | (1.9)        | (8.6)         |
| Profit (Loss) Before Taxes     | <b>(3.6)</b> | <b>(15.8)</b> |
| Benefits (Expenses) Income Tax | (0.4)        | 5.0           |
| Profit (Loss)                  | <b>(4.1)</b> | <b>(10.9)</b> |

# P&L 9M

| CLP \$ B                | Consolidated |       |              | Retail       |       |               | Financial  |        |            |
|-------------------------|--------------|-------|--------------|--------------|-------|---------------|------------|--------|------------|
|                         | 9M 2015      | △     | 9M 2014      | 9M 2015      | △     | 9M 2014       | 9M 2015    | △      | 9M 2014    |
| Revenues                | 266.0        | -4,0% | 277.1        | 216.7        | -3,8% | 225.4         | 53.0       | -5,4%  | 56.0       |
| Costs                   | (171.2)      |       | (183.2)      | (153.1)      |       | (165.1)       | (19.0)     |        | (19.0)     |
| Gross Margin            | 94.8         | 0,9%  | 94.0         | 63.6         | 5,6%  | 60.3          | 34.0       | -8,2%  | 37.0       |
| % Revenues              | 35,6%        |       | 33,9%        | 29,3%        |       | 26,7%         | 64,2%      |        | 66,1%      |
| SG&A (w/o depreciation) | (94.3)       | -8,0% | (102.4)      | (72.4)       | -6,4% | (77.3)        | (24.7)     | -13,2% | (28.5)     |
| % Revenues              | -35,4%       |       | -37,0%       | -33,4%       |       | -34,3%        | -46,7%     |        | -50,8%     |
| EBITDA                  | <b>0.5</b>   |       | <b>(8.4)</b> | <b>(8.8)</b> |       | <b>(17.0)</b> | <b>9.3</b> |        | <b>8.6</b> |
| % Revenues              | 0,2%         |       | -3,0%        | -4,0%        |       | -7,6%         | 17,5%      |        | 15,3%      |

|                                |               |               |
|--------------------------------|---------------|---------------|
| Depretiation                   | (6.7)         | (5.6)         |
| Operating Income               | (6.2)         | (14.1)        |
| Non - Operating Income         | (9.5)         | (22.7)        |
| Profit (Loss) Before Taxes     | <b>(15.7)</b> | <b>(36.8)</b> |
| Benefits (Expenses) Income Tax | 2.3           | 4.5           |
| Profit (Loss)                  | <b>(13.4)</b> | <b>(32.3)</b> |

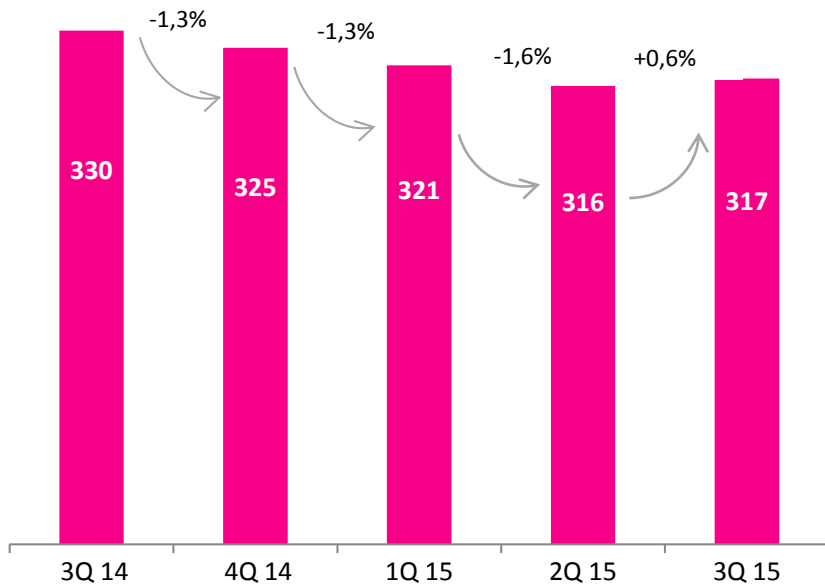
# CASH FLOW

| Cash Flow Statements                                     | 30-sep-15      | 30-sep-14       |
|--|----------------|-----------------|
|  | CLP \$ M       | CLP \$ M        |
| <b>Net Cash Flow from operating income</b>               | <b>(1,304)</b> | <b>12,405</b>   |
| <b>Net Cash Flow from investing income</b>               | <b>(4,596)</b> | <b>(2,675)</b>  |
| <b>Net Cash Flow from financing income</b>               | <b>(3,639)</b> | <b>(10,121)</b> |
| Net cash decrease in cash and cash equivalents           | (9,539)        | (392)           |
| Cash and cash equivalents at the beginning of the period | 20,329         | 21,403          |
| Cash and cash equivalents at the end of the period       | 10,790         | 21,012          |

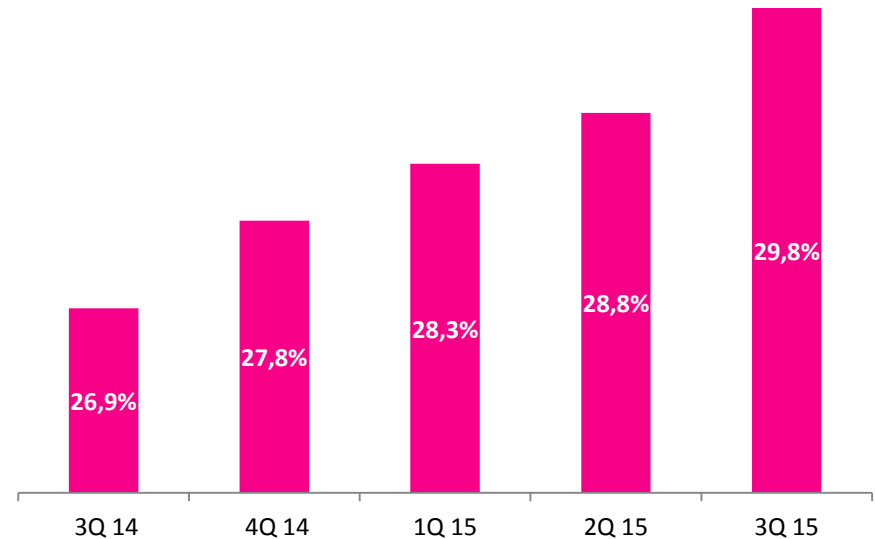
# Retail Operation

## Retail Revenues LTM

■ Revenues (CLP \$B)



## Retail Margin % LTM



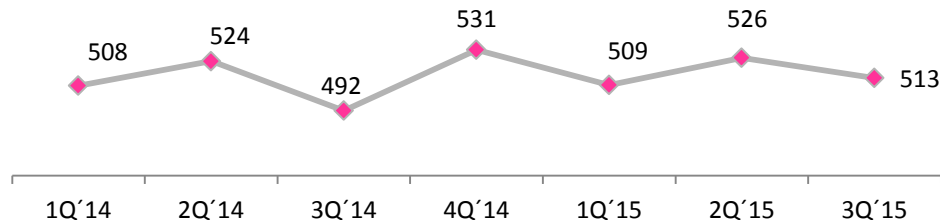
## Challenges

- *Continue SG&A efficiency plan*
- *Focus on private labels*

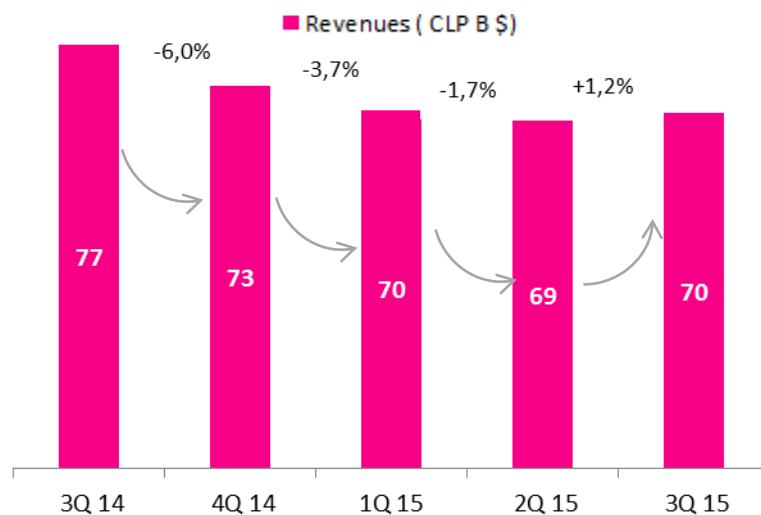


# Financial Operation

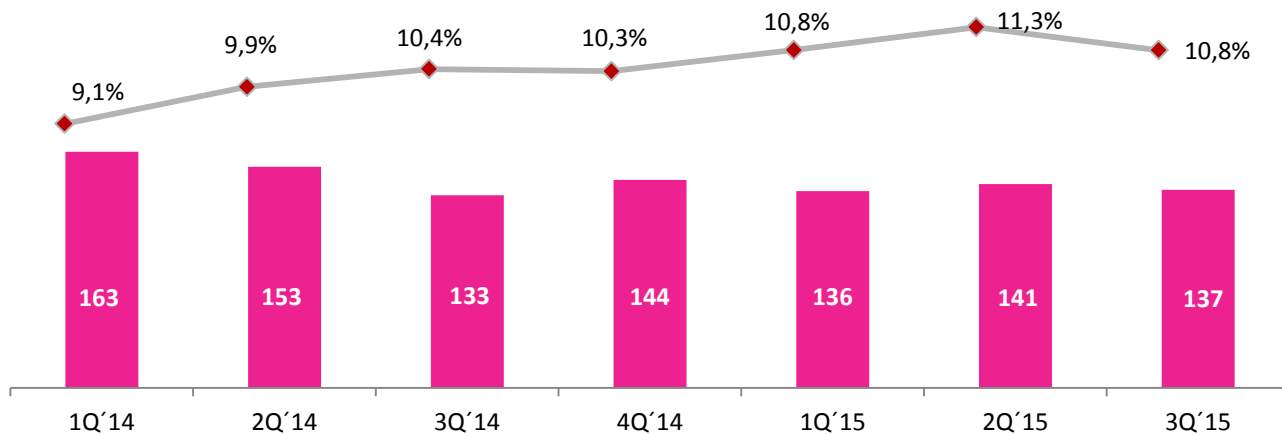
## Open accounts w/balance (Th.)



## Financial Revenues LTM



## Credit Card Loan Stock (CLP \$ B)



## Challenges

- Increase average debt
- Increase customers with balance
- Maintain risk rate in current levels





## Contact Info

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Disclaimer:

Actual results could differ materially from these forward-looking statements as a result of a number of factors, including but not limited to risks more fully described in our financial statements.

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