



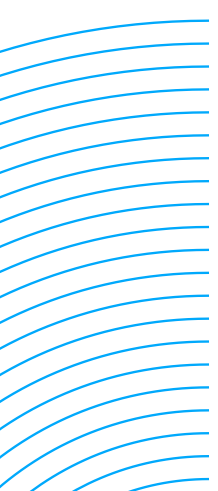
# Corporate Presentation

Cencosud Shopping S.A.

As of June 30,

# 2019

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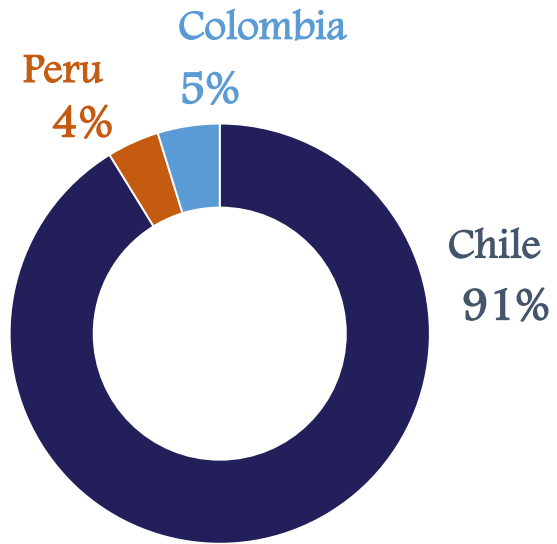
# INVESTMENT HIGHLIGHTS



- 1** | **Best-in-class portfolio with premium locations in Chile and a nascent exposure to Peru and Colombia**
- 2** | **Track record of sustainable growth coupled with a proven long-term expansion strategy**
- 3** | **Value proposition driven by unique locations, unparalleled access, world-class tenants and a customer-centric culture**
- 4** | **Commercial approach with focus on long-term value generation through revenue optimization, cash-flow stability and expense recovery**
- 5** | **Most efficient operator in the sector backed by a robust balance sheet to support future growth**
- 6** | **Seasoned management team with vast experience in the industry and proactively adapting to the latest technology & sustainability trends**

# CENCOSUD SHOPPING AT A GLANCE

## GLA BREAKDOWN BY COUNTRY



**83.2%** in the 5 largest cities of each country

**57.8%** In capital cities



**Total GLA<sup>1</sup> = 1,371,611 m<sup>2</sup>**

1. Total includes 93,988 sqm of Costanera Center Towers.  
 2. One plot with a Supermarket and a shopping center in construction.

## GEOGRAPHIC PRESENCE

**Colombia** Moody's Baa2 FitchRatings BBB

- 1 Shopping Center
- 3 Power Centers

**Peru** Moody's A3 FitchRatings BBB+

- 1 Shopping Center
- 1 Power Center
- 2 plots of real estate<sup>2</sup>

**Chile** Moody's A1 FitchRatings A

- 10 Shopping Centers
- 23 Power Centers
- Costanera Towers
- 3 plots of real estate

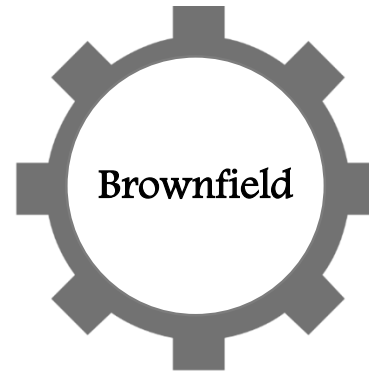
	Presence of Shopping Centers
	Presence of Power Centers
	Presence of both formats



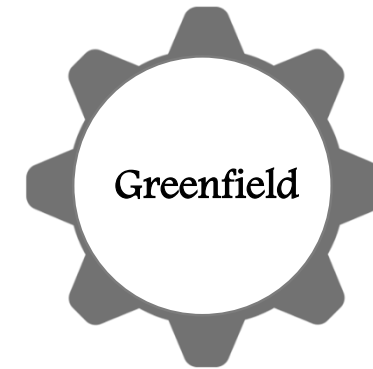
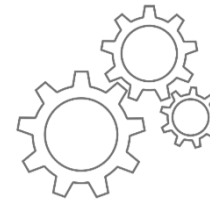
# A PROVEN LONG TERM EXPANSION STRATEGY



- ✓ Maximization of GLA potential
- ✓ Value proposition reallocation
- ✓ Tenant mix optimization



- ✓ Expansion of additional GLA
- ✓ Consolidate operations and areas of influence
- ✓ Broader and more attractive client offering



- ✓ Development of new areas of influence
- ✓ Development of new projects

El Llano



La Molina



La 65



# CONSOLIDATED INCOME STATEMENT

CLP MM AS OF JUNE 2019

- **Revenues<sup>1</sup>** increased 298,6% against 2Q18, mainly due to incorporation of new assets in Chile, Peru and Colombia, after the corporate reorganization and capital increase of the Company.
- **Operating Income** increased 212,0% reflecting the incorporation of the assets previously mentioned, generating higher results and a greater revaluation of assets.
- **Non-operating Income** decreased 129.3% due to higher financial costs associated with the higher debt resulting from the incorporation of the aforementioned assets and the adoption of IFRS16, in addition to a lower result from indexation units, which reflects the greater variation of the UF in 2Q19 compared to the same period in 2018.

	2Q19	2Q18	Var. a/a (%)
Revenues	55.871	14.017	298,6%
Cost of Sales	-1.312	-2.160	-39,2%
Gross Profit	54.559	11.858	360,1%
<b>Gross Margin</b>	<b>98%</b>	<b>85%</b>	<b>1.306 bps</b>
Selling and Administrative Expenses	-1.898	-342	454,6%
Other revenues, by function	51.165	21.814	134,6%
Other gains (losses)	226	19	1113,7%
<b>Operating Income</b>	<b>104.052</b>	<b>33.348</b>	<b>212,0%</b>
Net Financial Costs	-13.762	-7.742	77,8%
Income (loss) from foreign exchange variations	-1	0	n.a.
Result of indexation units	-13.730	-4.248	223,2%
Non-Operating Income (loss)	-27.493	-11.990	129,3%
<b>Income before income taxes</b>	<b>76.558</b>	<b>21.358</b>	<b>258,5%</b>
Income taxes	-18.497	-8.074	129,1%
<b>Profit (loss)</b>	<b>58.062</b>	<b>13.284</b>	<b>337,1%</b>
<b>Adjusted EBITDA</b>	<b>52.900</b>	<b>11.372</b>	<b>350,9%</b>
<b>Adjusted EBITDA margin</b>	<b>94,7%</b>	<b>83,7%</b>	<b>1.098 bps</b>

1. The quarter results include one month of operation of the Peruvian and Colombian assets (June 2019) .

# BUSINESS PERFORMANCE

- **Same Store Sales (SSS):** Despite the weak internal consumption, SSS in Chile posted an improvement against 1Q19. In Peru, SSS was impacted by a high comparison base due to the Soccer World Cup in 2Q18.
- **Same Store Rent (SSR):** Despite lower SSS, SSR remained positive at all countries.
- In Chile, **Occupancy Cost** decreased against 1Q19 due to lower cost of common expenses, reaching 9.4%. Peru and Colombia have a lower occupancy cost in comparison to Chile.
- Visits to our shopping malls and power centers also posted a positive trend, increasing 4.2%, 6.7% and 4.3% in Chile, Peru and Cencosud Shopping, respectively in 2Q19 against 2Q18.

## SAME STORE SALES (SSS)

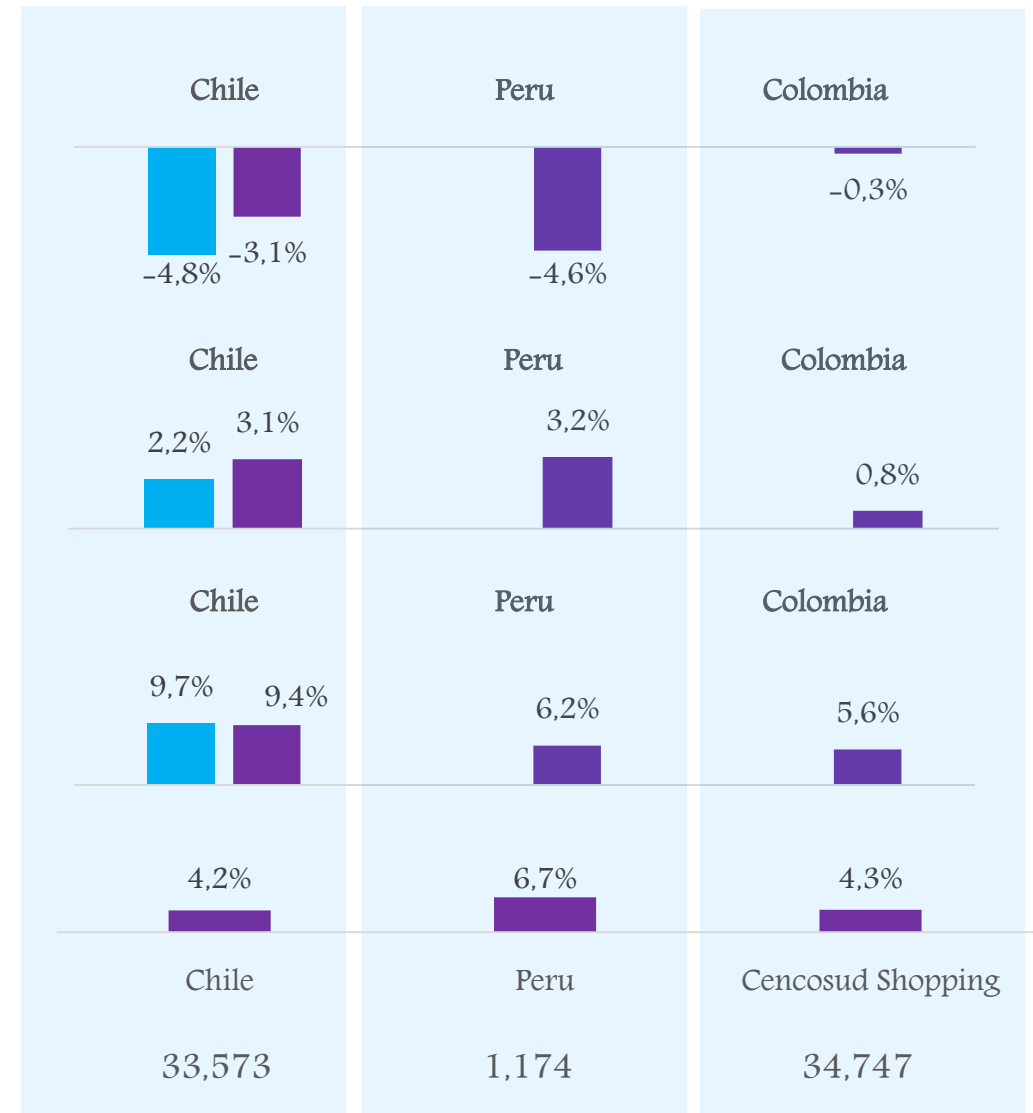
## SAME STORE RENT (SSR)

## OCCUPANCY COST

## VISITS INCREASE

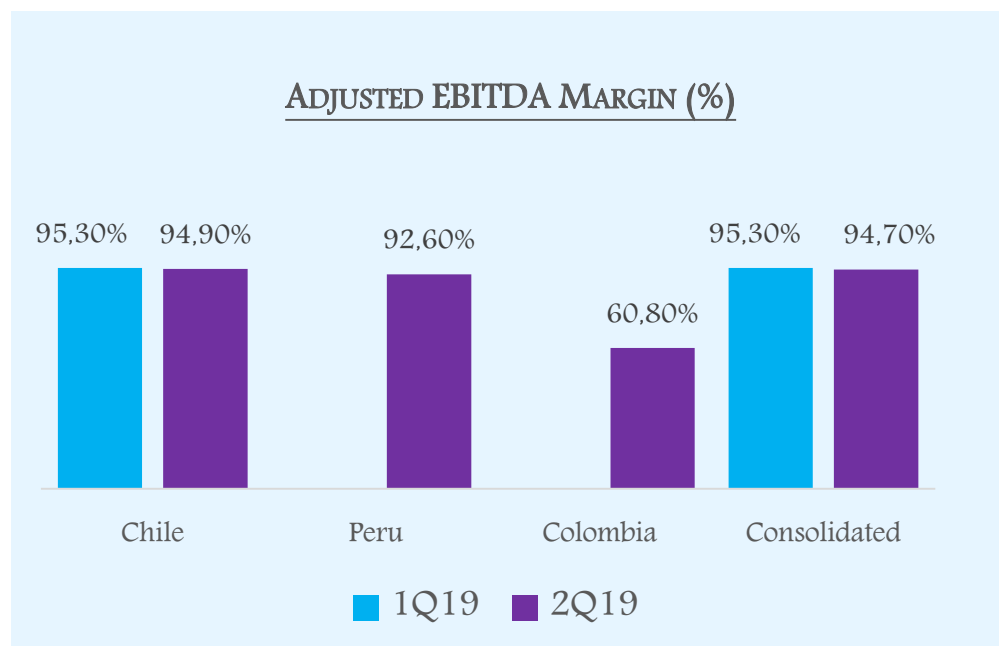
## VISITS ('000)

1Q19 2Q19



# BUSINESS PERFORMANCE

- Adjusted EBITDA<sup>1</sup> margin was 94.7%, reflecting YoY improved cost structure and the Company's economies of scale. In Peru, EBITDA margin was impacted by the adoption of IFRS16.



	SECOND QUARTER				SIX MONTHS ENDED JUNE 30.			
	2019 CLPMM	2018 CLPMM	Δ %	MLΔ %	2019 CLPMM	2018 CLPMM	Δ %	MLΔ %
Chile	55.128	14.017	293,3%	293,3%	114.005	28.819	295,6%	295,6%
Peru	422	0	n.a.	n.a.	422	0	n.a.	n.a.
Colombia	322	0	n.a.	n.a.	322	0	n.a.	n.a.
Revenues	55.871	14.017	298,6%	298,6%	114.749	28.819	298,2%	298,2%
Chile	53.872	11.858	354,3%	354,3%	112.497	24.825	353,2%	353,2%
Peru	456	0	n.a.	n.a.	456	0	n.a.	n.a.
Colombia	230	0	n.a.	n.a.	230	0	n.a.	n.a.
Gross Profit	54.559	11.858	360,1%	360,1%	113.184	24.825	355,9%	355,9%
SG&A	-1.672	-324	416,7%	416,7%	-4.198	-1.165	260,3%	260,3%
Operating Income	104.052	33.348	212,0%	212,0%	320.297	59.899	434,7%	434,7%
Chile	52.313	11.732	345,9%	345,9%	108.424	24.071	350,4%	350,4%
Peru	391	0	n.a.	n.a.	391	0	n.a.	n.a.
Colombia	196	0	n.a.	n.a.	196	0	n.a.	n.a.
Adjusted EBITDA	52.900	11.732	350,9%	350,9%	109.010	24.071	352,9%	352,9%
Adjusted EBITDA %	94,7%	83,7%		1.098 bps	95,0%	83,5%		1.147 bps

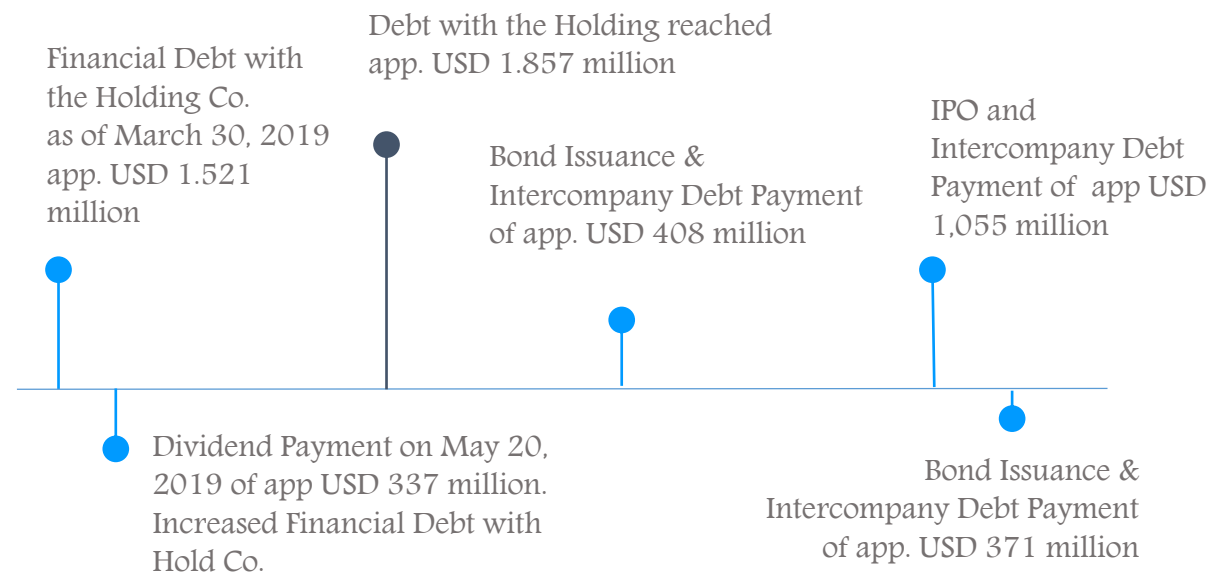
1. For Cencosud Shopping NOI is determined the same as Adjusted EBITDA. Refer to the Earnings Release for the conciliation of NOI and FFO.



# INDEBTEDNESS<sup>2</sup>

- On May 17, 2019, The Company placed its first bond in the local market for a total amount of UF 10 million,
- On May 20, 2019 at the Extraordinary Shareholders Meeting, a dividend distribution of CLP 228,750 million was approved to be paid as of May 31, 2019.
- As of June 30, 2019 Total Liabilities amounted CLP 1,842,080 million, of which CLP 1,223,763 represented Financial Debt<sup>1</sup>.
- As of September 6, 2019 the Company issued its second bond in the local Market for a total amount of UF 9 million.
  - Series C: UF 3 million at an interest rate of 0.47% due on March 1, 2019.
  - Series E, UF 6 million at an interest rate of 1.08% due on March 1, 2045.
  - Use of proceeds: InterCompany debt payment (UF +5%)
  - Annual saving of USD 15 million per year in financial expenses
  - Duration: 13,7 years

	June 2019	December 2018
Total Liabilities / Equity	0,79	1,05
Current Assets / Current Liabilities	11,57	1,60
Total Liabilities / Total Assets	0,44	0,51
Profit / Total Assets	0,01	0,03
Profit / Total Equity	0,02	0,06

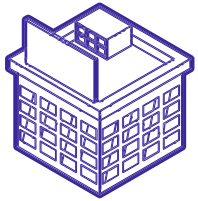


1. Net Financial Debt = Other financial liabilities current + Other financial liabilities non-current + Accounts Payable to Related Parties Current + Accounts Payable to Related Parties non-current – Cash and Cash Equivalents

2. Timeline figures translated to USD with end of period exchange rate (June 2019).

# PROJECTS

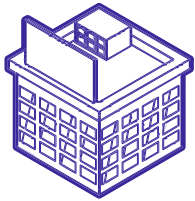
## CHILE



### EL LLANO, Santiago

- Current GLA 15,654 sqm
- Total Investment: US\$9,0mm
- Additional GLA: 9.150 sqm

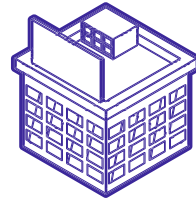
### ANGAMOS, ANTOFAGASTA



- Current GLA 26.177 sqm
- Total Investment: US\$6,0mm
- Additional GLA: 1.370 sqm



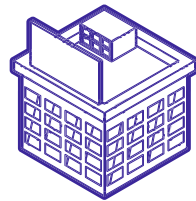
## PERU & COLOMBIA



### LA MOLINA, LIMA, PERU

- Current GLA: 4.291 sqm
- Total Investment: US\$109mm
- GLA at completion: 35.700 sqm

### LA 65, MEDELLÍN, COLOMBIA



- Current GLA: 22.200 sqm
- Total Investment: US\$167mm
- GLA at completion: +78.000 sqm



 La Molina, Peru



# CLOSING COMMENTS



- Costanera Center advances in permits and placement of GLA
- Second Bond Placement in the Local Market
  - 2 tranches
  - Use of proceeds: InterCompany debt payment
  - Improves Financial Position With Debt Pay down
- 2Q19: Key Operating Metrics Deliver Solid Performance
  - Adjusted EBITDA margin of 94,7%

## LOOKING AHEAD

Several Growth Opportunities in Chile, Peru and Colombia

- GLA Optimization
- Brownfield Expansion
- Greenfield