



CENCOSUD ANNOUNCES 2019 GUIDANCE

- In 2019, the company expects to achieve revenues of USD 15,194¹ million and an Adjusted EBITDA margin of 7.7% (including the 51% stake sale of Cencosud Bank in Peru)
- Capex plan considers total investment of USD 300 million, of which USD 100 million will be utilized to accelerate the e-commerce business.
- The Company continues to move quickly ahead and make progress with the planned Initial Public Offering (IPO) of its Shopping Centers division, expected to be completed by the second quarter of 2019.

Perspectives

Cencosud estimates total consolidated revenues equivalent to USD 15,194¹ million for 2019. . This is based on an acceleration of sales in Chilean Pesos (CLP) in all countries of operation with the exception of Argentina, as a result of the projected depreciation of the ARS peso against CLP.

Cencosud expects to achieve an Adjusted EBITDA margin of approximately 7.7% in 2019, as a result of profitability improvement of all its business units. This is due to the increased focus on improving efficiencies from business optimization processes while maintaining the high quality customer service standard. Projected EBITDA includes the non-recurrent effect of USD 138.5 million from the 51% sale of Cencosud bank in Peru.

In the case of Supermarkets, the focus will be on implementing best practices and identifying synergy opportunities among all formats throughout the region. To accomplish this, efforts will be centered in 1) strengthening e-commerce capabilities and delivering a memorable shopping experience for the customer , 2) transformation to meet the new digital era (focusing on the cultural shift this implies, incorporating new technologies and process automation), 3) Store format adaptation and remodeling, 4) improvement of the business' commercial processes such as price optimization , promotions and product mix, 5) identifying opportunities to improve planning and supply process and the logistic capabilities required for further e-commerce development, and 6) strengthening private brands and exclusive imported products.

¹ Projections based on the following exchange rate for 2019:

Chile: 658.5 Argentina: 48.2 Brazil: 3.7 Colombia: 2.918 Peru: 3.28

With respect to Department stores, the focus for 2019 is as follows; 1) re-sizing the selling area towards smaller stores of 2,000 square meters on average, 2) transformation of Johnson stores to apparel format, and 3) Paris stores will benefit from additional sales generated from durable goods through e-commerce. This will result in a greater product mix and development of new capabilities such as user experience of the website. On the efficiency side, there is a redefining and process automation with the purpose of improving the overall experience and store customer services. The development of logistics will be viewed as a competitive advantage.

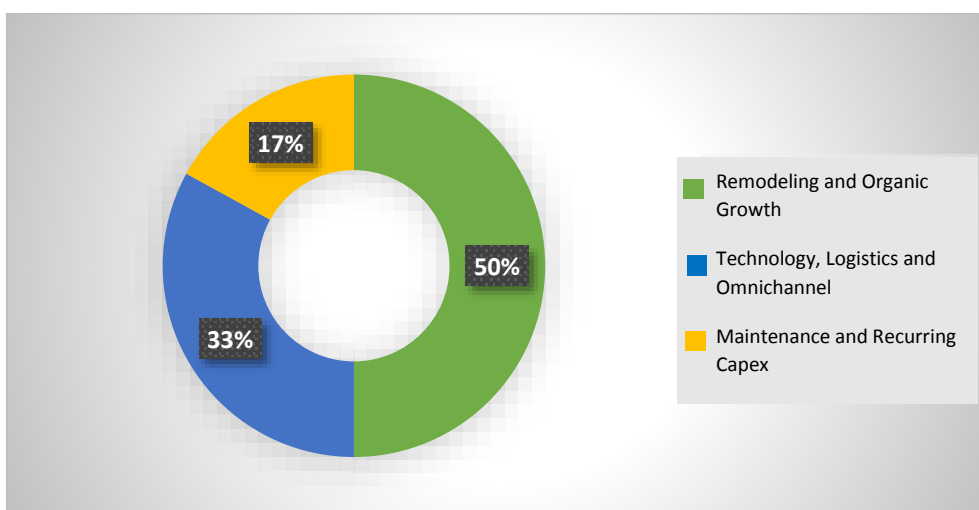
In Home Improvement, the focus for 2019 will be on further enhancing the Omnichannel experience, by increasing the product mix online, investing in improving services and broadening the current coverage distribution area. In addition, Easy will focus on optimizing internal processes and improving commercial agreements with suppliers.

Investment Plan

During 2018 the Company's capital expenditures totaled approximately USD 280 million, with about half expended on store remodeling and new store openings.

For 2019, Cencosud plans a more conservative approach with capital expenditures as the objective is on maintaining a more flexible capital structure. For this reason, the Capex plan considers USD 300 million, with investments in store remodeling, technology and maintenance with similar proportions as last year. (See chart below). However, the investment plan could be revised upwards if the Company reduced its leverage.

Estimated 2019 Investment Plan



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