



**MATERIAL FACT  
CENCOSUD S.A.  
Securities Registration N° 743**

Santiago, May 10, 2018

**Mr.  
Joaquín Cortez Huerta  
President  
Commission for the Financial Market  
Avenida Libertador Bernardo O'Higgins N°1449  
Santiago**

**Ref.: Communication of Essential Fact.**

Of our consideration:

In relation to the Essential Fact communicated on May 9, 2018, by which Cencosud S.A. reported on the signing of an agreement between SCOTIABANK PERÚ S.A.A. ("Scotiabank") and Cencosud Peru S.A. to carry out the transfer of 51% of the shares of the banking company constituted in Peru, Banco Cencosud S.A., in favor of Scotiabank, we come to supplement such information indicating that the funds raised from this operation will be used to reduce debt as part of the financial strengthening plan that the Company is carrying out. On the other hand, it is estimated that ceasing to consolidate the operation of Banco Cencosud with Cencosud S.A., will not generate a material impact on the consolidated results of the latter.

Without further ado, we remain, yours sincerely,

**Rodrigo Larraín Kaplan  
CFO  
Cencosud S.A.**

c.c.: Santiago Stock Exchange  
Electronic Stock Exchange  
Valparaiso Stock Exchange  
Representative of the Bondholders.