

ANNUAL REPORT
2013
FORUS
BRANDS & RETAIL



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2013

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ELIGE TU LOOK
LLEGÓ EL VERANO





General
History of the
Company





Name: FORUS S.A. (Sociedad Anónima Abierta).
R.U.T.: 86.963.200 – 7
Legal Domicile: Av. Departamental N° 01053, La Florida, Santiago, Chile.

LEGAL HISTORY

The Company was formed as a limited responsibility Company, under the trade name of Comercial Hush Puppies Chile Limitada, by public deed granted on August 29, 1980 at the Santiago Notary's Office of Mr. Enrique Morgan Torres. A summary of its formation was registered at Folio 13.313 N° 6.564 in the Registry of Commerce of the Santiago Real Estate Custodian corresponding to the year 1980 and was published in the Official Gazette on September 12, 1980. A correction of the aforementioned summary was registered at Folio 13.740 N° 6.800 at the same Registry and Custodian, of the year 1980, and was published in the Official Gazette on September 23, 1980.

By public deed granted on December 20, 1991 at the Santiago Notary's Office of Mr. Jaime Morandé Orrego, the partners of Comercial Hush Puppies Chile Limitada agreed to transform the Company into a stock company, as well as changing its trade name to FORUS S.A., setting its by-laws. Its summary was registered at Folio 2.202 N° 1.103 in the Registry of Commerce of the Santiago Real Estate Custodian of

the year 1992 and was published in the Official Gazette of January 23 of the year 1992. A correction of the aforementioned summary was registered at Folio 3.742 N° 1.840 at the same Registry and Custodian, of the year 1992, and was published in the Official Gazette on January 31, 1992.

The company's by-laws are evidenced in the revised text approved at the Shareholders Extraordinary Meeting held on May 6, 1996, and its minutes were converted into a public deed granted on August 6, 1996 at the Santiago Notary's Office of Mr. Iván Torrealba Acevedo. Its summary was registered at Folio 20.241 N° 15.673 of the Registry of Commerce of the Santiago Real Estate Custodian and was published in the Official Gazette of August 13, 1996.

Later, the by-laws suffered the following amendments:

i) The Shareholders Extraordinary Meeting held on January 14, 1997, which minutes were converted into a public deed granted on January 16, 1997 at the Santiago Notary's Office of Mr. Iván Torrealba

Acevedo, agreed to increase the capital stock of the Company. Its summary was registered at Folio 3.098 N° 2.489 of the Registry of Commerce of the Santiago Real Estate Custodian of the year 1997 and was published in the Official Gazette of January 27, 1997.

ii) At the Shareholders Extraordinary Meeting held on December 17, 2002, which minutes were converted into a public deed granted the same day at the Santiago Notary's Office of Ms. Nancy de la Fuente Hernández, it was agreed to: a) increase the capital stock due to the revaluation of the equity; b) merge by incorporation to the companies Macs S.A., and Comercial Forushop Ltda., and c) increase the capital stock, as a result of the merger. Its summary was registered at Folio 34.800 N° 28.111 of the Registry of Commerce of the Santiago Real Estate Custodian of the year 2002 and was published in the Official Gazette of December 21, 2002.

iii) At the Shareholders Extraordinary Meeting held on September 7, 2006, which minutes were converted into a public

deed granted on September 20, 2006, at the Santiago Notary's Office of Mr. Iván Torrealba Acevedo, it was agreed to divide the company, forming for this reason, a new stock company called Inmobiliaria F S.A. As a result of this division, Forus S.A. decreased its equity and capital, this decrease corresponds to the amount of the equity and capital assigned to Inmobiliaria F S.A. in the division. Likewise, it was agreed to divide or dilute de capital stock of the Company in a greater number of shares, in the proportion of eight hundred new shares for each former share. It was also agreed to increase the capital stock of the Company. Finally, it was agreed to registry the shares of the company, including the ones which will be issued as a result of the capital increase referred to above, at the Registry of Securities of the Superintendence of Securities and Insurances and Insurances, with the purpose that they may be transacted in the "Markets for Emerging Companies" regulated by the Stock Exchanges. Its summary was registered at Folio 38.871 N° 27.592 of the Registry of Commerce of the Santiago Real Estate Custodian of





EL RUNNING SHOE DE LOS VERDADEROS RUNNERS

the year 2006 and was published in the Official Gazette of September 28, 2006.

iv) At the Shareholders Extraordinary Meeting held on October 26, 2006, it was agreed to make amendments to the agreements adopted in the previous extraordinary meeting, with the purpose of complying with the demands made by the Superintendence of Securities and Insurances, during the process of the registration of the company's shares. Its summary was registered at Folio 44.330 N° 31.518 of the Registry of Commerce of the Santiago Real Estate Custodian of the year 2006 and was published in the Official Gazette of October 31, 2006.

v) At the Shareholders Extraordinary Meeting held on May 25, 2011, which minutes were converted into a public deed granted on June 21, 2011, at the Santiago Notary's Office of Mr. Iván Torrealba Acevedo, it was agreed to amend the corporate purpose, extending it. Its summary was registered at Folio 38.948 N° 28.997 of the Registry of Commerce of the Santiago Real Estate Custodian of the year 2011

and was published in the Official Gazette of July 14, 2011.

Addresses:

Departamental Av. Departamental N°01053, La Florida, Santiago, Chile. Phone: (56 2) 2923 3000

Cerrillos Camino a Melipilla 9400, Cerrillos, Santiago, Chile. Phone: (56 2) 557 3537

Capital Stock:

M\$24.242.787 dividido en 258.469.000 acciones sin valor nominal.

Corporate Purpose:

1) The manufacture, importation, exportation, marketing and distribution in any form, of footwear, leather articles clothing, textiles, its supplies and accessories, and any other product related with footwear and textiles agreed to by the partners.

2) The manufacture, importation, exportation, distribution and marketing in any form, for itself or on behalf of third parties, either through stores operated directly or through third parties, of all types of movables, either

raw material or elaborated goods, of any business line, including but not exclusively, the marketing of products which are related to food and beverages, cosmetics and pharmaceutical, music, books, electronics, home articles, accessories and others, related or not with the formers.

3) The purchase and sales of shares of stock companies.

4) The purchase and sales of all types of real estate, its renting, usufruct, and, in general, the commercial exploitation of them, as well as the development of real estate projects of any nature, to which end it may subdivide, merge, divide into lots and develop all types of real estates.

5) The rendering of all types of services and advices in administrative, accounting, technology and similar matters, or which are directly or indirectly related with the aforementioned.

6) The participation in other companies of any nature, and

7) The fulfillment of any marketing or industrial activity related, directly or indirectly, or complementary, with the above purposes and, in general, perform all the acts and contracts deemed necessary or convenient to achieve said objectives.

Investor Relation

ir@forus.cl

fono (56 2) 2923 3017

www.forus.cl





SEBAGO®



Regulatory
Framework



FORUS S.A. is an opened stock Company and, as such, is subject to the provisions of Law N° 18.046 on stock companies and its corresponding regulations, of Law N° 18.045 on the Securities Market and the rules of the Superintendence of Securities and Insurances.

Furthermore, Forus S.A. and its local affiliate are subject to the provisions of the Consumers Protection Law and the Chilean Regulations on the Labeling of Footwear and the manufacture of safety footwear.

Finally, it must be pointed out, that the activities of the different affiliates abroad are regulated by the particular rules of each country or jurisdiction





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Shareholders
as of december
31, 2013





Accionista	Acciones	Part.
Inversiones Costanera Ltda (1)	162.908.800	63,03%
Banco de Chile on behalf of third parties	16.742.840	6,48%
Bco Santander-HSBC Global Custody	12.105.689	4,68%
Trends S.A. (2)	7.610.997	2,94%
Bco Itaú on behalf of investors	6.147.156	2,94%
Bco Santander on behalf of Inv. Extr.	5.251.397	2,03%
Asesorías e Inv. Sta. Francisca Ltda. (3)	4.666.400	1,81%
BTG Pactual Chile S A C DE B	4.358.440	1,69%
Bolsa de Comercio de stgo stock Exchange	2.767.903	1,07%
AFP Provida for the C fund	2.730.222	1,06%
Fdo. Investment Larráin Vial Beagle	2.048.312	0,79%
AFP Provida for the B fund	2.043.648	0,79%
Others (4)	29.087.196	11,25%
TOTAL	258.469.000	100%

(1) Inversiones Costanera Ltda. in 64,01% is owned by Costanera S.A.C.I.

(2) Trends S.A. in 99% is owned by Sebastián Swett Opazo, Rut 7.016.199-0

(3) Asesorías e Inv. Sta. Francisca Ltda. in 99,5% is owned by Alfonso Andrés Swett Opazo, Rut 7.016.281-4

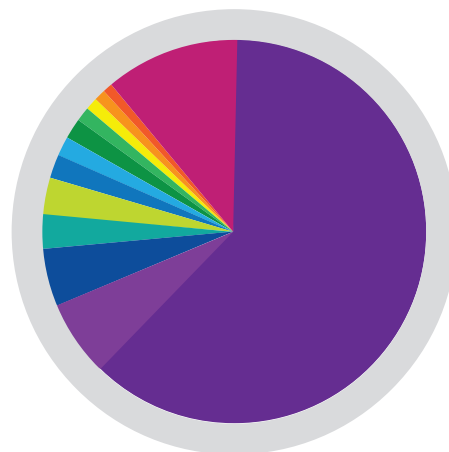
(4) In the group of Other Shareholders, Comercial Spac Ltda. in 45% is owned by Ricardo Swett Saavedra, Rut 4.336.224-0 and is the owner 0,34% of Forus S.A;

Costanera S.A.C.I. in 0,01% is owned by Alfonso Swett Saavedra, Rut 4.431.932-2 and 99,99% is owned by Inversiones Costasol SPA, of which 92,64% belongs to Alfonso Swett Saavedra. In the group of Other Shareholders, Alfonso Swett Saavedra, owns 410.524 shares of Forus S.A. Therefore, the controlling, totals 66,20% of Forus S.A. No agreement of joint actions exists.



Hush Puppies

W
WOMAN



- Inversiones Costanera Ltda.
- Banco de Chile por cuenta de terceros
- Bco Santander-HSBC Global Custody
- Trends S.A.
- Bco Itaú por cuenta de inversionistas
- Bco Santander por cuenta de Inv. extranjeros
- Asesorías e Inv. Sta. Francisca Ltda.
- BTG Pactual Chile S A C DE B
- Bolsa de Comercio de stgo bolsa de valores
- AFP Provida para fondo C
- Fdo. Inversión Larraín Vial Beagle
- AFP Provida para fondo B
- Otros



Board of
Directors and
Administration





4.1 DIRECTORIO

Alfonso Swett Saavedra

RUT: 4.431.932-2

President of the Board of Directors; Businessman, President of Costanera S.A.C.I., Inmobiliaria Costanera S.A. and Olisur S.A., Director of Elecmetal S.A., Viña Santa Rita S.A., Marbella Chile S.A., Cristalerías de Chile S.A.; Advisor of SOFOFA.

Alfonso Swett Opazo

RUT: 7.016.281-4

Executive Director, Commercial Engineer Universidad Católica de Chile, MBA Duke University (USA); General Manager of Costanera S.A.C.I.; Director of Olisur S.A., Hortifrut S.A., Arteco S.A., Inmobiliaria Costanera S.A., Member of the Labor Commission of CPC, Second Vice-president of SOFOFA, President of Chile Valora. Part time Professor of Commercial Engineering of the Pontificia Universidad Católica.

Heriberto Urzua Sanchez

RUT: 6.666.825-8

Commercial Engineer of the Universidad Católica de Chile; MBA I.E.S.E. Universidad de Navarra / London Business School; President of Amacero S.A., Director of EMASA S.A., Relsa S.A., Terraservice S.A. and Empresas SB S.A.; Advisor of Business Generation, Member of the Executive Committee of the Finances and Business Circle ICARE. President of Fundación Chile Unido.

Ricardo Swett Saavedra

RUT: 4.336.224-0

Engineer of the Chilean Navy, Agriculturist and Public Accountant. Director of Costanera S.A.C.I., Inmobiliaria Costanera S.A., Olisur S.A., and Arteco S.A. (Peru). Ex General Manager of Forus S.A., Ex Official of the Chilean Navy.

MOUNTAIN
HARD
WEAR





Francisco Gutierrez Philippi

RUT: 7.031.728-1

Civil Engineer, Universidad Católica de Chile, Master in Economy and Business Management Universidad de Navarra, Director of SM SAAM S.A., Echeverría Izquierdo S.A., Sociedad de Inversiones Oro Blanco S.A., Desarrollo Inmobiliario Cerro Apoquindo Ltda. and of South Andes Capital SpA.

John Stevenson

Extranjero

British citizen with studies at Leicester University; Consultant on International Development for ADOC in the República de El Salvador; Ex-President of Hush Puppies U.S.A. and of Brooks U.S.A. and Ex Vice-president of Production and Sourcing of Timberland U.S.A.

Matko Koljatic Maroevic

RUT: 5.165.005-0

Commercial Engineer of the Pontificia Universidad Católica de Chile, Postgraduate studies in Marketing, GSB, Stanford University. Permanent Professor of the School of Economics and Adm. of the Universidad Católica de Chile, Ex Vice-rector of Economic and Administrative Affairs of the PUC, Ex Director of the Administration School, Ex General Manager of Johnson & Johnson, Gillette.

Director of Quiñenco, Director of the Polla Chilena de Beneficencia S.A., Director of the Centro de Gobierno Corporativo UC and President de la Comisión Nacional de Acreditación – CNA Chile



4.2 LETTER OF THE PRESIDENT

Dear Shareholders,

During the year 2013, we were able to continue in the path towards growth, efficiency and profitability, and at the same time giving our customers, an original, fascinating and entertaining purchase experience, with which we continue consolidating a strong relation of loyalty with them and with our brands

Very concrete goals were materialized, we opened 80 stores, reaching a total of 421, 30 of them were opened in Chile. Our

sales reached MM\$193.630 achieving a growth of 13% versus the previous year. Our EBITDA grew 13,7% in comparison to the year 2012, reaching MM\$ 48.338 million pesos.

A landmark of extreme importance was to enter the Action Sport segment, which allows us to enlarge in an important manner the base of our young consumers, young persons between 15 to 25 years old. This was achieved with the two acquisitions we made: 7Veinte with its brands Burton,



Alpinestars, Skullcandy and the Billabong operations in Chile and Perú, with its brands Billabong, Element and Von Zipper. With both acquisitions we shall add sales for some MMUS\$ 28 and added 33 new stores, achieving an absolute leadership in the aforementioned category

In the same way we initiated with channel e-commerce Chile, which in a very short period of time gave us signs of a very strong potential growth.

To the two previous landmarks we must add the incorporation of other three brands to our portfolio, which are Sperry Top Sider, Keds, and Patagonia in the clothes category for Perú and Uruguay.

In order to manage in the most efficient way our business in the four countries where we operate, we have reinforced and empowered our management, we have continued carrying out strong investments in systems, implementing an ERP in Perú and initiating the process in Uruguay, in logistics, with a new distribution center in Perú and developing technological tools

for a best handling of inventories in all the countries.

In the macroeconomics area, we had a year where consumption, full employment and the consumers' faith were our economy drivers, which together with the strategies developed allowed us to capitalize the demand achieving a same store sale in Chile of 5,3% in the year, which was 8,4% in the last quarter.

We have always cultivated and excellent work climate which gives space for new ideas, different thoughts, which enriches country vision and adds value to our company. So, thanks to the above we have managed to develop a culture which constantly seeks the productivity increase in each of the company's processes.

In the same way, the progress of our contributors, executives and employees was channeled through the Forus University, a project of which we feel very proud and that has been forming the persons in an integral manner during 30 years, with the support of the most prestigious universities of the country.

The mission of our Company is to add value to our brands day by day. 2013 was not an exception. We launched new retail concepts and attractive collections, where the preference of the consumers was a constant. Marketing campaigns, original and with a strong focus in digital marketing, were launched. Strong investments were made in 2014 and we shall continue in this same path. Our brands are the motor of our company.

2014 comes with strong challenges. Not an easy macroeconomics environment. Economies that already give signs of deceleration, a volatile exchange rate and most certainly higher than 2013, a consumer day by day more demanding and more connected to what is going on in the world in all its fields .

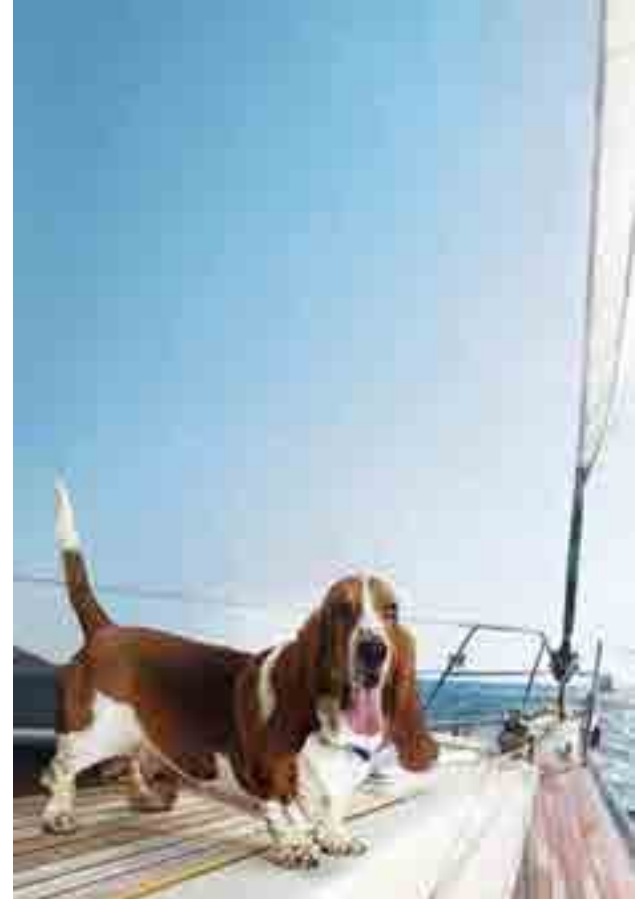
We understand what is coming and we have the strategies, action plans, and financial resources and the best human team to be able to say next December that we also succeeded in 2014.

Within the fundamental bases defined by the Board of Directors is the social responsibility for our country, therefore we continue even with more energy, supporting the Protectora de la Infancia, La Corporación de La Esperanza and Fundación Nosedal, which allow us to help in the education, the growth of children with limited resources and drug rehabilitation.

I take this opportunity to thank the confidence of our shareholders, customers, suppliers, contributors and directors.

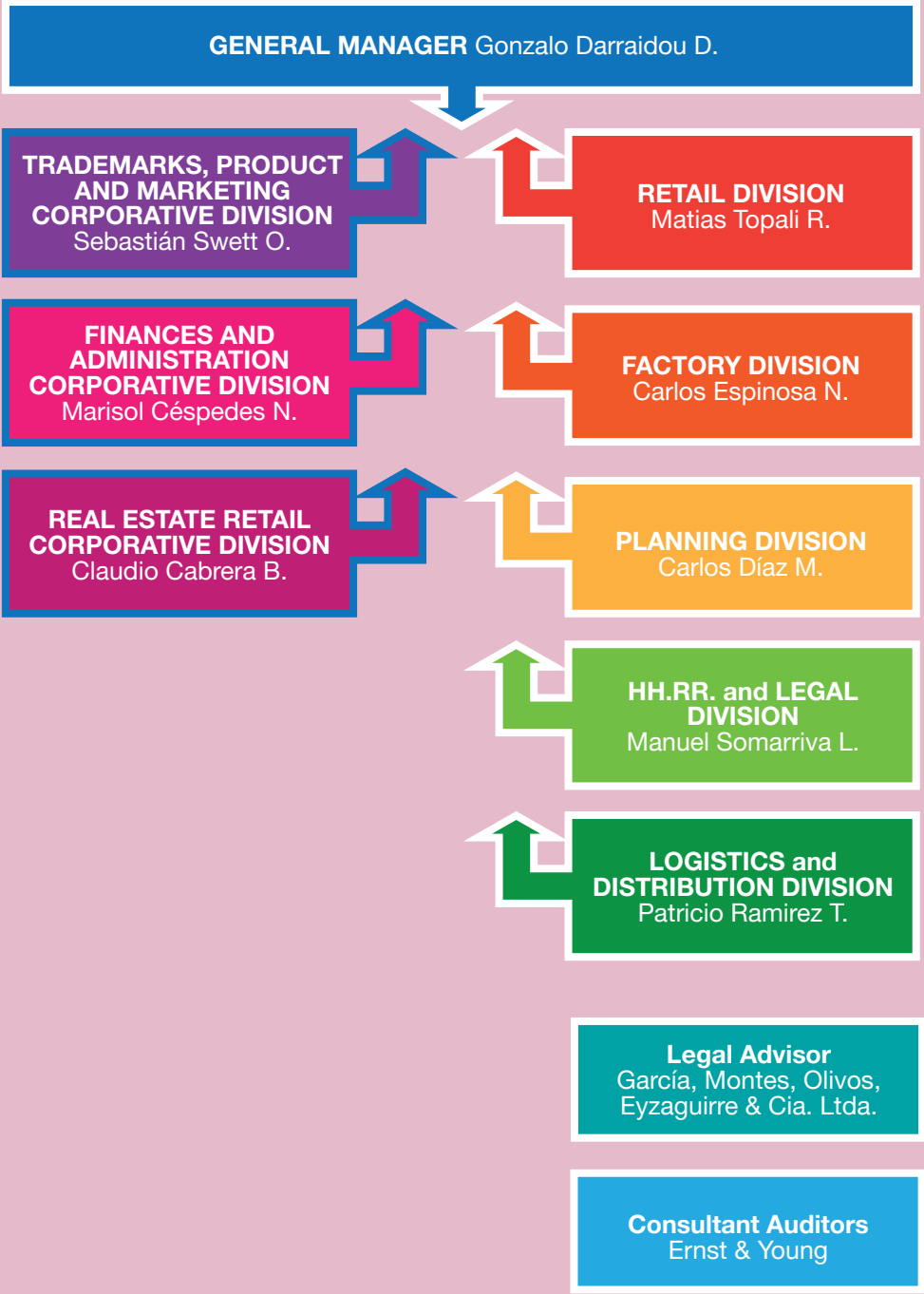


Alfonso Swett S.
Presidente Forus S.A.
Marzo 2013



Hush Puppies®
walk happy®

4.3 ADMINISTRACIÓN





4.4 DIVISION MANAGERS

GENERAL MANAGER Gonzalo Darraidou D.

Commercial Engineer - Universidad Católica de Chile
RUT: 8.808.724-0

MANAGER FINANCES AND ADMINISTRATION CORPORATIVE DIVISION

Marisol Céspedes N.

Commercial Engineer - Universidad de Chile
RUT: 7.254.487-0

MANAGER TRADEMARKS, PRODUCT AND MARKETING CORPORATIVE DIVISION

Sebastián Swett O.

Business Administrator DPA - Universidad Adolfo Ibáñez
RUT: 7.016.199-0

MANAGER REAL ESTATE RETAIL CORPORATIVE DIVISION

Claudio Cabrera B.

Commercial Engineer - Universidad de Chile
RUT: 5.391.006-8

MANAGER RETAIL DIVISION

Matias Topali R.

Business Administrator - Universidad Adolfo Ibáñez
RUT: 8.825.249-7

MANAGER LOGISTICS AND DISTRIBUTION DIVISION

Patricio Ramirez T.

Civil Industrial Engineer - Universidad de Chile
RUT: 10.108.122-2

HH.RR. AND LEGAL DIVISION

Manuel Somarriva L.

Lawyer - Universidad Finis Terrae
RUT: 10.549.296-0

MANAGER FACTORY DIVISION

Carlos Espinosa N.

Mechanical Engineer - Universidad Técnica Federico Santa María
RUT: 8.263.239-5

MANAGER PLANNING DIVISION

Carlos Díaz M.

Commercial Engineer - Universidad de Chile
RUT: 13.035.361-4

LEGAL ADVISORS

García, Montes, Olivos, Eyzaguirre & Cia. Ltda.

AUDITORS

Ernst & Young





7
veinté



4.5 PERSONNEL

	Head Office	Affiliates	Consolidated
Executives	31	21	52
Technicians	65	57	122
Employees	2.722	715	3.437
TOTAL	2.818	793	3.611

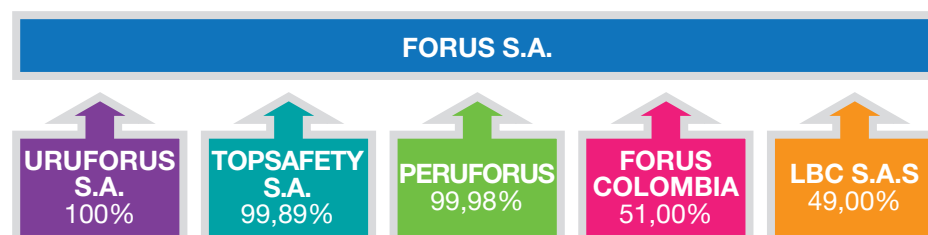


Investments
in other
Companies



5.1 PROPERTY STRUCTURE OF FORUS S.A., AFFILIATES AND ASSOCIATE

5.1 The following diagram shows the structure of Forus S.A., its affiliates and associate:



5.2 URUFORUS S.A.

Registered Name: URUFORUS S.A.

Corporate Purpose: Its purpose is: A) the manufacture, importation, exportation, marketing, Representation and Distribution in any form in Uruguay, of footwear, leather articles, clothing, textiles and other articles directly related with the ones stated, agreed to by the Company. B) The Company may carry out any industrial and commercial activity directly related with its main purpose, as well as to execute all the acts and contracts necessary or convenient to fulfill said purpose.

Directores y Ejecutivos:

Gonzalo Darraidou Díaz
(President, Forus General Manager)
(President of the Board of Directors of Uruforus SA)

Marisol Céspedes Navarro
(Director, Forus Administration and Finances Manager)
(Vice-president of the Board of Directors of Uruforus SA)

General Manager:**Juan Strauch D.**

(General Manager)

Participation: 100% of the capital.**Total Shares:** 74.741.806.-**Outstanding & Paid Capital:** \$ 1.830.547**Investment:** M\$9.746.738, corresponds to 5,86% of the total assets of the Main Office.

General Description: Uruforus S.A. was formed by the incorporation articles of November 15, 1990 (originally under the name of "HUSH PUPPIES URUGUAY S.A."), and its By-Laws were approved by Resolution of December 6 of the same year, issued by the Treasury General Inspection and registered in the Commerce Public and General Registry on December 27, 1990, with the number 1059, F – 11.653/11.670 del L – three of the By-Laws. On April 30, 2012, Uruforus absorbed the related Company Pasqualini S.A., expiring the legal personality of the latter, in accordance with the legislation of the República Oriental de Uruguay.

Uruforus develops at Uruguay the sales through two distribution channels: Wholesale and retail sales which it carries out through the administration of its own shops.





FUNSPORT

5.3 TOPSAFETY S.A.

Razón Social: TOPSAFETY S.A.

RUT: 96.583.940-2

Corporate Purpose: Manufacture, importation, exportation, distribution and marketing for itself or on behalf of third parties, wholesale or retail, all types of footwear, clothes and safety accessories, as well as the representation of all types of trademarks and of local and/or foreign firms.

Directores:

Alfonso Swett Saavedra

(President, President of Forus)

Ricardo Swett Saavedra

(Director, Director of Forus)

Alfonso Andrés Swett Opazo

(Director, Director of Forus)

Sebastián Swett Opazo

(Director, Commercial Manager of Forus)

Gonzalo Darraidou Díaz

(Director, Forus General Manager)

Marisol Céspedes Navarro

(Director, Manager Administration and Finances of Forus)

General Manager: Andrés Infante

Participation: 99,89% of the capital.

Total Shares: 51.019

Outstanding & Paid Capital:

M\$4.458.917

Investment: M\$1.635.243 corresponds to 0,98% of the total assets of the Head Office.

General Description: A company formed by public deed granted on May 25, 1990, at the Santiago Notary's Office of Mr. Jaime Morandé Orrego, and registered at Folio 16.232 N° 8.151 of the Registry of Commerce of 1990 of Santiago Real Estate Custodian.

Topsafety manufactures and sells footwear, clothing and safety accessories.



CHRISSY TEIGEN
MODEL

Everyone wants candy
Skullcandy
Supreme
Sound



5.4 PERÚ FORUS S.A.

Registered Name: PERÚ FORUS S.A.

Corporate Purpose: Manufacture, importation and/or marketing of all types of products, and to the development and/or Investment in real estate deals.

Directors:

Gonzalo Darraidou Díaz
(President, Forus General Manager)

Marisol Céspedes Navarro
(Director, Forus Manager
Administration and Finances)

Ricardo Swett Saavedra
(Director, Director of Forus)

Sebastián Swett Opazo
(Director, Forus Commercial Manager)

Alfonso Swett Opazo
(Director, Director of Forus)

General Manager: Eduardo Balbín B.

Participation: 99,98 % of the capital.

Total Shares: 3.793.944

Outstanding & Paid Capital: M\$7.112.171

Investment: M\$8.742.405 corresponds to 5,25% of the total assets of the Head Office.

General Description: Company domiciled at the city of Lima, Peru, formed on December 14, 2006, granted before the Notary Ricardo Ortiz de Zavallos Villarán, registered in the Record N° 11963870 of the Registry of Legal Entities of Lima.



Its purpose is the marketing of all types of products and the development of real estate deals





5.5 FORUS COLOMBIA S.A.S.

Registered Name:

FORUS COLOMBIA S.A.S.

Corporate Purpose: Distribution and representation, purchase and sale, exportation and importation of shoes, sandals, slippers gloves, purses, handbags and in general, clothes and personal use articles in leather, plastic and similar.

Directors and Executives:

Gonzalo Darraidou Díaz

(President, Forus General Manager)

Sebastián Swett Opazo

(Director, Forus Commercial Manager)

John Stevenson

(Director, Director of Forus)

William J.B. Brown

(Director)

Christopher E. Hufnagel

(Director)

General Manager: Alejandro Cruz.

Participation: 51,00 % of the capital.

Total Shares: 23.324.261 (after the capitalization of 2013)

Outstanding & Paid Capital: M\$3.175.200

Investment: M\$1.596.677, corresponds to 5,25% of the total assets of the Head Office.

General Description: Company domicile at Bogotá, Colombia, formed

as a sole proprietorship Company under the registered name of La Maravilla Cali E.U., by private instrument of February 20, 2007, signed at the Notary's Office 13 of Cali, and registered under N° 705949-15 at the Chamber of Commerce of Cali, Colombia.

Later the Company was transformed into a stock company by public deed granted on March 12, 2007, at the same Notary's Office aforementioned under the registered name La Maravilla Cali S.A.

Forus S.A. purchases the shares of this Company on April 30, 2007. By the minutes of the General Shareholders Meeting of July 31, 2012, registered on October 1, 2012, the Company was transformed into a Simplified Shareholding Company, changing its name to Forus Colombia S.A.S.

Its purpose is the marketing of footwear products and clothing articles.

5.6 LBC S.A.S.

Registered Name: LIFESTYLE BRANDS OF COLOMBIA S.A.S.

Corporate Purpose: Distribution and representation, purchase and sale, exportation and importation of shoes, sandals, slippers gloves, purses, handbags and in general, clothes and personal use articles in leather, plastic and similar.

Directors and Executives:

Gonzalo Darraidou Díaz

(President, Forus General Manager)

Sebastián Swett Opazo

(Director, Forus Commercial Manager)

Nick Ottenwess

(Director)

William J.B. Brown

(Director)

Christopher E. Hufnagel

(Director)

General Manager: Alejandro Cruz.

Participation: 49,00 % of the capital.

Total Shares: 12.149.913

Outstanding & Paid Capital: M\$3.308.006

Investment: M\$ 1.930.632, corresponds to 5,25% of the total assets of the Head Office.

General Description: Company domiciled at Bogotá, Colombia, formed by the Shareholders General Meeting on June 13,

2011 and registered on June 18, 2011. At the Second Shareholders General Meeting on April 19, 2012 the assignment of 49% of the shares was made to Forus S.A.

Its purpose is the marketing of footwear products and clothing articles





CAT



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Dividends
Policies





During the last years the following dividends for the corresponding fiscal years have been distributed:

	2013	2012	2011	2010	2009	2008
Definite Dividend	***	32,54	30,37	18,41	\$9,42	\$11,11
Definite Dividend *			38,69	37,5		
Interim Dividend **	18,00	16,00	13,62	11,6	\$6,0	\$7,00
Total Dividends		48,54	82,68	67,51	\$15,42	\$18,11

In historic values as of December 31, 2013

* Paid against accumulated results.

** Paid against results anticipated for the fiscal year.

*** To be defined at the Ordinary Shareholders Meeting on April 2014.

The Dividends Policy is to distribute 40% of the profits generated in the previous fiscal year.

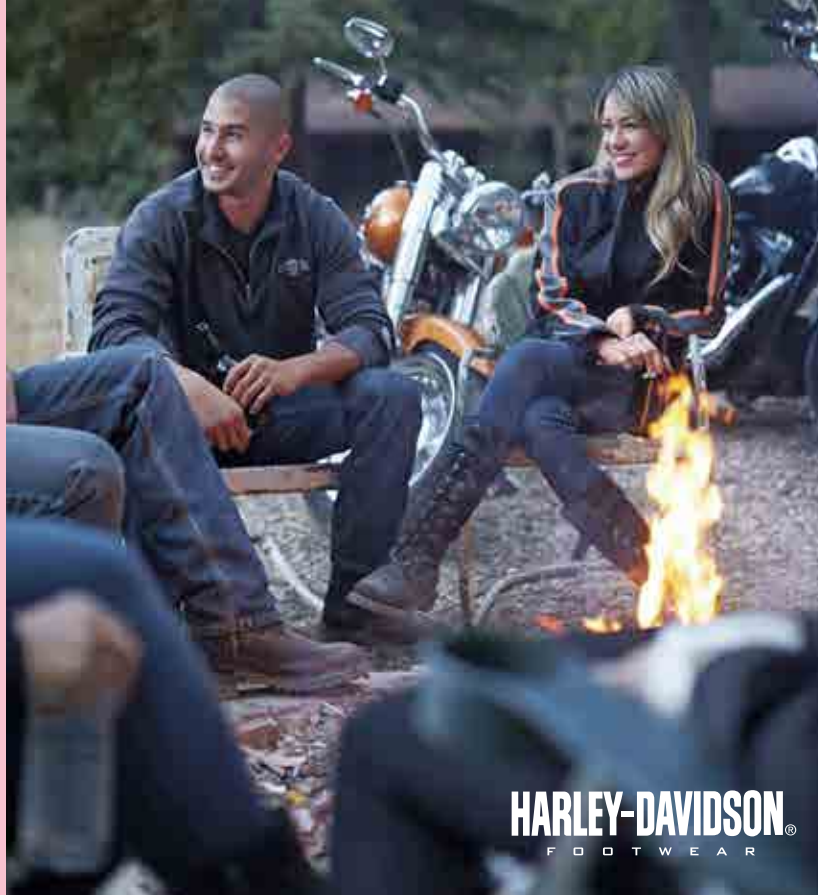


DIAGRAM OF THE PROFITS DISTRIBUTED DURING THE FISCAL YEAR 2013

	Accumulated Profits \$	Amount of the Dividend \$	Type of Dividend				Period of Payment of the Dividend
			Min.	Rate	Adit	Interim	
Profit fiscal year 2012 (Hist).	31.365.627.815	8.410.747.126	X	40%			May 2013
Accum. Profits e.g. Previous	42.616.862.291						
Additional Dividends		0			X		
Interim Dividends		4.652.442.000				X	Nov. 2013
Minimum Eventual 2013 Dividend		6.713.839.763					May 2014
Totals	73.982.490.106	19.777.028.889					
2013 Dividend Distribution	(19.777.028.889)						
Accum. Profits before the 2013 Results	54.205.461.218						
Profits Fiscal Year 2013	37.887.605.875						
Accumulated Profits as of December 31, 2013	92.093.067.093						



EL INVIERNO
SE APROXIMA

Life is a long weekend
 **RKF**
ROCKFORD The Outdoor Experience



Essential
Facts



During the last year the following essential facts have been informed:

A) On March 20, 2013, the Board of Directors of the Company agreed to summons to a Shareholders Ordinary General Meeting to be held on April 18, 2013.

B) On March 21, 2013, the information indicated in the essential fact sent on this same date is complemented, specifying that the alternatives of the companies which will be proposed to consideration at the Meeting for the designation of the external auditors for the fiscal year ended on December 31, 2013, will be published in the Company's Web page www.forus.cl as of April 2, 2013.

C) At the Shareholders Ordinary General Meeting number Twenty One, held on April 18, 2013, the following was agreed to:

- Approve the Annual Report, the balance sheet and the financial statements of the Company, corresponding to the fiscal year ended as of December 31, 2012;

- Pay a definite dividend for the total amount of \$8.410.747.126 to be charged to the net profits of the fiscal year 2012, at the rate of \$ 32,54064 per share, in cash, as from May 10, 2013, to those shareholders who appear as registered in the registry of the company as of the fifth working day previous to the payment date;

- Designate Messrs. Alfonso Swett Saavedra, Ricardo Swett Saavedra, Alfonso Andres Swett Opazo, John P. Stevenson, Heriberto Urzúa Sanchez and Francisco Gutiérrez Philippi, as Directors of the Company for the period 2013-2016.

- Designate Mr. Mateo Matko Koljatic Maroevic as Independent Director of the Company for the period 2013-2016.

- Designate Ernst & Young Servicios Profesionales de Auditoría y Asesoría Ltda. as external auditors,

- Delegate on the Board of Directors the appointment of the risk assessment companies, among the companies Feller-Rate Clasificadora de Riesgo Ltda., Fitch Chile Clasificadora de Riesgo Ltda., International Credit Rating Compañía Clasificadora de Riesgo Ltda. and Clasificadora de Riesgo Humphreys Ltda, and

- To publish the summons notices for the Company's Shareholders Meetings during the year 2013 in the Diario Financiero newspaper.

D) On April, 2013, the Board of Directors agreed to designate Mr. Alfonso Swett Saavedra as President of the Board and of the Company.

Likewise, at that meeting, Mr. Mateo Matko Koljatic Maroevic, the only Independent Director of the Company, designated Messrs. Ricardo Swett Saavedra and Heriberto Urzúa Sanchez, as members of the Directors Committee for the period 2013-2016.

E) On August 26, 2013, the Board of Directors in view of the positive progress of the due diligence which is being carried out to Sieteveinte S.A., a company dedicated to the distribution and/or sale in Chile of articles of the trademarks of the Burton group and of the trademarks Skullcandy, Dakine and Alpinestar, it was agreed to disclose the information regarding the operation to purchase some assets of the company Sieteveinte S.A., agreed by the parties last June 28.

Said assets will be contributed by their owners to a new Company which shares or rights would be purchased by Forus S.A..

Notwithstanding the price adjustments which may correspond, depending on the results of the corresponding due diligence, it is estimated that the amounts involved in this operation will amount to US\$14.000.000 approximately.

The promised purchase and sale should be signed on September 2, 2013.



Desafía la naturaleza del agua

Tecnología Omni-Dry



Tecnología que permite al aire circular a través del tejido, lo que ayuda a regular las condiciones de la prenda y evitar el exceso de humedad en el interior. Al mismo tiempo, conserva sus propiedades de protección contra el agua y el viento. Omni-Dry te mantiene seco por dentro y por fuera durante la actividad física de alta intensidad, al ser ultra respirable e impermeable.



Columbia
Trying stuff since 1938

Forus S.A. made no guarantees regarding the compliance of the promise, it was agreed that its violation would be penalized with a fine of UF 32.000.

F) On September 2, 2013, Forus S.A. bought, from its shareholders Milochenta S.A and Fondo de Inversión la Roca, the totality of the shares of Sieteveinte S.A., a company dedicated to the distribution and/or sale in Chile of articles of the trademarks of the Burton group and of the trademarks Skullcandy, Dakine and Alpinestar, to which they had previously contributed distribution contracts of some trademarks already mentioned, the rent contracts of some business premises, accessories and facilities of these premises and merchandise of the same aforementioned trademarks.

The operation amounted to a total of \$7.366.396.099, which was paid with their own funds.

The financial effects that the purchase may have on the assets, liabilities or results of the Company shall be informed in the next days through the regular channels





of information to the market which the Company usually uses.

G) On November 5, 2013, the Board of Directors of the Company, agreed to inform the Superintendence of Securities and Insurances the signing of two master agreements and two distribution contracts for the territories of Chile and Peru with Burleigh Point Limited, owner of the companies GSM Chile Ltda. (Chile) and Sanmaree PTY Ltd. (Perú), to take charge of the distribution and sale operations, at the indicated countries, of articles mainly of the trademarks Billabong, Element and Von Zipper, in the framework of the policy of the company to have access to the youth consumers market in both countries.

According to the aforementioned contracts Forus S.A. shall purchase 100% of the shares of a Company which will receive, through contributions, some assets of the Company GSM Chile Limitada (distribution contracts of the aforementioned trademarks, rental of business premises, facilities and merchandise) and in Peru, the affiliate Perú Forus S.A. shall purchase

the contractual position of Sanmaree PTY Ltd. in certain contracts (distribution contracts of the aforementioned trademarks, rental of business premises, facilities and merchandise) and fixed assets of stores and the indicated merchandise.

Notwithstanding the price adjustments which may correspond, depending on the results of the corresponding due diligence, it is estimated that the amounts involved in this operation will amount approximately to US\$14.000.000.

The purchase and sale of the assets should be signed on November 29, 2013 in Chile and on December 6, 2013 in Perú, subject to the verification of several conditions, which should be complied with before or on the aforementioned dates.

Forus S.A. and its affiliate Perú Forus S.A., made no guarantees regarding the compliance of the indicated contracts, it was agreed that its violation, in each case, would be penalized with a fine of US\$1.200.000.-.



50

The financial effects that the purchase may have on the assets, liabilities or results of the Company shall be informed in the next days through the regular channels of information to the market which the Company usually uses.

H) On November 5, the Board of Directors agreed to pay an interim dividend, against the profits of the fiscal year 2013, for the amount to \$4.652.442.000.-, in the proportion of \$18.- per share, in cash, which will be paid as of November 22, 2013.

I) On November 29 2013, Forus S.A. purchased, to its shareholders GSM Chile Limitada and Diego Peralta Valenzuela, the totality of the shares of BBG Chile S.A., to which they had previously contributed distribution contracts in Chile of the trademarks Billabong, Von Zipper and Element, as well as merchandise of the same aforementioned trademarks.

The operation amounted to a total of \$3.574.480.230, which was paid with their own funds, in addition to what corresponds to certain accounts receivable which will

be paid as they are actually collected.

The financial effects that the purchase may have on the assets, liabilities or results of the Company shall be informed in the next days through the regular channels of information to the market which the Company usually uses.

J) On December 7, 2013, Perú Forus S.A., an affiliate of Forus S.A., purchased in Perú, from the Company PTY, Perú branch, and representative of the trademarks Billabong, Von Zipper and Element in said country, assets, accounts receivables, as well as the inventory of those same trademarks, and began operating the stores which Sanmaree PTY operated before. Likewise and previously it had signed with Burleigh Point Limited a distribution contract for the aforementioned trademarks, which was opportunely informed through this same channel.

The operation amounted to a total of S./12.765.920 (soles), equivalent at that date to US\$4.557.629.-, paid with their own funds.





The financial effects that the purchase may have on the assets, liabilities or results of the Company shall be informed in the next days through the regular channels of information to the market which the Company usually uses.



Remunera-
tions





f 7veinte
 i 7veinte
 @7veinte

a) Remunerations of Forus S.A. Board of Directors

		Director						
		Alfonso Swett S.	Alfonso Swett O.	Heriberto Urzúa S.	Eduardo Aninat U.	Ricardo Swett S.	Francisco Gutiérrez P.	John Stevenson
2012	Rem.	45.059						
	Fees					29.601		45.879
	Participation	71.061	35.531	35.531	35.531	35.531	35.531	35.531
	Dividend	19.036						
	Directors Committee		11.844	11.844	11.844			
	Total	135.156	47.375	47.375	47.375	65.132	35.531	81.410
2013	Rem.	45.825						
	Fees					30.045		45.680
	Participation	78.414	39.207	39.207	39.207	39.207	39.207	39.207
	Dividend	20.748						
	Directors Committee		13.069	13.069	5.445		7.624	
	Total	144.987	52.276	52.276	44.652	69.252	46.831	84.887

Amount in thousands of historic pesos

b) Remunerations of the Affiliates' Board of Directors

The Affiliates' directors are not remunerated

c) Expenses of the Board of Directors

The Board of Directors of Forus S.A. did not incurred in any Consultancies expenses of any kind during the 2013.

d) Directors Committee

In accordance with what is indicated in article 50 Bis of Law 18.046 on Stock Companies and Circular N° 1.526 of the Superintendence of Securities and Insurances (SVS), which indicate that the activities performed by the Directors Committee should be informed annually, this report should be presented in the annual



report and informed at the corresponding Shareholders Ordinary Meeting, is informed later on.

The Directors Committee of Forus S.A. is at present formed by the Directors Heriberto Urzúa S., Ricardo Swett S. and Matko Koljatic M., and is presided by Mr. Matko Koljatic M.

During the fiscal year 2013 the Directors Committee met in different occasions in which it focused on learning about the subjects of their responsibility, in accordance with what is indicated in article 50 Bis of Law 18.046. The Directors Committee met on February 26, March 20, May 24, June 19, July 23, August 21, October 16, November 5 and December 18, meetings in which they analyzed the subjects typical of their responsibility as is ordered by the law. Thus they analyzed and approved the operations regulated by articles 146 and following of Law N° 18.046 on stock companies in accordance with what is indicated in article 147 of the indicated law, informing the Board of Directors; analyzed the financial statements of the Company, in

accordance with international regulations of financial information (IFRS) to be presented in each opportunity to the Superintendence of Securities and Insurances, including the reports presented by the external auditors; analyzed the inventories; the processes of financial and administrative control of the company; the variable remuneration of the division managers; the remunerations of the principal executives; the reports of the internal audit and its annual plan; the controller's work on store and warehouses inventories; the sale of assets to related companies, among other subjects as indicated in the law. It also checked the tender for the external auditing service and personally met with the auditors of the Company. In addition, learned about the Control Processes of the Company and administration of funds, among others. There were no other comments or proposals.

At the Shareholders Ordinary Meeting held on April 18, 2013, in accordance with what is indicated in Art. 50 bis of Law N°18.046 and in the Circular N° 1956 of the SVS, the remunerations for each



MERRELL



member of the committee equivalent to a third of the remuneration he receives in his capacity as Director of the Company were decided. It was decided that the operating expenses would be the equivalent of the amount of the annual remunerations of the committee members.

Comments and proposals of shareholders

At the date of the present Report, no comments or proposals of the Company's shareholders were recorded..

e) Remunerations of the principal managers of the Company

2012 (M\$)	2013 (M\$)
1.216.122	1.241.256

Amounts in thousands of historical pesos

f) Indemnity for years of service

During the year 2013, there were no payments made to executives for indemnities for years of service.

g) Incentive Plans

The Company pays performance bonuses which are determined in accordance with the goals achieved by each worker.

There are monthly bonuses, for the Distribution and Commercial areas personnel. Benefited workers 19.

There are quarterly bonuses, for the Production and Commercial areas personnel. Benefited: 59 workers.

There are annual bonuses aimed to Division Managers and other executives. Benefited: 17 persons.



9

Activities
and
Businesses





9.1 HISTORY

Wolverine World Wide, (W.W.W.) a Company of great worldwide standing, present in more than 60 countries in the five continents and owner of trademarks of worldwide prestige, is born more than 100 years ago, but its beginnings go back to 1883 when Henry O. Krause comes to live in the United States, and begins to manufacture shoes.

In 1980, W.W.W., in its process of international expansion, associates with the Chilean business group, led by Mr. Alfonso Swett Saavedra, with the purpose of marketing in Chile its products. To this end they form the company Hush Puppies Chile Ltda., whose ownership structure was W.W.W. 30% and Alfonso Swett Saavedra e Inversiones CGS Ltda., 70%.

The great success reached by the Chilean Company made them build the first Factory in the year 1982, thus the structure of that time differentiates two companies, which, although independent, work together in the coordination of activities and strategies: Hush Puppies Chile Ltda. (Factory, wholesales and exportations)

and Comercial Puppies Ltda. (Retail), the latter being the owner of the stores chain.

Together with this growth, Hush Puppies begins to be known in Chile as a trademark of great prestige, quality and comfort, which is supported through the constant implementation of up to date technologies in the design and production of footwear and supported by effective advertising and marketing campaigns in various means of communication.

In 1991, the group led by Mr. Alfonso Swett decides to buy the participation which W.W.W. still has in the company, but maintaining always a tight relation with this important North-American company. At the same time a Company restructuring begins, through which the companies FORUS S.A., in charge of the production, exportation, franchises, whole sales and owner of the licenses and Comercial Forushop Ltda. in charge of the operation and administration of the stores (Retail Business) are created.

The Company continued operating in the

same form up to 2002, year in which the merger of the retail and wholesale business in only one company is decided. For this reason, Comercial Forushop Ltda. is absorbed by its head office FORUS S.A on January 1, 2003. Additionally in this merger process Macs S.A., a Company in charge of the retail business of the Forus group is absorbed.

In December of 2006, Forus made its appearance in the Stock Exchange and has continued growing via incorporation of new trademarks, new Retail concepts and increasing its international presence.

In 1990 Uruforus was formed and in the year 2007 purchases the leader trademark of Uruguay in the woman category; Pasqualini. In 2012 the merger of both companies is made, consolidating its leadership in that country and adding 45 stores.

In 2006 Perú Forus is born which develops the trademarks Hush Puppies, Nine West, Rockford and Columbia amongst others. In the year 2013 the trademark Billabong is added, and it now has 66 stores.

In 2007 Forus Colombia is born to market the trademark Hush Puppies in that country. In April of 2012, Forus materializes a joint work agreement in the Colombian market with the North-American company WWW Inc. where this acquires 49% of Forus Colombia and in turn Forus Chile acquires 49% of the newly formed company LBC S.A.S. staying the remaining 51% in the hands of WWW Inc. Forus Colombia and LBC handle 37 stores and the wholesales in the Colombian territory.





9.2 FILIALES

9.2.1 URUGUAY

In the year 2013 Uruforus presented growths of 8,2% in sales with regards to the previous year and 10,9% of improvement in margins, making progress in the growth and leadership in the territory, to which end 10 stores were opened reaching a total of 45 stores. At the end of the year the Patagonia brand in clothes, the Keds and Sperry brand in footwear were acquired and the concept HP Kids was strengthened, with a long term vision.

The economic environment presented difficulties especially due to the problems in Argentina and its traditional effect in Uruguay, which in this case, due to the exchange rate situation, encouraged traveling to Buenos Aires to purchase.

During the year the tax benefit of the investment projects was materialized, and as a consequence these investments were profitable in lesser time.

Finally we may say that during the year 2013 the implementation of the ORACLE

system began with the purpose of adjusting the information systems to the dimension and requirements of the company and furthermore that the work continues to reinforce the company's structure.

9.2.2 PERU FORUS

During the year 2013, Perú Forus continued with the rhythm of growth shown in previous years in spite of a more complicated environment, achieving a sales increase in dollars of 16% (24% in local currency) and reaching an invoicing of US\$23.7MM. The operational result remained equal to the one of the previous year due to the devaluation of the sol, but showing a growth of 16% in the local currency.

The year 2013 was characterized as being a year of important investments in the improvement of the operational capacity of the company. In this context, the area of Distribution and Logistics was strengthened, creating a professional organization which gives a larger added value to the business. This permitted the beginning of the logistics operations in a new Distribution Center

located at the south of Lima which has all the installations needed for the business. Likewise the main modules of the Oracle program were implemented, which shall allow a better control of the operations and a larger standardization in the processes.

Regarding the retail business, the execution of an aggressive plan of store openings was carried out, opening 15 new stores in the year, which represents 44% of growth in the total number of stores compared to the year 2012. It is important to highlight that during the year 2013 the first two stores of the Columbia brand in Perú were opened, one of them located in one of most exclusive areas of the most important mall of the country. All this actions made the retail business to grow by 26% in the sales in dollars (33% in local currency) and 30% in the operational result.

With regards to the trademarks, the plan for strengthening the positioning of each was continued, and to this end the upgraded collections were presented to the market, with a higher and better investment in Marketing and the renewal of the stores

formats so that they adequately reflex the identity of the trademarks. It is important to mention that great progress was achieved in the modernization of the Hush Puppies brand, especially in the women business. With regards to the Patagonia brand, the clothes category was taken, to complement the existing for footwear.

Additionally, and which might be the most important event for Perú Forus in the last years, during the month of December the Company acquires the operation rights for the Billabong brand in Perú, adding a business of approximately US\$12MM (almost 50% of the invoicing of Forus Perú) and 17 stores, totaling 66 stores. For the Peruvian operation this is an important step towards its consolidation, since in addition to the critical mass this new business contributes to the affiliate, marks Forus Entrance to the business of clothes, footwear and accessories for surfers, a business which is very important in Perú. Also, this operation includes the Element, Von zipper and Kustom brands.





**MOUNTAIN
HARD
WEAR**



9.2.3 FORUS COLOMBIA

Forus Colombia continued its adjustment process to the new structure of the Company. Sales increased 9.6% to CoLP MM 20,992, without including intercompany transactions with Lifestyle Brands of Colombia.

A total of three Hush Puppies stores and one D-House store were opened, which improved the presence of the trademark in intermediate cities in the case of the

Hush Puppies chain. Additionally a Hush Puppies store in Cali was remodeled.

In addition, the Presidential Decree 74 of March 2013 incremented importation duties, generating a margin deterioration of almost 2 percentage points which it was not possible to totally transfer to the customer, due to market dynamics.

Due to the exposure of debts in Dollars with the head office and a devaluation higher than 5%, a negative Exchange difference

of ColP MM 339 was generated

The previous events contrast with the development of the collection in Europa, Chile and the United States, margin improvements of 3 percentage points and a successful implementation of the plan for the sales force development, and other achievements.

JOINT VENTURE COLOMBIA

The Joint Venture with Wolverine in Colombia made a very important progress in the year 2013, in a highly competitive business environment. Mainly we highlight sales, purge of the wholesale channels, initiatives for trademark positioning, opening of concept stores, improvement of the administrative structure in persons and processes. In the same way, we highlight the competition challenges and the barriers we faced at a governmental level.

Consolidated sales for 2013 were ColP 42,275 MM. Total sales increased 42%, highlighting an increase in the sales of





similar stores of 7% during the year and 10% in December. We successfully opened 10 concept stores, eight of which were opened outside Bogotá.

In wholesale we grew 60% in customers located in formal business centers, equally consistent with the need to arrange the channels to give impulse the positioning of the trademarks.

Seeking to adapt ourselves from an efficient increasing business structure to a growing business structure, finally we were able to complete the capitalization process of the Company, we hired professionals with vast experience mainly to impulse areas such as products, logistics, marketing and financial planning.

During the year 2013 we faced two significant challenges: the first was decree 74 which increased duties, and forced us to participate in rounds of union and government negotiations to seek its dismantling. The second continues to be the battle against the non-authorized flow of Cat and Merrell products, which although

it shows important progresses, forces us to continue working in order to control it.

9.2.4 TOPSAFETY S.A.

In the year 2013 the affiliate responsible for the development of safety footwear and accessories presented a growth of 22% in sales and 23% in margins.

This year we initiated the phase of consolidation in the penetration of the Retail channels "Home Improvement" - Easy/Sodimac – generating a growth of 54% in sales with respect to the previous fiscal year. On the other hand, the retail chains DHouse and Shoe Express contributed a growth in sales of 35%, consolidating themselves with 23% of participation in the total sales of the Retail channel. Along these lines, the main elements which explain the results of these channels are: Improvements in footwear collection continuing with innovations in design and style, and strengthening the retail business team, achieving presence at a local level.

The market which Topsafety attends to has





been faced with some difficult situations and the deceleration of the mining, agricultural projects and those related with the construction.

Finally, we may mention that the integration of systems with Forus was successfully materialized, and during the year 2013 an Intranet system was implemented for business management, significantly improving service to our customers and access to the information for decision making.



9.3 TRADEMARKS

The company has a large portfolio of trademarks of their property and licensed to cover the different segments of the footwear and clothing market.

A tight and long relation with our licensors has allowed us for many years to work these trademarks with great success.

HUSH PUPPIES

This is the brand that invented the casual footwear in the United States. From then on the world changed. The persons began dressing in a more relaxed manner. Today thanks to Hush Puppies, shoes are more

comfortable, and this accompanied by the technological development, innovation, high quality and a continuously *updated design creating a unique fashion and interpreting the needs of the consumer* makes this brand the leader in Chile and a guideline in the world. Walk happy

HUSH PUPPIES KIDS

Is the brand which searches for differentiation in all its designs of clothes and footwear always incorporating the last tendencies of the global design and the most noble and Premium materials of the market, ideal for the healthy growth of the children's feet





and comfortable and functional clothes. It has innovative technologies which are permanently reinforcing health and comfort.

RKF- ROCKFORD

Life is a long weekend is the promise of this international brand, natural and aspirational which allows that our dreams for a more relaxed life come true, always enjoying the beauty of nature and the simple life. A unique concept of stores, which exceed the expectations and transform them into an oasis in the present world.

COLUMBIA

Is the undisputed leader of the *outdoor* life style in the United States and the world. Its great strength is the innovation in technologies for all kinds of weather and comfort of the consumers as Omni Freeze, Omni tech, Omni heat and Protection for the UV rays to name some of its more than 18 technologies available.

All these technologies are applied in their Footwear, Clothing and Accessories products presented in an unique and exclusive retail of the brand in Chile.

CAT

A most differentiating and innovating proposal for footwear and urban clothes for the young, who like to live with maximum liberty, breaking barriers, and experiencing new sensations.

MERRELL

Live outdoors and forget about daily problems, is the philosophy of this North-American brand that emphasizes the *outdoor innovating* design, which is not only reflected in its collections, but also in its distinctive stores and advertising communications.

NINE WEST

Shoes for fashion women that mark the tendencies of the fashion in New York. The great brand for the stylish woman that worries about fashion and exclusivity.

SEBAGO

This is the North-American preppy *fashion* par excellence. Innovative nautical footwear, with multicolor designs which combine the tradition of various decades and the energy of today's men.



MOUNTAIN HARDWEAR

A brand of ultra-performance for great challenges and climate conditions to the limit, with **Life Guarantee** and totally focused on the mountain.

CUSHE

Surf and the adventure of being free and comfortable in this world is the soul of this brand created in Great Britain. Represents the style of comfortable life, in liberty, which all the youth dream to have. Its philosophy is *"have a good time"*.

AZALEIA

Brand created for the modern woman, functional, worried about looking fashionable and versatile in its use, has 21 exclusives stores of women footwear in Chile. Has a high capacity to rescue the fashion and style tendencies at a good price, factors which are very important for the woman of today, offering variety and fashion.

SOREL

Niche trademark very aggressive in its designs for persons who seek to be different

and exclusive in boots, ankle boots and shoes of audacious winter designs. Much style and use of **Extra Premium** materials.

JAN SPORT

A global leader brand in university back packs and of a life style with great heritage and innovation in its materials and designs making classic look cool and contemporary with great quality, duration and confidentiality to experience the adventure of discovering and living.

CALPANY

Chilean children's brand with a great trajectory in shoes and clothes. Calpany combines the design with basic aspects of safety, reliability and healthy development of children's feet.

NORSEG

Is an industrial safety brand with much **expertise** in Chile, with a wide range of safety footwear and other protection elements for workers.

PATAGONIA

Shoes which maintain and create the concept of Patagonia as an integral brand, appealing to the values of its brand, extra comfortable, of high quality and great emphasis in taking care of our planet through the very low impact their products and processes have on the environment.

MONTRAIL

North-American brand of very resistant sneakers and of great cushioning, to run in the mountains. Thanks to its thick soles is very comfortable to do *Trekking* and *Trail Running*.

WE LOVE SHOES

Internationality which comes from the main capitals of the world, in their collections of daring shoes which interprets in 100% the woman with style, feminine, sensual, leading the fashion.

BROOKS

Number one in *Running* in the United States. A brand for elite sportsmen with a great design and technologies which improve the performance of the runner.

Covering very strongly the women niche by means of its body and soul line, with clothes, accessories and footwear for a running woman as well as a gym one. Brand that boosts its innovating designs incorporating the last technologies in all its lines of footwear, clothes and accessories.

PASQUALINI

Women shoes and bags in Uruguay. Italian inspiration of great quality, stores of international level, with a varied collection which furthermore is complemented with *Nine West*.

SKULLCANDY

Is the North-American brand leader of headphones with products of great design and color, for cool guys who practice snowboard, skate, ski or bicycle. In the year 2008, Skullcandy was nominated by *Fortune Magazine* as "*the world's coolest ear bud*".

BURTON

Brand founded by Jake Burton creator of the snowboard in the world. This is the most important brand in the world for





boards and equipment for this sport, with a great collection of clothes to be used in this sport as well as lifestyle.

BILLABONG

Is an Australian brand worldwide leader in surf. Creating products and categories of high innovation in the surf industry for its elite sportsmen as well as to promote the spirit of the beach culture to all the persons who wish to participate in this concept without age limitations. Billabong seeks to be the brand that promotes the beach and the boards either in water or snow.

DAKINE

Is a Hawaiian brand of sport backpacks, of high performance, great comfort and unlimited durability, being an identity sign, marking the style of those who carry them.

VONZIPPER

Eyeglasses brand that promotes de Californian life style, the personality, the design, and *"the good life"* in sunglasses of quality and goggles for the snow or motorcycles.

ELEMENT

Is a brand that forms part of the soul of the global skateboard world. Formed in the year 1993 in the United States, began as a brand exclusively of skate boards, which today has expanded to a complete range of clothes, for men as well as women, and also a complete line of footwear, always inspired in the urban culture, associated to the skate world, and its philosophy. Has a strong presence in North-America, Europa, Australia and South-America

CAT

9.4 RETAIL

At the end of the year 2013 Forus had 17 store formats in Chile: Hush Puppies, Hush Puppies Kids, Rockford, Columbia, Funsport, Azaleia, Calpany, Nine West, Dhouse, Shoe Express, Merrell, Mountain Hardwear, CAT, Brooks and We Love Shoes, plus the new purchases 7veinte (Sept-13) and Billabong (Dic-13).

The focus of the year 2013 was in Personnel, Product and Stores:

Personnel: Implementation of the project Forus High Performance which allows the evaluation of store managers and their teams to detect the talented collaborators who feel proud to belong to Forus and who are committed with their work living day by day Forus "ADN". At the same time we had courses for our Store Managers and Assistant Managers mainly focus in Leadership, Selection, Team Work and Service to Customers.

Product: Excellent presentation, with a permanent control of the formats through a visual merchandising of excellence team,





with presence and work in each of the store chains.

Stores: We seek to maintain our formats attractive for our consumers through new openings, maintenances and remodeling.



**¡TODOS AL AGUA!
¡ILLEGO EL VERANO!**

Life is a long weekend
 **RKF**
ROCKFORD The Outdoor Experience



9.4.1 Hush Puppies:

Chain of stores oriented to the family, where what is fashion comes to life, with large spaces, elegant, warm where widely known brands appreciated by our customers live together, where their satisfactory purchase experience is guaranteed not only due to our offer of brands and products, but also due to our service.

9.4.2 DHouse:

Chain of stores oriented to the family, who like to wear and dress in appreciated and famous brands but with benefits associated to their purchase, purchasers who need attractive and varied offers in physical spaces which invite them to discover all the offers of products which the chain has developed thinking about them.

9.4.3 Hush Puppies Kids:

Chain of mixed stores oriented to mothers where they will discover a different world to buy footwear and clothes for their children, boys as well as girls, with their own style, free and in fashion, protected by the quality concept and technology associated to their products, in entertaining physical

spaces where our users, the children, may also discover and create their own style by themselves.

9.4.4 Rockford:

Chain of stores oriented to the man and woman who develop a free, natural life style who need to purchase in entertaining spaces that awakes their senses and gives them the full and satisfactory purchase experience they deserve.

9.4.5 Columbia:

Chain of stores oriented to men and women with high technology products focus on a demanding consumer who likes to protect himself of extreme climates with up to date products for every occasion.

9.4.6 Funsport:

Chain of stores oriented to a sport casual familiar world, men, women and children who favor comfort in their clothes and shoes, who look for spaces where to buy fashion, technological products with trends protected by valuable brands.

9.4.7 Nine West:

Chain of stores oriented to the fashion woman, who seeks to be different than her peers, who buys for herself, favoring her own style, women who want to look different, who favor the purchase experience at the moment of making their decision of where and what to buy, and feel that those products were created especially for them.

9.4.8 Calpany:

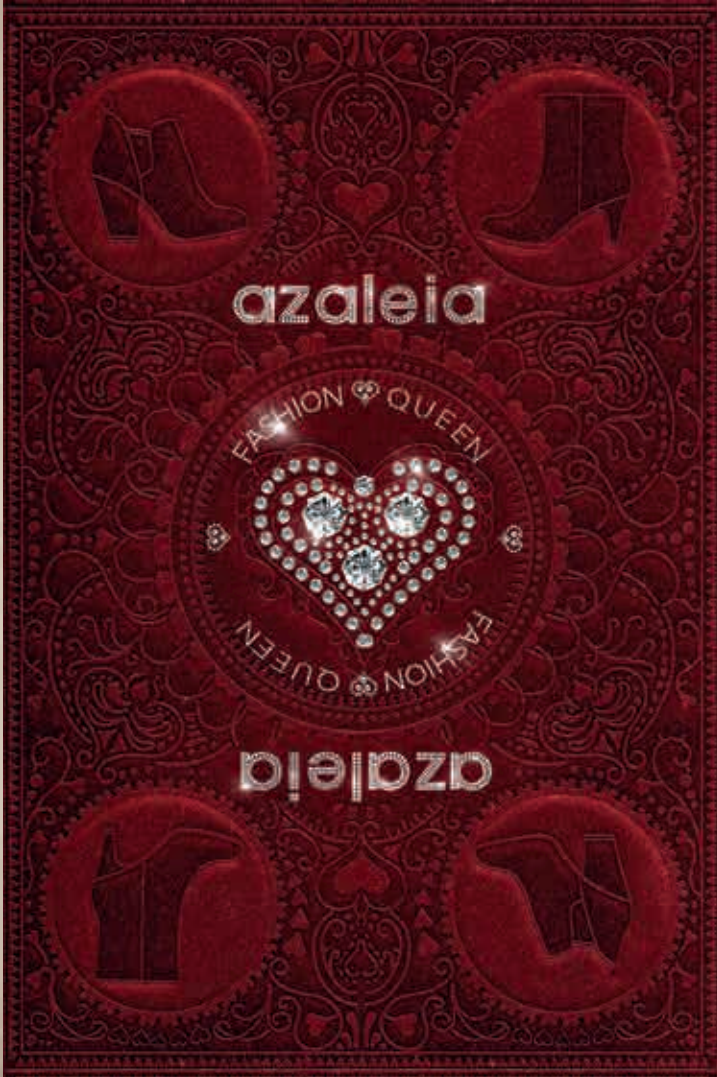
Chain of children stores oriented to the mothers who like to buy fashionable clothes and footwear for their children, who value the design and colors at the moment of the purchase, mothers who enjoy selecting and combining products to be worn by their children, who need to make their purchases, in comfortable physical spaces which allow them to make

their purchases in their own times, usually without rush with only one purpose, to buy clothes and footwear for their children with different styles associated with fashion.

9.4.9 Shoe Express:

Chain of stores oriented to the families who look for purchase “opportunities” who need a comfortable physical space where to make their opportunity purchase, a space where they “always” find a variety of products and prices, with an attention and service associated to the speedy sale which incite them to take advantage





of the opportunities with the purchase of more than one product.

9.4.10 Azaleia:

Chain of stores oriented to the woman who likes to be in style, a contemporary woman who needs to look good, who makes the purchase a relaxing experience in a pleasant environment marked by the friendliness of its service.

9.4.11 CAT:

Urban and unique life style for women and men with a young, cheerful and strong spirit. Represented in unique designs and qualities in footwear and originality in clothes and accessories. Chain identified with a client who loves the CAT Brand, who has represented him for years in its strength and who permanently offers novelties.

9.4.12 We love Shoes:

WLS has, in order that a woman feels a woman, a chain of own stores where she may learn about its real tastes and needs, and has for her the best brands

and tendencies of the world of clothes, casual and outdoors, which will surprise her.

We Love Shoes... what she dreams of.

9.4.13 Merrell:

Chain oriented to consumers who seek different, unique and nearby products oriented to a generation whose life revolves around nature.

9.4.14 Mountain Hardwear:

This chain is oriented to women and men who like nature and extreme sports which require protection from extreme conditions.

Mainly focus on mountain climbers who seek clothing and accessories of high technology to protect themselves from low temperatures.



9.4.15 Brooks:

These stores are oriented to women and men who like physical activity in gymnasiums as well as outdoors. The products sold adequate perfectly to these activities considering modern and aesthetic designs, of an international brand leader in the Running category.

9.4.16 7Vinte:

Concept which appeals to a life style of outdoor adventures and sports in contact with nature, of persons who seek different emotions, they are defined as outdoors of action and adrenaline sports and are not grouped in any age group but in a free and exciting life style. All under a mix of leader brands in each segment such as Burton,

Billabong, habitat, sector 9, Dakine and Skullcandy to name a few.

9.4.17 Billabong:

Chain of international renown that designs and manufactures clothing, accessories and products for persons with a young mentality. Develops, promotes and impulses a life style linked to sports and the contact with nature, where the sea has the leading role. Today with new horizons enlarges its market searching for more adrenaline, where the skate and the snow begin to form an important part of the Billabong world.



9.5 DESCRIPTION OF THE INDUSTRIAL SECTOR

The industrial sector in which Forus participates, is Retail, it maintains a constant expansion, which translates into a great competitiveness, due to the arrival of more international actors as well as due to improvements in the development and implementation of specialty retail concepts.

It maintains a consumer with greater purchasing power, with better perspectives and work stability and with an ample handling of technological tools which allows optimizing the purchase experience in the different formats that the multichannel model covers.

The sourcing of the clothing and footwear business continuous to be mainly from the Far East, concentrated in China, although today new alternatives have developed in Asia as well as in our region (Brazil).

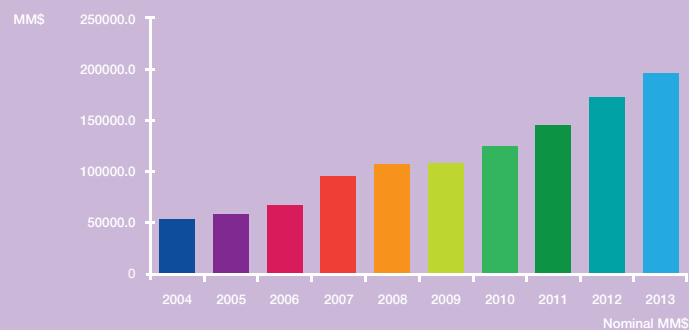
The business success is centered in having an attractive offer of products and brands which may satisfy the needs of the consumers, who are more and better informed now, and who at the moment of deciding the purchase consider the relation price-quality, the technology, status and comfort, among other factors.

E-commerce is beginning to be a marketing channel which is seen as having a strong potential growth in the next years.

9.6 SALES

The Company's sales during the year 2013 reached MM\$193.631 and have shown an evolution as shown below:

CONSOLIDATED SALES



The consolidated Ebitda in 2013 was MM\$48.209, experiencing a growth of 13,45% with regards to the previous year:

YEAR	2007	2008	2009	2010	2011	2012	2013
EBITDA	17.171	19.299	17.014	24.142	37.633	42.495	48.209

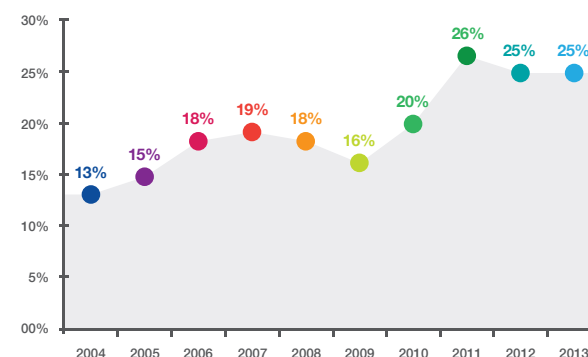
Nominal MM\$

NORSEG
safety



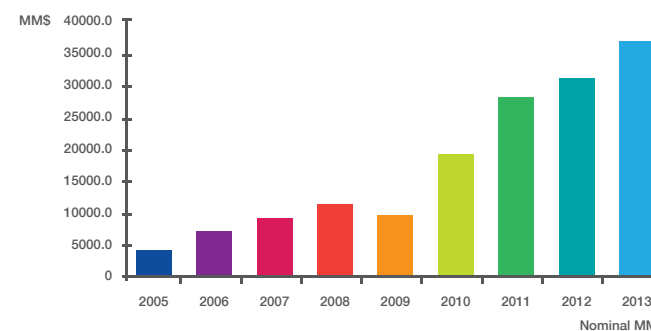
The Ebitda margin in 2013 represented 25% of the income from sales:

EBITDA MARGIN



Forus' profit in 2013 registered an increase of 20,8% in relation to the previous year:

NET PROFIT



9.7 MAIN PROPERTIES AND EQUIPMENT

LAND AND CONSTRUCTIONS	NET VALUE M\$
Real Estate Froilán Roa, Departamental (land)	1.100.000
Real Estate Froilán Roa, Departamental (const.)	829.760
Distribution Center (const. and installations)	5.920.929
Real Estate Principe de Gales (land)	796.909
Maipú Land and building in leasing	2.437.956
Business Premises La Serena	410.347
Central Offices Perú Forus	509.146
TOTALS	12.005.047

MACHINES AND EQUIPMENT	NET VALUE M\$
Computer Equipment	587.205
Furniture and Supplies	1.130.611
Store Installations	15.361.941
TOTALS	17.079.757

All properties are insured.





BILLABONG.

9.8 MAIN LICENSES MAINTAINED BY THE COMPANY

The Company maintains valid licenses of their trademarks, among which the following are included: Hush Puppies in Chile, Uruguay, Paraguay, Bolivia, Colombia and Perú, which having been initiated in 1983 has had various extensions, the present is 10 years for Chile and Uruguay; 5 years for Colombia and 4 years for Perú; Nine West in Chile, Perú and Uruguay, initiated in 1995 with a present extension for 3 years; Caterpillar in Chile, Uruguay and Colombia, initiated in 1994, with a present extension of 7 years; Merrell in Chile, Uruguay and Colombia, whose contract is dated in 2001, and the present extension is for 5 years; Columbia in Chile and Perú, initiated in 1993, has an extension of 5 years; Brooks in Chile whose contract is initiated in 1988, has a present extension of 7 years; Azaleia in Chile, with a duration of 3 years; Cushe in Chile, Perú, Uruguay and Colombia, with a duration of 1 year; Burton in Chile, Perú and Uruguay, with a present extension for 6 years; Billabong in Chile and Perú with a duration of 6 years; amongst others.

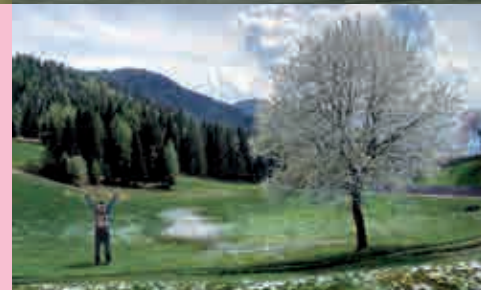
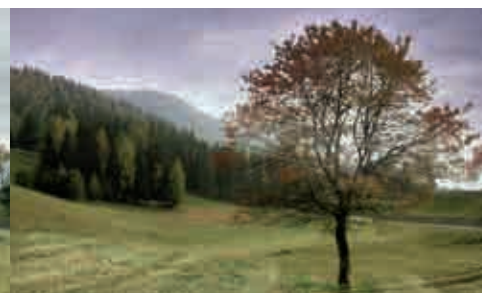
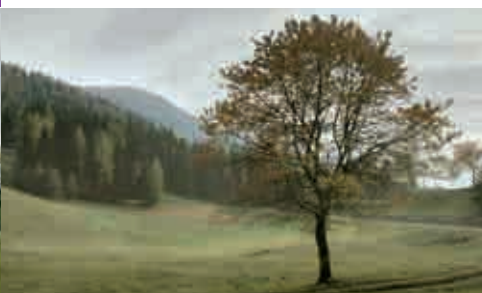
9.9 THE COMPANY'S MAIN CUSTOMERS

After our final consumers, who purchase in our chain of stores throughout the country, our main wholesale customers in Chile are: Cencosud, Falabella, and Ripley.

9.10 THE COMPANY'S MAIN SUPPLIERS

Wolverine Inc.
Columbia Sportswear Company
Tropic Prod. Co. Ltd.
Grupo Mall Plaza
Cencosud Shopping Centers S.A.
Radic y Bonancic-Doric Diseño Inv. y Ase-
Oceanic Brands.
Transbank S.A.
Parque Arauco S.A.
Diseño y Construcción Q Ltda.
S Yulanxuan Trading Co. Ltd.
Constructora Sylco Ltda.





EL MISMO LUGAR
SIEMPRE ES DIFERENTE

MERRELL 
OUT.PERFORM.™



Areas
of the
Company



10.1 CORPORATE MANAGEMENTS

During the first quarter of the year, the Company implemented a change in its structure creating three corporate managements.

The commercial corporate management, which without leaving its traditional responsibilities in the head office, took a more direct participation and leadership in the handling and development of the trademarks at the affiliates.

The real estate corporate management, deals with the negotiations and renegotiations with the different operators; constructions and remodeling of premises and a permanent search of new locations. In addition is in charge of transferring to the affiliates the know-how in negotiations as well as in the Retail operation.

And finally, the Finances and Administration corporate management, which defines and coordinates the financial policies of the companies, the accounting criteria, the systems implementation, etc.

In addition, has led the integration of the new purchased companies, in the Forus operation

10.2 FÁBRICA

The Factory Division during the year 2013, inserted in a highly competitive market, has strengthen, innovated and improved the development of its productive capacities to support the manufacture of differentiated products of high value; using designs, shoe blocks and contemporary materials, maintaining the focus in the manufacture of footwear and women casual accessories for the Hush Puppies brand. Likewise, using the local productivity capacity, have participated in the "Navajo Web" Project of Hush Puppies, allowing the manufacture of footwear upon request and designed for each client through E-Commerce, as well as manufacturing footwear on automatic replacement for wholesale.

On the other hand, through its area of technical modeling, lines of footwear for the brands Wall Street and J. Lloyd have been developed, which are marketed in our Shoe Express chain of stores.

The operational results achieved by our Factory Division during the year 2013, allowed us to obtain a high operating efficiency, permitting us to improve its

competitiveness with imported products; which allows us to position our Factory with real comparative and competitive advantages with regards to other manufacturing entities, in terms of quality and service.

During the year 2013 the plan for personnel training was maintained, giving them alternative knowledge supplementary to their productive abilities, which adds value to their personal and family activities. At the same time, with labor relations in a climate of trust and mutual cooperation on the part of all the personnel, an optimum work environment was strengthened, allowing to coordinate jointly an anticipated new collective agreement for the period 2014-2017.

The human team of the Factory Division has maintained a great performance, ready and prepared to face each day greater challenges, implementing original collections and granting complementary services to the Company, as for example, quality assurance of imported products, post sales service, technical development of

products to affiliates and their corresponding technical specifications, development of products and sourcing of personal protection elements for Top Safety S.A.; maintaining a tight relation with of our customers, insuring an optimum service and quality assurance.





10.3 PERSONS

During the fiscal year 2013 the work of the Persons Management remained focused in the formation and development of our employees through the Forus University, our main tool to transmit our ADN and thus be able to maintain the Forus culture.

In recruitment and selection, the Company seeks to incorporate the best talents with the purpose of filling the requirements of the different areas, and for this purpose psychological evaluation and technics in accordance with our reality and that of our surroundings, are developed. Together with this, we maintain agreements with universities and technical and professional formation centers, allowing us to fill the vacancies with suitable candidates for each position, and akin to the culture and ADN of our Company. Likewise, and specifically in the Retail, area we have more specific and practical recruitment methods, in addition to maintaining alliances with different education establishments such as the Universidad Católica, Universidad de los Andes, Universidad Andrés Bello, Universidad Central, Universidad del Desarrollo, Universidad Santo Tomás,

INACAP, DUOC, Colegios Nosedal y Almendral, Liceo Politécnico Manuel Montt, Fundación Nacional del Comercio para la Educación, Liceo Industrial de San Miguel Agustín Edwards Ross, amongst others, which permits us to have candidates who feel a commitment and loyalty for the company.

Due to the importance the professional and personal growth of our employees has for the Company, we have created different technical, theoretical and practical formation programs, which main objective was to focus on the needs and continuous improvement of our teams. Likewise, these courses promote the integral development of our employees increasing their motivation, commitment and productivity.

The program Forus University 2013 helps us to line up our executives with the company's strategy and vision, dealing with different subjects such as current affairs, culture and technics, focused on the company's reality and its environment. The main instructors continue to be our own employees. Thus we deal with subject



such as Retail and New Tendencies, The New Consumer (Generation X, Y, Z), Our Factory and Present Demands, etc.

In our productive areas, during the year we worked on subjects of great interest such as: Personal Finances, Prevention and Handling of Stress, Excel, Ergonomics applied to the work, amongst others.

Regarding the activities which are developed in the Retail area, we consider the new Talents Management Plan, mainly oriented to the sales force of our Company for the formation of future Store Managers, addressing contents of Inventory, Relation with the Consumer, Trademark and Visual, Competitions, Profiles/Selection and Labor Legislation. Together with this, we continued with the program of courses dictated by the Chain Managers, who seek the optimization of the administration and performance of our stores.

As in all previous years, two events were carried out to release to our employees the new collections corresponding to the autumn-winter and spring-summer

seasons. This activity allows us to train our sales force in technology and new tendencies of the products which shall be available for our customers. Other trainings carried out were focused on: Continuous Improvement, Store Risks Prevention (e-learning and in-person method), and Work Re-charming, amongst others.

In relation to our affiliates, fiscal year 2013 was not an exception, since the area was constantly supporting our countries in the training, recruitment and selection of new employees, this work resulted in a greater integration between the different affiliates and the head office, thus transmitting the ADN to each of them.

The work carried out during the year 2013 by the Human Resources area of the Company, allowed us to achieve the proposed goals, focus on perfecting, committing and motivating our teams, achieving a growth in our organizational development.





Social Responsibility of the Company

The Persons Division has developed an action focused in the areas of RSE, through different recreational, relaxation and interaction activities between the employees and their families, such as the Winter vacations program, visits to the place of work for the sons of Managers, periodic birthday celebrations, National Holidays, family Christmas party, football internal tournament, Painting Christmas competition, entertaining gymnastics, Ergonomics course with the support of a Physical Therapist, with orientation lectures on subjects of health, healthy life and family relations etc.

In the area Contributions to the Community, Forus continued with its support to the education through contributions to the Colegios de La Protectora de la Infancia, maintaining the close link of help interchange which has connected us for years with the ONG Casa de Acogida La Esperanza, with the purpose of helping persons with alcohol and drugs problems, and continued with our cooperation to the schools Necedal and Almendral. In addition, we received in our installations, during Christmas the Koinomadelfia of Peñaflores children's home as is customary.



The RSE and Working Life Quality continues to focus on encouraging the policy of the proximity between the Company, its Employees and the Family, promoting health and labor safety and in turn generating opportunities of recreation and relaxation, guidelines which strengthen the link between the Company and its Employees, highlighting activities highly valued by the Employees, such as Recognition of the Employee of the Month, Family Workshop of the Fundación Familia Unida, Breakfasts

Knowing Each Other in Santiago and Regions, etc.

Finally, we thank the community in general and especially the different institutions aforementioned, which give us the opportunity to help the community.





10.4 SYSTEMS

During the year 2013 we finished the implementation of the ERP 12 version in Chile and proceeded to implement the ERP in Perú and began its implementation in Uruguay, we only need a few modules to have the operation in those countries completely integrated and consolidated in real times with Chile.

A replacement model for stores was implemented which permits the stores to have the most optimum inventory possible.

As of April the site e-commerce is operating where we have been gradually uploading our Trademarks, today we have Cat, Columbia and Merrell selling throughout Chile from Arica to Punta Arena delivering through Correos de Chile.

During October of this year we began using electronic tax documents (Invoices, Dispatch Guides and Credit Notes) for wholesales and for the affiliate Topsafety

During the last quarter a migration of the nets and telephones of stores, offices and distribution center to GTD was made,

which will allows us to have a new up-dated communications platform and to incorporate new technologies to the stores since they already have a band-width of 2 Mb.

In addition during the year a series of systems to support commercial management and selling points have been developed, as well as new incentives at the Rockford and Hush Puppies chains selling points to gain customers' fidelity.

The process of taking control of the companies which were purchased in the last months is remarkable, the purchased stores began to operate as Forus stores, a few minutes later after the purchase was closed.





10.5 LOGISTICS AND DISTRIBUTION

The Distribution and Logistics area in the year 2013 continued with the optimization of the Company' distribution operations, achieving service improvements in the Retail as well as Wholesale areas. Modernizing our processes and systems, obtaining productivity improvements and a greater integration with our Suppliers. Thus we continue modernizing the distribution platform, in accordance with the strategic plan of the company, in order to bear the weight of the Company's growth, reduce costs, improve service, and the integration and simplification of processes.

In the Retail, area during 2013 Logistics & Distribution continued with the improvement processes, with which we satisfactory achieved the supply of the stores, and the absorption of the new business of 7Veinte and Billabong. We consolidated the new process based in mathematic algorithms for the supply of stores, process which made the task of sending the products to the Chain even more demanding, we began a new process for the service to stores based in a fixed calendar of deliveries per store, in addition we implemented the

dispatch service to e-commerce customers.

This was achieved thanks to the work team, which demonstrated its commitment, coordination and capacity in the management of product flows and the development of new transportation suppliers.

In the Wholesale area, Logistics & Distribution continued with the improvement of Customers service, inter-areas coordination, introduction to technology, and a continuous measuring of service indicators.

We continued with the increase of efficiency, we started up new logistics processes for the supply of stores based on the frequency of visits to stores, we modified the structure of the productivity bonus of the Distribution Center, we proceeded with the modernization of the transfer process between stores. We were able to increase the volumes of cross docking and flow through to our stores and Customers.

To support the process improvement, we developed a motivation and training program

for the Distribution Center's personnel, which resulted in a productivity increase and an optimum work climate.

Logistics & Distribution continued with the improvements in the planning and speed in its processes areas, so as to line up with the inventories reduction plan which is being started in the Company.

A first study was developed to explore the possible automations which we may implement in the future at the Distribution Center

The Distribution Center, in its second year of operation was able to capture the projected costs savings, which are sustained by an increase of productivity in the multiple processes which are developed in these premises.







11

Risk
Factors





RISK ASSOCIATED TO THE PERFORMANCE OF THE ECONOMY

The economy evolution and its macroeconomic parameters directly influence the performance of the business. The consumers' expectations, the confidence and employment level, encourage consumption. Situations of downward demands and deterioration of the economic activity levels, may negatively influence the company's income and profits.

EXCHANGE RATE RISK

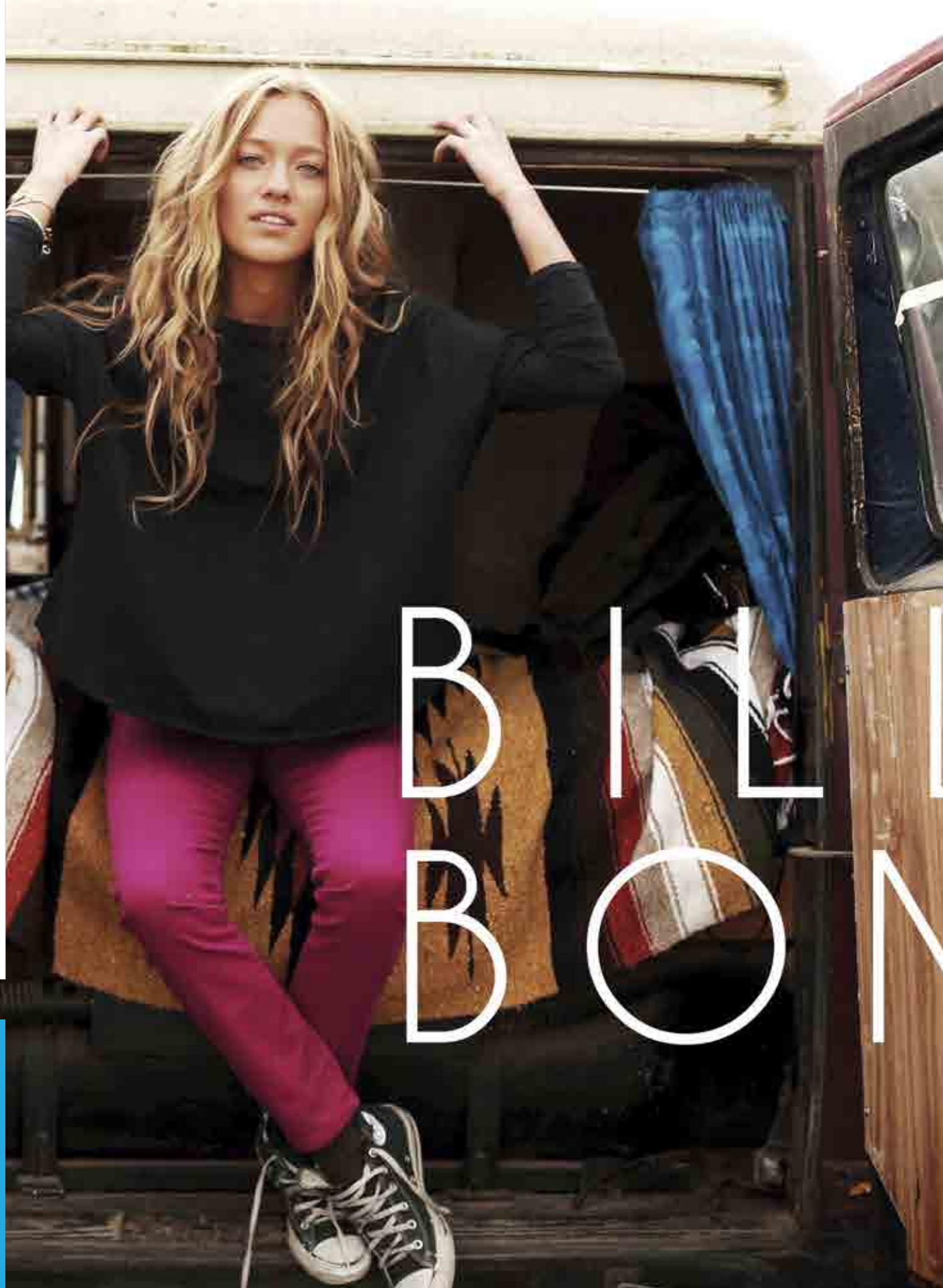
Due to the strong predominance of importations in the Company and its affiliates, these are exposed to the variations of the exchange rate, where volatility is the risk which is more complex to control

BUSINESS RISK

The Company diversifies its markets developing store chain formats addressed to different segments of consumers, as well as a constant increase of the geographic coverage at a local and international level. At the supply level, solid relations with the owners of the trademarks and their suppliers have been created.



Investment
and Financing
Policies





During 2013, the Company made investments at a consolidated level, for approximately \$10 thousand millions, as can be observed in the Cash Flow Statement, of which around 70% were made in Chile.

Historically the Company has maintained low levels of debts, showing a leverage for 2013 of 0,23%. Maintains liquid funds available for more than MM\$36.000 which together with the credit lines, give it a solid situation to face investments.

PRINCIPAL INDICATORS	UNIT	2009	2010	2011	2012	2013
EBITDA	MM\$	17.014	24.142	37.663	42.495	48.209
Ebitda / Income	%	16,3	20,0	26,4	24,9	24,90
Current Liquidity	veces	5,6	4,06	3,18	4,46	4,26
Reason for Indebtedness	veces	0,24	0,29	0,35	0,23	0,22
ROS	%	9,4	16,0	20,0	18,4	19,6
ROE	%	12,5	23,5	31,1	28,2	27,9
Assets	MM\$	97.590	105.967	123.824	136.698	165.058
Liabilities	MM\$	18.706	23.483	32.390	25.256	29.310
Sales Income	MM\$	104.354	120.837	142.351	170.768	193.631
Net Profit	MM\$	9.827	19.394	28.424	31.366	37.888



Purchase and
sale of shares
made by legal or
natural persons
related with the
company





Share transactions of related persons in 2013:

Name of the shareholder	Related to	N° shares purchased	N° shares sold	Amount unit \$	Total M\$	Type
Inversiones Costanera Limitada			7.800.000	2.707,5	21.118.500.000	
Ricardo Swett Palacios	RSS		3.136	2.750	8.624.000	

STATISTICS OF THE SHARE TRANSACTIONS OF THE COMPANY IN THE STOCK EXCHANGE

QUARTER	SANTIAGO STOCK EXCHANGE			CHILEAN ELECTRONIC EXCHANGE			VALPARAISO STOCK EXCHANGE		
	N° shares	Average price	Amount \$	N° shares	Average price	Amount \$	N° shares	Average price	Amount \$
1° 2012	18.095.696	1.516,17	27.436.133.739	325.373	1.679,12	546.340.353	-	-	-
2° 2012	16.768.517	2.032,44	34.081.065.430	1.147.129	2.004,32	2.299.210.221	450	2.085,50	938.475
3° 2012	9.192.189	2.112,07	19.414.549.196	49.202	2.169,75	106.756.061	-	-	-
4° 2012	11.135.312	2.474,26	27.551.683.798	745.627	2.481,68	1.850.409.661	22.685	2.670	60.568.045
1° 2013	15.095.906	2.797,35	42.228.602.215	581.032	2.846,22	1.653.744.781	7.000	2.692,57	18.848.000
2° 2013	16.068.197	3.092,73	49.694.567.845	1.673.911	3.184,42	5.330.429.985	1.700	2.900,00	4.930.000
3° 2013	14.431.819	2.894,20	41.768.533.609	1.412.269	2.899,13	4.094.348.330	4.000	2.970,00	11.880.000
4° 2013	23.565.269	2.756,37	64.954.511.109	2.707.927	2.740,92	7.422.214.270	-	-	-

SHARE STOCK-EXCHANGE INDICATORS

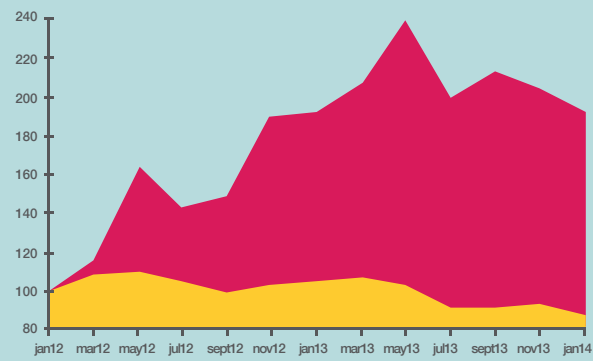
Share Price		2011	2012	2013
Closing	\$/share	1.384	2.695	2.658
Maximum	\$/share	1.800	2.700	3.350
Minimum	\$/share	1.100	1.399	2.600
Stock-Exchange Equity	millions \$	357.721	696.445	687.011
Profit per share	\$	110,0	121,4	146,6

Hush Puppies

W
WOMAN



FORUS VS IPSA





STATEMENT OF RESPONSIBILITY

The Directors and the General Manager of the company Forus S.A., signors of this statement, are responsible under oath regarding the truthfulness of the information incorporated in the 2013 Annual Report.

Nombre	Cargo	C.I.	Firma
Swett Saavedra Alfonso O.	President	4.431.932-2	
Swett Opazo Alfonso A.	Director	7.016.281-4	
Urzúa Sánchez Heriberto F.	Director	6.666.825-8	
Matko Koljatic Maroevic	Director	5.165.005-0	
Swett Saavedra Ricardo	Director	4.336.224-0	
Gutiérrez Phillipi Francisco	Director	7.031.728-1	
Stevenson John P.	Director	Foreigner	
Darraidou Díaz Gonzalo	General Manager	8.808.724-0	



Hush Puppies®



MERRELL 

 Columbia™

azaleia

SEBAGO®



JANSPORT®

patagonia®

WOLVERINE 

 BILLABONG.

 Skullcandy
Supreme
Sound

SPERRY 
TOP-SIDER



NINE WEST





CONSOLIDATED
FINANCIAL
STATEMENTS

2013

**FORUS S.A. &
AFFILIATES**

SANTIAGO, CHILE
DECEMBER 31, 2013
AND DECEMBER 31 2012



EY Chile
Avda. Presidente
Riesco 5435, piso 4,
Santiago

Tel: +56 (2) 2676 1000
www.eychile.cl

Independent Auditor's Report

Messrs.
Shareholders and Directors
Forus S.A.

We have carried out an audit of the attached consolidated financial statements of Forus S.A. and affiliates, which include the consolidated financial statements as of December 31, 2013 and 2012 and the corresponding consolidated statements of comprehensive results, of changes in the Equity and the cash flows for the years ended in those dates and the corresponding notes to the consolidated financial statements.

The Administration's Responsibility for the consolidated financial statements

The Administration is responsible for the preparation and reasonable presentation of the consolidated financial statements in accordance with the International Regulations of Financial Information. This responsibility includes the design, implementation and maintenance of the appropriate internal control for the reasonable preparation and presentation of the consolidated financial statements which do not have significant incorrect representations, either due to fraud or error.

Responsibility of the Auditor

Our responsibility consists in expressing an opinion of the consolidated financial statements based on our audits. We carry out our audits in accordance with audit regulations generally accepted in Chile. These regulations require us to plan and carry out our work with the purpose of achieving a reasonable degree of certainty that the consolidated financial statements are free of incorrect significant representations.

An audit includes carrying out procedures to obtain audit evidence on the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the risk evaluation of the significant incorrect representations of the consolidated financial statements, due to fraud or error. When carrying out these risk evaluations, the auditor considers the appropriate internal control for the reasonable preparation and presentation of the consolidated financial statements of the entity with the purpose of designing audit procedures which are appropriate

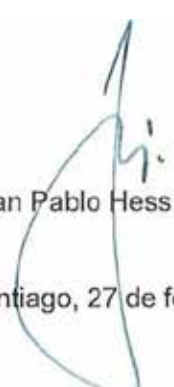


under the circumstances, but not with the purpose of expressing an opinion about the effectiveness of entity's internal control. Therefore, we do not express such an opinion. An audit also includes, the evaluation of how appropriate the accounting policies used are and the reasonability of the significant accounting estimations made by the Administration, as well as the evaluation of the general presentation of the consolidated financial statements.

We consider that the audit evidence we have obtained is sufficient and appropriate to give us a basis for our audit opinion.

Opinion

In our opinion, the above mentioned consolidated financial statements reasonably present, in all their significant aspects, the financial situation of Forus S.A. and affiliates as of December 31, 2013 and 2012 and the results of their operations and the cash flows for the years ended in those dates in accordance with the International Regulations of Financial Information.



Juan Pablo Hess I.

ERNST & YOUNG LTOA.

Santiago, 27 de febrero de 2014

FORUS S.A. AND AFFILIATES
Consolidated Financial Statements
December 31, 2013 and December 31, 2012

ASSETS	Note	2013 M\$	2012 M\$
Current Assets			
Cash and equivalents to cash	(5)	8.383.418	14.786.792
Other current financial assets	(6)	33.687.676	25.739.207
Other current non-financial assets	(28)	2.358.196	1.579.201
Trade debtors and other current accounts receivable	(7)	21.880.727	19.080.798
Account receivable from related entities, current	(14)	6.626	690.007
Inventories	(15)	48.473.974	39.356.323
Assets for taxes, current	(12)	<u>1.471.459</u>	<u>1.817.990</u>
Total current assets		<u>116.262.076</u>	<u>103.050.318</u>
Non-Current Assets			
Other non-current financial assets		331.283	399.389
Other non-current non-financial assets	(28)	2.298.391	1.389.642
Non-current rights receivable		166.060	159.371
Investments registered using the participation method	(8)	3.110.712	1.816.751
Intangible Assets other than added value	(9)	2.439.438	2.121.835
Added Value	(10)	9.788.457	1.063.748
Properties, plants and equipment	(11)	29.084.804	25.379.126
Assets for deferred taxes	(12)	<u>1.577.054</u>	<u>1.318.208</u>
Total non-current assets		<u>48.796.199</u>	<u>33.648.070</u>
Total Assets		<u>165.058.275</u>	<u>136.698.388</u>

M\$: Thousands of Chilean Pesos
U.F. : Inflation Indexed Currency Unit
US\$: North American Dollars
MUS\$: Thousands of North-American Dollars

The attached notes numbers 1 to 36 form an integral part of these consolidated financial statements

FORUS S.A. AND AFFILIATES
Consolidated Financial Statements
December 31, 2013 and December 31, 2012

LIABILITIES	Note	2013 M\$	2012 M\$
Current Liabilities			
Other current financial liabilities	(17)	2.199.410	2.751.733
Trade Accounts Payable and Other Accounts Payable	(19)	12.784.120	9.401.241
Accounts Payable to Related Entities, current	(14)	304.828	-
Other Current Provisions	(20)	7.501.216	6.293.421
Liabilities for Current Taxes	(12)	166.214	117.534
Current Provisions for Employee's Benefits	(21)	3.053.515	2.867.073
Other Current non-financial Liabilities	(22)	1.314.019	1.658.997
Total Current Liabilities		<u>27.323.322</u>	<u>23.089.999</u>
Non-Current Liabilities			
Other Non-Current Financial Liabilities	(17)	1.877.777	1.920.553
Other Non-Current Non-Financial Liabilities		<u>108.842</u>	<u>245.906</u>
Total Non-Current Liabilities		<u>1.986.619</u>	<u>2.166.459</u>
Total Liabilities		<u>29.309.941</u>	<u>25.256.458</u>
Equity			
Issued Capital	(16)	24.242.787	24.242.787
Accumulated Profits		92.093.067	68.707.899
Share Premiums		17.386.164	17.386.164
Other Reserves	(16)	<u>422.035</u>	<u>81.682</u>
Equity Attributable to the Controlling owners		<u>134.144.053</u>	<u>110.418.532</u>
Non-Controlling Participations	(18)	<u>1.604.281</u>	<u>1.023.398</u>
Total Equity		<u>135.748.334</u>	<u>111.441.930</u>
Total Equity and Liabilities		<u>165.058.275</u>	<u>136.698.388</u>

The attached notes numbers 1 to 36 form an integral part of these consolidated financial statements

FORUS S.A. AND AFFILIATES

Statements of Consolidated Comprehensive Results by

For the fiscal years included between

	Note	01.01.2013 31.12.2013 M\$	01.01.2012 31.12.2012 M\$
Statement of Comprehensive Results			
Ordinary Activities Income		193.630.849	170.767.842
Sales Cost	(15)	<u>(81.426.550)</u>	<u>(73.455.167)</u>
Gross Profit		<u>112.204.299</u>	<u>97.312.675</u>
Other income, by position		2.049.895	660.154
Distribution Costs		(1.607.588)	(1.559.106)
Administration Expenses	(23)	(67.708.467)	(57.622.935)
Other Expenses, by position		(366.329)	(245.500)
Other profits (losses)		(607.234)	(211.230)
Financial Income		1.854.216	1.557.119
Financial Costs		(481.817)	(410.815)
Participation in the profits (losses) of associates and joint businesses which are registered using the participation method	(8)	390.842	171.926
Exchange differences	(24)	655.075	(1.011.827)
Results by Readjustable units	(25)	<u>(32.899)</u>	<u>(35.425)</u>
Profit (loss), before taxes		<u>46.349.993</u>	<u>38.605.036</u>
Expense for taxes on profits	(12)	<u>(8.462.387)</u>	<u>(7.239.408)</u>
Profit (loss) coming from continuing operations		<u>37.887.606</u>	<u>31.365.628</u>
Profit, attributable to the controlling owners		37.822.476	31.194.225
Profit, attributable to non-controlling participations	(18)	<u>65.130</u>	<u>171.403</u>
Profit		<u>37.887.606</u>	<u>31.365.628</u>
Basic and diluted Profit per share	(16)	\$146,5847	\$121,3516

Other Comprehensive Results

Profit (loss)	37.887.606	31.365.628
Profits (losses) for Exchange rate differences	340.353	(64.472)
Total Another Comprehensive Result	<u>340.353</u>	<u>(64.472)</u>
Total Comprehensive Result	<u>38.227.959</u>	<u>31.301.156</u>

Results Attributable to

Comprehensive Result attributable to the owners of the controlling	38.162.829	31.129.753
Comprehensive Result attributable to non-controlling	(18)	<u>65.130</u>
Total Comprehensive Result	<u>38.227.959</u>	<u>31.301.156</u>

The attached notes numbers 1 to 36 form an integral part of these consolidated financial statements

FORUS S.A. AND FILIALES
Statement of Changes in the Net Worth
December 31, 2013 and December 31, 2012

	Issued Capital M\$	Share Premium M\$	Reserves for Differences In exchange rate M\$	Other Various reserves M\$	Total Other reserves M\$	Accumulated Profit (Loss) M\$	Equity attributable To the owners Of the controlling M\$	Non- Controlling Participations M\$	Total Equity M\$
Initial balance present period 1.1.2013	24.242.787	17.386.164	(488.287)	569.969	81.682	68.707.899	110.418.532	1.023.398	111.441.930
Equity changes									
Comprehensive Result Profit (loss)						37.822.476	37.822.476	65.130	37.887.606
Another Comprehensive result			340.353		340.353		340.353		340.353
Comprehensive Result			340.353		340.353	37.822.476	38.162.829	65.130	38.227.959
Increase (decrease) by other distributions to the owners						(14.502.438)	(14.504.438)		(14.502.438)
Increase (decrease) for transfer & other changes						65.130	65.130	515.753	580.883
Total changes in Equity			340.353		340.353	23.385.168	23.725.521	580.883	24.306.404
Final Balance present period 31.12.2013	24.242.787	17.386.164	(147.934)	569.969	422.035	92.093.067	134.144.053	1.604.281	135.748.334
Initial balance previous period 01.01.2012	24.242.787	17.386.164	(423.815)	569.969	146.154	49.594.407	91.369.512	64.187	91.433.699
Equity changes									
Comprehensive Result Profit (loss)						31.194.225	31.194.225	171.403	31.365.628
Another Comprehensive result			(64.472)		(64.472)		(64.472)		(64.472)
Comprehensive Result			(64.472)		(64.472)	31.194.225	31.129.753	171.403	31.301.156
Increase (decrease) by other Distributions to the owners						(12.252.136)	(12.252.136)		(12.252.136)
Increase (decrease) by Transfer and other changes						171.403	171.403	787.808	959.211
Total changes in Equity			(64.472)		(64.472)	19.113.492	19.049.020	959.211	20.008.231
Final balance previous period 31.12.2012	24.242.787	17.386.164	(488.287)	569.969	81.682	68.707.899	110.418.532	1.023.398	111.441.930

(See Note 16)

FORUS S.A. AND FILIALES

Consolidated Cash Flow Statements, Direct Method

For the fiscal year between

	01.01.2013 31.12.2013	01.01.2012 31.12.2012
	M\$	M\$
Cash flow originating from (used in) operation activities		
Types of earnings from operation activities		
Earnings from sales of properties and rendering of services	221.696.766	193.022.561
Earnings from premiums and benefits, annual payments and other benefits of the subscribed policies	233.476	243.334
Other earnings for operation activities	36.292	73.835
Types of payment		
Payment to suppliers for the supply of goods and services	(143.321.185)	(121.840.445)
Payment to and from employees	(19.265.654)	(17.970.045)
Payment for premiums and services, annuities and other obligations derived from the subscribed policies	150.442	(192.075)
Other payments for operation activities	(471.002)	(462.986)
Net cash flow from (used in) the operation	<u>59.059.135</u>	<u>52.874.179</u>
Interests paid, classified as operation activities	-	(103.613)
Interests received, classified as operation activities	-	1.091
Taxes on profit paid (reimbursed), classified as operation activities	(6.903.269)	(11.383.123)
Other cash inflows (outflows), classified as operation activities	<u>(14.141.067)</u>	<u>(12.694.085)</u>
Cash flow from (used in) operation activities	<u>38.014.799</u>	<u>28.694.449</u>

The attached notes numbers 1 to 36 form an integral part of these consolidated financial statements

FORUS S.A. AND FILIALES
Consolidated Cash Flow Statements, Direct Method
For the fiscal year between

	01.01.2013	01.01.2012
	31.12.2013	31.12.2013
	M\$	M\$
Cash flow from (used in) investment activities		
Cash flows from the loss of control of subsidiaries or other businesses, classified as Investment activities	43.435	-
Cash flows used to obtain the control of subsidiaries or other businesses, classified as investment activities	(13.307.477)	-
Other collections for the sale of equity or debt instruments of other entities, classified as investment activities	-	840.506
Other payments to acquire participations in joint businesses, classified as investment activities	-	(618.975)
Loans to related companies	-	(2.103.647)
Amounts from the sale of properties, plant and equipment, classified as investment activities	-	46.879
Purchase of properties, plant and equipment, classified as investment activities	(8.900.508)	(7.723.631)
Purchase of intangible assets, classified as investment activities	(740.626)	(328.064)
Purchase of other long term assets, classified as investment activities	(809.375)	(19.169)
Payments from future, term, options and financial swap contracts, classified as investment activities	(778.460)	(354.030)
Collection from future, term, options and swaps financial contracts, classified as investment activities	-	270.040
Collections to related entities	2.818.972	1.421.822
Dividends received, classified as investment activities	90.780	235.969
Interests received, classified as investment activities	207.130	206.393
Other cash inflows (outflows), classified as investment activities	(7.462.491)	(6.671.365)
Cash flow from (used in) investment activities	<u>(28.838.620)</u>	<u>(14.797.272)</u>

The attached notes numbers 1 to 36 form an integral part of these consolidated financial statements

FORUS S.A. AND FILIALES

Consolidated Cash Flow Statements, Direct Method

For the fiscal year between

	01.01.2013 31.12.2013 M\$	01.01.2012 31.12.2012 M\$
Cash flow from (used in) financing activities		
Amounts from short term loans	26.597.548	21.867.443
Loans Reimbursements, classified as financing activities.	(29.350.119)	(29.480.125)
Payment of loans to related entities		-
Dividends paid, classified as financing activities	(16) (13.063.189)	(11.945.319)
Interests paid, classified as financing activities	(103.120)	(11.999)
Other cash inflows (outflows), classified as financing activities	-	(15.604)
Cash flow from (used in) financing activities	<u>(15.918.880)</u>	<u>(19.585.604)</u>
Increase (decrease) in cash and equivalents to cash, before the effect of the changes in the exchange rate	(6.742.701)	(5.688.427)
Effects of the Exchange rate variation on the cash and equivalents to cash		
Effects of the Exchange rate variation on the cash and equivalents to cash	<u>339.327</u>	<u>21.732</u>
Increase (decrease) of the cash and equivalents to cash	(6.403.374)	(5.666.695)
Cash and equivalents to cash (Initial Balance)	<u>14.786.792</u>	<u>20.453.487</u>
Cash and equivalents to cash (Final Balance)	(5) <u>8.383.418</u>	<u>14.786.792</u>

The attached notes numbers 1 to 36 form an integral part of these consolidated financial statements

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Nota 1 – Corporative Information

The Head Company Forus S.A., Tax I.D. 86.963.200-7, is an opened stock Company, which was organized under the trade name Comercial Hush Puppies Chile Ltda., in accordance with the public deed dated August 29, 1980, at the Notary's Office of Enrique Morgan Torres in the city of Santiago. The Company was registered at the Registry of Securities of the Superintendence of Securities and Insurances on October 30, 1998 under N° 649, therefore its supervision and control depends from that organism.

On December 20, 1991, an amendment of the by-laws of the Company "Comercial Hush Puppies Chile Ltda.", was carried out in which the following was decided:

- a) the sale of the participation in the property of the partner Wolverine World Wide Inc. (30% of the Company's property), remaining by this act Costanera S.A.C.I. with 29% and Sebastián Swett Opazo with 1% of the part which belonged to Wolverine World Wide Inc..
- b) the Company created as a limited liability company is changed into a stock company
- c) the trade name changes from "Comercial Hush Puppies Limitada" to "Forus S.A."

The Company is mainly dedicated to the manufacture, importation and marketing of footwear, clothing articles and accessories in Chile, Peru, Colombia and Uruguay.

The Head Company has its headquarters and legal domicile at Av. Departamental #01053, Municipality of La Florida, in the city of Santiago de Chile.

The Head Office of Forus S.A. is Costanera S.A.C.I., Company registered at the Registry of Securities of the Superintendence of Securities and Insurances under N° 1054.

Note 2 – Summary of the Main Accounting Criteria Applied

a) Period covered by the financial statements

The present consolidated financial statements include:

- Consolidated Statement of the Financial Position as of December 31, 2013 and December 31, 2012.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

a) Period covered by the financial statements (cont.)

- Statements of consolidated Comprehensive results by position, for the fiscal years ended as of December 31, 2013 and 2012.
- Statements of changes in the net worth for the fiscal years ended as of December 31, 2013 and 2012.
- Statements of consolidated cash flows, direct method, for the fiscal years ended as of December 31, 2013 and 2012.

b) Preparation Basis

The present consolidated financial statements of Forus S.A. and Affiliates have been prepared in accordance with the International Regulations for Financial Information ("NIIF") and interpretations issued by the International Accounting Standards Board (hereinafter "IASB"), in effect as December 31, 2013, which have been applied integrally and without reserves.

These consolidated financial statements faithfully reflect the financial situation of Forus S.A. and Affiliates as of December 31, 2013 and December 31, 2012, the results of the operations for the fiscal years ended as December 31, 2013 and December 31, 2012, the changes in the net worth and cash flows for the fiscal years ended on those dates, which were approved by the Board of Directors in the meeting held on February 27, 2014.

The present consolidated financial statements have been prepared from the accounting records maintained by the Head Company and by the other entities which form part of the Group. Each entity prepares its financial statements following the accounting principles and criteria in force in each country, therefore in the consolidation process the necessary adjustments and reclassifications have been incorporated for homogenizing these principles and criteria to adequate them to the NIF.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

c) Consolidation Basis

The consolidated financial statements include the financial statements of the Head Company, and its affiliates, including all its assets, liabilities, incomes, expenses and cash flows after carrying out the adjustments and eliminations related to the transactions between the companies which form part of the consolidation.

According to NIIF 10, subsidiaries are all the entities over which Forus S.A. has control. An investor controls an investee, when the investor (1) has the power over the investee, (2) is exposed, or has the right, to variable returns coming from its implication in the investee, and (3) has the capacity to affect its returns through the power it has over the investee. It is considered that an investor has power over an investee, when the investor has existing rights that give it the power to direct the relevant activities, this is, the activities that affect in a significant manner the returns of the investee. In the case of the Company, in general, the power over its affiliates derives from the possession of the majority of the rights to vote granted by equity instruments of the subsidiaries.

The purchase of affiliates is registered in accordance with the NIIF 3 “Business Combinations” using the purchase method. This method requires the recognition of the identifiable assets (including intangible assets not recognized previously and the purchased added value) and liabilities of the business acquired at a fair value at the time of the acquisition. The non-controlling interest is recognized by the proportion the non-controlling shareholders possess of the recognized assets and liabilities fair values.

The excess of the acquisition cost over the reasonable value of the participation of the Company in the identifiable net assets acquired is recognized as “Less Investments Value (Goodwill or Purchased Added Value)”. If the cost of the acquisition is less than the reasonable value of the net assets of the acquired affiliate, the difference is directly recognized in the statement of comprehensive results.

The financial statements of the affiliates have been prepared in the same date as those of the Head Company and uniformed accounting policies have been applied, considering the specific nature of each business line.

All intercompany transactions and balances have been eliminated in the consolidation.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

c) Consolidation Basis (cont.)

The consolidated financial statements include the following affiliates:

Tax I.D.	Company's Name	Functional Currency	31.12.2013		2012	
			Direct %	Indirect %	Total %	Total %
Foreign	Uruforus S.A. (*)	Uruguayan Peso	100,00	-	100,00	100,00
96.583.940-2	Topsafety S.A.	Chilean Peso	99,89	-	99,89	99,89
Foreign	Perú Forus S.A. (**)	New Peruvian sol	99,99	-	99,99	99,98
Foreign	Forus Colombia S.A.S. (***)	Colombian Peso	51,00	-	51,00	51,00

(*) Company incorporated in Uruguay

(**) Company incorporated in Perú

(***) Company incorporated in Colombia

The value of the participation of non-controlling shareholders in the Equity and in the results of the consolidated companies is presented under the headings “Non-Controlling Participations” and “Comprehensive Result attributable to non-controlling participations”, respectively.

On April 19, 2012, the Company sells to Wolverine World Wide Inc., 49% of the capital stock of Forus Colombia S.A.S..

On April 30, 2012, Pasqualini S.A. was acquired by Uruforus S.A...

By Minutes N°19 of the Shareholders Meeting of July 31, 2012, the Colombian Company was transformed from a Stock Company into a Simplified Stock Company under the name of Forus Colombia S.A.S.

On July 25, 2013, the capital of the Affiliate Perú Forus S.A. was increased by the amount of M\$4.332.790.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

d) Conversion Method

The consolidated financial statements are presented in Chilean pesos, which is the functional currency of the Head Company and the presentation currency of the group. Each entity included in these consolidated financial statements has determined its own functional currency, as is described in note 2c), in accordance with the requirements of NIC 21.

The assets and liabilities in foreign currencies and U.F. (Inflation Indexed Currency Unit) have been converted to Chilean Pesos at the observed exchange rate on the closing date of each of the periods, in accordance with the following detail:

Parity	31.12.2013	31.12.2012
	\$	\$
US\$	524,61	479,96
U.F.	23.309,56	22.840,75
Peruvian Sol	187,49	188,15
Uruguayan Peso	24,41	25,19
Colombian Peso	0,27	0,27

The differences resulting from variations in the Exchange rate in the application of this regulation are recognized in the fiscal year results in the account “Exchange Differences” and “Result by readjustable units” in the case of the variation of the Inflation Indexed Currency Unit (U.F.).

In the conversion of the financial statements of the affiliates abroad the Exchange rates at the end of each closing of each fiscal years have been used, with the exception of i) Capital and reserves, which have been converted at the historical exchange rate and ii) Comprehensive results statement which have been converted at the average monthly exchange rate.

The difference in the Exchange rate originated as a consequence of the application of these criteria are included in the account “Other Reserves”, under the concept conversion reserves under the heading “Equity attributable to the owners of the controlling”, deducting the part that corresponds to the minority partners, which is represented under the heading “Non-Controlling Participations”.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

e) Properties, plants and equipment

The assets of properties, plants and equipment are valued at the acquisition cost, less the accumulated depreciation if applicable, less the possible losses due to the deterioration of its value.

The acquisition cost includes the external costs plus the internal costs formed by the use of materials in stock, direct labor costs used in the installation and an allocation of indirect costs to carry out the investment, if it corresponds.

The Company and its affiliates depreciate the property, plants and equipment assets from the moment that these goods are in usable conditions, linearly distributing their costs between the estimated years of economic useful life. The estimated years of economic useful life, are summarized in the following manner:

Assets	Range of Years
Buildings	10-60
Plant and equipment	3-34
Fixed Installations and accessories:	
Fixed Installations	3-5
Other accessories	3-10
Motor Vehicles	3
Computer Equipment	3
Other properties and plant and equipment	3-24

The assets located at rented properties are depreciated in the shorter term between the rent contract and the estimated economic useful life.

The estimated residual values together with the amortization methods and terms used, are reviewed at the closing of each fiscal year and, if it correspond, are adjusted in a prospective way.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

e) Properties, plants and equipment (cont.)

Likewise, in this heading the investments made in assets acquired under the method of rent contracts with purchase option that have the characteristics of a financial leasing, are included. These goods are not legally the property of the Company but they will be when it exercises the purchase option.

It may be pointed out that interests have not been capitalized in this heading, since the fixed assets have not been acquired through external financing.

The periodic expenses for maintenance, preservation and repairs, are allocated to results, as a cost of the fiscal year in which they are incurred. An element of property, plant and equipment is written-off at the moment of its disposal or when no future economic benefits from its use or disposal are expected. Any profit or loss which arises when the asset is written-off, is included in the results statement of the fiscal year in which the asset was written-off.

f) Deterioration of the non-current assets value

In each annual closing the existence of a possible deterioration of the value of non-current assets is valued. If such indications exist, the Company estimates the recoverable value of the asset, this being the higher between the reasonable value less the sales cost, and usable value. Said usable value is determined through the discount of the future estimated cash flows. When the recoverable value of an asset is below its net accounting value, it is considered that a deterioration of its value exists.

To determine the deterioration calculations, the Company carries out an estimate of the profitability of the assets assigned to different cash generating units on the basis of the expected cash flows.

g) Investments in associates

The investments in which the Company may exercise a significant influence but without having the control, are registered by the participation method. The investments are initially registered at cost and its book value is modified in accordance with the participation in the results of the associate at the closing of each fiscal year. If it registers profit or losses directly in its net worth, the Company also recognizes its participation in said results.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

h) Investments in joint businesses

The Head Company has a participation in Sociedad Lifestyle Brands of Colombia S.A.S., which is an entity controlled jointly with Wolwerine Word Wide Inc., Forus S.A. maintains 49% of the capital stock of said Company. An entity jointly controlled or “joint venture” is a contractual arrangement by means of which two or more parties carry out an economic activity which is subject to a joint control. The Company recognizes its participation in the joint venture using the participation method in accordance with what is established in NIIF 11.

i) Intangibles and Added Value

i) Added Value

The added value represents the excess of an investment cost in an affiliate or associate over the participation of the Company in the fair value of the net assets identifiable at the date of acquisition. After the initial recognition, the added value is measured at cost less any accumulated loss due to deterioration.

The value paid in excess to the value of the net assets related to acquisitions of affiliates are included in the account Added Value and is submitted to annual deterioration tests. For the purpose of the deterioration tests, the smaller value is assigned to the cash flow generating units which are expected to be benefited by the synergies of a combination of businesses.

The Company carries out an annual added value deterioration test required by accounting regulations.

ii) Trademarks

The acquired trademarks have been registered at cost, and described as intangible assets with undefined useful lives, which are not depreciated, and its deterioration and the indication of deterioration signs are valued annually. If appropriate, the change in the evaluation of the useful life from indefinite to definite is carried out on a perspective basis.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

i) Intangibles and Added Value (cont.)

iii) Other intangibles

Correspond to software, licenses and others, which have been described as intangible assets of a defined useful life, considering the duration of the corresponding associated contracts, which have also served as a basis to define their repayment. The repayment method used is lineal and annually a revision is made of the repayment period.

The useful lives estimated for each category of intangible assets and added value are the following:

Category	Range
Less the investment value (purchased added value)	Indefinite
Trademarks	Indefinite
Software	3 years
Licenses	3 years

j) Tax on Profits

The expenses for taxes on profits include the income tax and deferred taxes, which have been determined in accordance with the tax provisions in force and what is indicated in NIC 12.

The tax assets and liabilities for the present fiscal year and for the previous fiscal years are measured in accordance with the amount which is expected to be recovered or paid to the tax authorities. The tax rates and fiscal regulations used in the calculation of said amounts are the ones in force at the date of the closing of each period, being 20% in Chile 30% in Perú, 33% in Colombia and 25% in Uruguay.

The amount of the deferred taxes is obtained as of the analysis of the temporary differences which arise between the tax and the accounting values of the assets and liabilities.

The temporary differences are taken generally as taxable or deductible when the related assets are recuperated or the related liability is liquidated. A deferred tax liability or asset represents the amount of the payable or reimbursable tax in future fiscal years under tax rates at present promulgated as a result of temporary differences at the end of the annual tax year.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

j) Tax on profits (cont.)

The assets and liabilities for deferred taxes are not discounted at their present value and classified as non-current.

The assets and liabilities for deferred taxes are presented in a net form in the statement of the financial position if the legal right to demand compensation of taxable assets against tax liabilities exists and the deferred tax is related to the same tax entity and the same tax authority.

k) Financial Assets and Liabilities

All the financial instruments which result in a financial asset or liability are recognized at a reasonable value at the date of the negotiation, which is the date in which the commitment is taken.

i) Financial Investments

The time deposits are presented at their investment values plus the accrued interests at the closing of each period, which have been credited to results.

The other financial investments corresponding to investments in shares, bonds, mutual funds quotas (local and international), investment funds quotas and mortgage notes, are presented at their fair value at the closing of each period, since the administration has defined them as financial assets maintained to be negotiated, since they are acquired with the purpose of selling them in the short term (Trading), therefore they are valued at their fair value with effect on results.

The fair value of instruments which are actively valued in formal markets is determined by the quotation prices at the closing date of the financial statements. For investments where no active market exists, the fair value is determined using valuation techniques among which are included (i) the use of recent market transactions, (ii) references to the present market value of another financial instrument of similar characteristics, (iii) cash flow discount and (iv) other models of valuation for those exceptional cases where the aforementioned criteria may not be applied.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

k) Financial Assets and Liabilities (cont.)

i) Financial Investments

Said investments are administered and guarded by entities contracted for these purposes as: BTG Pactual, Banchile Inversiones, IMTrust, which negotiate the investment portfolio under the definitions and parameters defined by the Company.

ii) Accounts Receivable

Correspond to those financial assets with fixed and determinable payments which are not quoted in the active market. The business accounts receivable are recognized by the amount of the invoice, registering the corresponding adjustment in case there is objective evidence of payment risk on the part of the customer.

The calculation of the loss deterioration estimate is determined, taking into consideration the age factors, which affects 100% of the debts of more than 360 days. Additionally losses for deterioration are estimated for debts of less than 360 days, of customers who, in view of their financial information or regularizations of the markets where they operate or due to any other information, evidence deterioration signs. An individual analysis and a follow-up case by case is made, and the respective deterioration losses are generated.

Credits and business accounts receivables are not deducted. The Company and its affiliates have determined that the calculation of the depreciated cost does not present significant differences with regards to the invoiced amount, considering that the credit balances and accounts receivable are in its entirety classified as current.

iii) Cash and cash equivalents

The Cash and cash equivalents indicated in the consolidated financial statements include cash on hand, bank accounts and other investments with great liquidity or with expiration dates equal to or less than 90 days. The items of cash on hand and bank current accounts are registered at the historic cost which does not significantly vary from the reasonable value and the investment of great liquidity at the historic cost plus the interests accrued at the closing date of the financial statements.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

k) Financial Assets and Liabilities (cont.)

iv) Loans that accrue interests

The financial liabilities are valued at the depreciated cost using the real interest rate. The differences which arise between the cash received and the values reimbursed are directly allocated to results in the agreed periods. The financial obligations are presented as non-current liabilities when their due date is more than twelve months.

v) Derivative Financial Instruments

The Company and its affiliates use derivative instruments to handle the exchange rate risk exposure. The Company's objective regarding the maintenance of derivatives is to minimize these risks using the most effective method to eliminate or reduce the impact of these exposures.

All the derivative financial instruments are recognized at the date of signing the contract and later revalued to their fair value at the date of the financial statements. The profits and losses resulting from the fair value measuring are registered in the Consolidated Comprehensive Results Statement as profits or losses by fair value of financial instruments, unless the derivative instruments qualifies, is designed and is effective as a hedging instrument.

The derivative contracts maintained by the Company and its affiliates, correspond in its totality to forward contracts, which have been contracted to protect the rate exchange risk exposure, and regarding which the Company does not comply with the formal requirements of documentation to be classified as hedging instruments in accordance with NIC 39, and consequently the effects of said contracts are registered directly in the results accounts.

The derivative financial instruments are classified as current or non-current on the basis of whether their expiration date is inferior or superior to twelve months.

The risk hedge associated to the variation of the exchange rates in a transaction firmly committed may receive the treatment of a hedge of reasonable value or else of a hedge of effective flows, indistinctly.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

k) Financial Assets and Liabilities (cont.)

v) Derivative Financial Instruments (cont.)

The reasonable value of the derivative portfolio reflects estimates which are based in calculations made as from data which can be observed in the market, using specific tools for the valuation and derivatives' risk management, largely used among various financial entities.

vi) Financial assets and liabilities measured at a reasonable value

It is understood by the reasonable value of a financial asset or liability at a given date, the amount for which said asset could be interchanged and said financial liability liquidated, in that date between two independent parties that have all the available information, and that acted freely and voluntarily. The most objective and usual reference to the reasonable value of a financial asset or liability is the Price that would be paid for it in an organized and transparent market ("Quotation Price" or "Market Price").

The financial instruments registered at a fair value in the Statement of the Financial Position, are classified in the following manner, based in the way its fair value was obtained:

Level 1: Fair value obtained through a direct reference to quoted prices, without any adjustment.

Level 2: Fair value obtained through the use of valuation models accepted in the market and based on prices, different to the ones indicated in level 1, which may be observed directly or indirectly at the measurement date (Adjusted Prices).

Level 3: Fair value obtained through internally developed models or methods which use information which may not be observed or not very liquid.

In the cases where it is not possible to determine the fair value of a financial asset or liability, this is valued at its depreciated cost.

The Company and its affiliates, and the specialized entities who manage the investment portfolio, have chosen to use the one corresponding to Level 1 to obtain the fair value.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

k) Financial Assets and Liabilities (cont.)

vi) Financial assets and liabilities measured at a reasonable value (cont.)

The derivate contracts have been valued in accordance with the method detailed in Level 2.

During the fiscal year there have been no transfers between Level 1 and Level 2 or vice-versa in the valuation of financial instruments at the fair value.

l) Inventories

The inventories are valued at the lesser value between its cost or net realizable value (products in process and finished products), which include raw materials, labor cost and manufacturing expenses. The net realizable value is the estimated sales price in the normal course of the business, less the estimated costs to carry out the sale. The net realizable value is also measured in terms of obsolescence based on the particular characteristics of each inventory item. The Company has made a provision for the inventories of less rotation.

The cost is determined using the weighted average method.

m) Provisions

The provisions are recognized when the Company and its affiliates have a current obligation (legal or constructive) as a result of a past event, it is probable that an output of resources is required to liquidate the obligation and a reliable estimation of the amount of the obligation can be made.

n) Minimum Dividend

Law N° 18.046 on Stock Companies establishes in its article N° 79 that these must distribute as dividends to their shareholders, at least 30% of the net profits of the fiscal year, unless the Shareholders Meetings decrees, the contrary, by the unanimity of the issued shares with a right to vote. Therefore the Company recognizes at the end of each fiscal year a liability for the obligation of dividends distribution, against the withheld results.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

ñ) Defined benefit plans for employees

The Company and its affiliates give some short term benefits to their employees additionally to their remunerations, such as bonuses, vacations and Christmas bonuses.

The Company and its affiliates do not have any other benefit plans for their employees in accordance to what is indicated in NIC 19 “Employees Benefits”.

o) Income Recognition

Incomes are recognized as long as it is probable that the economic benefits flow towards the Company and may be reliably measured. The income is measured by the fair value of the economic benefits received or to be received and are presented net of the value added tax, returns and discounts.

Incomes from sales are recognized after the Company and its affiliates have transferred to the buyer the risks and benefits inherent to the ownership of those goods and do not maintain the right to dispose, nor an efficient control; in general, this means that the sales are registered at the moment of the transfer of risks and benefits to the customers in accordance with the terms agreed to in the commercial agreements.

The incomes from interests are recognized as they are accrued based on the main which is pending payment and the applicable interest rate.

Incomes from dividends are recognized when the Company has the right to receive the payment.

p) Sale Costs

The sale costs include the acquisition cost of the products sold and other costs incurred to leave the stock in the locations and conditions necessary for their sale. These costs mainly include the acquisition costs net of discounts obtained, the non-recoverable expenses and import taxes, insurance and transportation of the products to the distribution centers.

q) Profit (loss) per share

The basic profit per share is calculated as the quotient between the net profit (loss) attributable to the Head Company and the weighted average number of shares in circulation during said period, without including the average number of shares of the Head Office in the hands of the Group, if that was the case.

The Group has not carried out any type of operation of potential dilutive effect which leads to suppose a profit per diluted share different than the basic benefit per share.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

r) Rentals

The financial rentals, which substantially transfer to the Company all the risks and benefits inherent to the ownership of the rented item, are capitalized at the beginning of the leasing at the fair value of the rented property, or, if it is lower, at the present value of the minimum rent payments. The assets leased are depreciated by the estimated economic useful life of the asset or the duration term of the leasing if this is less and there is no reasonable certainty that the Company shall obtain the property at the end of the leasing.

Operative rentals are those in which the landlord substantially retains all the risks and benefits inherent to the ownership of the rented property. The operational leasing payments are recognized as expenses in the Comprehensive results statement during the validity of the leasing.

s) Use of estimates

Following are the main assumed hypothesis for the future and other relevant sources of uncertainty in the estimates at the closing date, which may have an effect on the financial statements in the future.

i) Useful life and residual values of intangibles and property, plant and equipment

The determination of the useful lives and residual values of the intangible components of the defined useful life and the property, plant and equipment involves judgments and assumptions which might be affected if the circumstances change. The administration reviews these assumptions periodically and adjust them in a prospective basis in the case a change is identified.

ii) Deterioration of the added value and of intangibles with an indefinite useful life

The Company and its affiliates annually determine if the added value and the intangible assets of an indefinite useful life are deteriorated or if there are signs of deterioration. This test requires an estimate of the “value used” by the units generating cash to which the added value and the intangible assets of undefined useful life are associated. The estimate of the value used requires that the administration carries out an estimation of the future cash flows expected from the flow generating unit and that it chooses a discount rate appropriate to calculate the present value of those cash flows.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

s) Use of estimates (cont.)

iii) Deferred Taxes

The Company and its affiliates evaluate assets recoverability by deferred taxes based on the estimates of future results. Said recoverability depends ultimately on the capacity of the Company and its affiliates to generate taxable benefits during the period in which the deferred taxes assets are deductible. In the analysis the forecasted calendar of liabilities reversion due to deferred taxes, is taken into account, as well as the estimates of taxable benefits, based on the internal projections which are up-dated to reflect the most recent tendencies.

The real flows of collections and payments due to taxes on benefits may differ on the estimates made by the Company and its affiliates, as a consequence of the changes in the fiscal legislation, or of future not foreseen transactions which might affect tax balances.

iv) Net Value of the realization of inventories

The variables considered for the calculation of the net realization value are mainly the estimated sale prices and additional distribution costs.

v) Provisions

Due to the uncertainties inherent to the estimates necessary to determine the amount of the provisions, the real disbursements may differ from the amounts originally recognized on the basis of said estimates.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 2 – Summary of the Main Accounting Criteria Applied (cont.)

s) Use of estimates (cont.)

vi) Fair Value of Assets and Liabilities

In certain cases the NIIF requires that the assets and liabilities be registered at their fair value. The fair value is the amount at which an asset may be purchased or sold, or the amount at which a liability may be incurred or settled in real transaction between parties duly informed under mutual independent conditions, different from a forced settlement. The basis for the measurement of assets and liabilities at its fair value are the prices in force in active markets. In its absence, the Company and its affiliates estimate said values based on the best possible information, including the use of other valuation techniques.

Nota 3 – New Accounting Rulings (NIIF and interpretations of the NIIF Interpretations Committee)

The improvements and amendments to the NIIF, as well as the interpretations which have been published in the period are detailed below. As of the date of these consolidated financial statements these regulations were not in force yet and the Company has not applied them in advance:

Regulations		Compulsory application date for the Group
NIIF 9 IFRIC 21	Financial Instruments – Classification and measuring Tax Obligations	To be determined January 1, 2014

NIIF 9: Financial Instruments – Classification and measuring

This regulation introduces requirements for the classification and measuring of financial assets and liabilities and for the accounting of hedges. Originally the IASB decided that the mandatory application date is January 1, 2015. Notwithstanding, the IASB observed that this date does not give enough time to the entities to prepare the application, therefore decided to publish the effective date when the project is nearer to completion. Therefore, its effective application date is to be determined; its immediate adoption is permitted.

The Company and its affiliates are still evaluating the impact the mentioned regulation may generate.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 3 - New Accounting Rulings (NIIF and interpretations of the NIIF Interpretations Committee (cont.))

IFRIC 21: Tax Obligations

IFRIC 21 is an interpretation of NIC 3 Provisions, Contingent Liabilities and Contingent Assets which was issued on May 2013. NIC 37 establishes the criteria for the recognition of a liability, one of which is the requirement that the entity has a current obligation as the result of a past event. The interpretation clarifies that this past event which originates the payment tax obligation is the activity described in the pertinent legislation that triggers the payment of the tax obligation. IFRIC 21 is effective for the annual periods which begin on or after January 1, 2014.

The Company and its affiliates evaluated the impact which the mentioned ruling may generate, concluding that it will not significantly affect the financial statements.

Improvements and amendments		Compulsory application date for the Group
NIC 19	Benefits for the Employees	July 1, 2014
NIC 27	Separate Financial Statements	January 1, 2014
NIC 32	Financial Instruments, presentation	January 1, 2014
NIC 36	Deterioration of the value of the assets	January 1, 2014
NIC 39	Financial Instruments: Recognition and measuring	January 1, 2014
NIC 40	Investment Properties	July 1, 2014
NIIF 3	Business Combinations	July 1, 2014
NIIF 10	Consolidated Financial Statements	January 1, 2014
NIIF 12	Disclosure of participations in other entities	January 1, 2014

NIC 19: Benefits for the Employees

The amendments to NIC 19, issued on November 2013, are applied to the contributions of employees or third parties to defined benefits plans. The purpose of the amendments is the simplification of the accounting of contributions which are independent from the years of service of the employee; for example, contributions of employees which are calculated in accordance with a fixed percentage of the salary. The amendments are applicable as of July 1, 2014, its advance application is allowed

The Company and its affiliates evaluated the impact generated by the mentioned amendment, concluding that it shall not significantly affect the financial statements.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 3 - New Accounting Rulings (NIIF and interpretations of the NIIF Interpretations Committee (cont.))

NIC 32: Financial Instruments, presentation

The amendments to NIC 32, issued on December 2011, are aimed to clarify the differences in the application related to balance offsetting and thus reduce the level of diversity in the present practice. The amendments are applicable as January 1, 2014 and its advanced application is allowed.

The Company and its affiliates evaluated the impact generated by the mentioned amendment, concluding that it shall not significantly affect the financial statements.

NIC 36: Deterioration of the assets values

The amendments to NIC 36, issued on May 2013, are aimed to the disclosure of the information on the recoverable amount of deteriorated assets, if this amount is based on the fair value less the disposal costs. These amendments are related to the issuance of the NIIF13 measuring of the reasonable value. The amendments must be applied retrospectively for annual periods which begin on or after January 1, 2014. The advanced application is allowed when the entity has already applied NIIF 13.

The Company and its affiliates evaluated the impact generated by the mentioned amendment, concluding that it shall not significantly affect the financial statements.

NIC 39: Financial Instruments, recognition and measuring

The amendments to NIC 39, issued on June 2013, provide an exception to the requirement of suspending the accounting of hedges in situations in which the off-market derivatives designated in hedge connections are directly or indirectly novated to a central counterpart entity, as a consequence of the laws or regulations, or the introduction of laws or regulations. It is required that the entities apply the amendments to the yearly periods which begin as of January 1, 2014. Its advanced application is allowed.

The Company and its affiliates evaluated the impact generated by the mentioned amendment, concluding that it shall not significantly affect the financial statements.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 3 - New Accounting Rulings (NIIF and interpretations of the NIIF Interpretations Committee (cont.))

NIC 40: Investment Properties

“Annual improvements cycle 2011-2013”, issued on December 2013, clarifies that judgment is required in determining if the acquisition of the investment property is the acquisition of an asset, a group of assets or a combination of businesses within the de scope of NIIF 3 Business Combinations and that this judgment is based on the NIIF 3 Business Combinations guide. Furthermore the AISB concludes that NIIF 3 Business Combinations and NIC 40 Investment Properties are not mutually restrictive and judgment is required to determine if the transaction is only the acquisition of a property or if it is the acquisition of a group of assets or a business combination which includes an investment property. The amendments are applicable as of July 1, 2014, its advanced application is allowed.

The Company and its affiliates are still evaluating the impact generated by the mentioned regulation.

NIIF 3: Business Combinations

“Annual improvements cycle 2010-2012”, issued on December 2013, clarifies some accounting aspects of contingent considerations in a business combination. The IASB notes that NIIF 3 Business Combinations requires that the subsequent measuring of a contingent consideration must be carried out at the reasonable value and therefore eliminates the references to NIC 37 Provisions, contingent liabilities and contingent assets or other NIIF which potentially have other valuation basis which do not constitute the reasonable value. The reference to NIIF 9 Financial Instruments is left clarifying that a contingent consideration, either a financial asset or liability, is measured at the reasonable value with changes in results or other Comprehensive results depending on the requirements of NIIF 9 Financial Instruments. The amendments are applicable as of July 1, 2014, its advanced application is allowed.

The Company and its affiliates are still evaluating the impact generated by the mentioned regulation.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 3 - New Accounting Rulings (NIIF and interpretations of the NIIF Interpretations Committee (cont.))

NIIF 10: Consolidated Financial Statements, NIIF 12 Disclosures of participation in other entities, NIC 27 Separate Financial Statements

The amendments to NIIF 10 Consolidated Financial Statements, NIIF 12 Information to be disclosed on the participation in other entities and NIC 27 Separate Financial Statements come from proposals of the project Investment Entities regulations published in August 2011. The amendments define an investment entity and introduce an exception to consolidate certain subsidiaries belonging to investment entities. These amendments require that an investment entity measures those subsidiaries at the reasonable value with changes in results in accordance with NIIF 9 Financial Instruments in its consolidated and separate financial statements. The amendments also introduce new requirements on information to be disclosed in relation to investment entities in NIIF 12 and NIC 27. It is required that the entities apply these amendments to the annual periods beginning as of January 1, 2014. Its advanced application is allowed.

The Company and its affiliates evaluated the impact generated by the mentioned amendment, concluding that it shall not significantly affect the financial statements.

Nota 4- Financial Information by Segments

Forus S.A. and its Affiliates disclose information by segment in accordance with what is indicated in NIIF 8 "Operative Segments" which established the regulations to inform regarding the operative segments and related disclosures for products and services and geographic areas. The operative segments are defined as components of an entity for which separate financial information exists which is regularly used by the principal decision maker to decide how to assign resources and evaluate performance. The Company presents information by segment which is used by the administration for internal information purposes of decision making.

The factors used to identify the informed operative segments, are the geographical factor and the preparation of information which is monthly handed over to the Company's Board of Directors. The income of the regular activities of each segment corresponds to the resultants from the production and distribution of footwear under the licenses: Hush Puppies, Caterpillar, Rockford, Merrell, Nine West, Cushe, Brooks, Columbia, Azaleia, Pasqualini, Calpany, Norseg, amongst others. For the wholesales segments which income represents 20,92%, the main customers in Chile are: Cencosud Retail S.A. (Paris), Falabella Retail S.A. and Ripley.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 4- Financial Information by Segments (cont.)

It may be highlighted that 79,08% of the Company's income comes from the Retail segment, which sales are carried out in its own stores in their different formats.

Forus S.A. negotiates and measures the performance of its operations by segments; one is the geographic segment which is formed by the four countries in which it maintains operations (Chile, Perú, Uruguay and Colombia), and another is the business segment which is broken down by the channel in which it distributes and markets its products (Wholesale y Retail).

The Company and its affiliates do not market their products to any customer whose participation percentage is higher than 10%.

The operative segments internally informed are detailed below.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

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Note 4 – Financial Information by Segments (cont.)

a.1) Wholesale Business Results as of December 31, 2013

	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Eliminations M\$	Total M\$
Income from Ordinary Activities	40.372.806	2.660.200	658.432	1.007.183	(4.200.082)	40.498.539
Income from interest	1.846.310	989	6.399			1.853.698
Total Income	42.219.116	2.661.189	664.831	1.007.183	(4.200.082)	42.352.237
Sales Cost (less)	(21.242.911)	(1.501.953)	(496.939)	(659.856)	4.200.082	(19.701.577)
Depreciation and Repayment	(818.233)	(166.393)	(58.062)			(1.042.688)
Amount of significant items of other income	1.010.452	32.837		992.565		2.035.854
Amount of significant items of expenses	(8.860.071)	(1.517.065)	(299.074)	(155.021)	(67.913)	(10.899.144)
Sub-total profit (loss) of the segment informed	12.308.353	(491.385)	(189.244)	1.184.871	(67.913)	12.744.682
Exchange Differences/Readjustable units	1.535.968	(299.043)	(75.719)			1.161.206
Participation in associates and affiliates	3.213.798				(2.822.956)	390.842
(Expense) Income from Income Tax	(2.533.365)	157.472	43.289	(57.020)		(2.389.624)
Amount of other significant items non-monetary						
Total	14.524.724	(632.956)	(221.674)	1.127.851	(2.890.869)	11.907.106

FORUS S.A. AND AFFILIATES
Notes to the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

Note 4 – Financial Information by Segments (cont.)

a.2) Retail Business Results as of December 31, 2013

	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Eliminations M\$	Total M\$
Income from Ordinary Activities	124.131.891	9.306.546	4.930.961	14.762.912		153.132.310
Income from Interest				518		518
Total Income	124.131.891	9.306.546	4.930.961	14.763.430		153.132.828
Sales Cost (less)	(49.415.246)	(3.522.805)	(2.217.501)	(6.569.421)		(61.724.973)
Depreciation and Repayment	(3.037.601)	(307.802)	(156.244)	(777.292)		(4.278.939)
Amount of significant items of other income	188	13.853				14.041
Amount of significant items of expenses	(42.563.168)	(3.583.947)	(2.521.146)	(5.882.403)		(54.550.664)
Sub-total profit (loss) of the segment informed	29.116.064	1.905.845	36.070	1.534.314		32.592.293
Exchange Differences/Readjustable units	2.931			(541.961)		(539.030)
Participation in associates and affiliate						
(Expense) Income from Income Tax	(5.803.287)	(555.490)	324.188	(38.174)		(6.072.763)
Amount of other significant items non-monetary						
Total	23.315.708	1.350.355	360.258	954.179		25.980.500

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

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Note 4 – Financial Information by Segments (cont.)

a.3) Wholesale Business Results as of December 31, 2012

	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Eliminations M\$	Total M\$
Income from Ordinary Activities	36.377.650	2.681.457	1.913.714	1.329.256	(4.880.742)	37.421.335
Income from interests	1.511.214	762				1.511.976
Total Income	37.888.864	2.682.219	1.913.714	1.329.256	(4.880.742)	38.933.311
Sales cost (less)	(20.295.716)	(1.544.649)	(1.571.337)	(1.054.842)	4.880.742	(19.585.802)
Depreciation and Repayment	(909.329)	(165.051)	(25.536)			(1.099.916)
Amount of significant items of other income	660.095					660.095
Amount of significant items of expenses	(7.240.068)	(1.129.296)	(175.936)	(121.622)	(168.873)	(8.835.795)
Profit (loss) of the segment informed	10.103.846	(156.777)	140.905	152.792	(168.873)	10.071.893
Exchange Differences/Readjustable units	(1.188.741)	97.166	10.052			(1.081.523)
Participation in associates and affiliates	2.830.755				(2.658.829)	171.926
(Expense) Income from Income Tax	(982.714)	35.954	(4.142)	(42.418)		(993.320)
Amount of other significant items non-monetary						
Total	10.763.146	(23.657)	146.815	110.374	(2.827.702)	8.168.976

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 4 – Financial Information by Segments (cont.)

a.4) Retail Business Results as of December 31, 2012

	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Eliminations M\$	Total M\$
Income from Ordinary Activities	108.940.083	7.005.972	4.356.499	13.043.953		133.346.507
Income from Interests			44.052	1.091		45.143
Total Income	108.940.083	7.005.972	4.400.551	13.045.044		133.391.650
Sales Cost (less)	(43.527.530)	(2.823.988)	(1.763.969)	(5.753.878)		(53.869.365)
Depreciation and Repayment	(2.561.903)	(109.314)	(142.424)	(450.524)		(3.264.165)
Amount of significant items of other income	59					59
Amount of significant items of expenses	(36.911.629)	(2.909.249)	(2.404.680)	(4.624.152)		(46.849.710)
Profit (loss) of the segment informed	25.939.080	1.163.421	89.478	2.216.490		29.408.469
Exchange Differences/Readjustable Units	3.585			30.686		34.271
Participation in associates and affiliates						
(Expense) Income from Income Tax	(5.170.570)	(472.844)	(12.673)	(590.001)		(6.246.088)
Amount of other significant items non-monetary						
Total	20.772.095	690.577	76.805	1.657.175		23.196.652

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

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Note 4 – Financial Information by Segments (cont.)

b.1) Assets and liabilities by geographic areas as of December 31, 2013

	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Eliminations M\$	Total M\$
Current Assets	97.500.926	8.723.657	3.230.902	10.401.591	(3.595.000)	116.262.076
Investments recorded using the participation method	24.735.896				(21.625.184)	3.110.712
Assets Deferred taxes	872.196	205.554	398.527	100.777		1.557.054
Non-current Assets	35.742.013	3.372.302	772.025	4.222.093		44.108.433
Total Assets	158.851.031	12.301.513	4.401.454	14.724.461	(25.220.184)	165.058.275
Current Liabilities	21.212.139	3.558.371	1.270.715	4.877.097	(3.595.000)	27.323.322
Non-Current Liabilities	1.885.993			100.626		1.986.619
Total Liabilities	23.098.132	3.558.371	1.270.715	4.977.723	(3.595.000)	29.309.941
Eliminations Detail	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$		Total M\$
Accounts Receivables related companies		(3.513.567)				(3.513.567)
Assets Current Taxes			(81.433)			(81.433)
Current Assets		(3.513.567)	(81.433)			(3.595.000)
Investment in related companies		(21.625.184)				(21.625.184)
Non-current Assets		(21.625.184)				(21.625.184)
Accounts Receivables related companies		(856.114)	(2.043.944)	(59.963)	(547.500)	(3.507.521)
Provisions			(3.906)	(2.140)		(6.046)
			(81.433)			(81.433)
Current Liabilities		(856.114)	(2.129.283)	(62.103)	(547.500)	(3.595.000)

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 4 – Financial Information by Segments (cont.)

b.2) Assets and liabilities by geographic areas as of December 31, 2012

	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Eliminations M\$	Total M\$
Current Assets	92.150.496	4.474.565	2.840.476	9.199.379	(5.614.598)	103.050.318
Investments recorded using the participation method	15.400.474				(13.583.723)	1.816.751
Assets Deferred taxes	1.195.434	96.474		26.300		1.318.208
Non-current assets	24.889.123	2.144.075	391.960	3.087.953		30.513.111
Total Assets	133.635.527	6.715.114	3.232.436	12.313.632	(19.198.321)	136.698.388
Current Liabilities	21.212.139	3.123.235	1.293.111	4.658.662	(5.614.598)	23.089.999
Non-Current Liabilities	1.928.629			237.830	6.340	2.166.459
Total Liabilities	21.558.218	3.123.235	1.293.111	4.896.492	(5.608.259)	25.256.458
Eliminations Detail		Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Total M\$
Accounts Receivables related companies		(4.819.696)				(4.819.696)
Assets Current Taxes					(794.902)	(794.902)
Current Assets		(4.819.696)			(794.902)	(5.614.598)
Investment in related companies		(13.583.723)				(13.583.723)
Non-current Assets		(13.583.723)				(13.583.723)
Accounts Receivables related companies		(1.874.724)	(2.226.670)	(467.796)	(250.251)	(4.819.441)
Provisions			(255)			(255)
Current Tax Liabilities					(794.902)	(794.902)
Current Liabilities		(1.874.724)	(2.226.925)	(467.796)	(1.045.153)	(5.614.598)

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

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Note 4 – Financial Information by Segments (cont.)

c.1) Cash Flow by geographic areas as of December 31, 2013

	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Eliminations M\$	Total M\$
Cash flow from operation activities	32.141.462	1.212.821	(1.994.747)	2.376.922	4.278.341	38.014.799
Cash flow from investment activities	(23.455.095)	(3.304.581)	2.494.086	(2.004.855)	(2.568.175)	(28.838.620)
Cash flow from financing activities	(16.560.173)	2.446.998	(100.544)	5.005	(1.710.166)	(15.918.880)
Increase (decrease) in the cash and equivalents to cash, due to changes in the exchange rate	(7.873.803)	355.238	398.795	377.072		(6.742.701)
Effects of the variation of the exchange rate on the cash and equivalents to cash						
Increase (decrease) of cash and equivalents to cash	297.672	(2.274)	4.652	39.277		339.327
Cash and equivalents to cash at the beginning of the period	13.492.569	564.662	307.358	422.203		14.786.792
Cash and equivalents to cash at the end of the period	5.916.435	917.626	710.805	838.552		8.383.418

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Notes to the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

Note 4 – Financial Information by Segments (cont.)

c.2) Cash Flow by geographic areas as of December 31, 2012

	Chile M\$	Perú M\$	Colombia M\$	Uruguay M\$	Eliminations M\$	Total M\$
Cash flow from operation activities	26.379.481	586.924	536.978	1.757.230	(566.164)	28.694.449
Cash flow from investment activities	(8.010.385)	(634.881)	(864.349)	(1.304.955)	(3.892.702)	(14.797.272)
Cash flow from financing activities	(23.749.009)	(40.783)	144.613	(489.292)	4.548.867	(19.585.604)
Increase (decrease) in the cash and equivalents to Cash, due to changes in the exchange rate	(5.379.913)	(88.740)	(182.758)	(37.017)	1	(5.688.427)
Effects of the variation of the exchange rate on The cash and equivalents to cash						
Increase (decrease) of cash and equivalents to cash	101.455	(35.687)		(44.035)	(1)	21.732
Cash and equivalents to cash at the beginning of The period	18.771.027	689.089	490.116	503.255		20.453.487
Cash and equivalents to cash at the end of the period	13.492.569	564.662	307.358	422.203		14.786.792

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 5 – Cash and Equivalents to Cash

The structure of the cash and equivalent to cash as of December 31, 2013 and December 31, 2012 is the following:

Concepts	31.12.2013 M\$	31.12.2012 M\$
Cash and banks	4.082.288	5.433.651
Term deposits	4.301.130	9.353.141
Total	<u>8.383.418</u>	<u>14.786.792</u>

a) Cash and banks

The Cash corresponds to the money maintained in the safes and banking accounts, and the registered value is equal to its reasonable value.

Cash and equivalents to cash have no associated restrictions.

b) Term Deposits

Term deposits, with original expirations of less than three months, are registered at the investment value plus the interests accrued at the closing.

Types of deposits	31.12.2013 M\$	31.12.2012 M\$
Deposits in Chilean Pesos	4.301.130	9.353.141
Total	<u>4.301.130</u>	<u>9.353.141</u>

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 6 – Other Current Financial Assets

The other current financial assets correspond to the different investments in shares, bonds, local and international mutual funds, mortgage notes, etc., which are managed by a group of specialized administrators, such as:

- BTG Pactual
- IM Trust
- Banchile Inversiones

Each of these administrators manage the different investments under the parameters defined by the Company's Executive Committee.

Among the parameters defined by the administration and which allow the control of the valuation risks of said financial assets are:

- Zero exposure in markets or instruments of high volatility
- Investments mainly in fixed income instruments, and
- Desired profitability of the funds, not higher than 4%

When an investment is materialized in foreign currency the administrator sometimes manages the respective hedge with the purpose of controlling the losses that this portfolio may have due to the variation of these instruments.

Finally, a policy has been defined to weekly review with each operator the evolution of the market risk and exposure of the portfolio, and as a consequence the instruments in which the investments are made are adjusted and the value volatility risks are maintained low.

The other financial assets are valued in accordance with what is indicated in note 2 k) i.

The results registered in the periods ended on December 31, 2013 and 2012 amounted to M\$1.648.554 and M\$1.349.446, respectively and are presented in the item "Financial Income" of the Consolidated Comprehensive Results Statement.

The Company and its affiliates and the specialized entities that administer the investment portfolio, have chosen the use corresponding to Level 1 to obtain the fair value of the financial instruments in which investments are maintained as of December 31, 2013.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 6 – Other Current Financial Assets (cont.)

The detail of the financial assets at their reasonable value in accordance with the criteria described in Note 2 k), are detailed below:

Instruments	31.12.2013	31.12.2012
	M\$	M\$
Shares	-	1.808
Bonds (a)	68.148	91.394
Local mutual funds (b)	32.817.087	25.028.959
International mutual funds (b)	802.026	615.044
Mortgage notes (c)	415	2.002
Total	<u>33.687.676</u>	<u>25.739.207</u>

a) Bonds Detail as of December 31, 2013:

Instrument	Purchase date	Expiration Date	Par Value	Accounting value M\$	Rate %	Market value M\$	Currency
BAGUA-I	13-01-2010	01-12-2015	5.000.000	6.131	3,04%	6.131	UF
BSOQU-G	13-01-2010	05-01-2014	60.000.000	62.017	5,90%	62.017	CLP
Total						68.148	

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 6 – Other Current Financial Assets (cont.)

b) Detail of mutual funds as of December 31, 2013:

b.1) Local mutual funds

Fund	Nº Quotas	Market Price M\$	Currency
Fm. Renta a Plazo	29.102,88	31.751	CLP
Fm. Renta Chilena	54.062,27	91.920	CLP
Fm. Renta Local	66.633,63	73.234	CLP
Fm. Renta Nominal	6.902,96	10.547	CLP
Fm. Money Market	16.531,98	25.778	CLP
Fm. Money Market Dolar	2.436.388,69	2.401.523	USD
Fm. Money Market Dolar	323,4	320	USD
Fm. Corporativo	1.592,55	43.614	CLP
Fm. Corporate Dollar	26.147,72	16.591.252	USD
Liquidez Full	103.217,37	139.787	CLP
Im Trust Liquidez B	222.172,83	310.814	CLP
Im Trust RentaD	493.493,53	671.964	CLP
Cash	3.399.963,39	7.594.904	CLP
Disponible A	11,03	404	CLP
FM Scotiabank	16.382,74	1.049.872	USD
FM Scotiabank	2.702.551	3.779.403	CLP
Total		32.817.087	

b.2) International Mutual Funds

Fund	Nº Quotas	Currency	Market Price \$	Accounting Value M\$
JPM GREATER CHINA FUND CLASS A (USD)	1.072,49	USD	13,204	14.162
JP MORGAN EMERGING MARKETS	857,68	USD	125,314	107.478
SCHRODER SISF EURO EQUITY FUND CLASS	10.147,40	USD	18,513	187.864
VANGUARD INTL EQUITY INDEX FDS FTSE	3.104	USD	32,159	99.820
VANGUARD INDEX FDS VANGUARD TOTAL STK	7.804	USD	50,321	392.702
Total				802.026

c) Detail of mortgage notes as of December 31, 2013:

Instrument	Amount	Rate %	Expiration Date	Accounting Value M\$	Currency
EST0300102	560	4,5%	01-01-2014	415	UF
Total				415	

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 7 – Trade Debtors and Other Accounts Receivable, Current

a) The following is the detail of the current debtors:

Item	31.12.2013 Current M\$	31.12.2012 Current M\$
Trade Debtors (net)	9.264.984	7.533.439
Accounts Receivable (net)	11.127.835	10.090.748
Other Receivables	1.487.908	1.456.611
Total	21.880.727	19.080.798

As of December 31, 2013

Item	Wholesale Current M\$	Retail Current M\$	Total Current M\$
Trade Debtors (net)	8.855.648	409.336	9.264.948
Accounts Receivable (net)	609.226	10.518.609	11.127.835
Other Receivables	1.215.137	272.771	1.487.908
Total	10.680.011	11.200.716	21.880.727

As of December 31, 2012

Item	Wholesale Current M\$	Retail Current M\$	Total Current M\$
Trade Debtors (net)	7.340.202	193.237	7.533.439
Accounts Receivable (net)	815.485	9.275.263	10.090.748
Other Receivables	1.184.799	271.812	1.456.611
Total	9.340.486	9.740.312	19.080.798

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 7 – Trade Debtors and Other Accounts Receivable, Current (cont.)

- a.1) As of December 31, 2013 and 2012 the detail of the trade debtors and other accounts receivable corresponding to the Wholesale segment is the following:

	31.12.2013	31.12.2012
	M\$	M\$
Invoices Receivables	8.855.648	7.340.202
Total Trade Debtors (net)	8.855.648	7.340.202
Checks in the portfolio	457.715	533.716
Checks in collection	934	187.881
Notes in the portfolio	150.577	76.492
Notes in collection	-	17.396
Total Accounts Receivable (net)	609.226	815.485
Advance payments to suppliers and custom agencies	518.184	794.831
Accounts Receivables Personnel & others	696.953	389.968
Total Various Debtors	1.215.137	1.184.799
Total Wholesale Trade Debtors and Other Accounts Receivable	10.680.011	9.340.486

The main customers of the Wholesale business are: Ripley, Falabella Retail S.A, Cencosud Retail S.A. and La Polar S.A., amongst others, which present a current debt of M\$6.297.949 as of December 31, 2013 (M\$5.397.829 as of December 31, 2012).

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 7 – Trade Debtors and Other Accounts Receivable, Current (cont.)

- b) As of December 31, 2013 and 2012, the Company and its affiliates maintained provisions for trade debtors and accounts receivables amounting to M\$686.398 and M\$818.940 respectively, equivalent to 3,04% and 4,12% with respect to the gross portfolio, the detail is the following:

Provisions on	31.12.2013 Current M\$	31.12.2012 Current M\$
Trade Debtors	310.411	458.902
Accounts Receivable	375.987	360.038
Other Receivables	-	-
Total	686.398	818.940

As of December 31, 2013

Provisions on	Wholesale Current M\$	Retail Current M\$
Trade Debtors	310.411	-
Accounts Receivable	-	375.987
Total	310.411	375.987

As of December 31, 2012

Provisions on	Wholesale Current M\$	Retail Current M\$
Trade Debtors	458.902	-
Accounts Receivable	-	360.038
Total	458.902	360.038

The Company and its affiliates permanently evaluate the credit quality of the assets which are not overdue or deteriorated.

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 7 – Trade Debtors and Other Accounts Receivable, Current (cont.)

- c) As of December 31, 2013 and 2012, the aging analysis of the trade debtors and accounts receivable is the following:

Year	Total	Nor overdue nor	Overdue but not deteriorated				
		Deteriorated	< 30 days	30 - 60 days	60 - 90 days	90 - 120 days	> 120 days
		M\$	M\$	M\$	M\$	M\$	M\$
2013	22.567.125	19.250.801	2.178.861	577.704	332.977	112.705	114.077
2012	19.899.738	16.763.543	1.632.447	633.657	481.037	185.376	203.678

As of December 31, 2013, the Company and its affiliates maintained 85,30% of the total portfolio, in the category “Nor overdue nor deteriorated” (84,24% as of December 2012).

As described in note 2k) ii), the Company and its affiliates as a policy make provisions for 100% of the debts with due periods longer than 360 days, notwithstanding, periodically an individual review is made of the other customers who overdue or not, may present problems of uncollectability, to this end the financial information available in the market, the historic behavior of the credits granted before, internal current delays in payment, external behavior and years as a customer are analyzed. If as a result of this analysis it is concluded that the probability of collectivity of this customers' debt is low, then an uncollectable provision is made for its debt.

- d) As of December 31, 2013 and the due date of the assets which are not overdue nor deteriorated is the following:

Year	Nor overdue nor Deteriorated M\$	Days for the due date				
		< 30 days M\$	30 - 60 days M\$	60 - 90 days M\$	90 - 120 days M\$	> 120 days M\$
2013	19.250.801	9.043.308	5.328.606	2.068.673	2.111.990	698.224
2012	16.763.543	8.532.738	4.383.971	1.930.530	1.509.014	407.290

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December 31, 2013 and December 31, 2012

Note 7 – Trade Debtors and Other Accounts Receivable, Current (cont.)

- e) The detail of the uncollectable provision by due date is the following: As of December 31, 2013:

Year	Total	Nor overdue nor deteriorated	Overdue but not deteriorated				
			< 30 days	30 - 60 days	60 - 90 days	90 - 120 days	> 120 days
	M\$	M\$	M\$	M\$	M\$	M\$	M\$
Total debt	22.567.125	19.250.801	2.178.861	577.704	332.977	112.705	114.077
Bad-Debt Provision	(686.398)	(376.372)	-	-	(83.244)	(112.705)	(114.077)
Percentage	3,04%	1,96%	-	-	25,00%	100,00%	100,00%

As of December 31, 2012:

Year	Total	Nor overdue nor deteriorated	Overdue but not deteriorated				
			< 30 days	30 - 60 days	60 - 90 days	90 - 120 days	> 120 days
	M\$	M\$	M\$	M\$	M\$	M\$	M\$
Total debt	19.899.738	16.763.543	1.632.447	633.657	481.037	185.376	203.678
Bad-Debt Provision	(818.940)	(309.626)	-	-	(120.260)	(185.376)	(203.678)
Percentage	4,12%	1,85%	-	-	25,00%	100,00%	100,00%

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Note 8 - Investments Registered Using the Participation Method

The movement of the participations in associated Investments and joint businesses as of December 31, 2013 and December 31, 2012 is the following:

As of December 31, 2013

Tax I.D.	Company	Country of origin	Functional Currency	Participation %	Balance 01.01.2013 M\$	Additions M\$	Participation Profit (Loss) M\$	Dividends Received M\$	Disappropriation M\$	Deterioration Of Value M\$	Conversion difference M\$	other increases /decreases M\$	Balance 31.12.2013 M\$
90320000-6	Elecmetal S.A. (1) (6)	Chile	Peso	0,45103	1.159.419		122.165	(85.984)					1180080
90.331.000-6	Cristalerías Chile S.A.(1) (3)	Chile	Peso	0,01198	28.488			(230)	(28.258)			(15.520)	
O-E	Lifestyle Brands of Colombia S.A.S. (2)	Colombia	Peso Colombian	49,00000	628.844	1.030.960	268.677					2.151	1.930.632
Total					1.816.751	1.030.960	390.842	(86214)	(28258)		(13369)		3.110.712

As of December 31, 2012

Tax I.D.	Company	Country Of origin	Functional Currency	Participation %	Balance 01.01.2012 M\$	Additions M\$	Participation Profit (Loss) M\$	Dividends Received M\$	Disappropriation M\$	Deterioration of Value M\$	Conversion difference M\$	Other increases /decreases M\$	Balance 31.12.2012 M\$
90320000-6	Elecmetal S.A. (1) (5)	Chile	Peso	0,45103	1.055.250	21.971	131.427	(221.317)				172088	1.159.419
92 723000-3	Quemchi S.A.(1) (4) (5)	Chile	Peso	0,00000	23.890				(23.890)				
90.331.000-6	Cristalerías Chile S.A.(1) (3)	Chile	Peso	0,01198	37.841		5.217	(14.651)			81		28.488
O-E	Lifestyle Brands of Colombia S.A.S. (2)	Colombia	Peso Colombian	49.00000		597.004	35.282				(3.442)		628.844
Total					1.116.981	618.975	171.926	(235.968)	(23.890)		168.727		1.816.751

- (1) These investments have been registered by the participation method, considering that the final head company, Costanera S.A.C.I., maintains Directors in them, therefore at the final consolidation level it has been estimated that it has the ability to exercise significant influence.
- (2) Corresponds to an investment made through Joint Venture in the year 2012, according to what is indicated in note 2(h).
- (3) During the fiscal year 2013, the Company sold its participation in Cristalerías Chile S.A..
- (4) During the fiscal year 2012, the Company sold its participation in Quemchi S.A..
- (5) At the date of the issuance of these financial statements these companies had not issued their financial statements, therefore the registry corresponds to the numbers as of September 30, 2012.
- (6) At the date of the issuance of these financial statements this company had not issued their financial statements, therefore the registry corresponds to the numbers as of September 30, 2013

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Note 8- Investments Registered Using the Participation Method (cont.)

The summary of the financial information of associates and joint businesses as of December 31, 2013 and December 31, 2012 is the following:

As of December 31, 2013

Tax I.D.	Company	Country of origin	Current assets M\$	Non-current assets M\$	Current liabilities M\$	Non-Current liabilities M\$	Regular Income M\$	Regular Expenses M\$	Result M\$
90.320.000-6	Elecmetal S.A. (2)	Chile	390.701.050	335.528.707	126.580.842	209.842.768	377.887.330	331.521.126	27.085.440
	Lifestyle Brands of Colombia								
O-E	S.A.S.	Colombia	4.953.846	549.950	1.563.731		5.645.691	4.619.179	548.321
			395.654.896	336.078.657	128.144.573	209.842.768	383.533.021	336.140.305	27.633.761

As of December 31, 2012

Tax I.D.	Company	Country Of origin	Current assets M\$	Non-Current assets M\$	Current liabilities M\$	Non-Current liabilities M\$	Regular Income M\$	Regular Expenses M\$	Result M\$
90.320.000-6	Elecmetal S.A. (1)	Chile	359.668.562	392.492.588	102.619.889	194.623.058	341.006.544	298.674.457	32.320.757
90.331.000-6	Cristalerías Chile S.A. (1)	Chile	243.609.659	263.609.186	67.426.000	142.299.882	164.191.216	147.186.680	43.561.375
	Lifestyle Brands of Colombia								
O-E	S.A.S.	Colombia	1.749.787	272.753	739.185		1.777.385	1.652.679	72.005
			605.028.008	656.374.527	170.785.074	336.922.940	506.975.145	447.513.816	75.954.137

(1) As of the date of the issuance of these financial statement these companies had not issued their financial statements, therefore the registry corresponds to the number as of September 30, 2012.

(2) As of the date of the issuance of these financial statement this company had not issued their financial statements, therefore the registry corresponds to the number as of September 30, 2013.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 9 – Intangible Assets Other Than the Added Value

In this item, the following concepts are classified :

Concept	31.12.2013 M\$	31.12.2012 M\$
Trademarks	1.051.778	951.778
Licenses	508.893	653.204
Software	878.767	516.853
Total	<u>2.439.438</u>	<u>2.121.835</u>

a) Trademarks

As of December 31, 2013

Trademark	01.01.2013 M\$	Additions M\$	Deterioration M\$	31.12.2013 M\$
Pasqualini	706.568	-	-	706.568
Norseg	172.500	-	-	172.500
Calpany	72.710	-	-	72.710
7Veinte	-	100.000	-	100.000
Total	<u>951.778</u>	<u>100.000</u>	<u>-</u>	<u>1.051.778</u>

As of December 31, 2012

Trademark	01.01.2012 M\$	Additions M\$	Deterioration M\$	31.12.2012 M\$
Pasqualini	706.568	-	-	706.568
Norseg	172.500	-	-	172.500
Calpany	72.710	-	-	72.710
Total	<u>951.778</u>	<u>-</u>	<u>-</u>	<u>951.778</u>

In accordance with the estimates of deterioration carried out by the administration, as of December 31, 2013, no signs of trademarks' deterioration have been identified.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 9 – Intangible Assets Other Than the Added Value (cont.)

b) Other intangibles

Other intangibles are assessed in accordance with what is indicated in Note 2 i) iii), and its detail is the following:

Concept	As of December 31, 2013			
	Gross Intangible M\$	Accumulated Depreciation M\$	Conversion Difference M\$	Net Intangible M\$
Licenses	1.697.316	(1.082.430)	(105.993)	508.893
Software	2.593.055	(1.739.609)	25.321	878.767
Total	4.290.371	(2.822.039)	(80.672)	1.387.660

Concept	As of December 31, 2012			
	Gross Intangible M\$	Accumulated Depreciation M\$	Conversion Difference M\$	Net Intangible M\$
Licenses	1.798.991	(1.115.256)	(30.531)	653.204
Software	2.020.242	(1.496.150)	(7.239)	516.853
Total	3.819.233	(2.611.406)	(37.770)	1.170.057

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 9 – Intangible Assets Other Than the Added Value (cont.)

The movement of the intangible assets as of December 31, 2013 and 2012 are the following:

As of December 31, 2013

Assets	Initial Balance 01.01.2013 M\$	Additions M\$	Depreciation M\$	Deterioration M\$	Other Increases (decreases) M\$	Sub-total Movements M\$	Final Movements 31.12.2013 M\$
Trademarks	951.778	100.000	-	-	-	100.000	1.051.778
Licenses	653.204	31.294	(138.711)	-	(36.894)	(144.311)	508.893
Software	516.853	572.814	(243.459)	-	32.559	361.914	878.767
	2.121.835	704.108	(382.170)	-	(4.335)	317.603	2.439.438

As of December 31, 2012

Assets	Initial Balance 01.01.2013 M\$	Additions M\$	Depreciation M\$	Deterioration M\$	Other Increases (decreases) M\$	Sub-total Movements M\$	Final Movements 31.12.2013 M\$
Trademarks	951.778	-	-	-	-	-	951.778
Licenses	848.728	-	(178.784)	-	(16.740)	(195.524)	653.204
Software	340.651	328.064	(145.723)	-	(6.139)	176.202	516.853
	2.141.157	328.064	(324.507)	-	(22.879)	(19.322)	2.121.835

- The fiscal year depreciation of these items, is shown in the item “Administration Expenses” in the Consolidated Comprehensive Results Statement by position
- The column other increases (decreases) include the variations due to the items of the affiliates abroad.

The Company and its affiliates as of December 31, 2013 have not registered losses or reverses due to deterioration.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 10 – Added Value

The Added Value, determined in accordance with the criteria described in Note 2 i) i), was mainly generated by the acquisitions of 100% of the operations of: Azaleia Chile S.A., during January 2007, Sieteveinte S.A, carried out in September 2013, and of BBG Chile S.A. during the month of November 2013.

The movement of the Added Values as of December 31, 2013 and December 31, 2012 is the following:

As of December 31, 2013

Tax I.D.	Company	01.01.2013 M\$	Additions M\$	Deteriorations M\$	Others M\$	31.12.2013 M\$
76.772.630-9	Azacalzados S.A.	1.034.939	-	-	-	1.034.939
Foreign	Uruforus S.A.	28.809	-	-	-	28.809
76.317.822-6	Sieteveinte S.A.	-	6.517.905	-	-	6.517.905
76.337.499-8	BBG Chile S.A.	-	2.206.804	-	-	2.206.804
Total		1.063.748	8.724.709	-	-	9.788.457

As of December 31, 2012

Tax I.D.	Company	01.01.2012 M\$	Additions M\$	Deteriorations M\$	Others M\$	31.12.2012 M\$
76.772.730-9	Azacalzados S.A.	1.034.939	-	-	-	1.034.939
Foreign	Uruforus S.A.	28.809	-	-	-	28.809
Total		1.063.748	-	-	-	1.063.748

As of December 31, 2013 and December 31, 2012, the Company and its affiliates have not recognized any losses due to deterioration.

a) Acquisition Sieteveinte S.A.

On September 2 the Company bought, from its shareholders Milochenta S.A. and Fondo de Inversión la Roca, the totality of the shares in Sieteveinte S.A., a Company dedicated to the distribution and/or sale of Alpinestar in Chile, and which had distribution contracts of certain trademarks, business premises rent contracts, accessories and installations in those premises and merchandise of the aforementioned trademarks.

The price paid amounted to a total of M\$ 7.366.396, covered with their own funds.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 10 – Added Value (cont.)

b) Acquisition BBG Chile S.A.

On November 29, 2013, Forus S.A. purchased from its shareholders GSM Chile Limitada and from Diego Peralta Valenzuela, the totality of the shares of BBG Chile S.A., a company that owned the contracts for the distribution in Chile of the brands Billabong, Von Zipper and Element, as well as merchandise of the same brands.

The value paid amounted to the total sum of M\$3.585.656, covered with their own funds.

c) Acquired assets and liabilities and determination of the Added Value

In compliance with IFRS 3 “Business Combinations”, Forus S.A. is in the process of measuring the assets and liabilities acquired at their reasonable values at the date of acquisition, which has not been concluded at the date of issuance of these financial statements. Therefore, the amounts detailed further on and which are part of the financial statements are provisory and shall be adjusted retrospectively in the date in which the valuation is concluded.

The provisory values correspond mainly to the book values of the assets and liabilities acquired, including certain minor adjustments between those and the price paid. It is estimated that the main effect of the valuation could be related with certain intangible assets related to the distribution contracts acquired. The detail of the provisory information for the acquisition is the following:

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 10 – Added Value (cont.)

c.1) Acquisition Sieteveinte S.A.:

	Accounting Values 02-09-2013 M\$	Adjustments to Fair Values (Provisory) M\$	Fair Values (Provisory) 02-09-2013 M\$
Assets			
Current Assets			
Cash and equivalents to cash	1.000	-	1.000
Inventories	779.462	(713)	778.749
Total Current Assets	780.462	(713)	779.749
Non-Current Assets			
Properties, plant and equipment	68.742	-	68.742
Intangibles other than Added Value	-	-	-
Total Non-Current Assets	68.742	-	68.742
Total Net Assets Acquired	849.204	(713)	848.491
Acquired Added Value	-		6.517.905
Price Paid	-	-	7.366.396

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 10 – Added Value (cont.)

c.2) Acquisition BBG Chile S.A.:

	Accounting Values	Adjustments to Fair Values (Provisory)	Fair Values (Provisory)
	29-11-2013	(Provisory)	29-11-2013
	M\$	M\$	M\$
Assets			
Current Assets			
Cash and equivalents to cash	100	-	100
Trade Debtors and other accounts receivables, current	785.912	(33.164)	752.748
Inventories	564.936	-	564.936
VAT Fiscal credit	98.529	(98.529)	-
Total Current Assets	1.449.477	(131.693)	1.317.784
Non-current Assets			
Property, plant and equipment	61.068	-	61.068
Intangibles other than Added Value	-	-	-
Total Non-Current Assets	61.068	-	61.068
Total Acquired Net Assets	1.510.545	(131.693)	1.378.852
Acquired Added Value	-	-	2.206.804
Price Paid	-	-	3.585.656

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

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Note 11 - Properties, Plant and Equipment

The composition of the item which is part of this heading and their corresponding accumulated depreciation is the following:

Concept	31.12.2013			31.12.2012		
	Gross Fixed Assets M\$	Accumulated Depreciation M\$	Net Fixed Assets M\$	Gross Fixed Assets M\$	Accumulated Depreciation M\$	Net Fixed Assets M\$
Construction in process	116.019	-	116.019	37.502	-	37.502
Land	4.536.229	-	4.536.229	4.538.113	-	4.538.113
Building	8.946.103	(1.609.108)	7.336.995	8.951.641	(1.301.201)	7.650.440
Plants and equipment	2.867.960	(2.867.960)	-	2.871.389	(2.871.389)	-
Information technology equipment	2.169.107	(1.581.902)	587.205	1.981.702	(1.490.390)	491.312
Installations Fixed and accessory	1.599.364	(1.086.728)	512.636	1.546.626	(898.642)	647.984
Motor Vehicles	85.631	(51.368)	34.263	69.465	(39.122)	30.343
Upgrading of rented property	30.284.911	(14.941.429)	15.343.482	23.858.242	(12.276.249)	11.581.993
Other	3.067.108	(2.449.133)	617.975	2.272.531	(1.871.092)	401.439
Total	53.672.432	(24.587.628)	29.084.804	46.127.211	(20.748.085)	25.379.126

FORUS S.A. AND AFFILIATES
Notes to the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

Note 11 - Properties, Plant and Equipment (cont.)

The movements as of December 31, 2013 and December 31, 2012 of the items which form part of this title are the following:

Movements year 2013	Construction in process M\$	Land M\$	Building M\$	Plant and equipment M\$	Equipment for TI M\$	Fixed Installations & M\$	Motor Vehicles M\$	Upgrading of rented properties M\$	Others M\$
Balance as of 01.01.2013	37.502	4.538.113	7.650.440		491.312	647.984	30.343	11.581.993	401.439
Additions	116.019				381.740	318.944	21.878	7.784.976	276.951
Withdrawals					(38.630)			(211.320)	(1.683)
Depreciation Expenses			(313.485)		(270.419)	(345.769)	(17.876)	(3.687.275)	(302.591)
Loss due to deterioration recognized in the results statement								(2.042)	
Other increases (decreases) for foreign currency exchanges		(1.884)	40		23.001	(828)	(82)	(23.556)	(608)
Other increases (decreases)	(37.502)				201	(107.695)		(99.294)	244.467
Total changes	78.517	(1.884)	(313.445)		95.893	(135.348)	3.920	3.761.489	216.536
Balances as of 31.12.2013	116.019	4.536.229	7.336.995		587.205	512.636	34.263	15.343.482	617.975

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

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Note 11 - Properties, Plant and Equipment (cont.)

Movements year 2012	Constructions in progress	Land	Buildings				Upgrading of rented properties	Others
	M\$	M\$	M\$				M\$	M\$
Balance as of 01.01.2012		3.752.044	8.060.468		479.564	640.083	32.233	9.053.978
								735.359
Additions	553.377	796.908	46.826		297.317	282.364	13.603	5.857.694
								145.070
Withdrawals					(7.288)	(15.919)		(213.674)
								(101.424)
Depreciation Expenses			(325.435)	(25.989)	(253.824)	(335.898)	(14.388)	(2.677.865)
								(307.914)
Loss due to deterioration				(15.976)	(27.804)			
								(54.481)
Other increases (decreases) due to Foreign currency exchanges		(10.839)	(1.303)		289	(8.600)	(1.105)	(92.028)
								(7.361)
Other increases (decreases)	(515.875)		(130.116)	41.965	3.058	85.954		(346.112)
								(7.810)
Total changes	37.502	786.069	(410.028)		11.748	7.901	(1.890)	2.528.015
								(333.920)
Balances as of 31.12.2012	37.502	4.538.113	7.650.440		491.312	647.984	30.343	11.581.993
								401.439

As of December 31, 2013 the Company and its affiliates have registered deteriorations amounting to the sum of M\$ 2.042 which corresponds to the advertising articles of the TNS chain which ceased to operate in the period. In the year 2012 the sum amounts to M\$98.261, corresponding mainly to TI equipment as a result of the up-dating of the ERP Oracle, and to certain assets which were remodeled at the head office.

These losses due to the deterioration concept have been presented in the title "Administration Expenses" in the Consolidated Comprehensive Results Statement.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 12 – Profits on Taxes

a) Income Tax Provision

The Head Company and its Affiliates have made an income tax provision as detailed below:

	31.12.2013 M\$	31.12.2012 M\$
Head Office	8.000.683	6.112.291
Affiliates	529.268	1.289.682
Total	<u>8.529.951</u>	<u>7.401.973</u>

- b) The presentation in the Financial Position Statement has been made considering the assets or liabilities position of the taxes to be recovered or paid in accordance with the jurisdiction of each Company, is shown below:

b.1) Recoverable Taxes

	31.12.2013 M\$	31.12.2012 M\$
Tax provision Head Company	-	(6.112.291)
Tax provision Affiliates	(529.268)	(794.902)
Less:		
Monthly Estimated Payments (P.P.M.)	1.522.741	8.556.183
Training Expenses	-	117.861
Credit fixed assets	-	7.789
Other credits (debits)	477.986	43.350
Recoverable tax	<u>1.471.459</u>	<u>1.817.990</u>

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 12 – Taxes on Profits (cont.)

b.2) Payable Taxes

	31.12.2013 M\$	31.12.2012 M\$
Tax Provision Head Office	8.000.683	-
Tax Provision Affiliates	-	494.780
Less:		
Monthly Estimated Payments (P.P.M.)	(7.414.498)	(348.586)
Training Expenses	(137.350)	-
Credit fixed assets	(10.209)	-
Other credits (debits)	(272.412)	(28.660)
Payable taxes	<u>166.214</u>	<u>117.534</u>

c) Tax Profits Fund

The Company has a tax profits fund subject to be distributed as of December 31, 2013 and December 31, 2012, in accordance with the following detail:

	31.12.2013 M\$	31.12.2012 M\$
Credit 20,0%	29.845.242	28.352.347
Credit 18,5%	24.604.069	23.282.815
Credit 17,0%	11.997.678	23.807.086
Credit 16,5%	3.955	4.702
Credit 16,0%	32.213.949	9.047
Credit 15,0%	21.427	74.803
Credit 10,0%	159	9.104
Without Credit	356.903	359.688
Total	<u>99.043.382</u>	<u>75.899.592</u>

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 12 – Taxes on Profits (cont.)

d) Deferred Taxes

Below is the detail of the balances of deferred taxes:

Concept Temporary Differences	31.12.2013		31.12.2012	
	Deferred rido	Deferreddi	Deferred	Deferred
	Assets M\$	L Liabilities M\$	Assets M\$	Liabilities M\$
Vacations	265.733	-	259.581	-
Severance payments provision	6.050	-	32.973	-
Provision for Non-recoverable	137.332	-	159.362	-
Provision for Obsoletes	249.419	-	207.967	-
Shares Valuation	73.328	-	73.918	-
Bonuses	14.173	-	895	-
Unearned Profits	398.527	-	-	-
Fixed Assets	325.476	-	185.365	-
Leasing Obligations	391.994	-	399.179	-
Advance Payments for Expenses	51.771	-	40.175	-
Assets Financial Deterioration	-	146.985	210.206	-
General expenses provision & other provisions	144.852	-	142.906	-
Assets in leasing	-	487.591	-	491.275
Trademarks rights	-	123.010	-	154.383
Difference stock value	111.906	-	5.657	71.239
Difference software valuation	-	94.599	-	48.666
Tax Loss Carried Forward	258.678	-	365.587	-
Total	2.429.239	852.185	2.083.771	765.563

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 12 – Taxes on Profits (cont.)

e) Below is the detail of income tax expenses:

	31.12.2013 M\$	31.12.2012 M\$
Income Tax Provision	8.813.730	7.276.792
Deferred Taxes	(351.343)	(37.384)
Total	<u>8.462.387</u>	<u>7.239.408</u>

f) Income Tax Reconciliation

As of December 31, 2013 and 2012 the reconciliation of the expense for taxes as of the financial results before taxes is the following:

	2013		2012	
	Amount	Tax Rate	Amount	Tax Rate
	M\$	%	M\$	%
Chile:				
Result before taxes by the legal tax rate in Chile	9.222.410	20,00%	7.519.914	20,00%
Own Capital Revalorization	(485.227)	(1,05%)	(400.022)	(1,06%)
Net Profit on investments in associates	(642.760)	(1,39%)	(567.370)	(1,51%)
Other permanent differences	85.270	0,18%	(340.139)	(0,91%)
Other increases (decreases)	44.752	0,10%	21.557	0,06%
Total adjustment to the legal tax rate	(997.965)	(2,16%)	(1.285.974)	(3,42%)
Foreign Affiliates	237.942	0,52%	1.005.468	2,67%
Total expense for current taxes	<u>8.462.387</u>	18,35%	<u>7.239.408</u>	19,25%
Effective rate	<u>18,35%</u>		<u>19,25%</u>	

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 13 – Derivative Financial Instruments

As of December 31, 2012 the Head Office, signed contracts for Exchange rate financial risk coverage, to cover its exposure to the variations of the dollar (US\$) exchange rate, originated in its importation of merchandise operations.

These contracts registered as described in Note 2 k) v), are detailed below:

As of December 31, 2013, the Company has no contract in force at the closing date.

As of December 31, 2012

Contracts Description								Effect on results
Type of derivative	Type of contract	Value of the Contract US\$	Expiration Date	Specific Item	Position purchase/sale	Protected item or transaction	M\$	Performed (debit) /credit M\$
FR	CI	2.000.000	30-01-2013	Dollar	e	Bank Obligations	1.008.4	(46.330)
FR	CI	2.000.000	05-02-2013	Dollar	e	Bank Obligations	1.009.1	(45.318)
FR	CI	2.000.000	12-02-2013	Dollar	e	Bank Obligations	1.005.4	(41.931)
FR	CI	2.000.000	15-02-2013	Dollar	e	Bank Obligations	1.000.8	(35.855)
FR	CI	2.000.000	28-02-2013	Dollar	e	Bank Obligations	997.2	(33.958)
FR	CI	2.000.000	19-02-2013	Dollar	e	Bank Obligations	991.7	(27.009)
FR	CI	2.000.000	19-02-2013	Dollar	e	Bank Obligations	989.5	(24.134)
FR	CI	2.000.000	26-02-2013	Dollar	e	Bank Obligations	987.9	(22.831)
FR	CI	2.000.000	22-02-2013	Dollar	e	Bank Obligations	984.2	(18.143)
FR	CI	2.000.000	14-02-2013	Dollar	e	Bank Obligations	981.0	(14.704)
FR	CI	2.000.000	25-02-2013	Dollar	e	Bank Obligations	981.9	(14.229)
FR	CI	2.000.000	08-02-2013	Dollar	e	Bank Obligations	976.4	(11.749)
FR	CI	2.000.000	20-02-2013	Dollar	e	Bank Obligations	975.8	(10.245)
FR	CI	2.000.000	21-02-2013	Dollar	e	Bank Obligations	979.2	(14.000)
FR	CI	2.000.000	05-03-2013	Dollar	e	Bank Obligations	977.9	(12.376)
FR	CI	2.000.000	27-02-2013	Dollar	e	Bank Obligations	971.8	(6.241)
FR	CI	2.000.000	13-02-2013	Dollar	e	Bank Obligations	970.7	(5.097)
FR	CI	2.000.000	01-03-2013	Dollar	e	Bank Obligations	969.8	(1.840)
FR	CI	2.000.000	07-03-2013	Dollar	e	Bank Obligations	968.7	(626)
FR	CI	2.000.000	04-03-2013	Dollar	e	Bank Obligations	959.200	5.686

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 14 – Accounts Receivable and Payable to Related Entities

The receivable and payable balances with related entities as of December 31, 2013 and 2012, are summarized below:

a) Documents and accounts receivable

Tax I.D	Company	Country	Currency	Nature of the relation	Current	
					31.12.2013 M\$	31.12.2012 M\$
99.573.760-4	Olivos del Sur S.A.	Chile	Pesos	Common Directors	325	-
76.724.880-6	Inversiones Accionarias Ltda.	Chile	Pesos	Common Directors	6.301	-
0-E	Lifestyle Brands of Colombia S.A.S	Colombia	Peso Colombiano	Joint Control	-	690.007
	Total				6.626	690.007

b) Documents and accounts payable

Tax I.D	Company	Country	Currency	Nature of the relation	Current	
					31.12.2013 M\$	31.12.2012 M\$
95.819.000-K	Costanera S.A.C.I.	Chile	Pesos	Final Head Office	52	-
86.475.500-3	Inversiones Costanera Ltda.	Chile	Pesos	Head Office	27.037	-
0-E	Lifestyle Brands of Colombia S.A.S	Colombia	Peso Colombiano	Joint Control	277.739	-
	Total				304.828	-

All the documents and accounts receivable and payable, are controlled in pesos, and correspond to transaction with Chilean entities except for the debt with Lifestyle Brands which corresponds to the Company in which it has joint control in Colombia.

c) Remunerations and benefits received by the Company's key personnel

The number of executives considered as key personnel is 37 persons, and is formed as follows:

Position	N° de executives	
	31.12.2013	31.12.2012
Directors Head Office	7	7
Directors Affiliates	17	19
High administration	13	12
Total	37	38

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 14 – Accounts Receivable and Payable to Related Entities (cont.)

c) Remunerations and benefits received by the Company's key personnel (cont.)

The information refers to the number of positions existing in the Head Company and its affiliates.

Below the compensation received by the personnel defined as key personnel as of December 31, 2013 and 2012, is presented.

	31.12.2013 M\$	31.12.2012 M\$
Board of Directors	506.955	431.538
Executives	1.577.427	1.563.516
Total	2.084.382	1.995.054

These compensations correspond to the remunerations and bonuses, there are no expenses for post-employment benefits, contract termination or payments based on shares.

i) Remunerations of the affiliates' Board of Directors

The directors of the affiliates are not remunerated.

ii) Board of Directors Expenses

The Board of Directors of Forus S.A. did not incurred in expenses of any type for consultancies during the fiscal years 2013 and 2012.

iii) Directors Committee

The Directors Committee has ordinary meetings to discuss the subjects entrusted to them by article N°50 bis of Law 18.046. It is the responsibility of this committee the examination of the external auditor's reports, balance sheets and other financial statements; the proposition of the external auditors and risk classifying entities; the examination of the related operations information; and the analysis of the remuneration systems and compensation plans for the principal executives.

For the fiscal year 2013, the Shareholders General Ordinary Meeting, held on April 18, 2013, set as remunerations for the committee, a third of the remunerations perceived in their capacity as director of the Company, that is, 1,0% of the net profit for the fiscal year, divided between the directors in accordance with their continuity in office.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 14 – Accounts Receivable and Payable to Related Entities (cont.)

c) Remunerations & benefits received by the Company's Board of Directors (cont.)

Also, an expense budget for the equivalent of the sum of the annual remunerations of the committee' members was set.

iv) Incentive Plan for managers and principal executives

Forus S.A. has for its managers and principal executives a plan of annual bonuses, structured in accordance with the compliance of general objectives in accordance with the results of the Company and by the approval of their individual contributions. The amount of the bonuses is set in a determined number of net monthly salaries and is approved by the Board of Directors.

For the affiliates abroad, bonuses are considered only for Country Managers, who have an annual bonuses plan, which is structured as the ones above, with the exception that they only consider the results of the corresponding affiliate.

v) Indemnity for years of service

During the period ended on December 31, 2013 and 2012, there are no disbursements to executives for years of service indemnities.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 14 – Accounts Receivable and Payable to Related Entities (cont.)

d) Transactions

The following are the principal transactions with related parties made during the periods ended as of December 31, 2013 and 2012:

Company	Tax I.D.	Nature of the relation	Country	Currency	Description of the transaction	31.12.2013		31.12.2012	
						Amount M\$	Effect on Results	Amount M\$	Effect on Results
Inversiones Costanera Ltda.	86475500-3	Head Office	Chile	Pesos	Expense counseling contract	160.407	(160.407)	163.324	(163.324)
Inversiones Costanera Ltda.	86475500-3	Head Office	Chile	Pesos	Payment counseling contract	133.370		163.324	
Inversiones Costanera Ltda.	86475500-3	Head Office	Chile	Pesos	Dividends Distribution	8.454.370		7.915.595	
Costanera S.A.C.I.	95819000-K	Final Head Office	Chile	Pesos	Expense rental of offices at Sta. María Of#401	22.049	(22.049)	21.682	(21.682)
Costanera S.A.C.I.	95819000-K	Final Head Office	Chile	Pesos	Charge telephone and internet	21.997		22.525	
Costanera S.A.C.I.	95819000-K	Final Head Office	Chile	pesos	Dividends Distribution	100.800			
Inmobiliaria Costanera S.A.	96684830-8	Common Directors	Chile	Pesos	Expense rental of offices at Sta. María Of#201	20.671	(20.671)	20.327	(20.327)
Inmobiliaria Costanera S.A.	96684830-8	Common Directors	Chile	Pesos	Expense rental of offices at Sta. María	20.671		20.327	
Asesorías e Inversiones Sta. Francisca Ltda.	78627460-5	Common Directors	Chile	Pesos	Dividends Distribution	235.843		216.376	
Inversiones Accionarias Ltda.	76724880-6	Common Directors	Chile	Pesos	Expense rental of warehouse at Huechuraba	69.002	(69.002)	67.825	(67.825)
Inversiones Accionarias Ltda.	76724880-6	Common Directors	Chile	Pesos	Expense rental of warehouse at Huechuraba	69.002		67.825	
Inversiones Accionarias Ltda.	76724880-6	Common Directors	Chile	Pesos	Charge for safety and electricity Huechuraba	6.301		8.155	
Inversiones Accionarias Ltda.	76724880-6	Common Directors	Chile	Pesos	Funds Reception			5.334	(5.334)
Marbella Country Club	75072700-K	Common Directors	Chile	Pesos	Purchase of advertising services			1.500	(1.500)
Marbella Country Club	75072700-K	Common Directors	Chile	Pesos	Payment of advertising services			1.500	
Olivos del Sur S.A.	99573760-4	Common Directors	Chile	Pesos	Purchase of products	325		166	(166)
Olivos del Sur S.A.	99573760-4	Common Directors	Chile	Pesos	Payment of products			166	
Soc. Anónima Viña Santa Rita	86547900-k	Common Directors	Chile	Pesos	Purchase of wines and lodging services- Commercial Relations			906	(906)
Soc. Anónima Viña Santa Rita	86547900-k	Common Directors	Chile	Pesos	Purchase of wines and lodging services Commercial Relations			906	
Sociedad Matriz SAAM S.A.	70196718-5	Common Directors	Chile	Pesos	Agency services and maritime and air Loading services	35.871	(35.871)	33.209	(33.209)
Sociedad Matriz SAAM S.A.	70196718-5	Common Directors	Chile	Pesos	Payment current account	36.056		37.134	

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

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Note 14 – Accounts Receivable and Payable to Related Entities (cont.)

d) Transactions (cont.)

Company	Tax I.D.	Nature of the relation	Country	Currency	Description of the transaction	31.12.2013 Amount M\$	Effect on Results	31.12.2012 Amount	Effect on Results
Unión Soc. de Empres. Cristianos	70053000-0	Common Directors	Chile	Pesos	Service Purchase – capital contribution	2.737	(2.737)	2.698	(2.698)
Unión Soc. de Empres. Cristianos	70053000-0	Common Directors	Chile	Pesos	Service Payment – capital contribution	2.737		2.698	
Alfonso Swett Saavedra	4431932-2	Director	Chile	Pesos	Participation	78.414		71.061	
Alfonso Swett Saavedra	4431932-2	Director	Chile	Pesos	Dividends Distribution	20.748		19.036	
Alfonso Swett Saavedra	4431932-2	Director	Chile	Pesos	Remunerations	45.825	(45.825)	45.059	(45.059)
John Stevenson	O-E	Director	Chile	Pesos	Fees	45.680	(45.680)	45.879	(45.879)
John Stevenson	O-E	Director	Chile	Pesos	Participation	39.207		35.531	
Ricardo Swett Saavedra	4336224-0	Director	Chile	Pesos	Fees	30.045	(30.045)	29.601	(29.601)
Ricardo Swett Saavedra	4336224-0	Director	Chile	Pesos	Participation	39.207		35.531	
Eduardo Aninat Ureta	5892294-3	Director	Chile	Pesos	Directors Committee	5.445		11.844	
Eduardo Aninat Ureta	5892294-3	Director	Chile	Pesos	Participation	39.207		35.531	
Alfonso Swett Opazo	7016281-4	Director	Chile	Pesos	Directors Committee	13.069		11.844	
Alfonso Swett Opazo	7016281-4	Director	Chile	Pesos	Participation	39.207		35.531	
Heriberto Urzúa Sánchez	6666825-8	Director	Chile	Pesos	Directors Committee	13.069		11.8.44	
Heriberto Urzúa Sánchez	6666825-8	Director	Chile	Pesos	Participation	39.207		35.531	
Francisco Gutiérrez	7031728-1	Director	Chile	Pesos	Directors Committee	7.624			
Francisco Gutiérrez	7031728-1	Director	Chile	Pesos	Participation	39.207		35.531	
Trends S.A.	96642000-6	Shareholder	Chile	Pesos	Dividends Distribution	280.826		352.914	
Comercial Spac Ltda.	79924450-0	Shareholder	Chile	Pesos	Dividends Distribution	43.763		37.882	
Sebastián Swett Opazo	7016199-0	Manager	Chile	Pesos	Dividends Distribution	111		102	
Lifestyle Brands of Colombia S.A.S.	O-E	Joint Control	Colombia	Pesos	Re-invoicing of expenses and services	149.400		414.729	
Lifestyle Brands of Colombia S.A.S.	O-E	Joint Control	Colombia	Pesos	Initial Investment			597.004	
Lifestyle Brands of Colombia S.A.S.	O-E	Joint Control	Colombia	Pesos	Debt Readjustments and interests			453	
Lifestyle Brands of Colombia S.A.S.	O-E	Joint Control	Colombia	Pesos	Purchase of merchandise	248.335		359.658	
Lifestyle Brands of Colombia S.A.S.	O-E	Joint Control	Colombia	Pesos	Transfer result of RKF and Merrell Store			59.255	
Lifestyle Brands of Colombia S.A.S.	O-E	Joint Control	Colombia	Pesos	Funds reception			5.055	
Lifestyle Brands of Colombia S.A.S.	O-E	Joint Control	Colombia	Pesos	Sale of merchandise	25.318	25.318	581.189	581.189
Lifestyle Brands of Colombia S.A.A.	O-E	Joint Control	Colombia	Pesos	Debt Readjustments and interests	1.493	(1.493)		

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 14 – Accounts Receivable and Payable to Related Entities (cont.)

e) Terms and conditions of transactions with related parties

- The transactions with related entities are made under normal business conditions.
- As of December 31, 2013 and 2012, the Company and its affiliates have not registered deteriorations of related party's accounts receivable. This valuation is made at the closing of each fiscal year, through a review of the financial position of the related parties, and of the market in which it operates. As of December 31, 2013 and 2012, the Company and its affiliates have not given or received guaranties from related parties.

Nota 15 - Inventories

Net inventories, assessed in accordance with what is described in Note 2 I), are the following:

Concepts	31.12.2013 M\$	31.12.2012 M\$
Raw Material	517.710	588.016
In transit good	16.075.989	12.506.332
Products in process	84.937	58.377
Finished Products	33.128.429	26.888.844
Other inventories	87.563	464.561
Provision for Obsoletes	(1.420.654)	(1.149.807)
Total	<u>48.473.974</u>	<u>39.356.323</u>

The following are the inventories movements:

Inventories Movements	31.12.2013 M\$	31.12.2012 M\$
Initial Balance as of January 1	39.356.323	35.739.775
Purchases	90.811.184	77.998.550
Sales	(81.426.550)	(73.455.167)
Other increases (decreases)	<u>(266.983)</u>	<u>(926.835)</u>
Final Balance	<u>48.473.974</u>	<u>39.356.323</u>

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 15 - Inventories (cont.)

The following is the detail of other increases (decreases) of the movement of inventories:

Other increases (decreases)	31.12.2013 M\$	31.12.2012 M\$
Containers and packaging	-	30.848
Conversion Differences	1.299.888	(236.060)
Production consumptions	(4.383.334)	(3.979.398)
Affiliate Sales (unrealized profit)	4.200.082	4.880.742
Write-offs	(1.567.312)	(1.523.915)
Differences in Inventories and others	183.693	(99.052)
Final Balance	<u>(266.983)</u>	<u>(926.835)</u>

Below are the movements of the inventories provisions:

Provision Movements	31.12.2013 M\$	31.12.2012 M\$
Initial balance as of January 1st	1.149.807	979.736
Increase (decrease) in:		
Existing Provisions (*)	757.029	876.747
Used Provisions (**)	(940.094)	(363.039)
Other increases (decreases) (***)	453.912	(343.637)
Final Balance	<u>1.420.654</u>	<u>1.149.807</u>

(*) The increases are charged to results to cope with differences of the final stock as well as obsolete products and decrease of the productive processes.

(**) The use mainly corresponds to the absorption of stock differences and obsolete merchandise.

(***) In the item Other increases/decreases the balance conversion differences generated in the foreign affiliates when transforming their financial statements to the presentation currency as established in NIC 21, are shown.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 15 - Inventories (cont.)

The following is the distribution of the balance of the provision for obsolesces for each account of the heading inventories:

	31.12.2013 M\$	31.12.2012 M\$
Raw Materials	65.003	36.833
Products in process	64.270	45.887
Finished Products	1.291.381	1.067.087
Final Balance	<u>1.420.654</u>	<u>1.149.807</u>

Note 16 – Equity

The variations experimented by the Equity during the fiscal year ended as of December 31, 2013 and 2012, are detailed in the Statement of Changes in the Net Worth.

As of December 31, 2013, the Company's paid capital is formed in the following manner:

a) Number of shares

Series	N° shares subscribed	N° shares paid	N° shares with a right to vote
Unique (*)	258.469.000	258.469.000	258.469.000
Total	258.469.000	258.469.000	258.469.000

(*) Shares with no nominal value.

b) Capital

Series	Capital subscribed M\$	Capital paid M\$
Unique	24.242.787	24.242.787
Total	24.242.787	24.242.787

As of December 31, 2013 and 2012, there has been no variation in the number of issued shares.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 16 – Net Worth (cont.)

c) Shareholders Distribution

The distribution of the shareholders of the Head Company at the closing of the consolidated financial statements, in accordance with what is established in the Circular N° 792 of the Superintendence of Securities and Insurances, is the following:

Type of shareholder	Percentage of Participation (%) 31.12.2013	Number of Shareholders 31.12.2013
-10% or more participation	63,03	1
-Less than 10% participation with an investment equal or higher than U.F.200	36,88	134
-Less than 10% participation with an investment equal or lower than U.F. 200	0,09	83
Total	100,00	218
Company's Controller	63,03	1

As of December 31, 2013 and 2012, the Company's property is distributed as follows:

	Percentage of total participation		Number of Shares	
	31.12.2013 %	31.12.2012 %	31.12.2013	31.12.2012
Inversiones Costanera Limitada	63,0284	66,0461	162.908.800	170.708.800
Banco de Chile on behalf of non-resident third parties	6,4777	2,1877	16.742.840	5.654.582
Banco Santander HSBC Global Custody Clients S/C	4,6836	2,8094	12.105.689	7.261.535
Trends S.A.	2,9446	2,9446	7.610.997	7.610.997
Banco ITAU on behalf of investors	2,3783	1,3313	6.147.156	3.441.019
Banco Santander on behalf of Foreign Inv.	2,0317	-	5.251.397	-
Asesorías e Inversiones Santa Francisca Limitada	1,8054	1,8054	4.666.400	4.666.400
BTG Pactual Chile S.A.C. de B	1,6863	-	4.358.440	-
Bolsa de Comercio de Santiago, Stock Exchange	1,0709	-	2.767.903	-
AFP Provida S.A. for Retirement Fund C	1,0563	1,2921	2.730.222	3.339.707
Fondo de Inversión Larraín Vial Beagle	0,7925	3,6557	2.048.312	9.448.744
AFP Provida S.A. for Fund Type B	0,7907	1,0833	2.043.648	2.800.099
Celfin Capital S.A.C. de B	-	1,7893	-	4.624.827
Compass Small Cap Chile Fondo de Inversión	-	3,2356	-	8.362.995
Celfin Small Cap Chile fondo de inversión (cta. Nva.)	-	1,5329	-	3.962.036
Others	11,2536	10,2866	29.087.196	26.587.259
Total	100,0000	100,0000	258.469.000	258.469.000

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 16 – Net Worth (cont.)

d) Dividends

i) Dividends Policy

In accordance with what is established in Law N° 18.046, except if a different agreement is adopted unanimously by the issued shares, at the Shareholders General Meeting when a profit exists, at least 30% must be assigned to dividends distribution.

The dividends policy established by Forus S.A. is to annually distribute to the shareholders, 40% of the net profit shown in each annual balance sheet, discounting from their settlement, the payment of interim dividends.

Following is a detail of the dividends per share which the Shareholders Meeting agreed to distribute for the results of the fiscal years 2009, 2010, 2011, 2012 and 2013, which are presented in pesos at the date of payment:

Dividend	Year of charge	Month of Payment	Dividend per share
N° 20	2009	May 2010	9,41615
N° 21	2010	November 2010	11,60000
N° 23	2010	May 2011	18,41282
N° 25	2011	November 2011	13,62000
N° 26	2011	May 2012	30,36899
N° 27	2012	November 2012	16,00000
N° 28	2012	May 2013	32,54064
N° 29	2013	November 2013	18,00000

ii) Distributed Dividends

At the Shareholders Ordinary Meeting held on April 18, 2013 and considering the cash situation, the projected investment levels and the solid financial indicators, it was agreed to distribute 40% of the profits generated during the year 2012, percentage which has been consistent with the dividend distributions made by the Company during the last 3 years, which were agreed to in the corresponding Shareholders Ordinary Meetings.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 16 – Net Worth (cont.)

d) Dividends (cont.)

ii) Distributed Dividends (cont.)

Dividends paid during the year 2013:

	Charged to profits year 2013 M\$	Charged to profits year 2012 M\$	Charged to accumulated profits M\$	Total M\$
Total dividends paid	4.652.442	8.410.747	-	13.063.189

The Twenty First Shareholders Ordinary General Meeting, dated April 18, 2013, agrees to the distribution of a final dividend amounting to \$32,54064 per share, in addition to the interim dividend already paid, and charged to the profits of the year 2012, which is equivalent to distributing as dividends 40% of the gross profit for the period. The payment was made as of May 10, 2013.

The Board of Directors on November 5, 2013, agrees to the distribution of an interim earning charged to the profits of the fiscal year 2013, for the amount of \$4.652.442.000 at the rate of \$18 per share, payment of this dividend was made as of November 22, 2013.

Dividends paid during the year 2012:

	Charged to profits year 2012 M\$	Charged to profits year 2011 M\$	Charged to accumulated profits M\$	Total M\$
Total dividends paid	4.135.504	7.849.442	-	11.984.946

The Twenty First Shareholders Ordinary General Meeting, dated April 18, 2012, agrees to the distribution of a final dividend amounting to \$30,36899 per share, in addition to the interim dividend already paid, and charged to the profits of the year 2011, which is equivalent to distributing as dividends 40% of the gross profit for the period. The payment was made as of May 11, 2012.

The Board of Directors on October 24, 2012, agrees to the distribution of an interim earning charged to the profits of the fiscal year 2012, for the amount of \$4.135.504.000 at the rate of \$16 per share, payment of this dividend was made as of November 23, 2012.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 16 – Net Worth (cont.)

e) Net Distributable Profit

In accordance with what is indicated by the Superintendence of Securities and Insurances, in Circular N° 1945 dated September 29, 2009, the Company's Board of Directors, on October 27, 2010 decided, for the purpose of the calculation of their net distributable profit, referred to in article 78 of law N° 18.046, to establish as a policy not to make adjustments to the item "Profit(Loss) attributable to the owners of the Controlling" Comprehensive Results Statements of Forus S.A..

f) Other reserves

The composition of Other reserves as of December 31, 2013 and 2012, is the following:

As of December 31, 2013

	Balance as of 01.01.2013 M\$	Net Movement M\$	Balance as of 31.12.2013 M\$
Conversion Reserve	(488.287)	340.353	(147.934)
Other	569.969	-	569.969
Total	81.682	340.353	422.035

As of December 31, 2012

	Balance as of 01.01.2012 M\$	Net Movement M\$	Balance as of 31.12.2012 M\$
Conversion Reserve	(423.815)	(64.472)	(488.287)
Other	569.969	-	569.969
Total	146.154	(64.472)	81.682

The balance presented as conversion reserve reflects the accumulated results due to Exchange fluctuations, when converting the financial statements of the affiliates abroad from their functional currency to the presentation currency (Chilean pesos). These amounts will be transferred to results when the affiliate is sold or disposed of by other means.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 16 – Net Worth (cont.)

g) Profit (loss) per share

The basic profit per share is determined in accordance with what is indicated in Note 2 q).

The profit per share is \$146,5847 as of December 31, 2013 (\$121,3516) as of December 31, 2012).

	31.12.2013	31.12.2012
Profit / (Loss) M\$	37.887.606	31.365.628
N° Weighted average of shares	258.469.000	258.469.000
Basic profit per share \$	146,5847	121,3516

The Group has not made any type of operation of potential dilutive effect which results in a diluted profit per share different to the basic benefit per share.

h) Capital Management

Forus S.A. maintains adequate capital indexes, so as to support and give continuity and stability to its business. Additionally, the Company continuously monitors its capital structure and that of its affiliates, with the purpose of maintaining an optimum structure which allows reducing the capital cost.

The Company maintains credit rating with Feller-Rate and Fitch Ratings, which have granted the following Rating:

h.1) Feller- Rate:

Shares: 1° Class Level 3
Solvency: A
Perspectives: Stable
Rating Report: October 2013

h.2) Fitch Ratings:

Shares: 1° 1° Class Level 2
Rating Report: September de 2013

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 17- Other Financial Liabilities Current and Non-current

Following is the composition of the financial liabilities current and non-current:

As of December 31 2013:

Tax I.D. Debtor Company	Debtor Company	Country	Tax I.D. Creditor Company	Bank or Financial Institution	Currency	Up to 90 days M\$	From 91 days Up to 1 year M\$	More than 1 Year up to 3 years M\$	More than 3 Years to 5 years M\$	More than 5 years M\$	Total M\$	Effective Interest Rate %	Nominal Interest Rate %
86.963.200-7	Forus S.A.	Chile	97.004.000-5	Banco de Chile	Dollar	87.472					87.472	(*)	(*)
86.963.200-7	Forus S.A.	Chile	97.018.000-1	Banco Scotiabank	Dollar	125.672					125.672	(*)	(*)
86.963.200-7	Forus S.A.	Chile	97.053.000-2	Banco Security	Dollar	54.392					54.392	(*)	(*)
86.963.200-7	Forus S.A.	Chile	99.512.160-3	Metlife Chile S. de Vida S.A	U.F	20.474	61.723	181.467	207.728	1.488.582	1.959.974	6,90%	6,90%
O-E	Uruforus S.A.	Uruguay	O-E	Banco Itaú	Dollar	1.847.068					1.847.068	6,14%	6,14%
O-E	Perú Forus S.A.	Perú	20100047218	Banco de Crédito del Perú	Dollar	2.609					2.609	1,70%	1,70%
Total						2.137.687	61.723	181.467	207.728	1.488.582	4.077.187		

As of December 31, 2012:

Tax I.D. Debtor Company	Debtor Company	Country	Tax I.D. Creditor Company	Bank or Financial Institution	Currency	Up to 90 days M\$	From 91 days Up to 1 year M\$	More than 1 Year up to 3 years M\$	More than 3 Years to 5 years M\$	More than 5 years M\$	Total M\$	Effective Interest Rate %	Nominal Interest Rate %
86.963.200-7	Forus S.A.	Chile	97.004.000-5	Banco de Chile	Dollar	380.929					380.929	(*)	(*)
86.963.200-7	Forus S.A.	Chile	97.032.000-8	Banco BBVA Chile	Dollar	371.003					371.003	(*)	(*)
86.963.200-7	Forus S.A.	Chile	97.006.000-6	Banco Crédito e Inversiones	Dollar	145.370					145.370	(*)	(*)
86.963.200-7	Forus S.A.	Chile	99.512.160-3	Metlife Chile S. de Vida S.A	U.F	18.811	56.531	166.645	190.094	1.563.814	1.995.895	6,90%	6,90%
96.583.940-2	TopSafety S.A.	Chile	97.004.000-5	Banco de Chile	Dollar	20.094					20.094	(*)	(*)
O-E	Uruforus S.A.	Uruguay	O-E	Banco Itaú	Dollar	1.758.926					1.758.926	6,14%	6,14%
O-E	Forus Colombia	Colombia	O-E	Banco BBVA	P.Col.	69					69	3,13%	3,13%
Total						2.695.202	56.531	166.645	190.094	1.563.814	4.672.286		

(*) Correspond to operations for the purchase of goods with financing through letter of credit with different interest rates.

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Note 17- Other Financial Liabilities Current and Non-current (cont.)

The structure of the financial liabilities current and non-current based on non-discounted flows is the following:

As of December 31, 2013:

Tax I.D Debtor Company	Debtor Company	Country	Tax I.D Creditor Company	Bank or Financial Institution	Currency	Up to 90 days	From 91 days Up to 1 year	More than 1 Year up to 3 years	More than 3 Years to 5 years	More than 5 years	Total	Effective Interest Rate %	Nominal Interest Rate %
						M\$	M\$	M\$	M\$	M\$	M\$		
86.963.200-7	Forus S.A.	Chile	97.004.000-5	Banco de Chile	Dollar	87.472					87.472	(*)	(*)
86.963.200-7	Forus S.A.	Chile	97.018.000-1	Banco Scotiabank	Dollar	125.672					125.672	(*)	(*)
86.963.200-7	Forus S.A.	Chile	97.053.000-2	Banco Security	Dollar	54.392					54.392	(*)	(*)
86.963.200-7	Forus S.A.	Chile	99.512.160-3	Metlife Chile S. de Vida S.A	U.F	52.434	157.302	419.471	419.471	2.009.967	3.058.645	6,90%	6,90%
O-E	Uruforus S.A.	Uruguay	O-E	Banco Itaú	Dollar	1.847.068					1.847.068	6,14%	6,14%
O-E	Perú Forus S.A.	Perú	20100047218	Banco de Crédito del Perú	Dollar	2.609					2.609	1,70%	1,70%
Total						2.169.647	157.302	419.471	419.471	2.009.967	5.175.858		

As of December 31, 2012:

Tax I.D Debtor Company	Debtor Company	Country	Tax I.D Creditor Company	Bank or Financial Institution	Currency	Up to 90 days	From 91 days Up to 1 year	More than 1 Year up to 3 years	More than 3 Years to 5 years	More than 5 years	Total	Effective Interest Rate %	Nominal Interest Rate %
						M\$	M\$	M\$	M\$	M\$	M\$		
86.963.200-7	Forus S.A.	Chile	97.004.000-5	Banco de Chile	Dollar	380.929					380.929	(*)	(*)
86.963.200-7	Forus S.A.	Chile	97.032.000-8	Banco BBVA Chile	Dollar	371.003					371.003	(*)	(*)
86.963.200-7	Forus S.A.	Chile	97.006.000-6	Banco Crédito e Inversiones	Dollar	145.370					145.370	(*)	(*)
86.963.200-7	Forus S.A.	Chile	99.512.160-3	Metlife Chile S. de Vida S.A	U.F	51.379	154.138	411.035	411.035	2.175.059	3.202.646	6,90%	6,90%
96.583.940-2	TopSafety S.A.	Chile	97.004.000-5	Banco de Chile	Dollar	20.094					20.094	(*)	(*)
O-E	Uruforus S.A.	Uruguay	O-E	Banco Itaú	Dollar	1.758.926					1.758.926	6,14%	6,14%
O-E	Forus Colombia	Colombia	O-E	Banco BBVA	P.Col.	69					69	3,13%	3,13%
Total						2.727.770	154.138	411.035	411.035	2.175.059	5.879.037		

(*) These obligations correspond in its totality to operations related to credit contracts for the carrying out of goods imports (letters of credit). In spite of having an explicit interest rate, real payment of the obligations is being carried out before the due dates, which does not exceed 90 days, therefore the flows, in general, do not present a significant variation of the accounting balances recorded at the closing of each period, therefore these are recorded at their accounting value.

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 18 – Non-Controlling Participations

Below is the detail of the effect of the non-controlling participations over the Equity and results:

As of December 31, 2013

Tax I.D.	Company	Country where It operates	Non- Controlling Participation	Company's Equity	Fiscal year results	Non- Controlling Participation	Non-controlling participation Result
			%	M\$	M\$	M\$	M\$
96.583.940-2	Topsafety S.A.	Chile	0,11	1.541.116	(47.144)	1.752	(50)
Foreign	Perú Forus S.A.	Perú	0,01	8.743.142	717.399	737	60
76.807.960-9	Forus Safety S.A.	Chile	49,90	135.729	(5.588)	67.730	(2.786)
Foreign	Forus Colombia S.A.	Colombia	49,00	3.130.739	138.584	1.534.062	67.906
Total				13.550.726	803.251	1.604.281	65.130

As of December 31, 2012

Tax I.D.	Participation	Country where It operates	Non- Controlling Fiscal year	Company's Equity Participation	Fiscal year results Result	Non- Controlling Controladora	Non-controlling participation Resultado
			%	M\$	M\$	M\$	M\$
96.583.940-2	Topsafety S.A.	Chile	0,11	1.588.260	169.613	1.806	193
Foreign	Perú Forus S.A.	Perú	0,02	3.591.879	666.920	806	150
76.807.960-9	Forus Safety S.A.	Chile	49,90	141.317	17.282	70.517	8.623
Foreign	Forus Colombia S.A.	Colombia	49,00	1.939.325	223.619	950.269	162.437
Total				7.260.781	1.077.434	1.023.398	171.403

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 19 - Trade Accounts Payable and Other Accounts Payable

Below is the detail of this item as of December 31, 2013 and 2012:

Concepts	31.12.2013 M\$	31.12.2012 M\$
Accounts Payable	4.840.745	4.248.285
Withholdings	1.905.409	1.703.024
Royalties Payable	739.192	637.836
Store Rentals	908.210	664.748
Advertising Expenses	110.953	138.569
Foreign Suppliers	2.967.040	936.931
Store Administrators'	784.622	657.987
Guarantees Fund		
Credit Cards Commissions	109.381	83.309
Freights	308.307	116.206
Others	110.261	214.346
Total	12.784.120	9.401.241

The due date of these obligations are presented below:

As of December 31, 2013

Type of Liability	Up to 1 month M\$	1 to 3 Months M\$	More than 3 Months to 12 months M\$	Total current M\$
Accounts Payable	2.906.570	482.637	1.451.538	4.840.745
Withholdings	1.498.280	149.240	257.889	1.905.409
Royalties Payable	71.445	-	667.747	739.192
Store Rentals	908.210	-	-	908.210
Advertising Expenses	9.669	3.223	98.061	110.953
Foreign Suppliers	1.218.183	1.029.484	719.373	2.967.040
Store Administr. Guarantees Fund	-	-	784.622	784.622
Credit Cards Commissions	13.366	13.366	82.649	109.381
Freights	106.321	191.201	10.785	308.307
Others	5.672	24.625	79.964	110.261
Total Credits and other accounts payable	6.737.716	1.893.776	4.152.628	12.784.120

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 19 - Trade Accounts Payable and Other Accounts Payable (cont.)

As of December 31, 2012

Type of Liability	Up to 1 month	1 to 3 Months	More than 3 Months to 12 months	Total current
	M\$	M\$	M\$	M\$
Accounts Payable	2.332.498	838.878	1.076.909	4.248.285
Withholdings	1.591.238	-	111.786	1.703.024
Royalties Payable	58.771	-	579.065	637.836
Store Rentals	664.748	-	-	664.748
Advertising Expenses	8.792	-	129.777	138.569
Foreign Suppliers	114.542	611.207	211.182	936.931
Store Administr. Guarantees Fund	-	-	657.987	657.987
Credit Cards Commissions	-	-	83.309	83.309
Freights	63.840	42.816	9.550	116.206
Others	34.289	100.133	79.924	214.346
Total Creditors and other accounts payable	4.868.718	1.593.034	2.939.489	9.401.241

Note 20 – Other Current Provisions

Below is the detail of the current provisions as of December 31, 2013 and 2012:

Concept	31.12.2013 M\$	31.12.2012 M\$
Provision for events, bonuses and others	3.026	45.176
Provision general expenses	373.266	333.095
Provision professional services	56.598	80.480
Provision importation expenses	45.284	229.651
Provision expenses for samples	111.778	95.577
Provision advertising expenses	16.115	-
Provision non-operational expenses	150.000	150.000
Provision dividends payable	6.713.840	5.274.184
Others	31.309	85.258
	<u>7.501.216</u>	<u>6.293.421</u>

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 20 – Other Current Provisions (cont.)

Below are the movements of the current provisions during the period ended as of December 31, 2013 and 2012:

a) Provisions movements events, bonuses and others	31.12.2013 M\$	31.12.2012 M\$
Initial Balance January 1st	45.176	110.065
Increase in existing provisions	40.446	384.256
Provisions used	(82.596)	(447.981)
Other increase (decrease)	-	(1.164)
Final balance	<u>3.026</u>	<u>45.176</u>

This provision corresponds to the estimate of the expenses for benefits to employees or related persons, such as: Directors' participations, bonuses and uniforms, training, cafeteria and snacks, wholesalers commissions etc.

Payment Terms: less than one year

b) Provisions movements general expenses	31.12.2013 M\$	31.12.2012 M\$
Initial Balance January 1st	333.095	227.573
Increase in existing provisions	1.142.577	1.339.015
Provisions used	(1.125.138)	(1.214.222)
Other increase (decrease)	22.732	(19.271)
Final balance	<u>373.266</u>	<u>333.095</u>

Corresponds to the estimate of operations expenses, such as: rents, distribution, advertising, trips, samples, packaging, surveillance and security, basic services, communications, etc.

Payment Terms: less than 6 months.

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 20 – Other Current Provisions (cont.)

c) Provision movements professional services	31.12.2013 M\$	31.12.2012 M\$
Initial Balance January 1st	80.480	69.433
Increase in existing provisions	126.891	104.281
Provisions used	(153.392)	(93.234)
Other increase (decrease)	2.619	-
Final Balance	<u>56.598</u>	<u>80.480</u>

Corresponds to the estimate of professional services hired, such as: advisors, auditors, external auditors, lawyers, securities central deposit, risk rating, etc.

Payment Terms: less than 6 months.

d) Provision movements for imports	31.12.2013 M\$	31.12.2012 M\$
Initial Balance January 1st	229.651	38.842
Increase in existing provisions	1.090.768	618.011
Provisions used	(1.275.135)	(427.202)
Other increase (decrease)	-	-
Final Balance	<u>45.284</u>	<u>229.651</u>

Corresponds to the estimate of the expenses associated to imported goods, such as: freights, insurance, warehousing, intermediation, customs agent, etc.

Payment Terms: less than 3 months.

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 20 – Other Current Provisions (cont.)

e) Provision movements for sampling expenses	31.12.2013 M\$	31.12.2012 M\$
Initial Balance January 1st	95.577	75.474
Increase in existing provisions	566.195	276.705
Provisions used	<u>(549.994)</u>	<u>(256.602)</u>
Final Balance	<u>111.778</u>	<u>95.577</u>

Corresponds to an estimate of the expenses associated to the request for samples to the different foreign suppliers, mainly considering the expenses for freight and insurance.

Payment Terms: less than 6 months

f) Provision for movements non-operational expenses	31.12.2013 M\$	31.12.2012 M\$
Initial Balance January 1st	150.000	163.323
Increase in existing provisions	100.000	16.979
Provisions used	<u>(100.000)</u>	<u>(30.302)</u>
Final Balance	<u>150.000</u>	<u>150.000</u>

Corresponds to the estimate related to the disposal of assets due to remodelings in process at the accounting year-end closing.

Payment Terms: less than 1 year.

As of December 31, 2013 and 2012, the Company and its affiliates did not register non-current provisions.

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 21 – Current Provisions for Employees' Benefits

Below is the detail for this item as of December 31, 2013 and 2012:

Concepts	31.12.2013	31.12.2012
	M\$	M\$
Provision remunerations and bonuses	1.476.126	1.240.651
Provision vacations	1.493.536	1.340.958
Provision severance payments	30.249	164.864
Provision other benefits	53.604	120.600
Total	3.053.515	2.867.073

The provision movements for employees' benefits during the period ended as of December 31, 2013 and 2012 are the following:

a) Provision Movements remunerations and bonuses	31.12.2013	31.12.2012
	M\$	M\$
Initial balance January 1st	1.240.651	1.010.426
Increase in existing provisions	2.363.168	2.545.056
Provisions used	(2.127.693)	(2.314.831)
Other increase (decrease)	-	-
Final balance	1.476.126	1.240.651

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 21 – Current Provisions for Employees' Benefits (cont.)

b) Provision Movements vacations	31.12.2013 M\$	31.12.2012 M\$
Initial balance January 1st	1.340.958	1.187.567
Increase in existing provisions	998.787	498.295
Provisions used	(825.936)	(341.716)
Other increase (decrease)	(20.273)	(3.188)
Final balance	<u>1.493.536</u>	<u>1.340.958</u>

c) Provision Movements severance payments	31.12.2013 M\$	31.12.2012 M\$
Initial balance January 1st	164.864	124.138
Increase in existing provisions	487.350	436.308
Provisions used	(621.965)	(395.582)
Final balance	<u>30.249</u>	<u>164.864</u>

Note 22 – Other current non-financial liabilities

Below is the detail for this item as of December 31, 2013 and 2012:

Concepts	31.12.2013 M\$	31.12.2012 M\$
Payable VAT	1.314.019	1.593.784
Others	-	65.213
Total	<u>1.314.019</u>	<u>1.658.997</u>

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 23 – Administration Expenses

Below are the Administration Expenses as of December 31, 2013 and 2012:

	31.12.2013	31.12.2012
	M\$	M\$
Remunerations	24.972.778	20.795.862
Rents and shared expenses	14.544.278	12.074.725
Depreciation, repayment and deteriorations	5.321.627	4.364.081
Professional consultancies and services	1.588.917	1.335.159
Basic services	1.110.984	1.012.018
Computer expenses	1.163.551	1.019.008
Materials and supplies	1.358.560	1.210.659
Commission for sales with credit cards	2.241.194	1.965.440
Advertisement	6.516.621	5.524.341
Royalty	4.658.357	4.383.133
Others	4.231.600	3.938.509
Total	<u>67.708.467</u>	<u>57.622.935</u>

a) Below are the expenses for Depreciation and repayment:

	31.12.2013	31.12.2012
	M\$	M\$
Depreciation	4.937.415	3.941.313
Repayment	382.170	324.507
Deterioration	2.042	98.261
Total	<u>5.321.627</u>	<u>4.364.081</u>

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 24 – Exchange Differences

The Exchange differences as of December 31, 2013 and 2012, are shown below:

Assets (debits) / credits	Currency	2013 M\$	2012 M\$
Cash	Dollar	206.372	(128.060)
Marketable Securities	Dollar	906.237	(208.014)
Trade Debtors (net)	Dollar	(406.435)	19.846
Various Debtors (net)	Dollar	129.501	18.251
Accounts Receivable related companies	Dollar	329.720	(212.588)
Stock (net)	Dollar	(39.633)	-
Recoverable Taxes	Dollar	(137.862)	8.088
Expenses paid in advance	Dollar	(14.167)	(6.147)
Other current assets	Dollar	(2.007)	2.143
Other long term assets	Dollar	-	(638)
Total (debits) credits		917.726	(507.119)

Liabilities (debits) / credits	Currency	2013 M\$	2012 M\$
Short Term Obligations with Banks and financial institutions	Dollar	(318.422)	(998.280)
Accounts Payable	Dollar	437.050	364.916
Accounts Payable related companies	Dollar	(480.294)	120.288
Income Tax	Dollar	46.496	(780)
Provisions	Dollar	52.966	(180)
Withholdings	Dollar	-	(47)
Other current liabilities	Dollar	(447)	9.381
Long Term Obligations with Banks and Financial institutions	Dollar	-	-
Income received in advance	Dollar	-	-
Deferred Taxes	Dollar	-	(6)
Others	Dollar	-	-
Total (debits) / credit		(262.651)	(504.708)
Profit (Loss), due to exchange differences		655.075	(1.011.827)

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Notes to the Consolidated Financial Statements

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Note 25 – Results by Readjustable Units

Below are the results by readjustable units as of December 31, 2013 and 2012:

Concept	Index of readjustability	2013 M\$	2012 M\$
Non-monetary assets	U.F.	7.984	51.227
Non-monetary liabilities	U.F.	(40.883)	(86.652)
Total debits		(32.899)	(35.425)

Note 26 - Rentals

a) Leasing

The Head Company has a leasing contract dated September 29, 2009, for a total of UF 95.942,55, with Metlife Chile Seguros de Vida S.A., with regards to a property located at Camino a Melipilla N° 9400, in the Municipality of Cerrillos, in the city of Santiago, whose accounting value as of December 31, 2013 is M\$2.437.956 (M\$2.456.373 as of December 31, 2012).

Below is the detail of this obligation as of December 31, 2013 and 2012:

	31.12.2013			31.12.2012		
	Pending installments	Short term	Long Term	Pending installments	Short Term	Long Term
		M\$	M\$		M\$	M\$
Obligation	12	209.736	2.848.910	12	205.517	2.997.129
Deferred Interest	163	(127.539)	(971.133)	175	(130.175)	(1.076.576)
Total	175	82.197	1.877.777	187	75.342	1.920.553

A detail of the financial liabilities in note 17.

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Notes to the Consolidated Financial Statements

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Note 26 - Rentals (cont.)

a) Leasing (cont.)

The detail of the expiration of the leasing's as of December 31, 2013 and 2012, is below:

	Total current debt	Short term portion	As of December 31, 2013								Original Amount of lent capital UF	Interest rate %	Due Date
			Long term portion										
			Long Term M\$	2015 M\$	2016 M\$	2017 M\$	2018 M\$	2019 M\$	2020 M\$	2021 and more M\$			
Rentals obligations	3.058.646	209.736	2.848.910	209.736	209.736	209.736	209.736	209.736	209.736	1.590.494	95.942,55	6,9%	Jul-28

	Total current debt	Long Term portion	As of December 31, 2012								Original Amount of lent capital UF	Interest rate %	Due Date
			Long term portion										
			Long Term M\$	2014 M\$	2015 M\$	2016 M\$	2017 M\$	2018 M\$	2019 M\$	2010 and more M\$			
Rentals obligations	3.202.646	205.517	2.997.129	205.517	205.517	205.517	205.517	205.517	205.517	1.764.027	95.942,55	6,9%	Jul-28

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 26 - Rentals (cont.)

b) Operating Rentals

The Company and its affiliates maintain valid contracts for the rental of business premises for carrying out its business activities. The detail of the current obligations under the concept minimum payments for rentals is the following:

	31.12.2013	31.12.2012
	Minimum Payments	Minimum Payments
	M\$	M\$
Up to one year	1.450.863	1.829.853
From one year up to five years	2.852.425	4.113.579
More than five years	4.955.259	3.999.440
Total	<u>9.258.547</u>	<u>9.942.872</u>

The Company and its affiliates do not have individually significant rental contracts which impose restriction to dividends distribution, incur in other rental contracts or incur in debts.

The variable payments included in the rental of stores and premises are generally related to their sales volume.

It may be pointed out that the policy of the Company and its affiliates implies the automatic renewal of its rental contracts.

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Notes to the Consolidated Financial Statements

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Note 27 - Contingencies and Restrictions

As of December 31, 2013 and 2012, there are no liens or guarantees in the Company and its affiliates, nor are mortgages maintained and/or mortgages on their assets given.

a) Direct Obligations

The Company and its affiliates as of December 31, 2013 and 2012, maintain guarantees with different entities for:

- Rental guarantees, mainly corresponding to guarantee bonds.
- Stand By Letters of credit, in favor of the foreign suppliers and bank guarantees for operations of their foreign affiliates, which have been taken with different banking institutions.

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Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 27 – Contingencies and Restrictions (cont.)

A detail of the guarantees is given below:

a) Direct Obligations (cont.)

Creditor of the guarantee	Name of the Debtor	Type of guarantee	31.12.2013 M\$	31.12.2012 M\$
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	-	345.571
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	-	3.090
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	15.738	14.399
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	-	7.852
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	-	6.434
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	8.702	7.962
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	3.042	2.783
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	-	2.520
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	-	2.520
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	70.508	64.507
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	3.489	3.192
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	4.512	4.128
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	23.870	21.838
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	11.790	10.786
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	15.792	14.448
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	15.657	14.324
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	12.290	11.244
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	8.836	8.084
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	6.767	-
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	10.310	-
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	8.114	-
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	4.176	-
Banco Crédito e Inversiones	Forus S.A.	Stand By Letter of Credit	786.915	-
Banco Itaú	Forus S.A.	Stand By Letter of Credit	1.049.220	-
Banco Itaú	Forus S.A.	Stand By Letter of Credit	2.098.440	1.919.840
Banco Itaú	Forus S.A.	Stand By Letter of Credit	-	623.948
Banco Itaú	Forus S.A.	Stand By Letter of Credit	-	811.286
Banco Itaú	Forus S.A.	Stand By Letter of Credit	1.098.005	-
Banco Itaú	Forus S.A.	Stand By Letter of Credit	472.149	-

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 27 - Contingencies and Restrictions

a) Direct obligations (cont.)

Creditor of the guarantee	Debtor Name	Type of guarantee	31.12.2013 M\$	31.12.2012 M\$
Inmobiliaria Mall Calama S.A.	Forus S.A.	Guarantee Bond	7.241	7.095
Inmobiliaria Mall Calama S.A.	Forus S.A.	Guarantee Bond	4.889	4.791
Inmobiliaria Mall Calama S.A.	Forus S.A.	Guarantee Bond	4.778	4.682
Banco de Chile	Forus S.A.	Guarantee Bond	25.174	24.668
Banco de Chile	Forus S.A.	Guarantee Bond	9.324	9.136
Banco de Chile	Forus S.A.	Guarantee Bond	6.993	6.852
Cencosud Shopping Centers S.A.	Forus S.A.	Guarantee Bond	35.943	35.220
Cencosud Shopping Centers S.A.	Forus S.A.	Guarantee Bond	12.445	-
Mall Sport	Forus S.A.	Guarantee Bond	17.228	-
Mall Sport	Forus S.A.	Guarantee Bond	11.189	-
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	27.750	27.192
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	52.610	51.552
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	74.404	72.908
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	59.165	57.975
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	-	7.720
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	-	3.335
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	39.160	38.372
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	13.455	13.184
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	17.951	17.590
Parque Arauco S.A.	Forus S.A.	Guarantee Bond	18.775	18.397
Plaza Alameda S.A.	Forus S.A.	Guarantee Bond	3.753	3.678
Plaza Alameda S.A.	Forus S.A.	Guarantee Bond	3.461	3.391
Plaza Alameda S.A.	Forus S.A.	Guarantee Bond	12.908	12.648
Plaza Antofagasta S.A.	Forus S.A.	Guarantee Bond	4.195	4.110
Plaza Antofagasta S.A.	Forus S.A.	Guarantee Bond	5.781	5.665
Plaza Antofagasta S.A.	Forus S.A.	Guarantee Bond	6.620	6.487
Plaza Antofagasta S.A.	Forus S.A.	Guarantee Bond	4.713	4.619
Plaza Antofagasta S.A.	Forus S.A.	Guarantee Bond	48.997	-
Plaza del Trébol S.A.	Forus S.A.	Guarantee Bond	8.671	8.497
Plaza del Trébol S.A.	Forus S.A.	Guarantee Bond	8.413	8.244
Plaza del Trébol S.A.	Forus S.A.	Guarantee Bond	9.117	8.934
Plaza del Trébol S.A.	Forus S.A.	Guarantee Bond	6.527	6.395
Plaza del Trébol S.A.	Forus S.A.	Guarantee Bond	3.520	3.449
Plaza del Trébol S.A.	Forus S.A.	Guarantee Bond	6.317	6.190
Plaza del Trébol S.A.	Forus S.A.	Guarantee Bond	19.999	-
Plaza del Trébol S.A.	Forus S.A.	Guarantee Bond	34.854	-
Plaza La Serena S.A.	Forus S.A.	Guarantee Bond	8.508	8.337
Plaza la Serena S.A.	Forus S.A.	Guarantee Bond	3.782	3.706
Plaza la Serena S.A.	Forus S.A.	Guarantee Bond	6.457	6.327
Plaza la Serena S.A.	Forus S.A.	Guarantee Bond	5.944	5.824

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 27 - Contingencies and Restrictions

a) Direct obligations (cont.)

Creditor of the guarantee	Debtor Name	Type of guarantee	31.12.2013 M\$	31.12.2012 M\$
Plaza Los Angeles S.A.	Forus S.A.	Guarantee Bond	2.358	2.311
Plaza Los Angeles S.A.	Forus S.A.	Guarantee Bond	4.010	3.930
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	5.544	5.432
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	6.078	5.956
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	5.780	5.664
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	195.800	191.862
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	3.884	3.805
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	4.434	4.345
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	7.949	-
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	5.897	-
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	6.584	-
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	4.950	-
Plaza Oeste S.A.	Forus S.A.	Guarantee Bond	14.172	-
Plaza Tobalaba S.A.	Forus S.A.	Guarantee Bond	3.031	2.970
Plaza Tobalaba S.A.	Forus S.A.	Guarantee Bond	5.960	5.840
Plaza Tobalaba S.A.	Forus S.A.	Guarantee Bond	5.641	5.527
Plaza Tobalaba S.A.	Forus S.A.	Guarantee Bond	5.521	5.410
Plaza Tobalaba S.A.	Forus S.A.	Guarantee Bond	4.016	-
Plaza Tobalaba S.A.	Forus S.A.	Guarantee Bond	26.643	-
Plaza Vespucio S.A.	Forus S.A.	Guarantee Bond	11.502	11.271
Plaza Vespucio S.A.	Forus S.A.	Guarantee Bond	8.200	8.035
Rentas e Inversiones Punta Arenas	Forus S.A.	Guarantee Bond	10.403	10.194
Rentas e Inversiones Punta Arenas	Forus S.A.	Guarantee Bond	7.832	7.674
Rentas e Inversiones Punta Arenas	Forus S.A.	Guarantee Bond	8.322	8.154
Saitec S.A.	Forus S.A.	Guarantee Bond	4.170	4.086
Saitec S.A.	Forus S.A.	Guarantee Bond	5.200	5.095
Saitec S.A.	Forus S.A.	Guarantee Bond	6.359	6.231
Adm. Plaza Vespucio S.A.	Forus S.A.	Guarantee Bond	4.161	4.077
Adm. Plaza Vespucio S.A.	Forus S.A.	Guarantee Bond	9.231	9.045
Adm. Plaza Vespucio S.A.	Forus S.A.	Guarantee Bond	6.014	5.893
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	3.263	3.198
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	3.730	3.655
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	8.951	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	4.522	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	10.676	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	7.213	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	5.386	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	7.284	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	5.386	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	7.676	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	8.020	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	52.819	-

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 27 – Contingencies and Restrictions (cont.)

a) Direct Obligations (cont.)

Creditor of the guarantee	Debtor's Name	Type of guarantee	31.12.2013 M\$	31.12.2012 M\$
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	9.813	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	8.228	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	4.825	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	9.044	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	8.943	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	3.893	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	8.917	-
Nuevos Desarrollos S.A.	Forus S.A.	Guarantee Bond	1.531	-
Vivo Melipilla	Forus S.A.	Guarantee Bond	3.636	3.563
E.U. Viña Centro	Forus S.A.	Guarantee Bond	7.367	7.219
E.U. Viña Centro	Forus S.A.	Guarantee Bond	7.443	7.294
Adm. Plaza Vespucio S.A.	Forus S.A.	Guarantee Bond	6.726	-
Adm. Plaza Vespucio S.A.	Forus S.A.	Guarantee Bond	8.154	-
Adm. Plaza Vespucio S.A.	Forus S.A.	Guarantee Bond	63.868	-
Mall Centro Concepción	Forus S.A.	Guarantee Bond	2.155	2.111
Mall Centro Concepción	Forus S.A.	Guarantee Bond	1.501	1.471
Plaza Estación	Forus S.A.	Guarantee Bond	15.216	-
Plaza Estación	Forus S.A.	Guarantee Bond	10.036	-
Portal Centro Talca	Forus S.A.	Guarantee Bond	2.098	2.056
Portal Centro Talca	Forus S.A.	Guarantee Bond	3.348	3.281
Liang Ming Ye	Forus S.A.	Guarantee Bond	-	77.659
Const. Y Adm. Uno S.A.	Forus S.A.	Guarantee Bond	43.428	-
Const. Y Adm. Uno S.A.	Forus S.A.	Guarantee Bond	10.765	-
Const. Y Adm. Uno S.A.	Forus S.A.	Guarantee Bond	8.850	-
Const. Y Adm. Uno S.A.	Forus S.A.	Guarantee Bond	9.339	-
Inv. Parque Arauco S.A.	Forus S.A.	Guarantee Bond	43.046	-
Todo Arauco S.A.	Forus S.A.	Guarantee Bond	10.489	-
Todo Arauco S.A.	Forus S.A.	Guarantee Bond	31.762	-
CAI S.A.	Forus S.A.	Guarantee Bond	1.309	-
Investigaciones y Cobranzas el Libertador	Forus Colombia S.A.S.	CDT-Country	4.220	4.072
Investigaciones y Cobranzas el Libertador	Forus Colombia S.A.S.	CDT-Andino	27.608	27.659
Fideicomiso Sudamericana	Forus Colombia S.A.S.	Fideicomiso-Titan Plaza	17.513	16.286
Davivienda	Forus Colombia S.A.S.	CDT- Mall Plaza Castillo	5.445	-
Fideicomiso Fonval	Forus Colombia S.A.S.	Fideicomiso Fonval	1.425	-
Fideicomiso Bancolombia	Forus Colombia S.A.S.	Fideicomiso Bancolombia	275.070	-
Banco Itaú Dollars	Uruforus S.A.	Promissory Note	-	9.599
Banco Itaú Dollars	Uruforus S.A.	Promissory Note	12.496	11.433
Banco Itaú Dollars	Uruforus S.A.	Promissory Note	5.246	4.800
Banco Itaú Uruguayan Pesos	Uruforus S.A.	Promissory Note	-	10.390
Banco Itaú Dollars	Uruforus S.A.	Promissory Note	12.685	11.605
Banco Itaú Dollars	Uruforus S.A.	Promissory Note	15.738	14.399
Banco Itaú Uruguayan Pesos	Uruforus S.A.	Promissory Note	4.566	4.750
Banco Itaú Uruguayan Pesos	Uruforus S.A.	Promissory Note	13.080	13.606
Banco Itaú Uruguayan Pesos	Uruforus S.A.	Promissory Note	4.702	-

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 27 – Contingencies and Restrictions (cont.)

a) Direct Obligations (cont.)

Creditor of the guarantee	Debtors' Name	Type of guarantee	31.12.2013 M\$	31.12.2012 M\$
Banco Itaú Dollars	Uruforus S.A.	Promissory Note	68.199	-
Banco Itaú Dollars	Uruforus S.A.	Promissory Note	37.772	-
Aventura Plaza	Perú Forus S.A.	Guarantee	4.786	4.805
Aventura Plaza	Perú Forus S.A.	Guarantee	66	66
Aventura Plaza	Perú Forus S.A.	Guarantee	4.482	4.500
Aventura Plaza	Perú Forus S.A.	Guarantee	3.187	3.200
Aventura Plaza	Perú Forus S.A.	Guarantee	47	47
Hipermercados Metro S.A.	Perú Forus S.A.	Guarantee	2.926	2.938
SBP del Cuzco	Perú Forus S.A.	Guarantee	6.076	5.565
SBP del Cuzco	Perú Forus S.A.	Guarantee	139	140
Christian Urquiza	Perú Forus S.A.	Guarantee	47	47
María Roxana Valdivia Bachi	Perú Forus S.A.	Guarantee	150	151
Interproperties Perú	Perú Forus S.A.	Guarantee	2.348	-
Interproperties Perú	Perú Forus S.A.	Guarantee	7.248	-
Interproperties Perú	Perú Forus S.A.	Guarantee	3.730	-
Inmobiliaria Alquife SAC	Perú Forus S.A.	Guarantee	6.415	-
Javier Navarro Pastor	Perú Forus S.A.	Guarantee	1.886	1.727
Jacinto Poblete	Perú Forus S.A.	Guarantee	4.608	4.221
Jacinto Poblete	Perú Forus S.A.	Guarantee	8.611	7.887
Aida Isolina Briceño Hurtado de Roque	Perú Forus S.A.	Guarantee	1.048	960
Aida Isolina Briceño Hurtado de Roque	Perú Forus S.A.	Guarantee	1.048	960
Compañía de Seguros S.A.	Perú Forus S.A.	Guarantee	3.172	2.906
Aida Isolina Briceño Hurtado de Roque	Perú Forus S.A.	Guarantee	1.571	1.439
Los Portales S.A.	Perú Forus S.A.	Guarantee	2.011	1.842
La Fiduciaria FID Interpro Rec	Perú Forus S.A.	Guarantee	2.754	-
El Quinde Shopping Plaza S.A.	Perú Forus S.A.	Guarantee	3.098	-
Meses Constructora e Inmobiliaria America S.A.	Perú Forus S.A.	Guarantee	1.950	-
Kay Paccha	Perú Forus S.A.	Guarantee	892	-
Sabina Estelita Ponce Fernandez	Perú Forus S.A.	Guarantee	3.768	-
Sabina Estelita Ponce Fernandez	Perú Forus S.A.	Guarantee	1.256	-
Daniel Arturo Candia Gutierrez	Perú Forus S.A.	Guarantee	169	-
Azañedo Flores Jose Fernando	Perú Forus S.A.	Guarantee	3.860	-
Inversiones Castelar S.A.C.	Perú Forus S.A.	Guarantee	2.619	-
Claudia Maria Yzaga Dibos	Perú Forus S.A.	Guarantee	7.333	-

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 27 - Contingencies and Restrictions (cont.)

b) Indirect Obligations

As of December 31, 2013 and 2012, the Head Company and its affiliates have no indirect obligations.

c) Trials and other legal actions in which the Company is involved

As of December 31, 2013, no trials or legal actions exist against the Head Company and its affiliates which could affect significantly the present consolidated financial statements.

d) Restrictions

The Head Company Forus S.A. and its affiliates, are not subject to limitations or prohibitions associated to any type of credit operation since they do not have banking obligations other than operations for the purchase of goods. The only restrictions and/or prohibitions in force correspond to the sub-rental of business premises where the Company's stores are located, and in the opinion of the administration, this situation will be maintained in the next fiscal years.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 28 – Other Non-financial Assets

a) Below is the detail of the other current non-financial assets:

	31.12.2013	31.12.2012
	M\$	M\$
Advanced Advertisement	31.829	89.752
Advanced Insurances	136.886	134.381
Deferred Royalties	1.692.061	879.077
VAT Credit	120.297	320.387
Other Deferred charges	290.798	136.905
Others	86.325	18.699
Total	<u>2.358.196</u>	<u>1.579.201</u>

b) Below is the detail of the other non-current non-financial assets:

	31.12.2013	31.12.2012
	M\$	M\$
Key rights	2.103.978	1.388.272
Rental Guarantees	194.413	1.370
Total	<u>2.298.391</u>	<u>1.389.642</u>

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 29 – Risk Administration

Financial risk administration objectives and policies

The main liabilities of Forus S.A., in addition to the derivative instruments taken to cover the variations of the Dollar, include bank obligations for letters of credit for foreign trade, accounts payable, debts with suppliers and creditors. These liabilities are part of the regular financing for the development of its operations and businesses, which in general are short term and paid with the cash flows generated by the business.

The Head Company and its affiliates, maintain adequate levels of cash and equivalents to cash resulting directly from its operations, which allows facing short term obligations without problems.

In addition the Company maintains as part of its investment and optimization of cash excesses policies, different financial investments which are administered by specialized entities.

Forus S.A. is exposed to the market risk, the credit risk and the liquidity risk. The senior administration supervises the management of these risks controlling the compliance with the regulatory framework regarding financial risk.

The Company's financial corporate management makes sure that the activities with financial risk in which it is involved are controlled with adequate policies and procedures, and that the financial risks are identified, measured and controlled in accordance with the internal policies. All the activities and operations with derivative contracts for the purpose of managing the risk of variations in the exchange rate (US\$), are carried out by teams of specialists who have the abilities, the experience and the appropriate supervision.

The Board of Directors reviews and agrees on the policies for the management of each of the risks which are summarized below:

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 29 – Risk Administration (cont.)

a) Market Risk

The market risk is the risk that the fair value of the future cash flows of a financial instrument fluctuate due to changes in market prices. The market prices include three types of risk: Interest Rate Risk, currency risk and the commodities price risk.

- 51,93% of the loans which accrue interest, correspond to letters of credit with a due date of less than 30 days, which would not generate a significant negative impact in the results of the company. The Company has liquidity and cash to face the totality of these obligations without inconveniences.
- 48,07% correspond to a leasing obligation with a fixed rate of 6,9%.
- Risks associated to the Exchange rate in foreign currency: As of December 31, 2013, approximately 51,93% some (MUS\$ 4.036) of the total financial debt of the Company, is expressed in dollars of the United States of North-America.

Each \$1 of appreciation of the North-American currency could negatively impact the results of the Company, given the net liability position in Dollars that it maintains at the closing of the financial statements. To control and mitigate this risk the Company performs (forward) exchange rate coverage.

- Commodities Price risks: Given the characteristics of the business of the Company and its affiliates, these do not present significant risks related to the variation in the commodities' price.

a.1) Analysis of the sensitivity to the exchange rate

The effect for differences of exchange recognized in the Consolidated Comprehensive Results Statement as of December 31, 2013 and 2012, related to the assets and liabilities indicated in foreign currencies amounts to a loss of M\$655.075 (loss of M\$1.011.827 in 2012).

Considering the business of the Company, the exposure to variations in the exchange rate mainly lies in its obligations related to imports it carries out and to the associated letters of credit. As of December 31, 2013, and assuming an increase or decrease of 5% in the exchange rates and maintaining all the other variables constant, such as interest rates, it is estimated that the effect on the Company's results would be a loss (profit) after the tax of M\$1.318.905.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 29 – Risk Administration (cont.)

a) Market Risk (cont.)

a.2) Interest Rate Risk

In general the Company presents a risk exposure to a low interest rate, as explained below:

i) Interest rate risk of cash flows

The Company's interest rate risk arises from the debts maintained with third parties, which mainly correspond to an obligation for leasing and to letters of credit associated to the process of commodities importation. In view of the characteristics of the indicated obligations, the exposure to significant rate risks is low.

ii) Reasonable value interest rate risk.

The Company has low exposure to the risk associated with the fluctuations of the interest rates in the market, since of the balance maintained in Other Current Financial Assets, more than 99,78% corresponds to quotas of local and international mutual funds which are valued at the fair value. The rate risk mainly lies in the investments in bonds which represent as of December 31, 2013, 0,20% and which belong to an investment portfolio, and which are quickly liquidated in case they show evidences of losses in their value.

a.3) Inflation Risk

Due to the indexing the Chilean capital market has due to inflation, part of the assets and liabilities of Forus S.A. are indicated in Inflation Indexed Currency Units (U.F), therefore a risk exists for the Company in case the inflation is higher than the one forecasted. As of December 31, 2013, 48,07% of the financial debt of the Company is expressed in UF.

Considering an inflation variation of 3,0% over what is expected for the year and maintaining all the other variables constant, applying this over the Company's net position in UF (includes UF indexed rental contracts, as well as assets in UF) the result would have a variation of M\$ 60.796.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 29 – Risk Administration (cont.)

b) Credit Risk

The credit risk is the risk that one counterpart does not comply with its obligations under a financial instrument or a contract with a customer, which entails a financial loss. Forus S.A. is exposed to the credit risk that comes from its operating activities mainly by sales debtors and from its investment activities, including deposits, bonds, mutual funds, transactions in foreign currency and other financial instruments such as derivatives.

The credit risk related to its sales, is controlled by the local finance management and by those in charge of credit and collections, subject to the policy established by the Company, to the procedures and controls related to the management of customers credit risk. The credit limits are established for all customers based on internal classification criteria. Trade accounts receivables pending payment are regularly monitored.

The credit policy for a new customer of the Wholesale segment is based on the evaluation of the commercial data and the revision of the history of its business relation with the Company, once these data is evaluated the maximum credit limit is set at 10% of its annual sales, said credit limit may be changed according to its specialization in marketing the Company's brands and payment behavior. Regarding the 7 main customers of the Wholesale segment the credit limits in force are examined semi-annually by the Board of Directors.

Regarding the Retail segment the credit policy is in agreement with the conditions which the issuers of credit cards offer (1, 3, 6 or more installments with or without interests).

The Company decreases the credit risk, by preparing a monthly report on the expired accounts receivable, in which the principal customers with credit risk are analyzed, which serves to determine the actions to be taken and decisions making on the part of the finances management.

Due to the characteristics of the Company's business, the credit is controlled and monitored by separating its segments in Retail and Wholesale.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 29 – Risk Administration (cont.)

b) Credit Risk (cont.)

As of December 31, 2013 the Retail business represents 49,5% of the total accounts receivables, 45,0% correspond to debts of sales with credit cards mainly of banks (38,3% as of December 31, 2012) and 4,5% to sales paid with checks and agreements (12,8% as of December 31, 2012). From this total the credit cards do not present a risk, since the bank pays the debts of its customers and the historic non-collection of checks and agreement has been less than 0,2%.

In the Wholesale business however it represents 50,5% of the total of the accounts receivable, of them 40,0% are for sales to the principal department stores (35,8% as of December 31, 2012), which have had a good collection history, the rest 10,5%, corresponds to a variety of wholesale distributors (13,1% as of December 2012) with a history of non-collection also of less than 0,2%.

These accounts receivable are not covered by guarantees.

The credit risk related to balances with Banks and financial institutions is controlled by the corporate and local finance management in accordance with an internal policy. The investments of the cash surplus are made only with appropriate counterparts who qualify in accordance with what is established in the Company's policy.

c) Liquidity Risk

Forus S.A. maintains a liquidity policy consistent with the adequate management of assets and liabilities, looking for the on time fulfilment of the collection obligations on the part of the customers and optimization of the daily surpluses. In turn it maintains as a general policy, payments to its suppliers and creditors from 30 to 90 days.

The Company administers the liquidity to carry out the proceedings which anticipate the payments obligations to insure its fulfilment within the due dates. Forus S.A. uses financial instruments, such as term deposits, bonds, shares, mutual funds and other to invest its cash surplus.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 29 – Risk Administration (cont.)

d) Capital Administration

Forus S.A. administers its cash surpluses making high quality investments and of easy liquidation, for example, term deposits, mutual funds and financial instruments. These investments are administered by specialized entities such as BTG Pactual, Banchile, IMTrust.

Note 30 – Guarantees obtained from Third Parties

The Company maintains as of December 31, 2013, guarantees for rentals of business premises for an amount of M\$8.216 (M\$8.076 as of December 31, 2012).

Note 31 – Investigation and Development Expenses

The Head Company and its affiliates have not made disbursements for the concepts of investigation and development defined in Circular N°981 of the Superintendence of Securities and Insurances.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 32 – Relevant Facts

Year 2013:

- a) On March 20, 2013, the Company's Board of Directors agreed to summons to a Shareholders Ordinary General Meeting to be held on April 18, 2013, at 09:00 hours, at the offices of the company located at Avda. Departamental N° 01053, municipality of La Florida.

The purpose of this meeting will be to issue a pronouncement on the following subjects:

- Approval of the Annual Report, General Balance and the External Auditors report, corresponding to the fiscal year ending on December 31, 2012.
- Profit distribution corresponding to the fiscal year 2012.
- Election of the members of the Board of Directors for the period 2013-2016.
- Setting the remunerations for the Board of Directors for the year 2013 and informing about the Board of Director' expenses corresponding to the year 2012.
- Inform about the activities and expenses of the Directors Committee during 2012, and setting their remunerations for the year 2013.
- Designate the External Auditors for the fiscal year ending December 31, 2013.
- Designate the risk rating companies for the fiscal year ending on December 31, 2013.
- Designate the newspaper where the notices of the summons of the Shareholders Meetings and other social publications will be published.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 32 – Relevant Facts (cont.)

Year 2013:

- To release the agreements adopted by Board of Directors on those subjects referred to in article 44 of the Law on Stock Companies.
 - Any other matter of social interest which is not typical of a Shareholders Extraordinary General Meeting.
- b) On March 21, 2013, the information indicated in the essential fact sent on this same date was complemented, specifying that the alternatives of the companies which will be proposed for the consideration of the Meeting for the designation of the external auditors for the fiscal year ending on December 31, 2013, will be published in the company's Web page www.forus.cl as of April 2, 2013.
- c) In the Twenty-First Shareholders Ordinary General Meeting, held on April 18, 2013, it was agreed to:
- Approve the Annual Report, the balance and financial statements of the company corresponding to the fiscal year ended on December 31, 2012;
 - To pay a definite dividend for the total amount of \$8.410.747.126 to be charged to the net profit of fiscal year 2012, at a rate of \$ 32,54064 per share, in cash, as of May 10, 2013, to those shareholders who appear registered in the company's registries on the fifth working day prior to the payment date;
 - Designate Messrs. Alfonso Swett Saavedra, Ricardo Swett Saavedra, Alfonso Andres Swett Opazo, John P. Stevenson, Heriberto Urzúa Sanchez and Francisco Gutiérrez Philippi, as Directors of the Company for the period 2013-2016.
 - Designate Mr. Mateo Matko Koljatic Maroevic as Independent Director of the Company for the period 2013-2016.
 - Designate Ernst & Young Servicios Profesionales de Auditoría y Asesoría Ltda. as external auditors,
 - Delegate on the Board of Directors the designation of the risk rating companies, between the companies Feller-Rate Clasificadora de Riesgo Ltda., Fitch Chile Clasificadora de Riesgo Ltda., International Credit Rating Compañía Clasificadora de Riesgo Ltda. and Clasificadora de Riesgo Humphreys Ltda, and
 - Publish the notices for summons to the Companies' Shareholders Meetings during the year 2013 in the newspaper Diario Financiero.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 32 – Relevant Facts (cont.)

Year 2013:

- d) On April 23, 2013, the Board of Directors agreed to designate Mr. Alfonso Swett Saavedra as its President and President of the Company.

Likewise, at that meeting Mr. Mateo Matko Koljatic Maroevic, sole Independent Director of the Company designated Messrs. Ricardo Swett Saavedra and Heriberto Urzúa Sanchez, as members of the Directors Committee for the period 2013-2016.

- e) On August 26, 2013, the Board of Directors in view of the positive progress of the due diligence which is being carried out to Sieteveinte S.A., a company dedicated to the distribution and/or sale in Chile of articles of the trademarks of the Burton group and the trademarks Skullcandy, Dakine and Alpinestar, it was agreed to disclose the information regarding the operation to purchase some assets of the company Sieteveinte S.A., agreed by the parties last June 28.

These assets will be contributed by their owners to a new Company which shares or rights would be purchased by Forus S.A..

Notwithstanding the price adjustments which may correspond, depending on the results of the corresponding due diligence, it is estimated that the amounts involved in this operation will amount to US\$14.000.000 approximately.

The promised purchase and sale should be signed on September 2, 2013.

Forus S.A. made no guarantees regarding the compliance of the promise, it was agreed that its violation would be penalized with a fine of UF 32.000.

- f) On September 2, 2013, Forus S.A. bought, from its shareholders Milochenta S.A and Fondo de Inversión la Roca, the totality of the shares of Sieteveinte S.A., a company dedicated to the distribution and/or sale in Chile of articles of the trademarks of the Burton group and of the trademarks Skullcandy, Dakine and Alpinestar, to which they had previously contributed distribution contracts of some trademarks already mentioned, the rent contracts of some business premises, accessories and facilities of these premises and merchandise of the same aforementioned trademarks.

The operation amounted to a total of \$7.366.396.099, paid with their own funds.

The financial effects that the purchase may have on the assets, liabilities or results of the Company shall be informed in the next days through the regular channels of information to the market which the Company usually uses.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 32 – Relevant Facts (cont.)

- g) On November 5, 2013, the Board of Directors of the Company, agreed to inform the Superintendence of Securities and Insurances the signing of two master agreements and two distribution contracts for the territories of Chile and Peru with Burleigh Point Limited, owner of the companies GSM Chile Ltda. and Sanmaree PTY Ltd. (Perú), to take charge of the distribution and sale operations, at the indicated countries, of articles mainly of the trademarks Billabong, Element and Von Zipper, in the framework of the policy of the company to have access to the youth consumers market in both countries.

According to the aforementioned contracts Forus S.A. shall purchase 100% of the shares of a Company which will receive, through contributions, some assets of the Company GSM Chile Limitada (distribution contracts of the aforementioned trademarks, rental of business premises, facilities and merchandise) and in Peru, the affiliate Perú Forus S.A. shall purchase the contractual position of Sanmaree PTY Ltd. in certain contracts (distribution contracts of the aforementioned trademarks, rental of business premises, facilities and merchandise) and fixed assets of stores and the indicated merchandise.

Notwithstanding the price adjustments which may correspond, depending on the results of the corresponding Due Diligence, it is estimated that the amounts involved in this operation will amount approximately to US\$14.000.000.

The purchase and sale of the assets should be signed on November 29, 2013 in Chile and on December 6, 2013 in Perú, subject to the verification of several conditions, which should be complied with before or on the aforementioned dates.

Forus S.A. and its affiliate Perú Forus S.A., made no guarantees regarding the compliance of the indicated contracts, it was agreed that its violation, in each case, would be penalized with a fine of US\$1.200.000.-.

The financial effects that the purchase may have on the assets, liabilities or results of the Company shall be informed in the next days through the regular channels of information to the market which the Company usually uses.

- h) On November 5, the Board of Directors agreed to pay an interim dividend, against the profits of the fiscal year 2013, for the amount to \$4.652.442.000.-, in the proportion of \$18.- per share, in cash, which will be paid as of November 22, 2013.
- i) On November 29 2013, Forus S.A. purchased, to its shareholders GSM Chile Limitada and Diego Peralta Valenzuela, the totality of the shares of BBG Chile S.A., to which they had previously contributed distribution contracts in Chile of the trademarks Billabong, Von Zipper and Element, as well as merchandise of the same aforementioned trademarks.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 32 – Relevant Facts (cont.)

The operation amounted to a total of \$3.574.480.230, paid with their own funds, in addition to what corresponds to certain accounts receivable which will be paid as they are actually collected.

The financial effects that the purchase may have on the assets, liabilities or results of the Company shall be informed in the next days through the regular channels of information to the market which the Company usually uses.

- j) On December 7, 2013, Perú Forus S.A., an affiliate of Forus S.A., purchased in Perú, from the Company PTY, Perú branch, and representative of the trademarks Billabong, Von Zipper and Element in said country, assets, accounts receivables, as well as the inventory of those same trademarks, and began operating the stores which Sanmaree PTY operated before. Likewise and previously it had signed with Burleigh Point Limited a distribution contract for the aforementioned trademarks, which was opportunely informed through this same channel.

The operation amounted to a total of S./12.765.920 (soles), equivalent at that date to US\$4.557.629.-, paid with their own funds.

The financial effects that the purchase may have on the assets, liabilities or results of the Company shall be informed in the next days through the regular channels of information to the market which the Company usually uses.

Year 2012:

- a) At the Twenty First Shareholders Ordinary General Meeting, held on April 18, 2012, the following was agreed on:
- To approve the Annual Report, the balance and the financial statements of the Company, corresponding to the fiscal year ending on December 31, 2011;
 - To pay a definite dividend for the total amount of \$7.849.441.754 to be charged to the net profit of the fiscal year 2011, at a rate of \$ 30,36899 per share, in cash, as of May 11, 2012, to those shareholders who appear registered in the company's registries on the fifth working day prior to the payment date;
 - Designate a Ernst & Young Servicios Profesionales de Auditoría y Asesoría Ltda. as external auditors, and

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 32 – Relevant Facts (cont.)

- To delegate on the Board of Directors the designation of the risk rating companies, amongst Feller-Rate Clasificadora de Riesgo Ltda., Fitch Chile Clasificadora de Riesgo Ltda., International Credit Rating Compañía Clasificadora de Riesgo Ltda. and Clasificadora de Riesgo Humphreys Ltda.
 - To publish the notices of the summons to the Shareholders Meetings of the Company during the year 2012 in the newspaper Diario Financiero.
- b) On April 19, 2012, Forus S.A. and Wolverine World Wide Inc. reached a joint work agreement, in the Colombian market, for the brands RKF (Rockford), Hush Puppies, Cushe, Merrell and CAT, through the affiliate Forus Colombia S.A. and Lifestyle Brands of Colombia S.A.S.

For these purposes, with this same date, Wolverine World Wide Inc. bought shares representing 49% of the stock capital of Forus Colombia S.A., in the amount of US\$1.603.914,55, retaining the Company 51% of the remaining shares. This company shall develop the brands Hush Puppies and Cushe, for which it is the licensee in that country.

On the other hand, Wolverine World Wide Inc. and Forus S.A. entered with 51% and 49%, respectively, of interest in its capital stock, in Lifestyle Brands of Colombia S.A.S., through the subscription of the consideration shares which will be issued due to the capital increase agreed to at that date. For the Company, this operation represents a disbursement of US\$1.225.000. Lifestyle Brands of Colombia S.A.S. shall work the brand RKF (Rockford), owned by Forus, and the brands Merrell and CAT, of which Wolverine World Wide Inc. is the licensee.

- c) On June 4, 2012 the resignation of Mr. Eduardo Aninat Ureta as member and president of the Company's Directors Committee received by letter on June 1, 2012, was communicated.
- d) On June 20, 2012 the Company's Directors Committee accepts the resignation presented by Mr. Eduardo Aninat Ureta to the office of president of the Company's Directors Committee.

At the meeting of June 20, 2012 the Board of Directors adopted the following agreements:

- The resignation of Mr. Eduardo Aninat Ureta to the position of member of the Company's Directors Committee, was accepted.
- Mr. Francisco Gutiérrez Philippi was designated as new member of the Directors Committee.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 32 – Relevant Facts (cont.)

- Maintain Mr. Eduardo Aninat Ureta as a member of the Board of Directors up to the next Shareholders Meeting, when the total renovation of the Board of Directors corresponds.
- e) On October 24, 2012, the Board of Directors agreed to pay an interim dividend charged to the profits of the fiscal year 2012, for the amount of \$4.135.504.000, at the rate of \$16 per share in cash, paid as of November 23, 2012.

Note 33 – Subsequent Facts

There have been no other subsequent facts between December 31, 2013 and the date of issuance of these financial statements which could significantly affect the financial economic position and/or their interpretation.

Note 34 - Environment

The Head Company and its affiliates during the period ended as of December 31, 2013 and 2012 have not made any disbursements related to the improvement of the environment's protection, since its principal activity does not affect it.

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 35 – Foreign Currency

Below are the balances in foreign currency:

ASSETS

	31.12.2013							31.12.2012								
	Pesos readjustable	Pesos Non-readjustable	New Sol	Peso uruguayo	Peso Colombiano	USD	Euro	Other currencies	Pesos readjustable	Pesos Non-readjustable	New Sol	Peso uruguayo	Peso Colombiano	USD	Euro	Other currencies
Current Assets																
Cash and equivalents to cash		5.842.229	917.626	806.563	710.805	106.195				10.229.799	518091	404.198	307.358	3.326.493	853	
Other current financial assets		6.294.556				27.393.120				21.673.904				4065303		
Other non-financial current assets	231.540	137.013	202.884	15.420	74.872	1.696.467			439.742	95.055	25.949	134.390	28.322	855.743		
Trade Debtors and other accounts receivable, current		16.146.967	1.707.109	3.147.561	382.244	496.846				13.909.216	1.150.410	3.169.024	361.067	491.081		
Accounts Receivable from related entities, current		6.626											690007			
Inventories		23.952.555	5.468.761	3.145.070	1.727.173	14.180.415				21.051.866	2.733.544	2.440.510	1.228.113	11.902.290		
Assets for current taxes		8.577	345.844	781.230	335.808					1.490.188		102.193	225.609			
Total current assets	231.540	52.388.523	8.642.224	7.895.844	3.230.902	43.873.043			439.742	68.450.028	4.427.994	6.250.315	2.840.476	20.640.910	853	
Non-Current Assets																
Other non-current financial assets		2			331.281					351.372			48.017			
Other non-financial non-current assets	1.399	270.439	248.688			1.777.865			1.370	248.663	92.163	336068	5.993	705.385		
Non-Current Fees Receivable	166060								159.371							
Investments recorded using the participation method		3.110.712								1.816.751						
Intangible assets others than the added value		1.701.403	647.877	61.128	29030				204.675	1.250.224	638.667	62	28.207			
Added value		9.788.457								1.063.748						
Properties, plant and equipment		23.814.253	2.475.737	2.383.100	411.714					21.609.700	1.413.245	2.046.438	309.743			
Assets for deferred taxes		872.196	205.554	100.777	398.527					1.195.433	96.474	26.300				
Total non-current assets	167.459	39.557.462	3.577.856	2.545.005	1.170.552	1.777.865			365.416	27.535.891	2.394.932	2.408.868	391.960	705.385		
Total Assets	398.999	91.945.985	12220080	10.440.849	4.401.454	45.650.908			805.158	95.985.919	6.668.543	8.659.183	3.232.436	21.346.295	853	

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

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Note 35 – Foreign Currency (cont.)

LIABILITIES	31.12.2013								31.12.2012							
	Pesos readjustable	Pesos Non-readjustable	New Sol	Peso uruguayo	Peso Colombiano	USD	Euro	Other currencies	Pesos readjustable	Pesos Non-readjustable	Nuevo Sol	Peso uruguayo	Peso Colombiano	USD	Euro	Other currencies
Current Liabilities																
Other current financial liabilities	82.197		2.609			2.114.604			75.342				69	2.676.322		
Accounts payable to related entities current		27037			256.892	20.899										
Trade accounts and other accounts payable current	32.668	7 030558	513.589	704.560	302.771	4.199.974			26.724	6.192.419	120.505	309 009	614.357	2.138.227		
Other current provisions		7.250.302	241 002	9.912						5.833.899	177.248	235.138		39.678		7.458
Liabilities for current taxes		166.214									117.534					
Provisions for employees' benefits current		2.694.709	113.296	164.755	80.775					2.411.782	230.021	127.612	97.658			
Other non-financial liabilities current		1.171.806			142.213					1.410.107		143.117	105.773			
Total current liabilities	114.865	18.340.626	870.496	879.227	782.631	6.335.477			102.066	15.848.207	645.308	814.876	817.857	4.854.227		7.458
Non-Current Liabilities																
Other non-current financial liabilities	1.877.777								1.920.553							
Other non-current accounts payable																
Other non-financial non-current liabilities	8.216					100.626			8.076					237.830		
Total non-current liabilities	1.885.993					100.626			1.928.629					237.830		
Total liabilities	2.000.858	18.340.626	870.496	879.227	782.631	6.436.103			2.030.695	15.848.207	645.308	814.876	817.857	5.092.057		7.458

FORUS S.A. AND AFFILIATES

Notes to the Consolidated Financial Statements

December 31, 2013 and December 31, 2012

Note 36 – Reclassifications

The Company has as of December 31, 2012 made a reclassification of the added value corresponding to the acquisition of the license of Hush Puppies Perú, considering it as of this date an intangible asset of defined usable life, which involved a reclassification in the financial balance statement, originally issued on February 27, 2013.

As of December 31, 2012

Tax I.D.	Company	31.12.2012
		M\$
Foreign	Almacenes Pucón S.A.	203.396
Total		203.396



REASONED
ANALYSIS OF THE
CONSOLIDATED
FINANCIAL
STATEMENTS

2013

FORUS S.A. & AFFILIATES

SANTIAGO, CHILE
DECEMBER 31, 2013 AND DECEMBER 31, 2012

FORUS S.A. AND AFFILIATES

Reasoned Analysis of the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

Market Analysis

Description of the Business

Forus S.A. markets footwear, clothing and accessories from its large portfolio of trademarks of their property and licensed, among which the most outstanding are Hush Puppies, Caterpillar, Merrell, Columbia, Brooks, Rockford, Sebago, Mountain Hardwear, Sanuk, Azaléia, Burton, Skullcandy, Billabong and others. Has direct presence through its head office and affiliates in Chile, Peru, Colombia and Uruguay.

At present it has 273 stores in Chile, in the main cities of the Chilean territory and 148 stores through its international affiliates. In addition, through its wholesale business, it has important customers, the most outstanding in Chile are: Paris, Falabella and Ripley.

The Company is focused in strengthening the value of its trademarks and its retail business developing long term relations with the licensee companies.

Statement of the Financial Position Analysis

a) Assets (in millions pesos MM\$)

	Dec-2013	Dec-2012	Variation	
	MM\$	MM\$	MM\$	%
Current Asset	116.262.-	103.050.-	13.212.-	12,82 %
Non-Current Asset	48.796.-	33.648.-	15.148.-	45,02 %
Total Assets	165.058.-	136.698.-	28.360.-	20,75 %

Current Assets

The current assets show relevant variations as a result of the increase of the trade debtors for MM\$2.800.- which are mainly due to the good sales performance during the quarter, and to the increase of MM\$9.118.- in inventories influenced by the acquisition of new businesses 7Veinte and Billabong in Chile and Billabong in Peru.

FORUS S.A. AND AFFILIATES

Reasoned Analysis of the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

Non-Current Assets

The main variation of the non-current assets is due to the policy of a strong increase in the investments in business premises, which show an increase of MM\$3.706.-.

Likewise, the added value is increased in MM\$8.725.- due to the acquisition of 7Veinte and Billabong.

b) Liabilities (in millions pesos MM\$)

	Dec-2013	Dec-2012	Variation	
	MM\$	MM\$	MM\$	%
Current Liabilities	27.323.-	23.090.-	4.233.-	18,33%
Non-Current Liabilities	1.987.-	2.166.-	(179)-	(8,26)%
Equity	135.748.-	111.442.-	24.306.-	21,81%
Total Liabilities	165.058.-	136.698.-	28.360.-	20,75%

Current Liabilities

The increase of current liabilities of MM\$4.233.- is essentially due to the accrual of the obligatory minimum dividend at the closing of the fiscal year 2013; to the increase of the rights accrued for obligations with the employees, typical of the annual closing and to the increase of the obligations with foreign suppliers at the closing of the fiscal year.

Non-Current Liabilities

The non-current liabilities, do not suffer variations different than the restatement of the currency obligations in which they must be paid and/or the reclassification of the obligation quotas which are due in the short term.

FORUS S.A. AND AFFILIATES

Reasoned Analysis of the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

Equity

The balance of the Equity as of December 31, 2013 and as of December 31, 2012 is made up in the following manner:

	Dec-2013	Dec-2012	Variation	
	MM\$	MM\$	MM\$	%
Issued Capital	24.243.-	24.243.-	-.-	-.-%
Other Reserves	17.808.-	17.468.-	340.-	1,95 %
Accumulated Profits	92.093.-	68.708.-	23.385.-	34,04 %
Non-Controlled Participations	1.604.-	1.023.-	581.-	56,79 %
Total Equity	135.748.-	111.442.-	24.306.-	21,81 %

The Equity presents a total increase of MM\$24.306.- mainly due to the increase of the fiscal year's comprehensive result, which presents a positive variation in the results of 20.79% with respect to the previous year.

The variation of Other Reserves corresponds to the difference in exchange of the affiliates in accordance with the following detail:

	MM\$
PeruForus S.A.	106.-
Uruforus S.A.	248.-
Elecmetal S.A.	(16)-
Lyfestyle Brands of Colombia	<u>2.-</u>
Total exchange differences	340.-

FORUS S.A. AND AFFILIATES

Reasoned Analysis of the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

c) Reasons

Indexes of Indebtedness

	Unit	Dec-2013	Dec-2012	Variation
Current Liquid Funds	(times)	4,26.-	4,46.-	(0,20)-
Acid Test Ratio	(times)	2,48.-	2,76.-	(0,28)-
Indebtedness Coefficient	(times)	0,22.-	0,23.-	(0,01)-
Interests Coverage	(times)	78,63.-	76,35.-	2,28.-

Indexes of Profitability

	Unit	Dec-2013	Dec-2012	Variation
Profit per share	\$	146,58.-	121,35.-	25,23.-
Profitability s/Equity	%	27,91.-	28,15.-	(0,24)-
Profitability s/Sales	%	19,57.-	18,37.-	1,20.-
Profitability s/Assets	%	22,95.-	22,94.-	0,01.-

The index of the current liquid funds (current assets/current liabilities) show at the closing of the fiscal year a minor decrease with respect to the previous fiscal year, due to an increase in the current liabilities proportionally higher than the increase in the current assets, mainly due to a greater volume of accounts payable at the closing of the fiscal year. The same effect shows the acid test ratio index which goes from 2,76 times registered as of December 2012 to 2,48 times registered at the closing of the present year, which is essentially explained by the increase of stocks.

Respect to the profitability we may highlight that the profit of the Company shows a positive variation of 20,79% in the profit per share with respect to the previous year.

FORUS S.A. AND AFFILIATES

Reasoned Analysis of the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

Analysis of the Statement of Comprehensive Results

Statement of Comprehensive Results (in millions pesos MM\$)

	Dec-2013	Dec-2012	Variation
	MM\$	MM\$	MM\$
Income for current activities	193.631.-	170.768.-	22.863.-
Cost of Sales	(81.427)-	(73.455)-	(7.972)-
Gross Margin	112.204.-	97.313.-	14.891.-
Other income by position	2.050.-	660.-	1.390.-
Distribution Costs	(1.608)-	(1.559)-	(49)-
Administration Expenses	(67.708)-	(57.623)-	(10.085)-
Other expenses by position	(366)-	(246)-	(120)-
Other profits (losses)	(607)-	(211)-	(396)-
Financial Income	1.854.-	1.557.-	297.-
Financial Costs	(482)-	(411)-	(71)-
Particip. in profits (losses) of joint ventures, registered by the participation method	391.-	172.-	219.-
Exchange Differences	655.-	(1.012)-	1.667.-
Result by readjustable units	(33)-	(35)-	2.-
Profit (loss) before taxes	46.350.-	38.605.-	7.745.-
Expense for taxes on profits	(8.462)-	(7.239)-	(1.223)-
Profit (loss) of the period	37.888.-	31.366.-	6.522.-
EBITDA	48.210.-	42.495.-	5.715.-

The income for sales of the Company grew, with respect to the previous fiscal year, in MM\$22.863.-, which represents a positive variation of 13,39%, while the sales costs grew 10.85%, which results in an increase in the gross margin of 15,30% and which in absolute terms was MM\$14.891.-.

The Ebitda of the Company grows 13,45% due to the increase in sales and margin which the Company has shown in relation to the previous year.

Finally, the result of the fiscal year, shows a positive variation with respect to the previous year, which in net terms reaches MM\$6.522.- and represents an increase of 20,79%.

FORUS S.A. AND AFFILIATES

Reasoned Analysis of the Consolidated Financial Statements
December 31, 2013 and December 31, 2012

Analysis of the Direct Cash Flow

	Dec-2013	Dec-2012	Variation
	MM\$	MM\$	MM\$
Operations Flows	38.015.-	28.694.-	9.321.-
Investment Flows	(28.839)-	(14.797)-	(14.042)-
Financing Flows	(15.919)-	(19.586)-	(3.667)-

The operation activities generated a positive variation in the flow of MM\$9.321.- which is essentially the result of the increase of the sales flow.

The investment activities show an increase as a result of the increase in fixed assets and the acquisition of the operations of the businesses 7Veinte (in Chile) and Billabong (in Chile and Peru).

The negative variation, produced in the financing activities is mainly the result of the greater payment of merchandise purchases with bank guarantees or letters of credit of the year.

Market Risk Analysis

The economy has been giving signs of deceleration and this has gradually begun to impact purchases. To counteract the above we have been implementing strategies in marketing as well as in costs to achieve the expected business profitability.



SUMMARIZED
FINANCIAL
STATEMENTS
OF AFFILIATED
COMPANIES

2013

FORUS S.A. & AFFILIATES

SANTIAGO, CHILE
DECEMBER 31, 2013 AND DECEMBER 31, 2012

FORUS S.A. AND AFFILIATES

Summarized Financial Statements of Affiliated Companies

M\$

ASSETS

Current Assets

Non-current Assets

Total Assets

Uruforus	
31-Dec-13	31-Dec-12
10.401.591	8.404.477
4.322.870	3.111.253
14.724.461	11.515.730

M\$

NET WORTH AND LIABILITIES

Current Liabilities

Non-current Liabilities

Total Liabilities

Total Net Worth

Total Net Worth and Liabilities

31-Dec-13	31-Dec-12
4.877.097	3.863.760
100.626	237.830
4.977.723	4.101.590
9.746.738	7.417.140
14.724.461	11.518.730

Consolidated Statements of Comprehensive Results per Function (as of December 31, 2013 & 2012)

M\$

Gross Margin

Profit (loss) before taxes

Tax on Profits

Profit (Loss)

31-Dec-13	31-Dec-12
8.540.818	7.564.489
2.177.224	2.399.968
- 95.194	- 632.419
2.082.030	1.767.549

Consolidated Statements of Direct Cash Flows (as of December 31, 2013 & 2012)

M\$

Cash Flows From or (Used in) Operation Activities

Cash Flows From or (Used in) Investment Activities

Cash Flows From or (Used in) Financing Activities

Increase (Decrease) Net Cash and Equivalents to Cash

Cash and Equivalents to Cash, Cash Flow Statements, Initial Balance

Cash and Equivalents to Cash, Cash Flow Statements, Final Balance

31-Dec-13	31-Dec-12
2.376.922	1.757.230
2.004.855	- 1.304.955
5.005	- 489.292
377.072	- 37.017
422.203	503.255
838.552	422.203

Consolidated Statements of Changes in the Net Worth (as of Dec. 31, 2013 & 2012)

M\$

Initial Balance

Net Worth Changes

Final Balance Present term

	31-Dec-12
Total changes in the net worth	
7.417.140	4.381.884
2.329.598	3.035.256
9.746.738	7.417.140

Forus Colombia S.A.		Perú Forus S.A.		Top Safety S.A.	
31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
3.230.902	2.840.476	8.723.657	4.474.565	2.097.394	3.081.270
1.170.552	391.960	3.577.856	2.240.549	486.716	626.904
4.401.454	3.232.436	12.301.513	6.715.114	2.584.110	3.708.174

31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
1.270.715,00	1.293.111	3.558.371	3.123.235	975.264	2.049.398
-	-	-	-	-	-
1.270.715	1.293.111	3.558.371	3.123.235	975.264	2.049.398
3.130.739	1.939.325	8.743.142	3.591.879	1.608.846	1.658.776
4.401.454	3.232.436	12.301.513	6.715.114	2.584.110	3.708.174

31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
2.874.953	2.934.907	6.941.988	5.318.792	1.065.646	713.133
- 228.893	240.893	1.115.417	1.103.810	65.063	88.957
367.477 -	16.815 -	398.018 -	436.890 -	112.207	80.656
138.584	223.619	717.399	666.920 -	47.144	169.613

31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
- 1.994.747	536.978	1.212.821	586.924	512.312 -	593.440
2.494.086 -	864.349 -	3.304.581 -	634.881 -	2.315	9.487
- 100.544	144.613	2.446.998 -	40.783 -	636.288	647.257
398.795 -	182.758	355.238 -	88.740 -	126.291	63.307
307.358	490.116	564.662	689.089	201.392	138.085
710.805	307.358	917.626	564.662	75.101	201.392

31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
Total changes in the net worth		Total changes in the net worth		Total changes in the net worth	
1.939.325	1.690.282	3.591.879	2.976.329	1.658.776	1.492.221
1.191.414	249.043	5.151.263	615.550 -	49.930	166.555
3.130.739	1.939.325	8.743.142	3.591.879	1.608.846	1.658.776

Memoria
2013
FORUS

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