



**MARKET RELEVANT INFORMATION
CENCOSUD S.A.**

Securities Registration N° 743

Santiago, August 31, 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:

We hereby inform you, in accordance with the resolution approved during today's Cencosud S.A. Board of Directors meeting, that it has been agreed to initiate the process of carrying out an initial public offering (IPO) or a private placement of a minority stake in the Shopping Centers unit, which includes existing Shopping Centers, expansions of Shopping Centers, and new Shopping Center projects in Chile, Peru, and Colombia.

For this purpose, the Board of Directors has authorized the engagement of Bank of America Merrill Lynch and JP Morgan as Advisors and Coordinators for the aforementioned process.

Preliminary estimates indicate that the company would be able to finalize this operation between March and April 2019, and the resulting funds will be used for strengthening the company's financial position and the development and growth of the Shopping Centers business in the mentioned countries.

Without further ado, we remain, yours sincerely,

**Horst Paulmann Kemna
Chairman
Cencosud S.A.**