

2017010011918

19/01/2017 09:04 Operador: PFRANCO
DIVISIÓN CONTROL FINANCIERO VALORES

Señor
Carlos Pavez Tolosa
Superintendente
Superintendencia de Valores y Seguros
Presente

Ref.:Envía Presentación Informativa que indica de SMU S.A.

De nuestra consideración:

En virtud de lo dispuesto en la Ley N° 18.045 y en la Norma de Carácter General N° 30 y Norma de Carácter General N° 242 de la Superintendencia de Valores y Seguros, vengo en acompañar presentación informativa destinada a difundir la colocación de acciones de pago de SMU S.A. inscritas en esa Superintendencia bajo el número de registro 1042, con fecha 29 de julio de 2016.

Desde ya quedamos a su disposición para aclarar o complementar cualquier información que Ud. estime necesaria.

Sin otro particular, lo saluda muy atentamente,

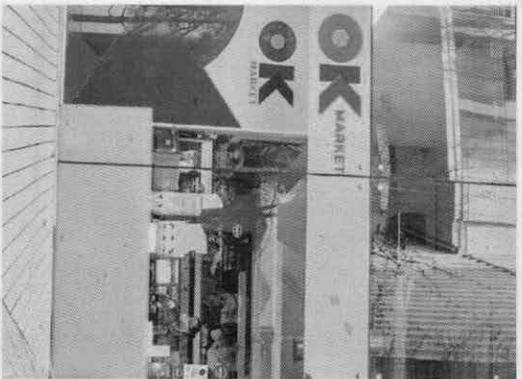


MAURICIO HALPERN A.
FISCAL
SMU S.A.





SMU



INVESTOR PRESENTATION

JANUARY 2017

CONFIDENTIAL

DISCLAIMER

SEÑOR INVERSIONISTA:

ANTES DE EFECTUAR SU INVERSIÓN USTED DEBERÁ INFORMARSE CABALMENTE DE LA SITUACIÓN FINANCIERA DE LA SOCIEDAD EMISORA Y DEBERÁ EVALUAR LA CONVENIENCIA DE LA ADQUISICIÓN DE ESTOS VALORES.

EL INTERMEDIARIO DEBERÁ PROPORCIONAR AL INVERSIONISTA LA INFORMACIÓN CONTENIDA EN EL PROSPECTO PRESENTADO CON MOTIVO DE LA SOLICITUD DE INSCRIPCIÓN AL REGISTRO DE VALORES, ANTES DE QUE EFECTÚE SU INVERSIÓN.

LA INFORMACIÓN CONTENIDA EN ESTA PUBLICACIÓN ES UNA BREVE DESCRIPCIÓN DE LAS CARACTERÍSTICAS DE LA EMISIÓN Y DE LA ENTIDAD EMISORA, NO SIENDO ÉSTA TODA LA INFORMACIÓN REQUERIDA PARA TOMAR UNA DECISIÓN DE INVERSIÓN. MAYORES ANTECEDENTES SE ENCUENTRAN DISPONIBLES EN LA SEDE DE LA ENTIDAD EMISORA, EN LAS OFICINAS DE LOS INTERMEDIARIOS COLOCADORES Y EN LA SUPERINTENDENCIA DE VALORES Y SEGUROS.

LA SUPERINTENDENCIA DE VALORES Y SEGUROS NO SE PRONUNCIA SOBRE LA CALIDAD DE LOS VALORES OFRECIDOS COMO INVERSIÓN. LA INFORMACIÓN CONTENIDA EN ESTE PROSPECTO ES DE RESPONSABILIDAD EXCLUSIVA DEL EMISOR.

DISCLAIMER

THIS DOCUMENT HAS BEEN PREPARED BY SMU S.A. ("SMU") SOLELY FOR THE EVALUATION OF QUALIFIED INSTITUTIONAL BUYERS IN THE US AND NON-US PERSONS OUTSIDE THE US AND CHILE. THE INFORMATION CONTAINED HEREIN HAS BEEN PREPARED TO ASSIST INTERESTED PARTIES IN MAKING THEIR OWN EVALUATION OF SMU AND DOES NOT PURPORT TO BE ALL INCLUSIVE OR TO CONTAIN ALL OF THE INFORMATION THAT A PROSPECTIVE PURCHASER MAY DESIRE.

THIS PRESENTATION CONTAINS FORWARD-LOOKING STATEMENTS ABOUT SMU BASED ON MANAGEMENT'S CURRENT EXPECTATIONS WHICH ARE SUBJECT TO KNOWN AND UNKNOWN UNCERTAINTIES AND RISKS. SUCH FORWARD-LOOKING STATEMENTS REFLECT SIGNIFICANT ASSUMPTIONS AND SUBJECTIVE JUDGMENTS BY SMU'S MANAGEMENT WHICH MAY OR MAY NOT PROVE TO BE CORRECT AND INVOLVE INHERENT RISKS AND UNCERTAINTIES, INCLUDING FACTORS WHICH COULD DELAY, DIVERT OR CHANGE ANY OF THEM, AND COULD CAUSE ACTUAL OUTCOMES AND RESULTS TO DIFFER MATERIALLY FROM CURRENT EXPECTATIONS. SMU MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF SUCH STATEMENTS, ESTIMATES AND PROJECTIONS AND THERE CAN BE NO ASSURANCE THAT THE THIRD PARTY OR PUBLICLY AVAILABLE INFORMATION WITH RESPECT TO WHICH SMU'S ESTIMATES, FORECASTS, OR PROJECTIONS ARE BASED IS COMPLETE OR ACCURATE. OUR ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE DISCUSSED DUE TO A NUMBER OF FACTORS, INCLUDING THE RISKS FACTORS INCLUDED IN OUR PRELIMINARY OFFERING MEMORANDUM. WE ARE PROVIDING THIS INFORMATION AS OF THE DATE OF THIS PRESENTATION AND DO NOT UNDERTAKE ANY OBLIGATION TO UPDATE ANY FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PRESENTATION AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

BY ITS ACCEPTANCE HEREOF, EACH RECIPIENT AGREES (1) THAT IT WILL KEEP PERMANENTLY CONFIDENTIAL ALL INFORMATION CONTAINED HEREIN AND ANY ORAL INFORMATION PROVIDED IN CONNECTION WITH THIS PRESENTATION NOT ALREADY IN THE PUBLIC DOMAIN AND (2) THAT THIS PRESENTATION WILL BE USED BY THE RECIPIENT SOLELY FOR THE PURPOSE OF EVALUATING AN INVESTMENT IN SMU.

KEY TERMS OF THE OFFERING

ISSUER	<ul style="list-style-type: none"> SMU S.A.
TYPE	<ul style="list-style-type: none"> INITIAL PUBLIC OFFERING
OFFERING	<ul style="list-style-type: none"> 1,150,000,000 COMMON SHARES
OPTION TO UPSIZE	<ul style="list-style-type: none"> ADDITIONAL 250,000,000 COMMON SHARES
LISTINGS	<ul style="list-style-type: none"> SANTIAGO STOCK EXCHANGE
DISTRIBUTION	<ul style="list-style-type: none"> RULE 144-A QUALIFIED INSTITUTIONAL BUYERS IN THE U.S. REG S TO NON US PERSONS OUTSIDE THE U.S. AND CHILE
PRIMARY / SECONDARY	<ul style="list-style-type: none"> 100% PRIMARY
USE OF PROCEEDS	<ul style="list-style-type: none"> DEBT PREPAYMENT AND GENERAL CORPORATE PURPOSES
Lock-Up	<ul style="list-style-type: none"> 360 DAYS FOR CONTROLLING SHAREHOLDER 180 DAYS FOR SOUTHERN CROSS 180 DAYS FOR SMU
TIMING	<ul style="list-style-type: none"> JANUARY 2017
GLOBAL COORDINATORS AND BOOKRUNNERS	 
BOOKRUNNER	

INTRODUCTION TO MANAGEMENT



MARCELO GÁLVEZ
CHIEF EXECUTIVE
OFFICER



ARTURO SILVA
CHIEF FINANCIAL
OFFICER

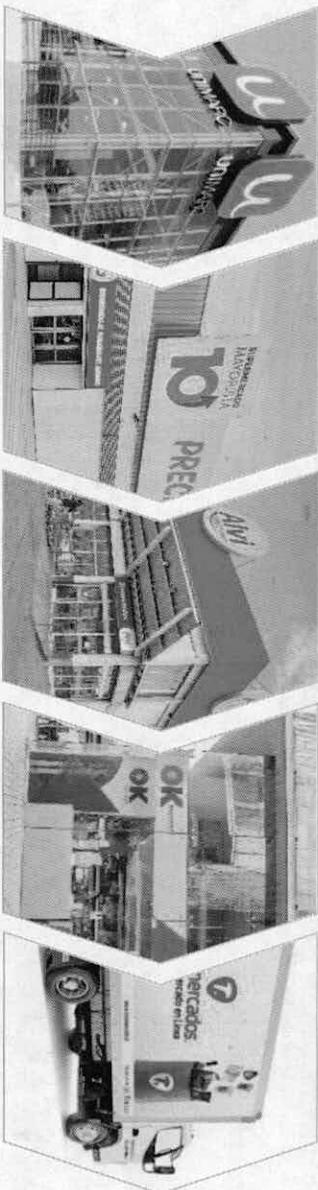


CAROLYN MCKENZIE
HEAD OF INVESTOR
RELATIONS

SMU AT-A-GLANCE

LEADING FOOD RETAILER IN CHILE, WITH FOUR FOOD RETAIL FORMATS AND BROAD MARKET COVERAGE

4 FORMATS	FOOD RETAIL SEGMENTS	SUPERMARKET	CASH & CARRY	CONVENIENCE	E-GROCERY	
5 BRANDS	BRANDS WITH AMPLE RECOGNITION	 UNIMARCA	 MAYORSA	 AVI	 OK MARKET	 Telcelmercados
US\$3.7BN SALES ⁽¹⁾	SIZEABLE BUSINESSES WITH ECONOMIES OF SCALE	US\$2,298MM	US\$872MM	US\$74MM	US\$20MM	
21.4% MARKET SHARE ⁽²⁾	FOOD-FOCUSED PRODUCT OFFERING	✓ 98% OF REVENUE FROM FOOD ITEMS ⁽³⁾	✓ OVER 20 MILLION MONTHLY TRANSACTIONS ⁽⁵⁾			
511 OUTLETS	LARGEST FOOD RETAILER IN CHILE⁽⁴⁾	✓ WITH ADDITIONAL PRESENCE IN PERU (MAYORSA AND MAXIAHORRO) AND THE CHILEAN CONSTRUCTION MATERIALS WHOLESALE INDUSTRY (CONSTRUMART)				
100%	REGIONAL COVERAGE IN CHILE					



NOTE: CLP 658.02/US\$ ILLUSTRATIVE. FX USING CHILE'S CENTRAL BANK'S USD OBSERVED EXCHANGE RATE (DOLAR OBSERVADO) AS PUBLISHED IN CHILE'S OFFICIAL GAZETTE (DIARIO OFICIAL) ON OCTOBER 3, 2016 GIVEN CENTRAL BANK'S METHODOLOGY OF USING PREVIOUS BUSINESS DAY'S (SEPTEMBER 30, 2016) TRANSACTIONS' WEIGHTED AVERAGE.

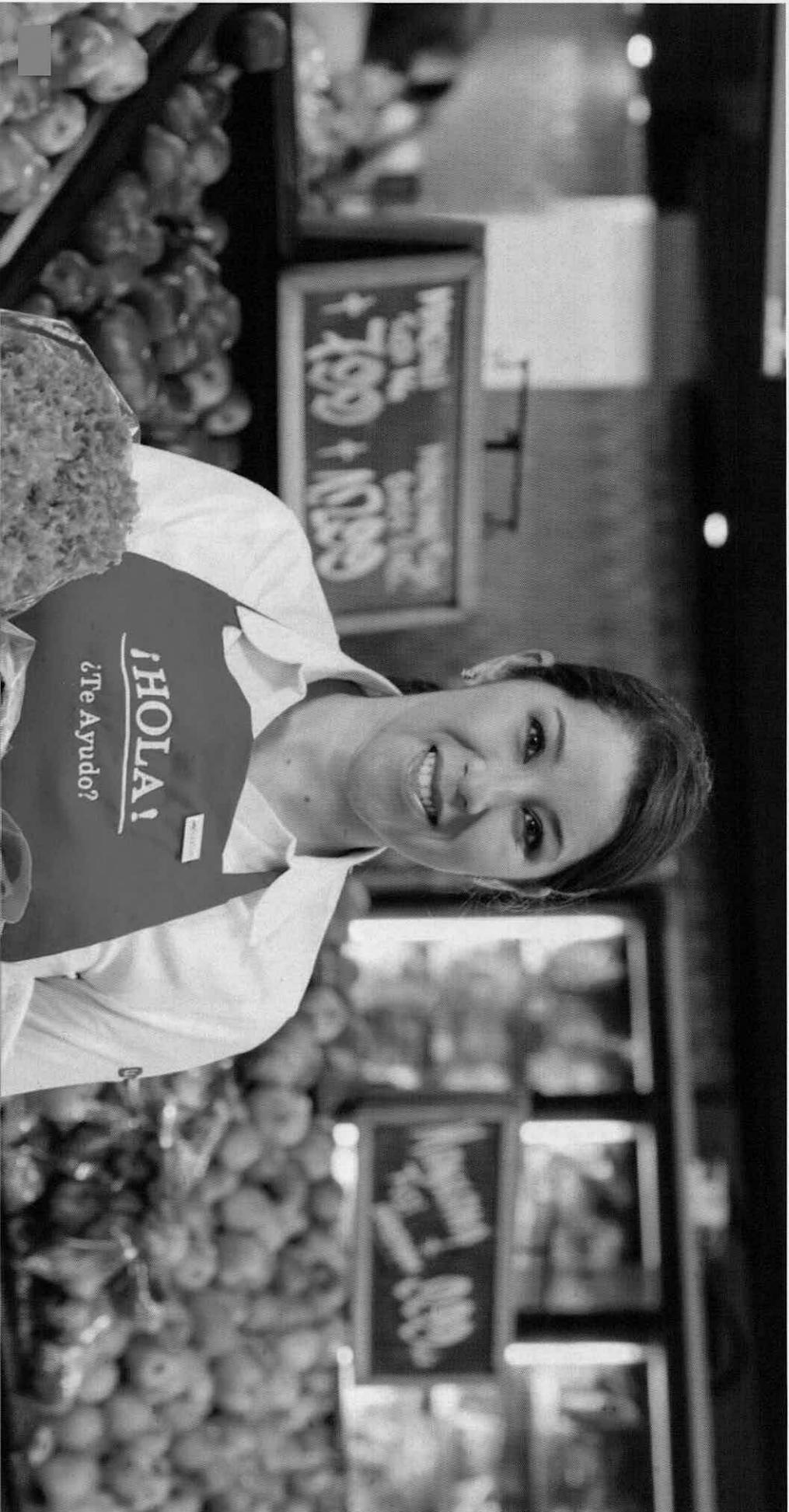
(1) LTM 3Q'16, INCLUDES CONSTRUMART AND PERUVIAN OPERATIONS (MAXIAHORRO AND MAYORSA) TOTALING US\$431MM.

(2) CALCULATED AS SMU'S CHILEAN FOOD RETAIL REVENUES DIVIDED BY CHILEAN SUPERMARKET SECTOR LTM 3Q'16 REVENUES AS PER CHILE'S INSTITUTE OF STATISTICS (INE). INE CONSIDERS FOOD RETAIL OUTLETS ANY STORE WITH THREE OR MORE CHECKOUT POINTS.

(3) CONSIDERING REVENUE FROM CHILEAN FOOD RETAIL STORES FOR THE YEAR 2015.

(4) USING SMU'S STORES AS OF SEPTEMBER 30, 2016 AND COMPETORS' REPORTED STORES IN THEIR RESPECTIVE WEBSITES AS OF NOVEMBER 1, 2016.

(5) BASED ON AVERAGE NUMBER OF MONTHLY TRANSACTIONS FOR CHILEAN FOOD RETAIL STORES FOR THE YEAR 2015.



01 SMU HIGHLIGHTS



SMU HIGHLIGHTS

SMU



1 DEFENSIVE INDUSTRY IN LATAM'S MOST STABLE ECONOMY WITH ATTRACTIVE MACRO TRENDS

2 MULTI-FORMAT PRESENCE AND ESTABLISHED PROMOTIONAL STRATEGY ALIGNED WITH SHIFTING CONSUMER SHOPPING HABITS

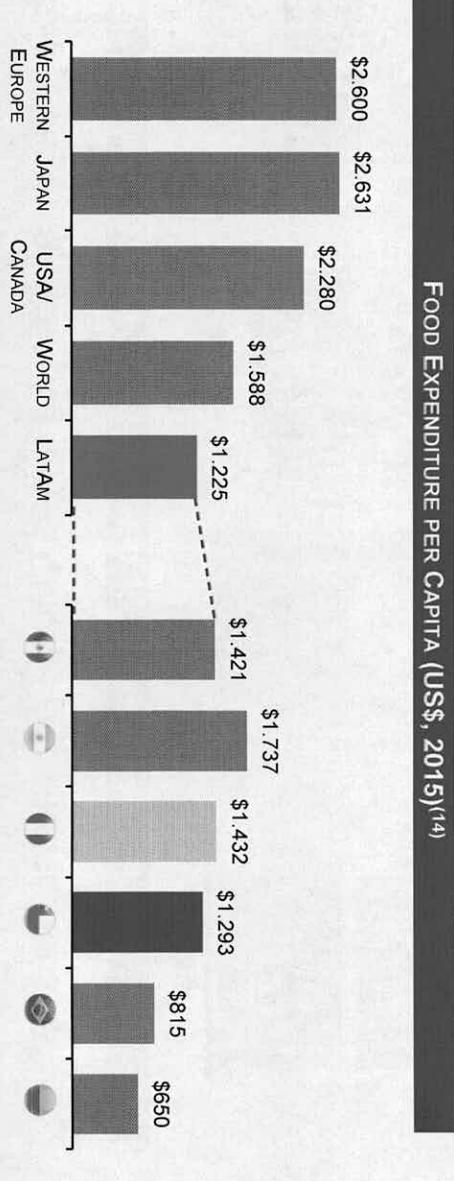
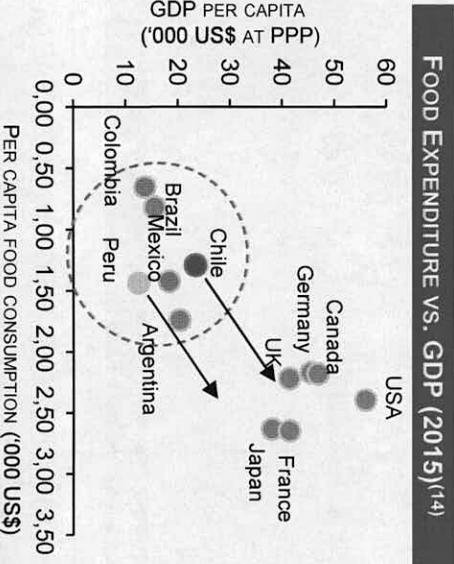
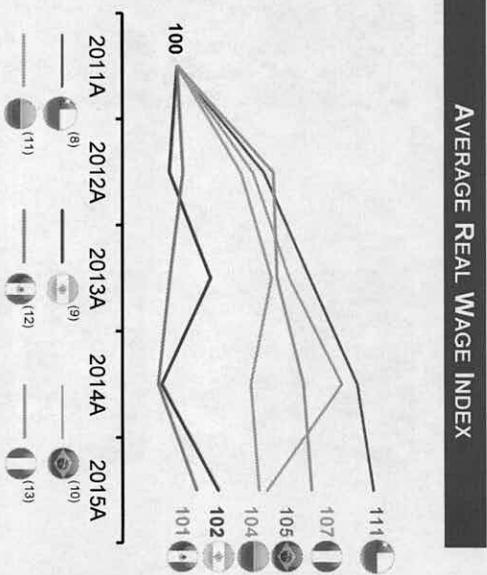
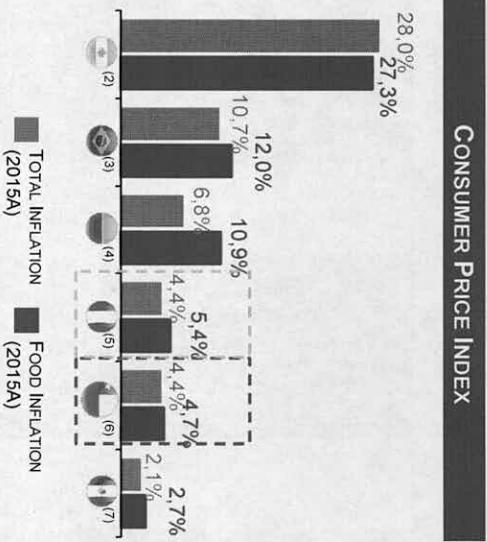
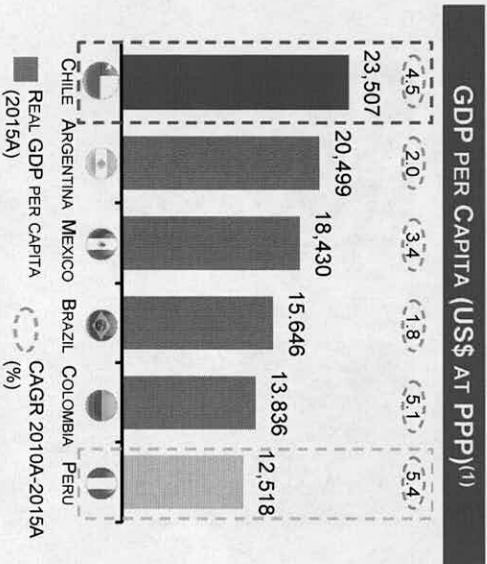
3 INTEGRATED OPERATING PLATFORM SUPPORTS BROAD COVERAGE OF THE CHILEAN MARKET

4 PROVEN TRACK RECORD OF STRATEGY EXECUTION WITH ACTION PLANS FOR FUTURE GROWTH AND PROFITABILITY

5 EXPERIENCED MANAGEMENT TEAM AND A COMMITTED BOARD OF DIRECTORS WITH AMPLE INDUSTRY EXPERTISE

DEFENSIVE INDUSTRY IN LATAM'S MOST STABLE ECONOMY WITH ATTRACTIVE 1 MACRO TRENDS

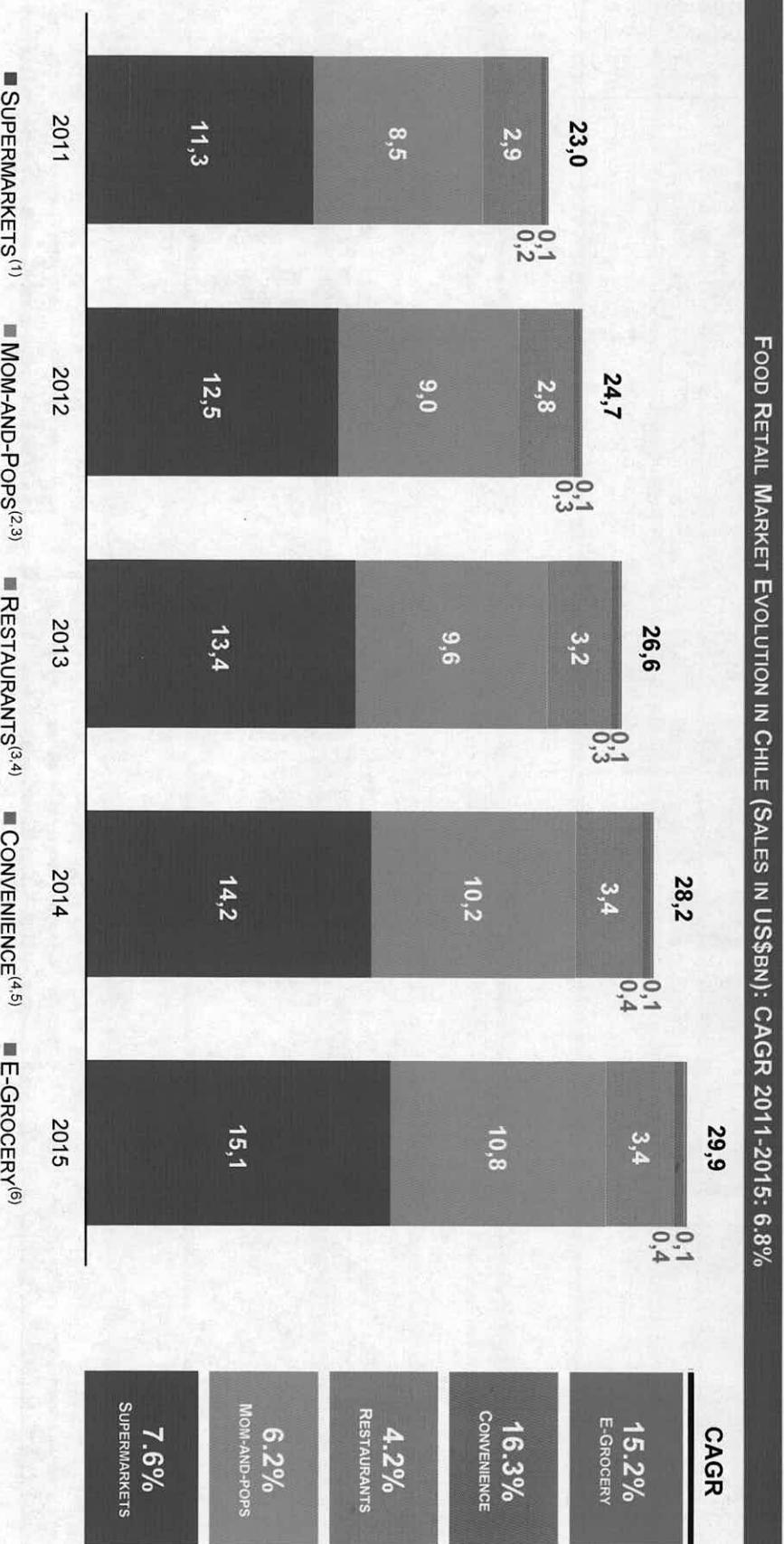
GROWING FOOD RETAIL INDUSTRY SUPPORTED BY SOLID MACRO FUNDAMENTALS



(1) IMF, WORLD ECONOMIC OUTLOOK DATABASE AS OF OCTOBER 30, 2016.
 (2) CENTRO DE ESTUDIOS ECONOMICOS SCALABRINI ORTIZ (CENTER FOR ECONOMIC STUDIES SCALABRINI ORTIZ), INFORME ECONOMICO MENSUAL, FEBRUARY 29, 2016.
 (3) FEDERACAO DAS INDUSTRIAS DO ESTADO DE SAO PAULO (FIEESP), INFORME DEAGRO AS OF SEPTEMBER 30, 2016.
 (4) DEPARTAMENTO ADMINISTRATIVO NACIONAL DE ESTADISTICAS (COLOMBIA'S NATIONAL STATISTICS DEPARTMENT) AS OF OCTOBER 30, 2016.
 (5) BANCO CENTRAL DE RESERVA DEL PERU (BCRP), REPORTE DE INFLACION MARCH 30, 2016.
 (6) INE AS OF OCTOBER 30, 2016.
 (7) BANCO DE MEXICO (BANXICO) AS OF OCTOBER 30, 2016.
 (8) INE, INDICE DE REMUNERACIONES (COMPENSATION INDEX) (HOJA DE CRRAS REFERENCIALES REALES) AS OF OCTOBER 30, 2016.
 (9) IPCMU NOMINAL, WAGE INDEX MINUS ANNUAL INFLATION AS CALCULATED BY CESO AS OF OCTOBER 30, 2016.
 (10) SEASON-ADJUSTED AVG REAL WAGE INDEX PER WORKER PROVIDED BY INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATISTICA (IBGE) AS OF OCTOBER 30, 2016.
 (11) REAL MANUFACTURING WAGE INDEX PROVIDED BY BANCO DE LA REPUBLICA AS OF OCTOBER 30, 2016.
 (12) SEASON-ADJ. AVG REAL COMPENSATION BY EMPLOYEE PROVIDED BY BANXICO AS OF OCTOBER 30, 2016.
 (13) UNITED STATES DEPARTMENT OF AGRICULTURE, ECONOMIC RESEARCH SERVICE CALCULATIONS BASED ON ANNUAL HOUSEHOLD EXPENDITURE DATA FROM EUROMONITOR INTERNATIONAL.
 (14) UNITED STATES DEPARTMENT OF AGRICULTURE, ECONOMIC RESEARCH SERVICE CALCULATIONS BASED ON ANNUAL HOUSEHOLD EXPENDITURE DATA FROM EUROMONITOR INTERNATIONAL.

DEFENSIVE INDUSTRY IN LATAM'S MOST STABLE ECONOMY WITH ATTRACTIVE 1 MACRO TRENDS

WE HAVE A STRONG PRESENCE IN THE HIGHEST-GROWING SEGMENTS OF THE CHILEAN FOOD RETAIL INDUSTRY



NOTE: FOR ILLUSTRATIVE PURPOSES ONLY. FX ASSUMED: CLP 656 02/US\$ AS OF SEPTEMBER 30, 2016.

SOURCE: EUROMONITOR PASSPORT (INFORMATION IN PRESENTATION ON THE CHILEAN FOOD RETAIL MARKET IS FROM INDEPENDENT MARKET RESEARCH CARRIED OUT BY EUROMONITOR PASSPORT BUT SHOULD NOT BE RELIED UPON IN MAKING, OR REFRAINING FROM MAKING, ANY INVESTMENT DECISION. ORIGINAL DATA IN NOMINAL CLP FIGURES AS OF NOVEMBER 2016.)

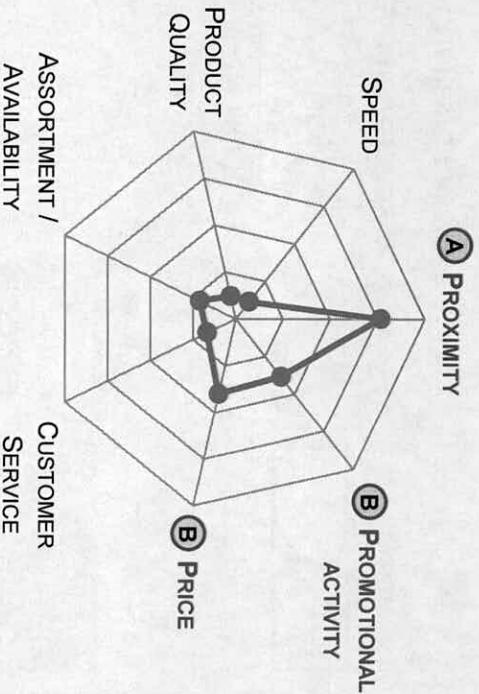
- (1) INCLUDES SUPERMARKETS, HYPERMARKETS AND DISCOUNTERS.
- (2) TRADITIONAL GROCERY RETAILERS INCLUDING FOOD/DRINK/TOBACCO SPECIALISTS, INDEPENDENT SMALL GROCERS AND OTHER GROCERY RETAILERS.
- (3) SMU IS A SUPPLIER TO THE RESTAURANT AND MOM-AND-POPS SECTORS THROUGH ITS CASH & CARRY FORMATS.
- (4) INCLUDES CHAINED CONSUMER FOODSERVICE, INDEPENDENT CONSUMER FOODSERVICE, 100% HOME DELIVERY/TAKEAWAY, CAFES/BARS, FULL-SERVICE RESTAURANTS, FAST FOOD, SELF-SERVICE CAFETERIAS, STREET STALLS/KIOSKS AND PIZZA CONSUMER FOODSERVICE.
- (5) INCLUDES CONVENIENCE STORES, CHAINED FORECOURT RETAILERS AND INDEPENDENT FORECOURT RETAILERS.
- (6) INCLUDES FOOD AND DRINK, INTERNET RETAILING.

DEFENSIVE INDUSTRY IN LATAM'S MOST STABLE ECONOMY WITH ATTRACTIVE

1 MACRO TRENDS

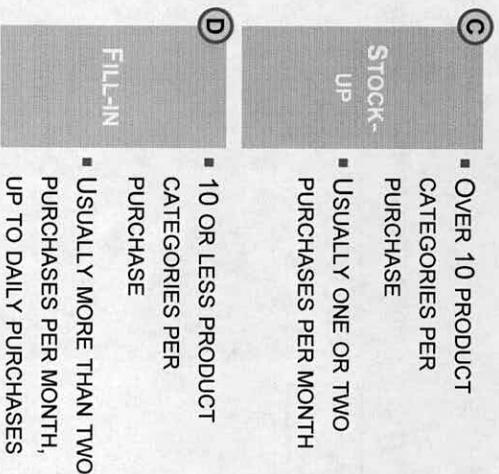
OUR COMPETITIVE STRENGTHS ARE WELL ALIGNED WITH CHILEAN SUPERMARKET INDUSTRY TRENDS AND POSITION US FOR CONTINUED GROWTH...

REASONS FOR CHOOSING A SUPERMARKET IN CHILE(1)

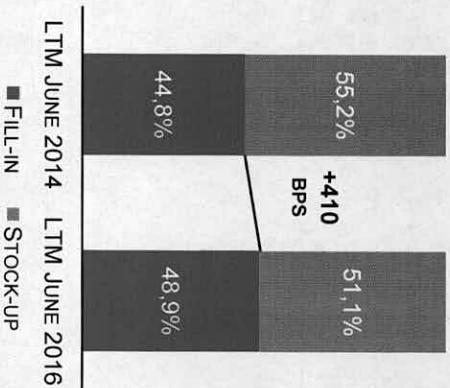


✓ LOCATION IS THE FIRST CHOOSING DRIVER, FOLLOWED BY PRICE AND PROMOTIONS

SUPERMARKET SHOPPING MISSIONS IN CHILE(2)

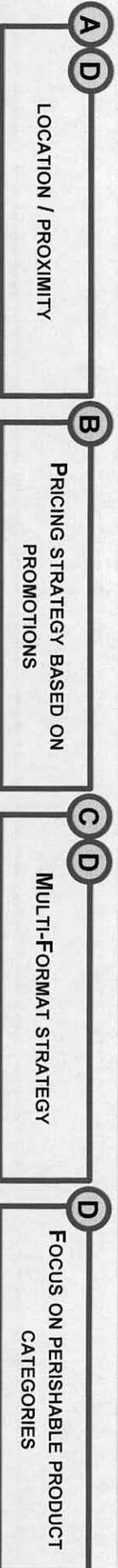


SUPERMARKET SALES IN CHILE%



✓ PROXIMITY AND PERISHABLE PRODUCTS ARE SPENDING DRIVERS ON FILL-IN PURCHASES

SMU'S STRENGTHS



SOURCE: COMPANY INFORMATION.

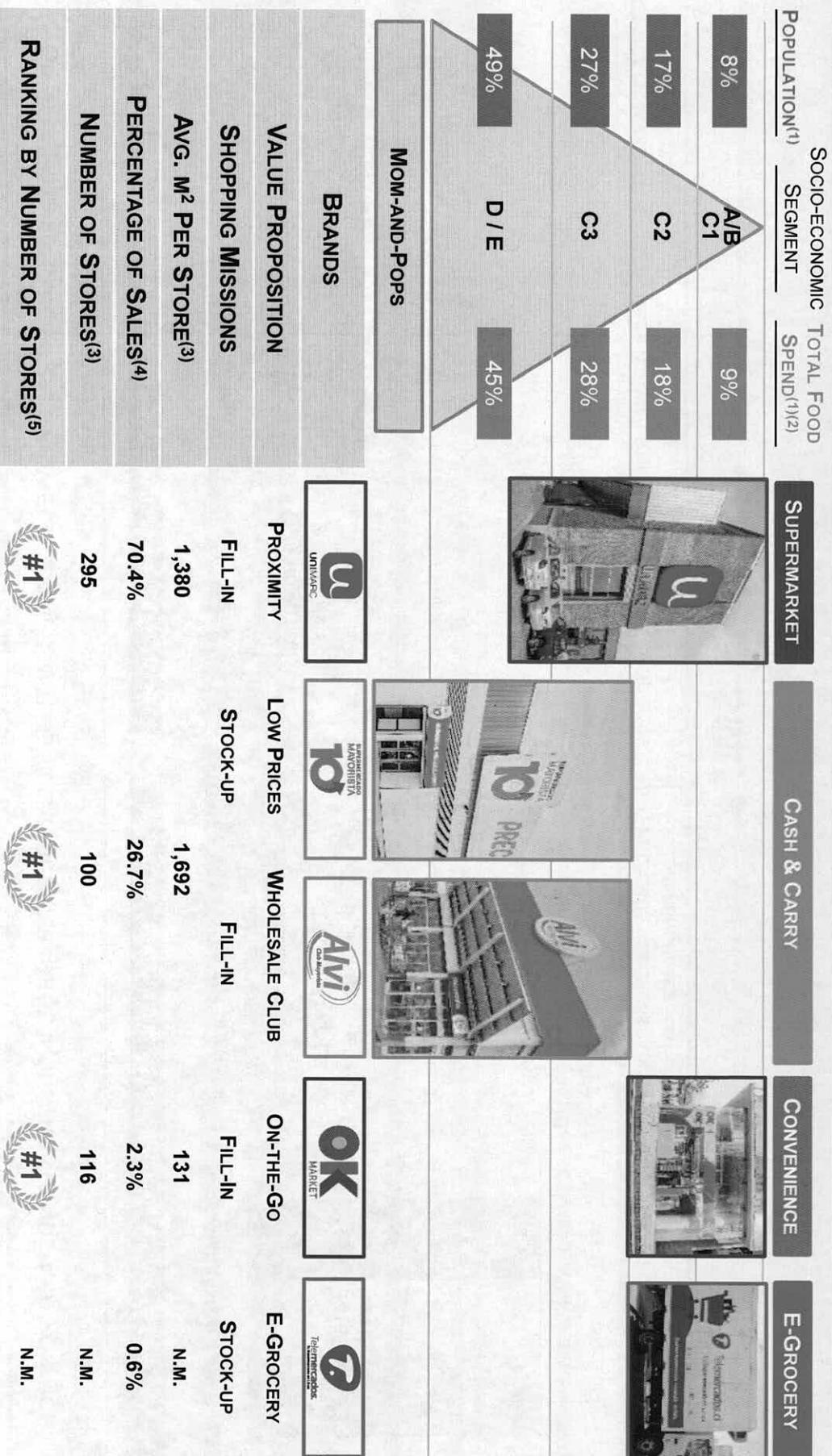
(1) ACTIVA RESEARCH POLL, WEIGHED BY HOUSEHOLD PENETRATION, USING A 22, 150 UNIVERSE AND ACCORDING TO MAJOR MARKET DATA PROVIDER - I1H2016.

(2) KANTAR WORLDPANEL, "SHOPPING MISSIONS" FOR THE TWELVE-MONTH PERIODS ENDED JUNE 30, 2014 AND JUNE 30, 2016. INFORMATION BY KANTAR WORLDPANEL CHILE IS BASED ON WEEKLY PURCHASING INFORMATION OF FAST MOVING CONSUMER GOODS BY CHILEAN HOUSEHOLDS, REPRESENTING 74% OF THE CHILEAN POPULATION.

MULTI-FORMAT PRESENCE AND ESTABLISHED PROMOTIONAL STRATEGY ALIGNED

2 WITH SHIFTING CONSUMER SHOPPING HABITS

...SERVING ALL SOCIOECONOMIC SEGMENTS AND ADDRESSING ALL SHOPPING HABITS, WITH HIGHLY RECOGNIZABLE BRANDS



(1) SOURCE: INE, COMPANY INFORMATION.
 (2) SOURCE: KANTAR WORLDPANEL 2016. RELATIVE IMPORTANCE OF SOCIOECONOMIC SEGMENT, TICKET AND FREQUENCY ACCORDING TO 'SHOPPING MISSIONS' REPORT BY KANTAR WORLDPANEL. INFORMATION BY KANTAR WORLDPANEL CHILE IS BASED ON WEEKLY PURCHASING INFORMATION OF FAST MOVING CONSUMER GOODS BY CHILEAN HOUSEHOLDS, REPRESENTING 74% OF THE CHILEAN POPULATION FOR THE 12-MONTH PERIOD BETWEEN JULY 2015 AND JUNE 2016.
 (3) SOURCE: KANTAR WORLDPANEL 2016. EACH SEGMENT'S FOOD EXPENDITURE AS % OF TOTAL FOOD EXPENDITURE.
 (4) AS OF SEPTEMBER 30, 2016.
 (5) FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016. DOES NOT CONSIDER CONSTRUWART AND PERUVIAN OPERATIONS.
 (6) NUMBER OF STORES FOR SMU BASED ON COMPANY INFORMATION AS OF SEPTEMBER 30, 2016. NUMBER OF STORES FOR MAIN COMPETITORS BASED ON THE RESPECTIVE COMPANIES' WEBSITES AS OF NOVEMBER 2016.

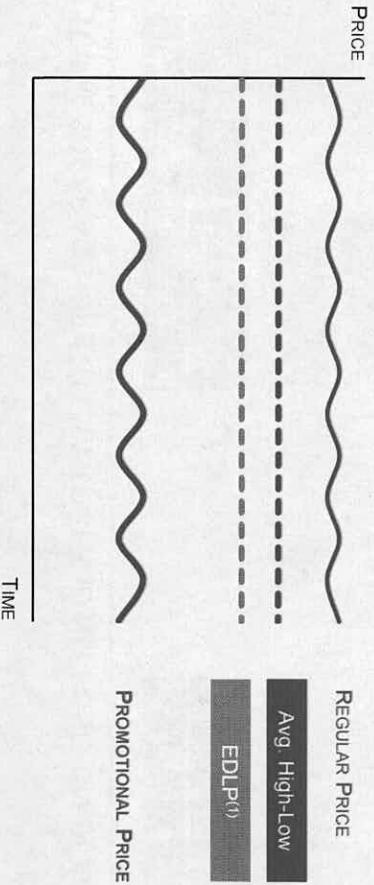
MULTI-FORMAT PRESENCE AND ESTABLISHED PROMOTIONAL STRATEGY ALIGNED

2 WITH SHIFTING CONSUMER SHOPPING HABITS

OUR SUCCESSFUL HIGH-LOW PRICING STRATEGY DIFFERENTIATES US FROM OUR COMPETITORS, IS CENTRAL TO OUR OVERALL STRATEGY EXECUTION AND HAS BEEN INSTRUMENTAL IN DRIVING HIGHER AVERAGE TICKET

PROMOTIONAL MODEL AND High-Low Pricing Strategy

- ✓ PART OF SMU'S CORE BUSINESS STRATEGY
- ✓ BASED ON CUSTOMER INSIGHT
- ✓ EXECUTED THROUGH HIGHLY VISIBLE ADVERTISING ACTIVITIES
- ✓ INTERNALLY DEVELOPED TOOLS OPTIMIZE PROMOTION PLANNING, EXECUTION AND EVALUATION
- ✓ HIGH-LOW FOCUSED ORGANIZATIONAL STRUCTURE
- ✓ IN PARTNERSHIP WITH SUPPLIERS



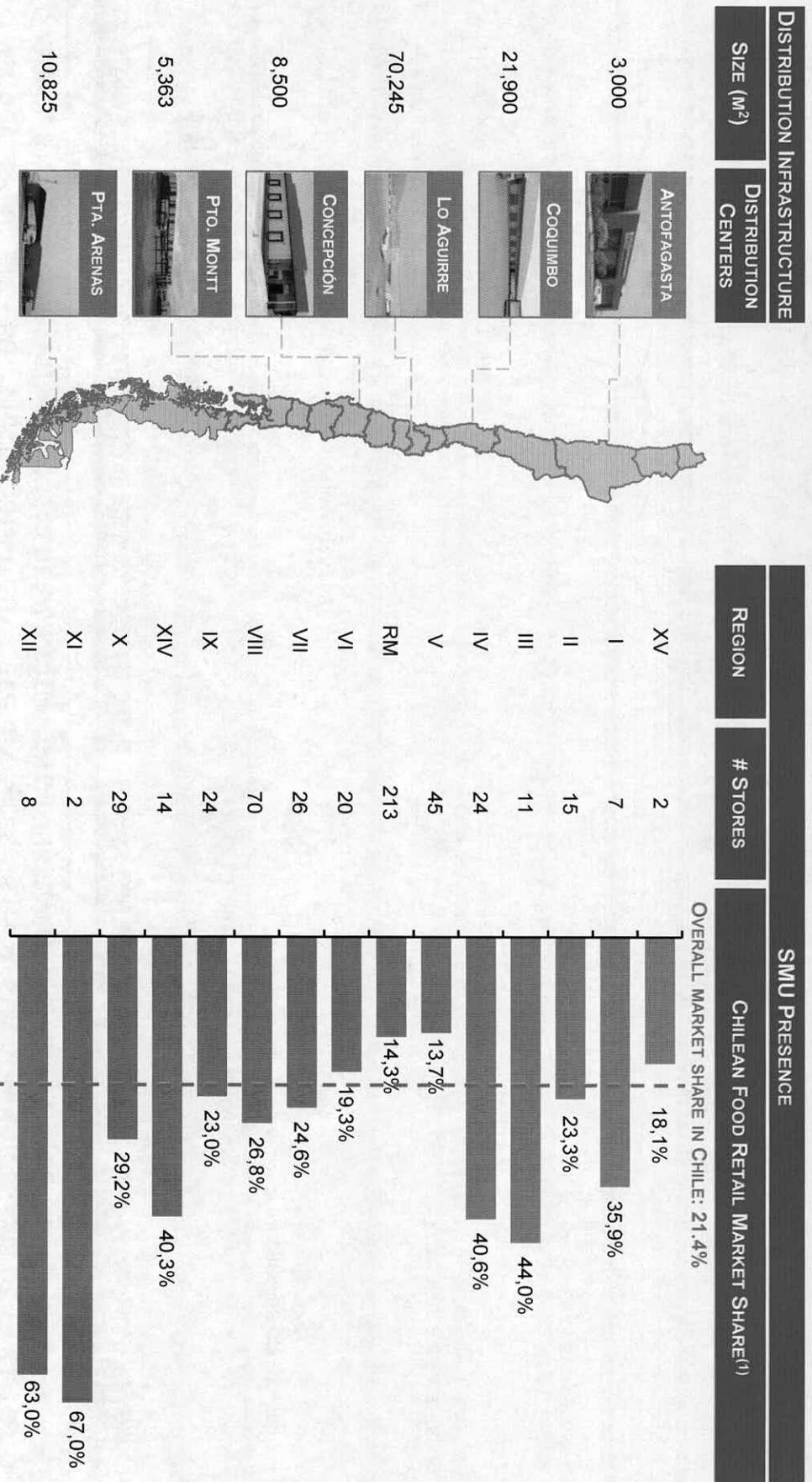
STRATEGY BY FORMAT

FORMAT	PRICING STRATEGY	HIGH-LOW INTENSITY	RESULTS
 UNIMARPC	HIGH-LOW, FOCUSED ON PROMOTIONS		✓ INCREASES HOUSEHOLD PENETRATION
	LOW PRICES WITH MODERATE HIGH-LOW		✓ INCREASES AVERAGE TICKET
	PROMOTIONS TARGET "CLUB ALVI" MEMBERS		✓ IMPROVES CUSTOMER'S PRICE PERCEPTION
	HIGH-LOW, FOCUSED ON CERTAIN CATEGORIES		✓ PRODUCES STRONGER MARGINS FOR OVERALL SALES MIX
	HIGH-LOW, FOCUSED ON PROMOTIONS		

(1) EVERY DAY LOW PRICES

INTEGRATED OPERATING PLATFORM SUPPORTS BROAD COVERAGE OF THE CHILEAN MARKET

100% COVERAGE OF CHILE WITH LEADING POSITION IN SEVERAL REGIONS

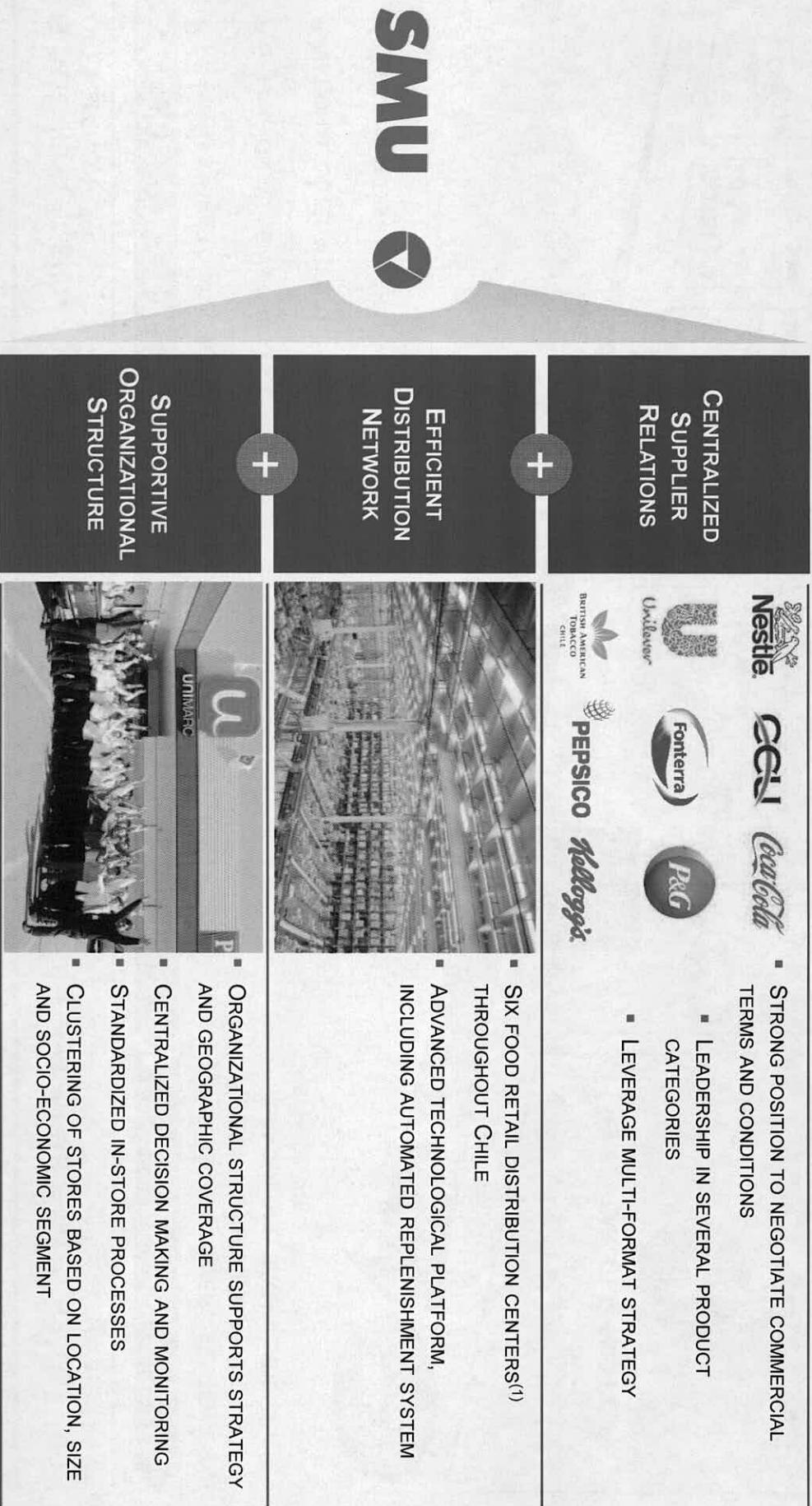


✓ 100% OF STORES AND DISTRIBUTION CENTERS ARE SECURED THROUGH LONG TERM LEASES

SOURCE: COMPANY INFORMATION AND CHILEAN NATIONAL INSTITUTE OF STATISTICS AS OF JUNE 30, 2016.
 (1) ALL MARKET SHARE FIGURES ARE CALCULATED AS PORTION OF SMU'S SALES IN TOTAL LTM SUPERMARKET SALES BY REGION AS OF JUNE 2016.

INTEGRATED OPERATING PLATFORM SUPPORTS BROAD COVERAGE OF THE CHILEAN MARKET

INTEGRATED OPERATING AND IT PLATFORM ENHANCES COMPANY'S EFFICIENCY AND COMPETITIVENESS



SOURCE: COMPANY INFORMATION.
 (1) DOES NOT INCLUDE TELEMERCADOS FACILITY.

PROVEN TRACK RECORD OF STRATEGY EXECUTION WITH ACTION PLANS FOR FUTURE GROWTH AND PROFITABILITY

SCALE AND EFFICIENCY ACHIEVED THROUGH RAPID GROWTH, SUCCESSFUL INTEGRATION AND PORTFOLIO OPTIMIZATION

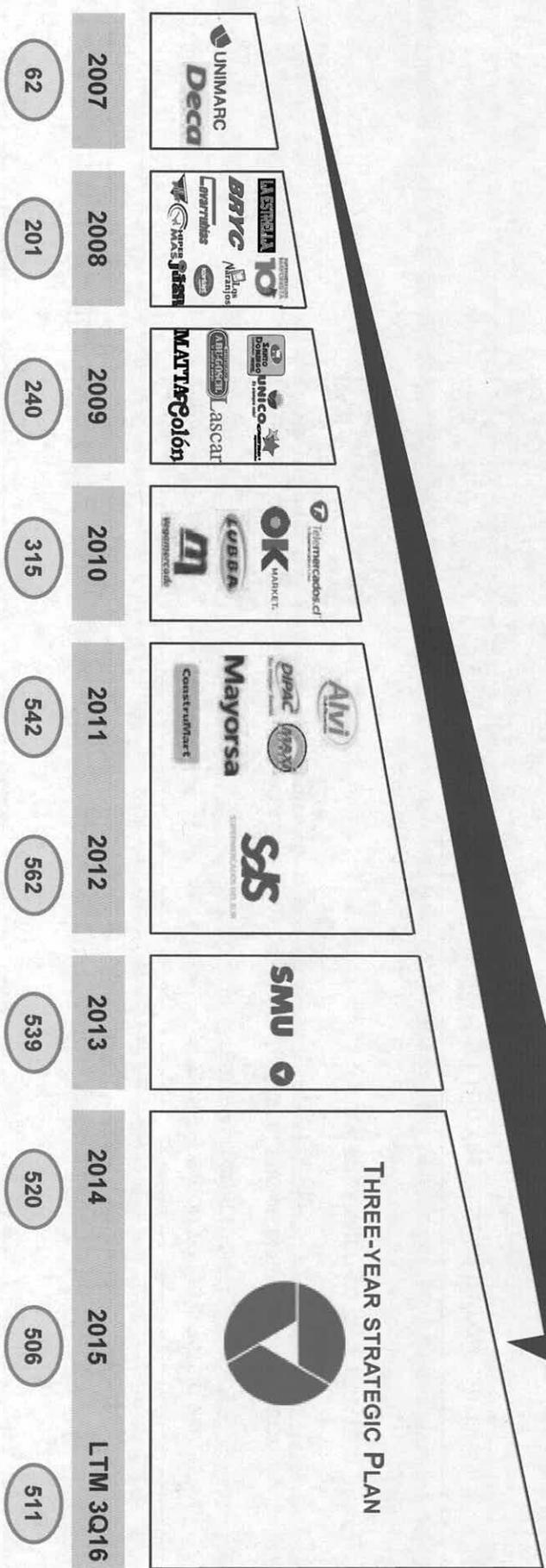
GROWTH + INTEGRATION

OPTIMIZATION + EFFICIENCY

- ✓ PREMIUM STORE LOCATIONS
- ✓ EXPANSION TO NEW FORMATS
- ✓ NATIONAL COVERAGE
- ✓ ORGANIC AND INORGANIC GROWTH

- ✓ FOCUS ON COMMERCIAL STRATEGY, OPERATING EFFICIENCY, AND FINANCIAL AND ORGANIZATIONAL STRUCTURE

US\$3.7BN SALES⁽¹⁾



SOURCE: COMPANY FILINGS. ILLUSTRATIVE FX ASSUMED: CLP658.02/US\$ AS OF SEPTEMBER 30, 2016 (CONVENIENCE TRANSLATION FOR REFERENCE PURPOSES ONLY).
 (1) INCLUDES CONSUMMART AND PERUVIAN OPERATIONS (MAYAHORRO AND MAYORSA) TOTALING US\$431MM.
 (2) ONLY CHILEAN OPERATIONS EXCLUDING CONSUMMART.

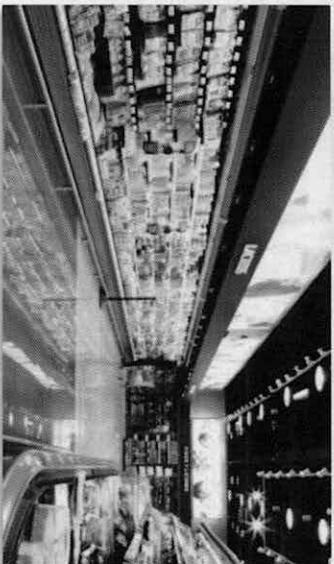


PROVEN TRACK RECORD OF STRATEGY EXECUTION WITH ACTION PLANS FOR

4 FUTURE GROWTH AND PROFITABILITY

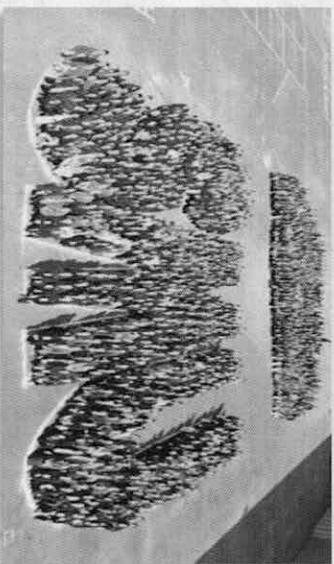
SUCCESSFUL IMPLEMENTATION OF THREE-YEAR STRATEGIC PLAN

COMMERCIAL STRENGTHENING



- ✓ HIGH-LOW STRATEGY
- ✓ COMMERCIAL EFFICIENCY
- ✓ VALUE PROPOSITIONS

OPERATING EFFICIENCY



- ✓ PRODUCT AVAILABILITY
- ✓ SUPPLY CHAIN OPTIMIZATION
- ✓ FOCUS ON WORKFORCE PRODUCTIVITY
- ✓ STORE PORTFOLIO OPTIMIZATION, INCLUDING THE PHASE-OUT OF LOW PERFORMANCE STORES
- ✓ REDUCTION OF OPERATING EXPENSES

FINANCIAL AND ORGANIZATIONAL STRENGTHENING



- ✓ CAPITAL INJECTION
- ✓ BANK DEBT NEGOTIATION
- ✓ NON-CORE ASSET SALE
- ✓ CAPEX REDUCTION
- ✓ STAKEHOLDER RELATIONS
- ✓ CORPORATE GOVERNANCE
- ✓ ORGANIZATIONAL STRUCTURE

PROVEN TRACK RECORD OF STRATEGY EXECUTION WITH ACTION PLANS FOR 4 FUTURE GROWTH AND PROFITABILITY

SIX STRATEGIC PILLARS FOR PROFITABLE AND SUSTAINABLE GROWTH 2017-2019



CUSTOMER EXPERIENCE

- ✓ GROW SALES BY IMPROVING KEY ASPECTS OF THE CUSTOMER SHOPPING EXPERIENCE

KEY INITIATIVES:

- ✓ STORE UPGRADES
- ✓ PERISHABLE FOOD CATEGORIES
- ✓ E-GROCERY
- ✓ ORGANIC GROWTH
- ✓ LOYALTY PROGRAM

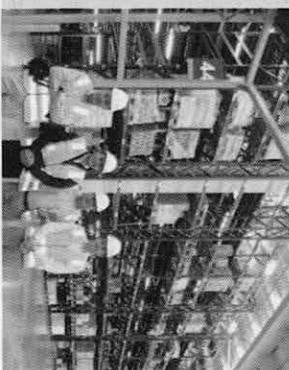


OPERATING EFFICIENCY

- ✓ REDUCE OPERATING EXPENSES AND IMPROVE IN-STORE PRODUCT AVAILABILITY

KEY INITIATIVES:

- ✓ INCREASE CENTRALIZATION
- ✓ STANDARDIZATION AND AUTOMATIZATION OF PROCESSES
- ✓ LOGISTICS NETWORK OPTIMIZATION AND EXPANSION



ORGANIZATIONAL EXCELLENCE

- ✓ ACHIEVE ALIGNMENT AND COMMITMENT THROUGHOUT THE ORGANIZATION

KEY INITIATIVES:

- ✓ TALENT MANAGEMENT

SUSTAINABILITY

- ✓ STRENGTHEN RELATIONSHIPS WITH KEY STAKEHOLDERS

KEY INITIATIVES:

- ✓ SOCIAL RESPONSIBILITY PROGRAMS

TECHNOLOGICAL DEVELOPMENT

- ✓ SUPPORT CHANGING NEEDS OF OPERATIONS

KEY INITIATIVES:

- ✓ MULTI CHANNEL BUSINESS INTELLIGENCE
- ✓ ONGOING IMPROVEMENT TO TECHNOLOGICAL PLATFORM

FINANCIAL POSITION STRENGTHENING

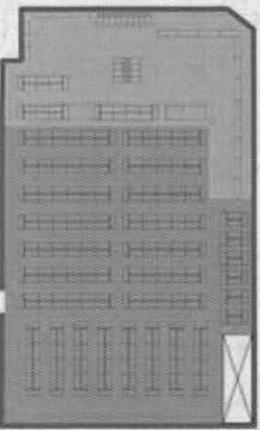
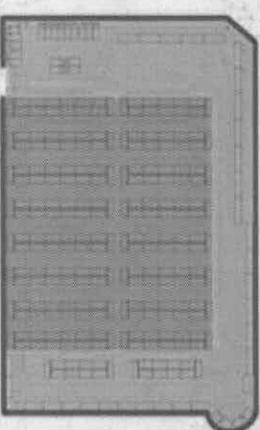
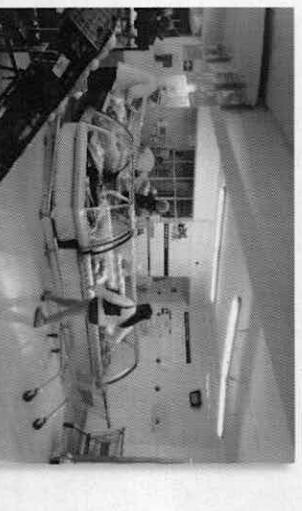
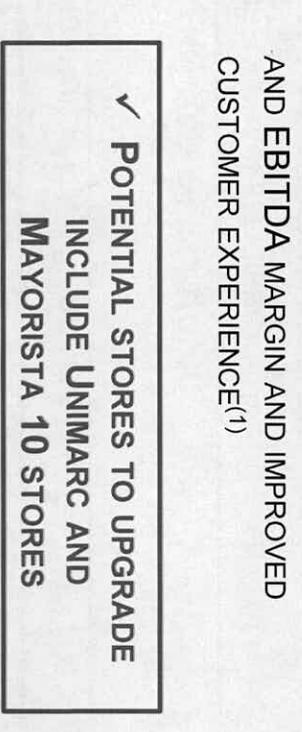
- ✓ IMPROVE THE CAPITAL STRUCTURE AND CREDIT RATINGS

KEY INITIATIVES:

- ✓ CAPITAL INJECTION
- ✓ RENEGOTIATE AND REPAY DEBT

PROVEN TRACK RECORD OF STRATEGY EXECUTION WITH ACTION PLANS FOR 4 FUTURE GROWTH AND PROFITABILITY

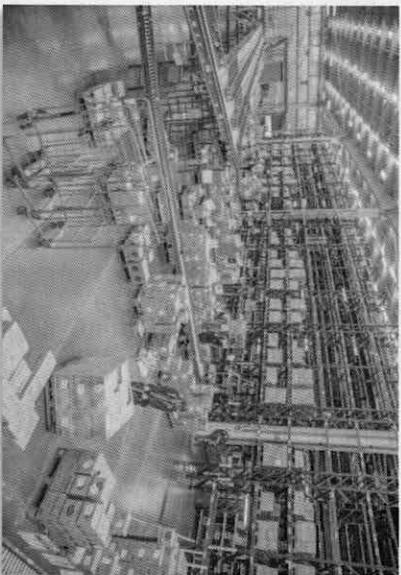
STORE UPGRADES: NEW VALUE PROPOSITIONS TARGET CHANGING CUSTOMER NEEDS

BEFORE	AFTER	HIGHLIGHTS
 <p>PERISHABLES</p>	 <p>NON PERISHABLES</p>	<ul style="list-style-type: none"> ▪ NEW STORE LAYOUT FOCUSED ON <ul style="list-style-type: none"> ▪ EXPANDING SELLING SPACE FOR FULL-IN PRODUCT CATEGORIES ▪ STORE NAVIGATION ORGANIZED BY PURCHASE OCCASION ▪ NEW FURNISHINGS AND EQUIPMENT ▪ LED LIGHTING ▪ NEW LOOK-AND-FEEL ▪ SUCCESSFUL PILOT PLAN: 3 UNIMARC STORES WITH A HIGH ROIC ▪ RESULTS: SIGNIFICANT INCREASE IN SSS AND EBITDA MARGIN AND IMPROVED CUSTOMER EXPERIENCE⁽¹⁾
		<div style="border: 1px solid black; padding: 10px;"> <p>✓ POTENTIAL STORES TO UPGRADE INCLUDE UNIMARC AND MAYORISTA 10 STORES</p> </div>
		

SOURCE: COMPANY INFORMATION.
NOTE: PILOT TEST COMPRISED ~4 MONTHS OF UPGRADING WORKS (MAR – JUN '15) AND ~12 SUBSEQUENT MONTHS OPERATING UNDER THE UNIMARC BRAND (JUL '15 – JUL '16).
(1) UPGRADED STORES PERFORMANCE VS. ALL UNIMARC STORES DURING THE SAME TIMEFRAME.

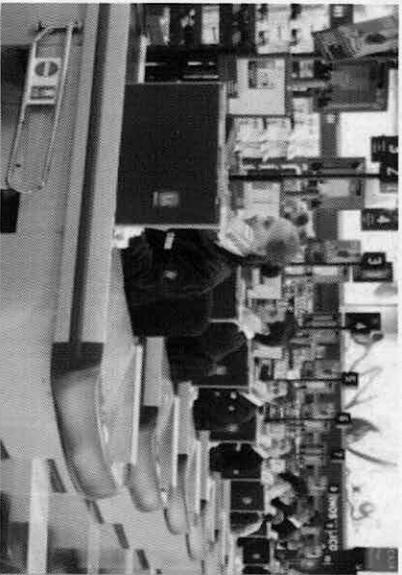
PROVEN TRACK RECORD OF STRATEGY EXECUTION WITH ACTION PLANS FOR 4 FUTURE GROWTH AND PROFITABILITY

OPERATING EFFICIENCY: CENTRALIZATION AND STANDARDIZATION OF PROCESSES



INCREASE CENTRALIZED DISTRIBUTION

- GREATER SUPPLY CHAIN EFFICIENCY
- MORE EFFECTIVE INVENTORY MANAGEMENT
 - SHRINKAGE
 - SALARY EXPENSES
- IMPROVED IN-STORE PRODUCT AVAILABILITY



STANDARDIZATION AND AUTOMATIZATION OF PROCESSES

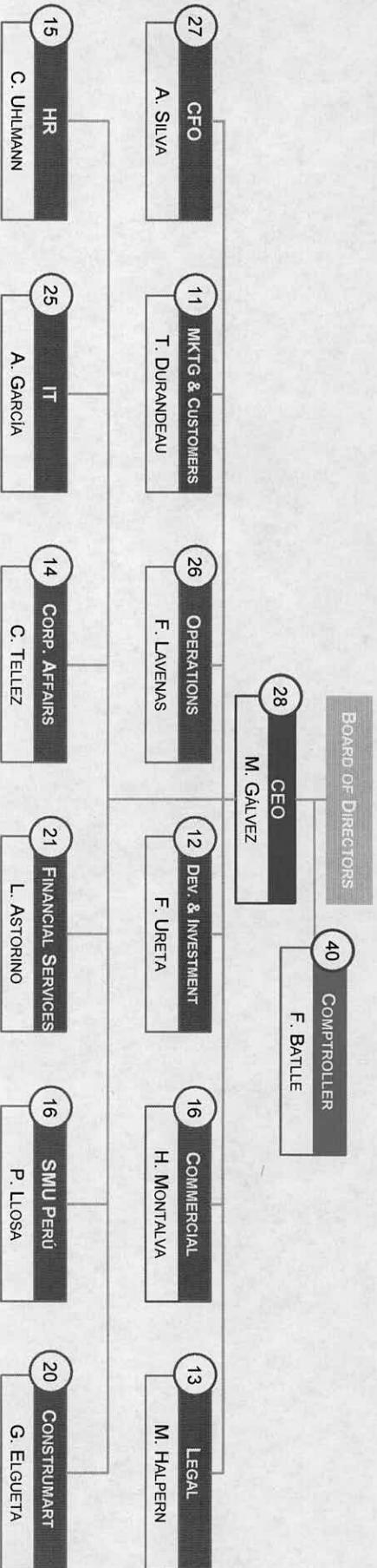
- STREAMLINING PROCESSES THROUGH:
 - AUTOMATIZATION OF STORE REPORTS
 - USE OF NEW REPORTING TOOLS (E.G. TASK MANAGER)
 - WORKFORCE MANAGEMENT
- INTEGRATION OF IT PLATFORM ACROSS FORMATS AND FUNCTIONS

SOURCE: COMPANY INFORMATION.

EXPERIENCED MANAGEMENT TEAM AND A COMMITTED BOARD OF DIRECTORS

5 WITH AMPLE INDUSTRY EXPERTISE

EXPERIENCED MANAGEMENT TEAM



CORPORATE GOVERNANCE

- THE COMPANY HAS BEEN A PUBLIC FILER SINCE 2011 DUE TO ITS PUBLICLY-TRADED DEBT INSTRUMENTS AND IS REGULATED BY THE SVS (CHILEAN SEC)
- DIRECTORS' COMMITTEE IS RESPONSIBLE FOR OVERSEEING THE COMPANY'S INTERNAL AUDIT DEPARTMENT, REVIEWING EXECUTIVE COMPENSATION AND APPROVING ALL TRANSACTIONS WITH RELATED PARTIES
- OTHER COMMITTEES IN PLACE TO SUPPORT MANAGEMENT:
 - STRATEGY COMMITTEE
 - INVESTMENT COMMITTEE
 - HUMAN RESOURCES COMMITTEE
 - AUDIT COMMITTEE

BOARD OF DIRECTORS: EXPERTISE IN DIVERSE INDUSTRY SECTORS

NAME	POSITION	SECTOR EXPERTISE
ÁLVARO SAIEH B.	CHAIRMAN	MULTISECTOR
PIJAR DAÑOBEITIA E.	VICE-CHAIRMAN	MULTISECTOR
RAÚL SOTOMAYOR V.	DIRECTOR	MULTISECTOR
FERNANDO DEL SOLAR C.	DIRECTOR	CONSUMER & RETAIL
ABEL BOUGHON S.	DIRECTOR	CONSUMER & RETAIL
PEDRO PABLO CUEVAS L.	DIRECTOR	SUPERMARKETS
HORACIO SALAMANCA U.	DIRECTOR	MULTISECTOR
ALEJANDRO ALVAREZ A.	DIRECTOR	LEGAL
ANDRÉS OLIVOS B.	DIRECTOR	CONSUMER & RETAIL

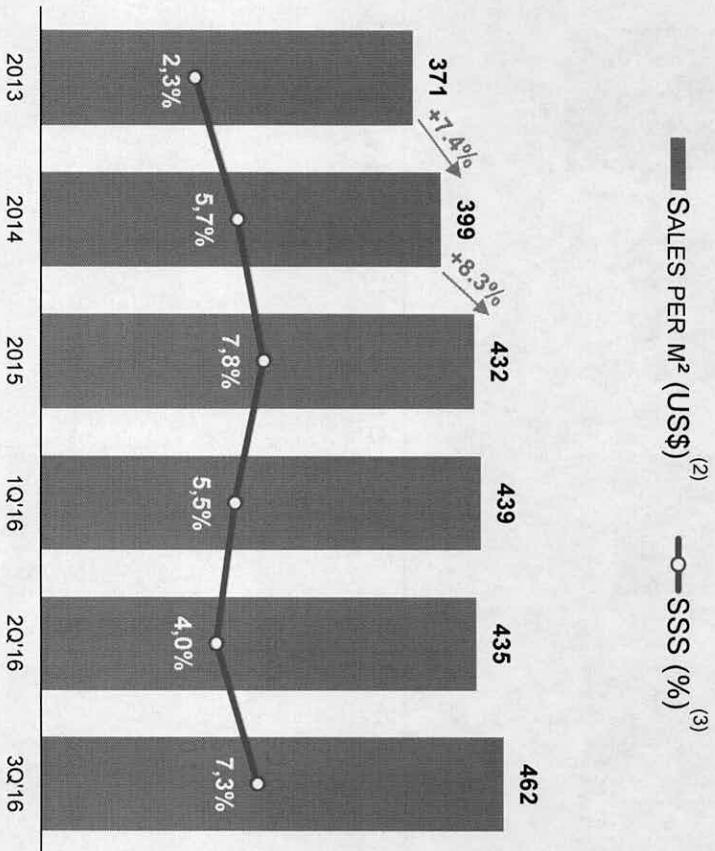


02

FINANCIAL REVIEW

FINANCIAL REVIEW

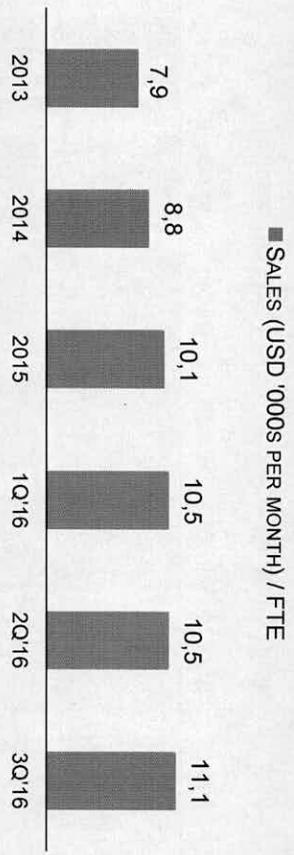
SALES PER M² AND SAME STORE SALES – ANNUALLY⁽¹⁾



CENTRALIZATION^(4,5)



PRODUCTIVITY^(4,6)



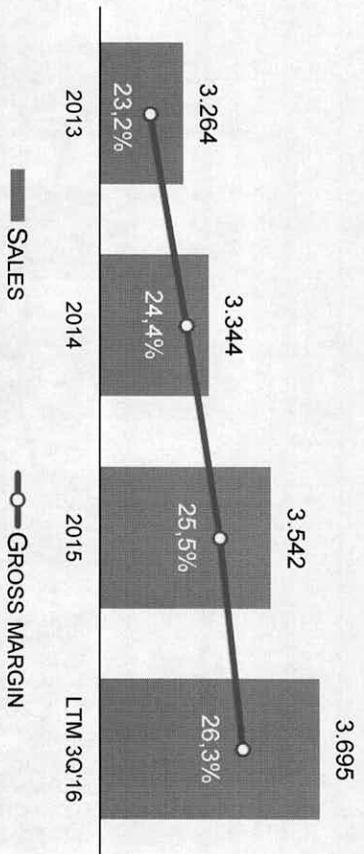
- SIGNIFICANT INCREASE IN SSS AND SUSTAINED GROWTH IN SALES PER SQUARE METER, REFLECTING SUCCESS OF COMMERCIAL STRATEGY
- CONSISTENT IMPROVEMENT IN OPERATING EFFICIENCY. SIGNIFICANT INCREASE IN CENTRALIZED DISTRIBUTION AND GREATER EMPLOYEE PRODUCTIVITY

SOURCE: COMPANY INFORMATION. ILLUSTRATIVE FX ASSUMED: CLP658.02/US\$ AS OF SEPTEMBER 30, 2016 (CONVENIENCE TRANSLATION FOR REFERENCE PURPOSES ONLY).

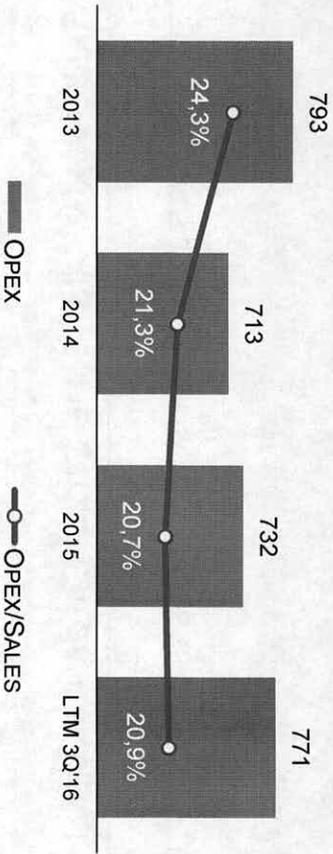
(1) SALES PER M² AND SAME STORE SALES FOR FOOD RETAIL OPERATIONS IN CHILE AND PERU.
 (2) SALES PER M² CALCULATED AS SALES FOR THE PERIOD DIVIDED BY THE SQUARE METERS OF SELLING SPACE AT THE END OF EACH MONTH DURING THE PERIOD.
 (3) SAME-STORE SALES ("SSS") REFLECTS THE PERCENTAGE CHANGE IN SALES OF OUR STORES OPERATING THROUGHOUT THE SAME MONTHS OF BOTH FINANCIAL PERIODS BEING COMPARED. IN ORDER TO BE INCLUDED IN THE CALCULATION, A STORE MUST HAVE BEEN OPERATING FOR AT LEAST 13 CONSECUTIVE MONTHS, BEGINNING ON THE DATE ON WHICH THE STORE WAS OPENED OR RE-OPENED.
 (4) FOOD RETAIL OPERATIONS IN CHILE.
 (5) PERCENTAGE OF REVENUES FROM PRODUCTS DISTRIBUTED BY THE COMPANY (AT ANY STAGE) OVER TOTAL REVENUES FROM FOOD RETAIL OPERATIONS IN CHILE.
 (6) AVERAGE MONTHLY SALES IN THOUSANDS OF US\$ PER FULL-TIME EQUIVALENT EMPLOYEE

FINANCIAL REVIEW

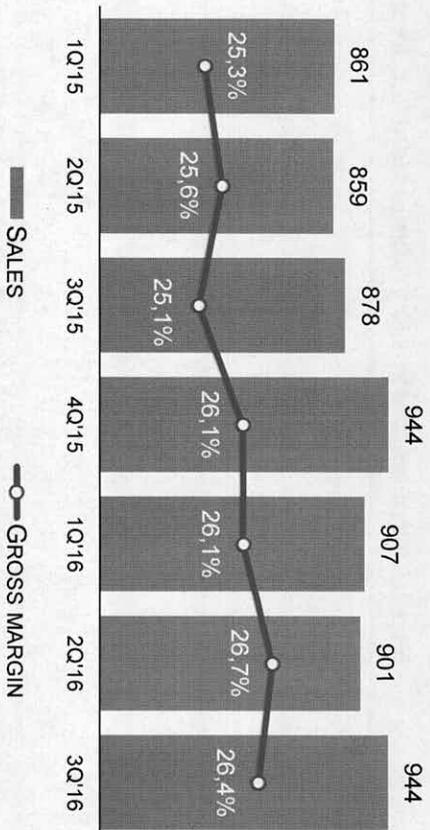
REVENUE (US\$MM) – ANNUALLY⁽¹⁾



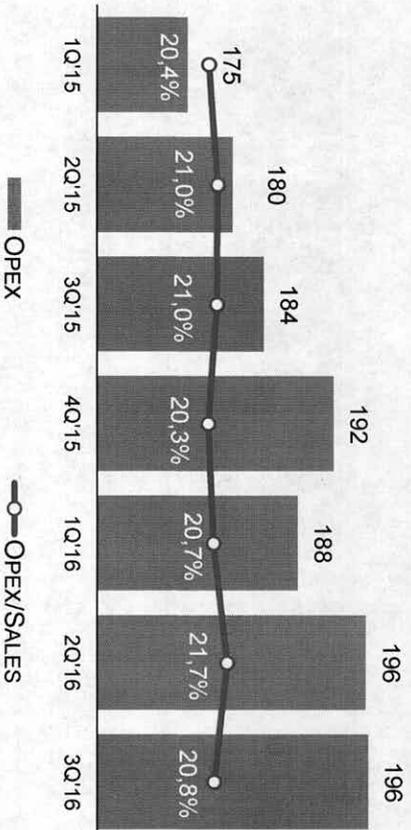
OPERATING EXPENSES (US\$MM)^(1,2) – ANNUALLY



REVENUE (US\$MM) – QUARTERLY



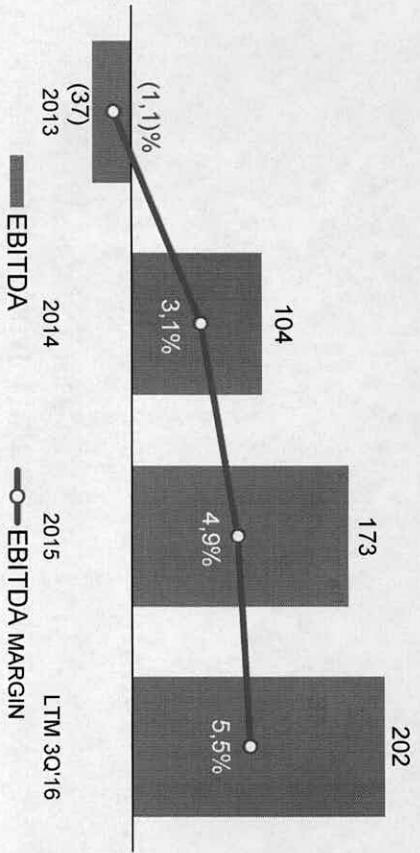
OPERATING EXPENSES (US\$MM)⁽²⁾ – QUARTERLY



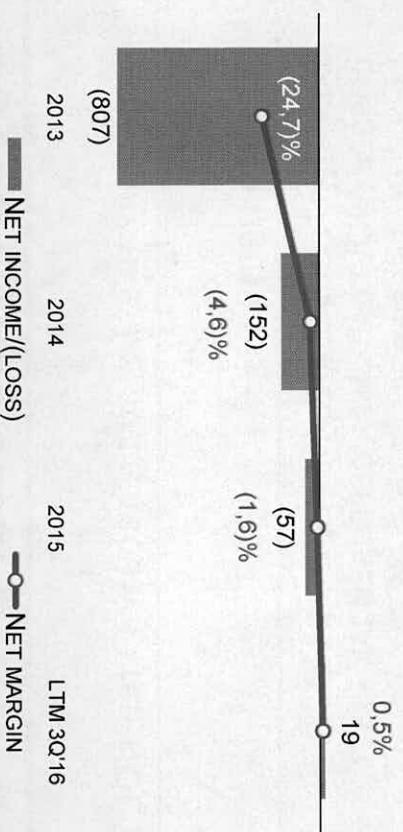
SOURCE: COMPANY INFORMATION. ILLUSTRATIVE FX ASSUMED: CLP658 02/US\$ AS OF SEPTEMBER 30, 2016 (CONVENIENCE TRANSLATION FOR REFERENCE PURPOSES ONLY).
 (1) 2013 IS NOT COMPARABLE TO OTHER PERIODS BECAUSE CONSTRUCTION WAS NOT PRESENTED ON A LINE-BY-LINE BASIS. IT WAS PRESENTED ON A LINE-BY-LINE BASIS IN THE OTHER PERIODS PRESENTED.
 (2) SUM OF DISTRIBUTION AND ADMINISTRATIVE EXPENSES, EXCLUDING DEPRECIATION AND AMORTIZATION.

FINANCIAL REVIEW

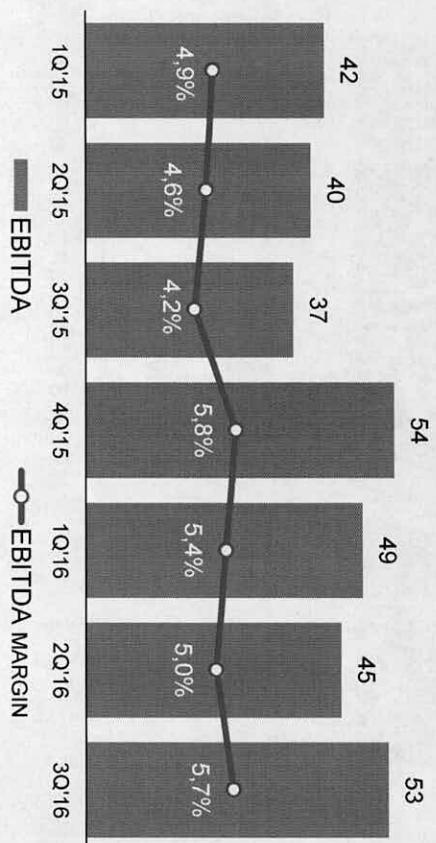
EBITDA (US\$MM) – ANNUALLY⁽¹⁾



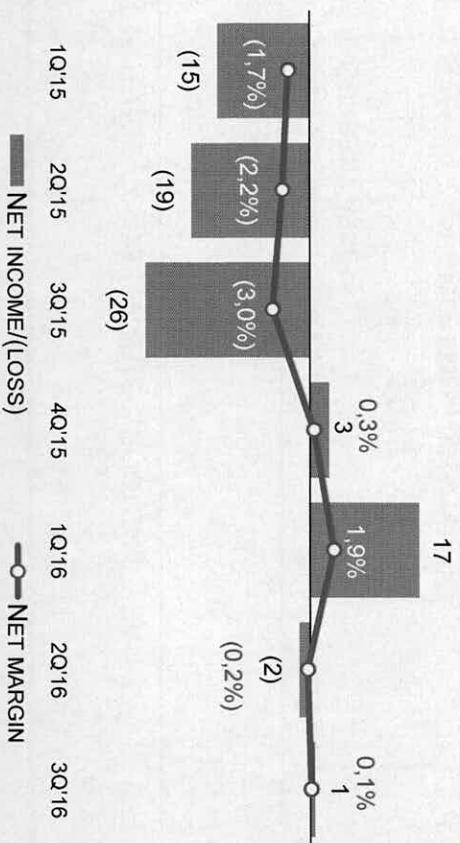
NET PROFIT/(LOSS) (US\$MM) – ANNUALLY⁽¹⁾



EBITDA (US\$MM) – QUARTERLY



NET PROFIT/(LOSS) (US\$MM) – QUARTERLY



SOURCE: COMPANY INFORMATION. ILLUSTRATIVE FX ASSUMED: CLP658/02/US\$ AS OF SEPTEMBER 30, 2016 (CONVENIENCE TRANSLATION FOR REFERENCE PURPOSES ONLY).
⁽¹⁾ 2013 IS NOT COMPARABLE TO OTHER PERIODS BECAUSE CONSTRUIMART WAS NOT PRESENTED ON A LINE-BY-LINE BASIS. IT WAS PRESENTED ON A LINE-BY-LINE BASIS IN THE OTHER PERIODS PRESENTED.

NET OPERATING LOSSES

THE COMPANY HAS VALUABLE ACCUMULATED NOL'S THAT IT INTENDS TO USE IN THE UPCOMING YEARS

NOLS: HIGHLIGHTS

- SMU HAS ACCUMULATED NET OPERATING LOSSES (NOL) BACKING A DEFERRED TAX ASSET FROM TAX LOSSES RECORDED AT US\$531MM
- CHILEAN LAW ALLOWS COMPANIES TO CARRY LOSSES FORWARD INDEFINITELY, OFFSETTING FUTURE INCOME TAXES
- THERE IS NO ANNUAL LIMIT ON THE UTILIZATION OF TAX LOSSES IN CHILE
- NOLS ARE ADJUSTED ANNUALLY FOR INFLATION

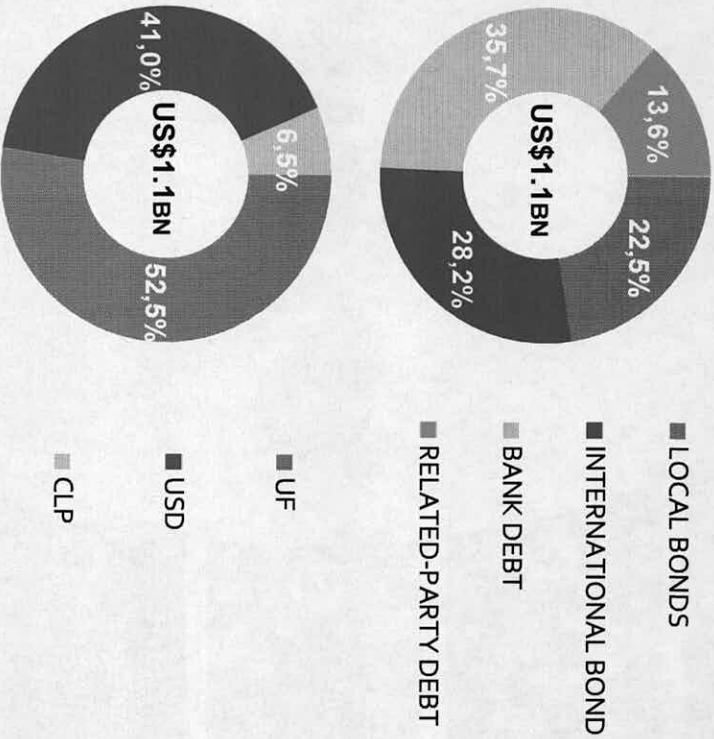
SMU ASSETS – SEPT '16

CURRENT ASSETS:	19%
	(CLP 343BN / US\$521MM)
OTHER NON-CURRENT ASSETS:	61%
	(CLP 1.09TN / US\$1.7BN)
DEFERRED TAX ASSETS FROM TAX LOSSES:	20%
	(CLP 349BN / US\$531MM)

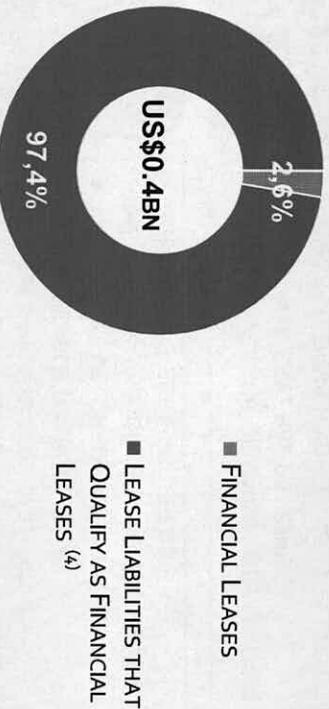
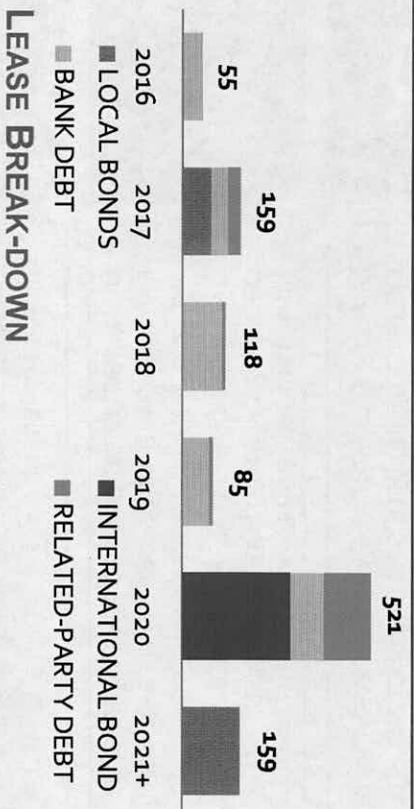
SOURCE: COMPANY INFORMATION AS OF 3Q'16. ILLUSTRATIVE FX ASSUMED: CLP658.02/US\$ AS OF SEPTEMBER 30, 2016 (CONVENIENCE TRANSLATION FOR REFERENCE PURPOSES ONLY).

FINANCIAL DEBT, LEASES AND DEBT AMORTIZATION SCHEDULE

FINANCIAL DEBT^(1,2)



DEBT AMORTIZATION SCHEDULE (US\$MM)^(1,2,3)



FOLLOWING IMPROVEMENTS TO FINANCIAL AND OPERATING METRICS THROUGH SUCCESSFUL IMPLEMENTATION OF THREE-YEAR STRATEGIC PLAN, DURING 2016, SEVERAL RATING AGENCIES UPGRADED SMU'S CREDIT RATINGS:

- FELLER RATE (FROM "B+" TO "BB-")
- HUMPHREYS CLASIFICADORA DE RIESGO (FROM "B" TO "B+")
- MOODY'S INVESTORS SERVICE (FROM "CAA1" TO "B3")⁽⁵⁾
- ICR CLASIFICADORA DE RIESGO (FROM "BB-" TO "BB")

(1) FIGURES AS OF SEPTEMBER 30, 2016. EXCLUDES LEASE EXPENSES OF US\$ -391 MM.
 (2) FX ASSUMED: CLP\$698.02/US\$ AS OF END OF SEPTEMBER 30, 2016 PERIOD (CONVENIENCE TRANSLATION FOR REFERENCE PURPOSES ONLY).
 (3) INCLUDES CAPITALIZATION OF INTEREST EXPENSES OF US\$32MM FROM THE RELATED-PARTY DEBT DUE 2020
 (4) A LEASE IS CLASSIFIED AS A FINANCE LEASE IF IT TRANSFERS SUBSTANTIALLY ALL THE RISKS AND REWARDS INCIDENTAL TO OWNERSHIP OF AN ASSET IN ACCORDANCE WITH IAS 17 "LEASES".
 (5) INTERNATIONAL CREDIT RATING.

KEY TAKEAWAYS

1 DEFENSIVE INDUSTRY IN LATAM'S MOST STABLE ECONOMY WITH ATTRACTIVE MACRO TRENDS

- WE ARE PRESENT IN THE HIGHEST-GROWING SEGMENTS OF THE DEFENSIVE CHILEAN FOOD RETAIL INDUSTRY

2 MULTI-FORMAT PRESENCE AND ESTABLISHED PROMOTIONAL STRATEGY ALIGNED WITH SHIFTING CONSUMER SHOPPING HABITS

- WE SERVE ALL SOCIOECONOMIC SEGMENTS AND SHOPPING HABITS, WITH HIGHLY RECOGNIZABLE BRANDS
- WE HAVE DEVELOPED A STRONG PROMOTIONAL MODEL THAT GIVES US A COMPETITIVE EDGE VS. PEERS



SMU

3 INTEGRATED OPERATING PLATFORM SUPPORTS BROAD COVERAGE OF THE CHILEAN MARKET

- 100% COVERAGE OF CHILE WITH LEADING POSITION IN SEVERAL REGIONS
- INTEGRATED OPERATING AND IT PLATFORM ENHANCES COMPANY'S EFFICIENCY AND COMPETITIVENESS

4 PROVEN TRACK RECORD OF STRATEGY EXECUTION WITH ACTION PLANS FOR FUTURE GROWTH AND PROFITABILITY

- SCALE AND EFFICIENCY ACHIEVED THROUGH RAPID GROWTH, SUCCESSFUL INTEGRATION AND PORTFOLIO OPTIMIZATION
- ONGOING COMMERCIAL, PROMOTIONAL AND OPTIMIZATION STRATEGIES POSITIVELY IMPACTING PROFITABILITY

5 EXPERIENCED MANAGEMENT TEAM AND A COMMITTED BOARD OF DIRECTORS WITH AMPLE INDUSTRY EXPERTISE

- SEASONED EXECUTIVES WITH RELEVANT EXPERIENCE IN CHILE'S RETAIL SECTOR
- CORPORATE GOVERNANCE MECHANISMS IN PLACE TO SUPPORT MANAGEMENT'S STRATEGIC PLANNING AND VALUE CREATION

Q&A



Appendix



COMPLEMENTARY VALUE CREATION INITIATIVES AVAILABLE TO SMU BEYOND FOOD RETAILING IN CHILE



ANCILLARY SERVICES PLATFORM

- ✓ LEVERAGE SMU'S OVER 20 MILLION MONTHLY TRANSACTIONS

KEY INITIATIVES:

- ✓ SALE OF LOTTERY TICKETS, PAYMENT OF BILLS, GIFT CARDS, REMITTANCES, INSURANCES, ETC.
- ✓ LOYALTY PROGRAM
- ✓ PURSUE ALLIANCES



SMU PERU (MAYORSA & MAXI AHORRO)

- ✓ NOVEL CASH & CARRY FORMAT IN PERU
- ✓ LEVERAGE SMU'S SUPPLIER RELATIONS IN CHILE
- ✓ PASS ON BEST PRACTICES DEVELOPED IN CHILE

KEY INITIATIVES:

- ✓ VALUE PROPOSITION, HIGH-LOW STRATEGY AND COMMERCIAL EFFICIENCY
- ✓ GREATER AVAILABILITY OF PRODUCTS
- ✓ NEW MANAGEMENT



CONSTRUMART⁽¹⁾

- ✓ CONTINUE IMPROVING CONSTRUMART'S SALES, MARGINS AND PROFIT

KEY INITIATIVES:

- ✓ TRANSITION FROM B2B TO B2C
- ✓ IMPROVE SUPPLY CHAIN STRUCTURE
- ✓ OPTIMIZE STORE PORTFOLIO

(1) CONSTRUMART CONTINUES TO BE AVAILABLE FOR SALE.

EBITDA RECONCILIATION

FINANCIAL INFORMATION (US\$MM)

	FOR THE YEAR ENDED DECEMBER 31		FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30		
	2013	2014	2015	2016	
PROFIT (LOSS) FOR THE PERIOD	(807)	(152)	(57)	(60)	16
LESS					
INCOME TAXES	119	119	47	32	11
NET LOSSES ON INDEXATION UNITS	(19)	(61)	(44)	(32)	(23)
EXCHANGE DIFFERENCE	(19)	(40)	(50)	(44)	33
SHARE OF PROFIT (LOSS) OF ASSOCIATES AND JOINT VENTURES ACCOUNTED FOR USING EQUITY METHOD	(3)	(3)	(2)	(2)	(2)
FINANCIAL COSTS	(115)	(107)	(108)	(80)	(83)
FINANCIAL INCOME	2	2	2	2	2
OTHER GAINS (LOSSES)	(567)	(67)	16	13	(7)
DEPRECIATION AND AMORTIZATION	(101)	(98)	(90)	(68)	(63)
LOSS FROM DISCONTINUED OPERATIONS	(76)	-	-	-	-
EBITDA	(28)	104	173	119	147

SOURCE: COMPANY INFORMATION. ILLUSTRATIVE FX ASSUMED. CLP658 02/US\$ AS OF SEPTEMBER 30, 2016 (CONVENIENCE TRANSLATION FOR REFERENCE PURPOSES ONLY.)