



CENCOSUD

CORPORATE PRESENTATION

Second Quarter 2020



About Cencosud

Well Established Leading Retailer in South America
+50 years of history

+6.2 MM Square Meters of landbank fuel future growth across the region

+120K employees

1,107 Retail stores
3.49 MM SQm selling space
67 shopping centers
831 M SQm GLA to third parties in Shopping Centers

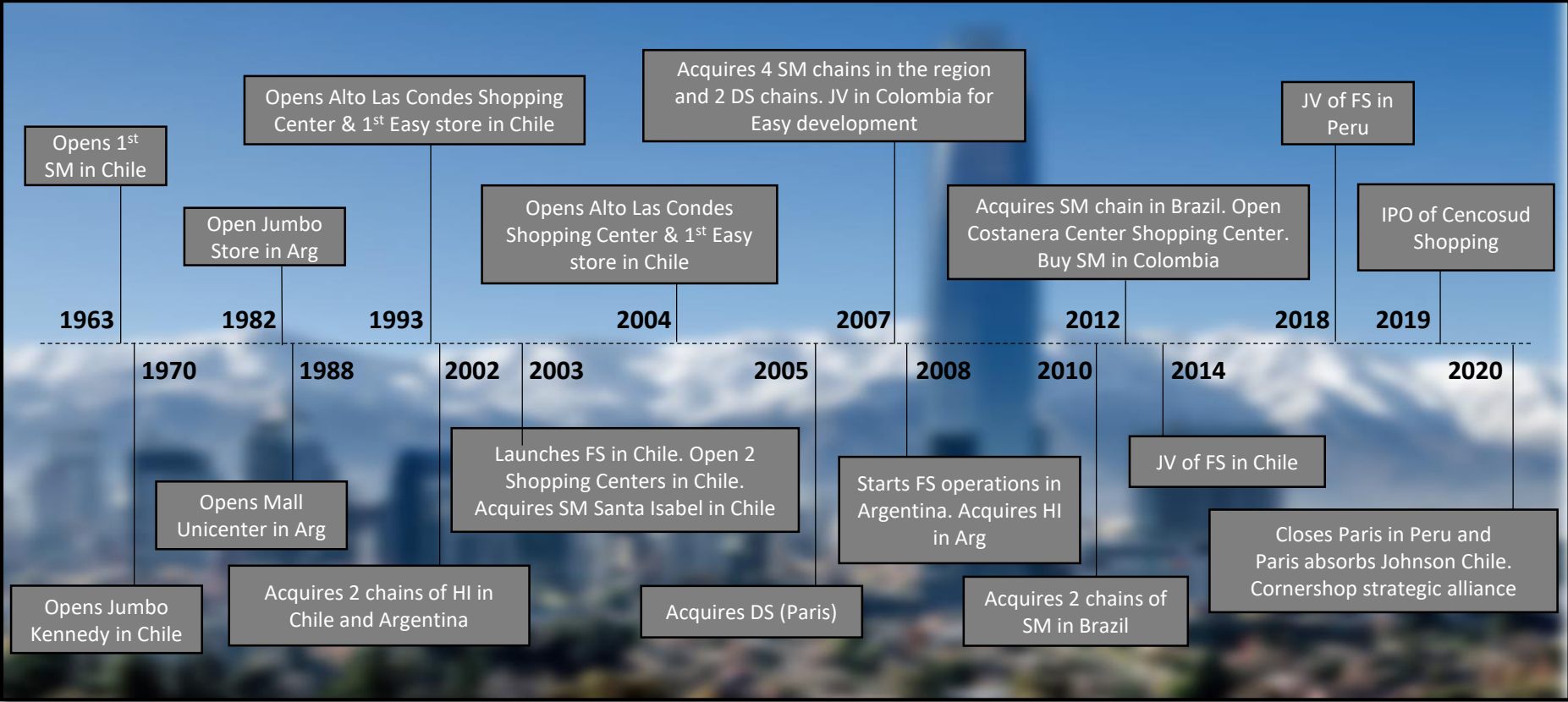
SUPERMARKETS **SHOPPING CENTERS** **HOME IMPROVEMENT** **DEPARTMENT STORES** **FINANCIAL SERVICES**

CENCOSUD (2004)
US\$ 4.0 BN Market Cap at June 30
FREE FLOAT: 46.8%
Average trading volume 2Q20: US\$ 7.31 MM
(listed on the Santiago Stock Exchange)

CENCOSUD SHOPPING (2019 IPO)
FREE FLOAT: 27.7%
Average trading volume 2Q20: US\$ 5.93 MM
(listed on the Santiago Stock Exchange)

Supermarkets Cencosud's DNA

Cencosud's History



2020 Financial Highlights

Tender Offer

In March, Cencosud completed the tender offer for all bonds maturing in 2021 and 2023. This transaction was carried out under the “Make-Whole Redemption” modality at a redemption price of 103.34% and 109.51%, respectively for a total amount of US\$ 876 million. Simultaneously, it canceled the interest accrued on these bonds for a total savings of US\$ 5 million.

Ordinary Shareholders Meeting

In April, the Ordinary Shareholders Meeting of Cencosud S.A. was held: 1) Two new Board members were elected (Mr. Felipe Larrain y Mr. Stefan Krause); and 2) The shareholders approved a 32 Chilean pesos per share final dividend for the 2019 period.

Change in Cencosud's rating - Fitch Ratings

In July, Fitch Ratings affirmed Cencosud’s BBB- rating BBB- and changed the outlook to stable.

Closing Paris Peru and Johnson Chile Absorption

In June, Cencosud reorganized the Department Store business in Peru, by closing 11 Paris stores as of July 1 and in Chile will be either closing or absorbing the Johnson branded stores. Some of the Johnson stores will be absorbed under the new “Paris Express” format, with inventory limited exclusively of clothing, footwear, and sports.

Cornershop Alliance

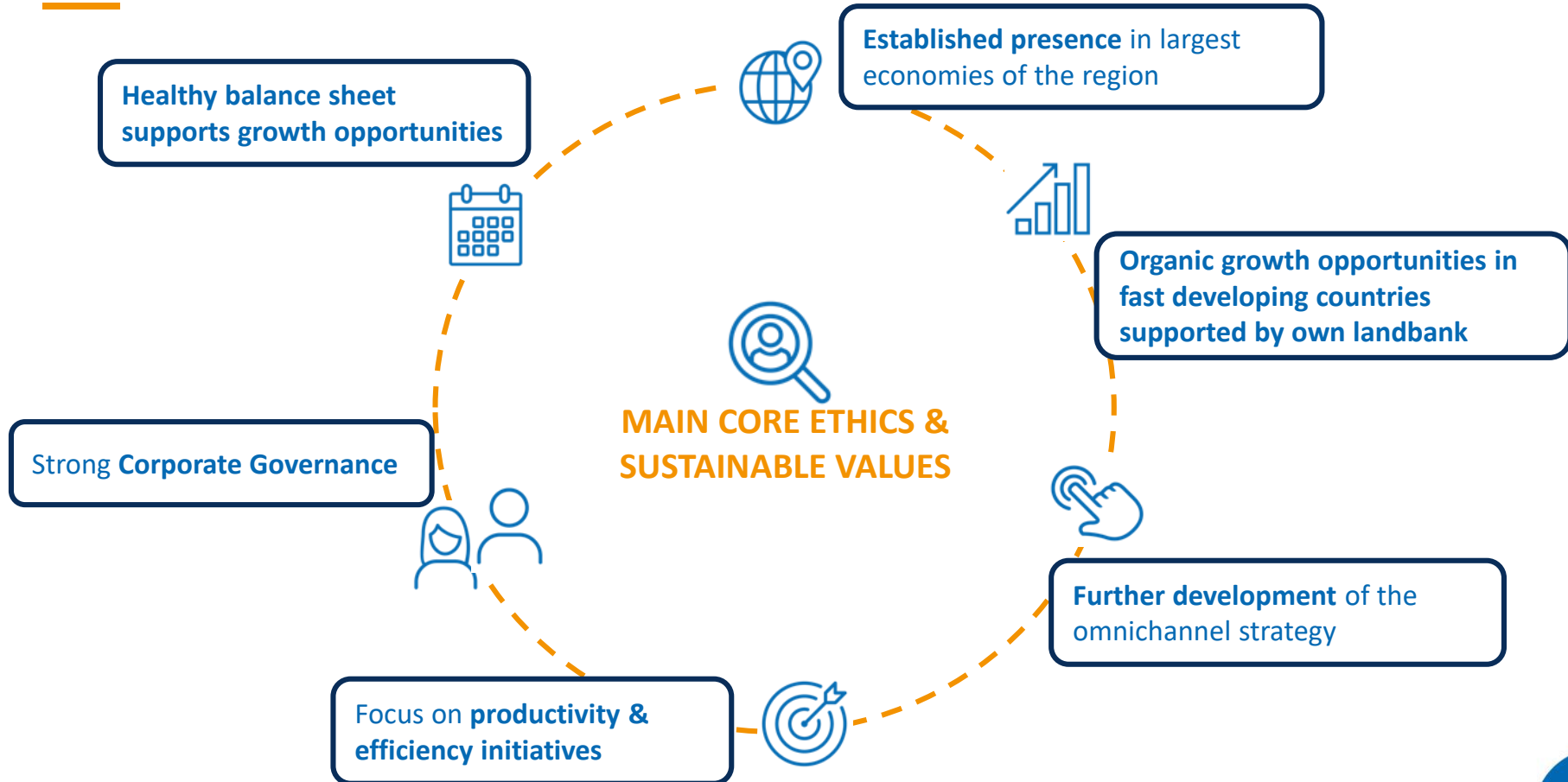
In August, Cencosud and Cornershop signed a long-term collaboration agreement for the Supermarkets and Home Improvement operations in Chile, Peru, Colombia, and Brazil, allowing Cornershop customers to buy in stores no service charge.

Uber and Uber Eats will access our products (Rincón Jumbo and prepared meals from supermarkets).

The agreement includes:

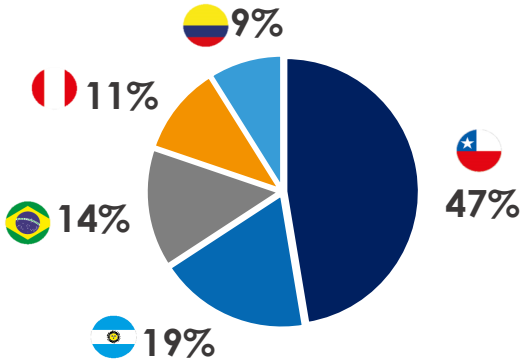
- The technological integration that offers the best experience;
- The investment of US\$ 10 MM for Dark Stores to be utilized for picking products

Why Invest in Cencosud?

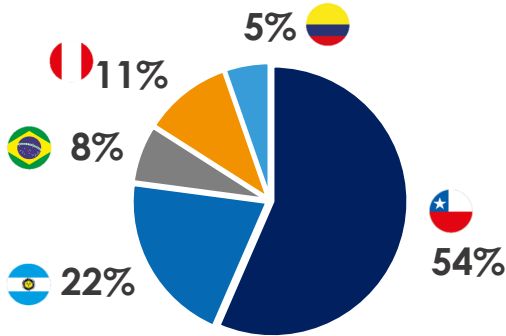


Well Diversified Operations – Contribution By Country¹


Revenues LTM Jun 2020
US\$12,479 MM



Adjusted EBITDA LTM Jun 2020
US\$1,134 MM
Adjusted Margin EBITDA : 9.1%



¹ For calculation details please go to page 13

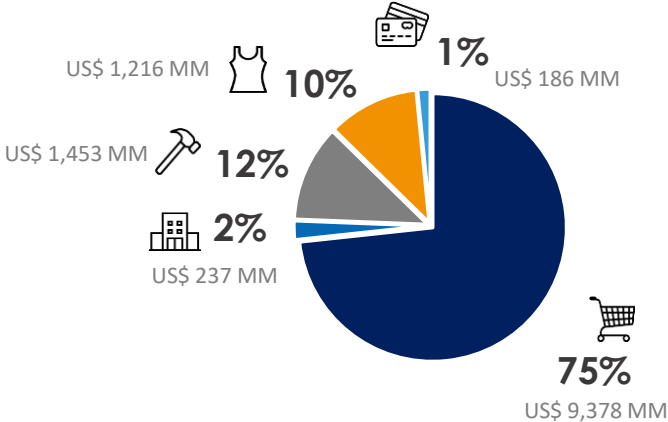
	247 SUPERMARKETS		283 SUPERMARKETS		202 SUPERMARKETS		93 SUPERMARKETS		94 SUPERMARKETS
	37 HOME IMPROVEMENT		51 HOME IMPROVEMENT		6 SHOPPING CENTERS		6 SHOPPING CENTERS		10 HOME IMPROVEMENT
	79 DEPARTMENT STORES		22 SHOPPING CENTERS		F.S: JV WITH BRADESCO		F.S: JV WITH SCOTIABANK		4 SHOPPING CENTERS
	35 SHOPPING CENTERS		FINANCIAL SERVICES						F.S: JV WITH SCOTIABANK
	F.S: JV WITH SCOTIABANK								

Close DS in Peru as of July 1

Financial Contribution By Business Units¹

Revenues LTM Jun 2020

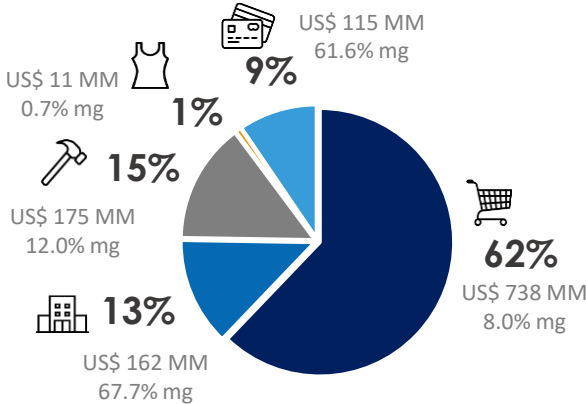
US\$12,479 MM



Adjusted EBITDA LTM Jun 2020

US\$1,134 MM

Adjusted Margin EBITDA : 9.1%



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PORTFOLIO OF LEADING BRANDS

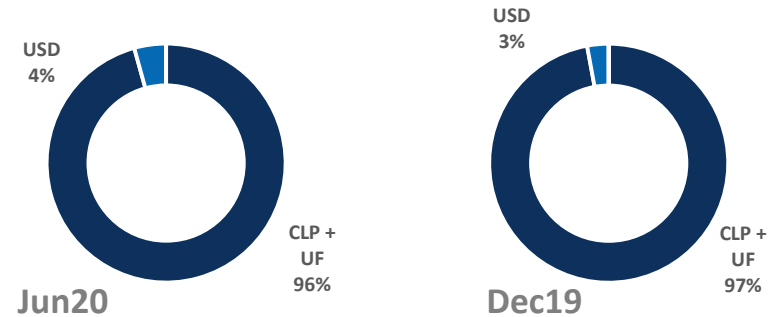


Healthy Financial Structure

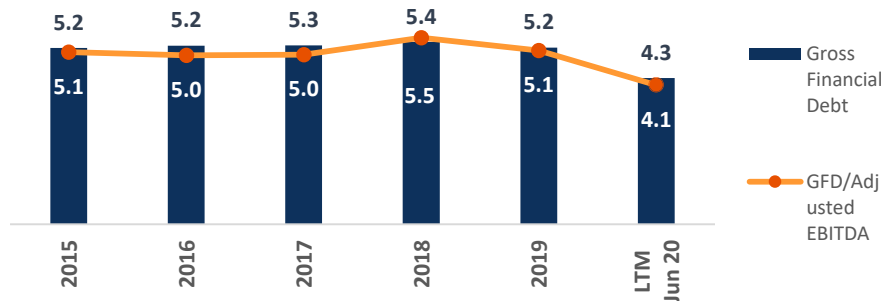
Relevant News

- Mar'20: Completed the repurchase of 2021 and 2023 bonds under the "Make-Whole Redemption" option for a total of US\$ 881 MM;
- Investment Grade since 2011:
 - Fitch Ratings: BBB- (stable);
 - Moody's: Baa3 (negative).
- Average amortization next 5 years of US\$ 34 MM;
- Cash as of June 30 of US\$ 291 MM.

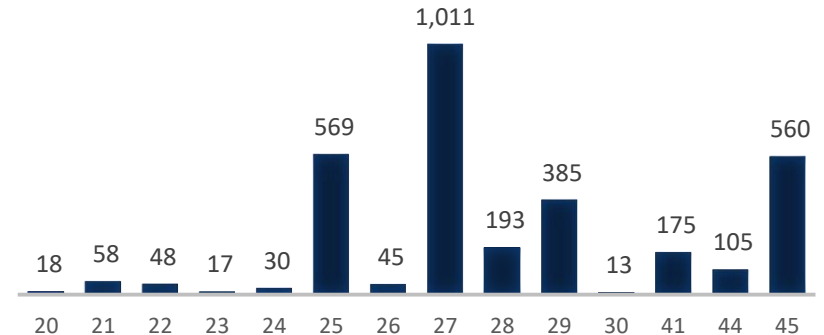
Debt by Currency (after CCS)



Gross leverage and financial evolution¹



Debt amortization schedule (US\$ MM)



¹ Does not include One Off of the period

Omni-channel Strategy

COMPANY'S STRATEGY

Purchasing Service	<ul style="list-style-type: none"> • Launch of Marketplace; • Improving the offer of unique products; • Development of hyper personalization tools; • Ensure guarantee returns; • Take advantage of economies of scale; • Invest in own technological developments; • Deepen the ability to generate, manage and process data.
Customer Experience	
Cost Effectiveness	

E-commerce Penetration

E-commerce Sales	Supermarkets	Department Stores	Home Improvement
2Q20	7.1%	88.9%	12.9%
2Q19	1.9%	20.8%	5.6%
Var 20/19 (bps)	526.0	6,804.0	730.0
2020	4.5%	48.9%	8.3%
2019	1.8%	16.8%	4.4%
Var 20/19 (bps)	276.9	3,205.1	393.4

Cornershop Alliance

Long-term agreement for Supermarkets and Home Improvement in Chile, Peru, Colombia, and Brazil.

- Allows customers to shop at Easy supermarkets and stores with no service charge;
- It includes the technological integration that offers the best experience to our clients, in the region and developments that improve business efficiency;
- Allows Uber and Uber Eats users to buy Rincón Jumbo products and prepared meals in supermarkets through their applications (including Argentina); and
- It includes investment in exclusive stores for e-commerce picking (Dark Stores), to continue to provide the best service in physical stores and digital platforms.



E-commerce penetration reaches European levels

Productivity & Efficiency Gains

Shared Services Center

Offer services to the other units, reaching functional specialization in high volume transactions:

- Evolving towards Global Business Services that is more streamlined and automated with **over 180 digital robots** already installed to assist with repetitive, time-consuming tasks;
- Transformational vision of processes seeking **efficiency, regional consistency**, and generating **operational and transactional synergy** in activities increasingly closer to the business;
- Results: **recovered of US\$ 6.6 MM from** accumulated **commercial agreements** and **saved US\$ 13 MM from operational improvements** in inventory management;
- Reduced operating costs by **US\$ 7.6 MM** over the past 4 years. |

Regional Procurement & Private Label Regional Team

Created a regional purchasing team with the purpose of having:

- Greater availability of products out of season;
- Cost savings of 16% with a reduction of US\$ 11 MM per month (38% of the savings is permanent);

Cencosud is a pioneer in Latam for creating centralized teams for the development and purchase of own brand products, Private Label penetration in 2020 is:

- **17.6% DS / 9.6% Supermarkets / 19.7% Home Improvement**

Big Data Analytics

The Big Data Analytics department has several projects in development:

- Initiatives that improve the customer experience based on personalized recommendations;
- Price Optimization Projects for inventory management and promoting commercial divisions; and
- Operational Efficiency Projects based on advanced analytics algorithms.

Ethics & Sustainable Values

Key dimensions of our ethics code



Relationship with clients



Supplier relationship



Employee relationship



Information Care

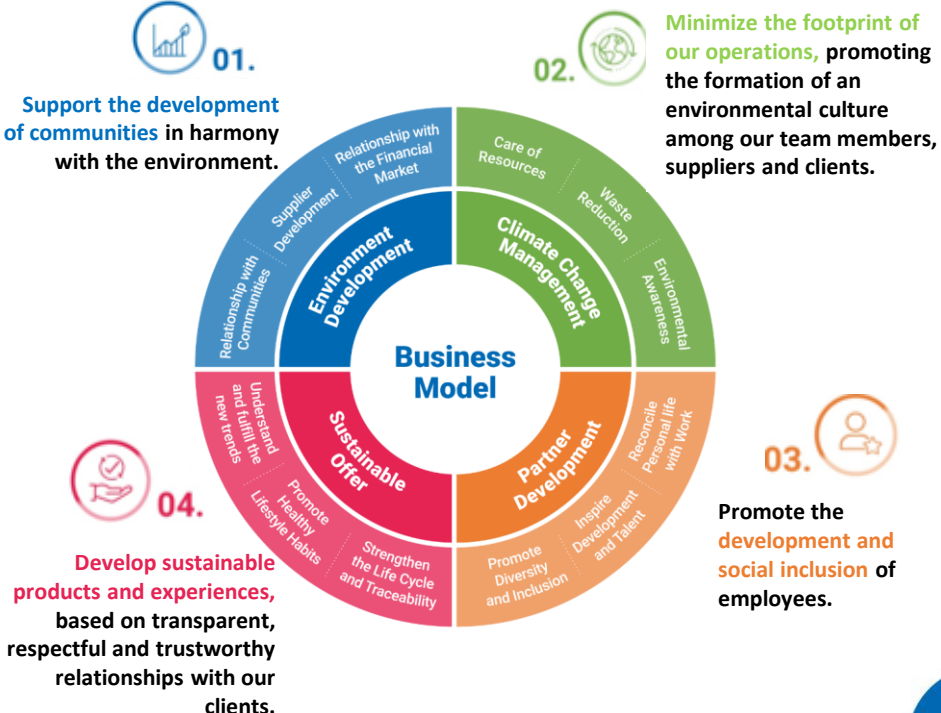


Asset protection

- ✓ Code of Ethics revised annually
- ✓ Board of Directors and Employees trained in issues related to ethics. Over 120,000 people trained in ethics and sustainability issues
- ✓ Code of Ethics and Conduct signed by all employees
- ✓ Direct and independent confidential line to report misbehavior

Pillars of our sustainable strategy

Details of Key Pillars

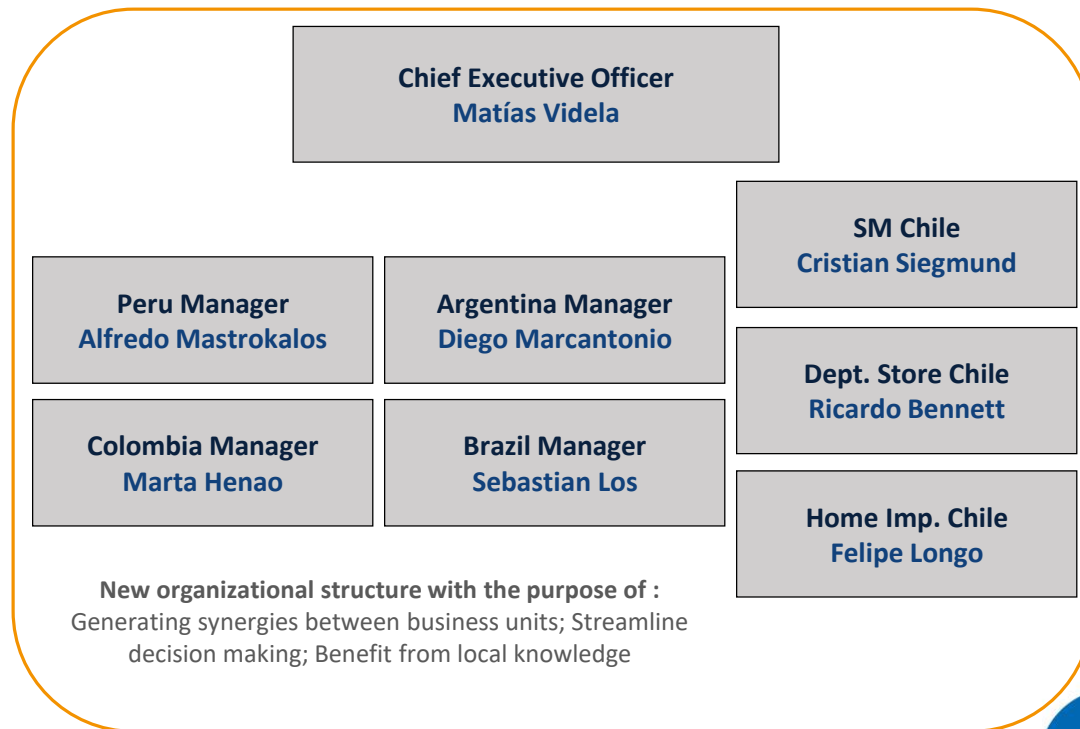


Corporate Governance

Board of Directors



Corporate Structure – by Country



Calculation Details

For this presentation the following exchange rates, calculations and details were considered:

- Market cap calculated as of June 30, 2020 using CLP 1,150 share closing price and CLP 821.23 closing exchange rate per US\$;
- The Average volume traded: figures as of June 2020 using the share closing price and the average exchange rate of each month of CLP 853.4, CLP 821.8 and CLP 793.7 per US\$;
- Adjusted EBITDA represents EBITDA plus exchange differences and results by adjustment units, less the revaluation of assets, also does not include One Off of the period;
- Revenues and Adjusted EBITDA converted to US\$ at average quarterly exchange rate of CLP 706.07, CLP 755.98, CLP 802.80 and CLP 822.97 per US\$ for each quarter, respectively;
- Revenues and Adjusted EBITDA includes IFRS16;
- Revenues and Adjusted EBITDA graph by country excludes the “others segment”, which contributed US\$ 8.5 MM in revenues and a loss of US\$ 66.8 MM in Adjusted EBITDA;
- Revenues and Adjusted EBITDA exclude the adjustment for hyperinflation in Argentina (IAS29). Including the effect, revenues for LTM June 20 reached US\$ 12,455 MM and Adjusted EBITDA US\$ 1,116 MM using quarterly average exchange rate of CLP 706.07, CLP 755.98 CLP 802.80 and CLP 822.97 for US\$ for each quarter, respectively. Argentina represents 18.5% of total revenues and 20.6% of total Adjusted EBITDA;
- Debt denominated in dollars, calculated at the closing exchange rate as of June 30, 2020. Debt includes lease liabilities by adoption of IFRS16. Additionally, it includes the effect of hyperinflation in Argentina as per the IAS29. The amortization schedule is presented net of gains / losses obtained by Comex derivatives, overdrafts and debt (excludes futures) and One Off of the period;
- Net debt presented after cross currency swaps; and
- SM stands for Supermarket, FS Financial Services, HI Home Improvement and DS Department Stores, and Arg stands for Argentina.

