

SMU INFORMS EXPIRATION OF SHARE PLACEMENT PERIODS

Santiago, Chile. January 7, 2019. SMU S.A. (“**SMU**” or the “Company”) (Santiago Stock Exchange: SMU) announced that the placement periods for the remaining shares corresponding to capital increases previously approved by the Company’s shareholders have expired.

1. At the Extraordinary Shareholders’ Meeting held on October 2, 2013, shareholders approved a capital increase of CLP 16,732,666,667, through the issuance of 93,527,611 ordinary shares to be used for employee compensation plans, with a share placement period of five years, expiring October 2, 2018. None of the shares pertaining to this capital increase were placed, and the placement period has expired.
2. In addition, at the Extraordinary Shareholders’ Meeting held on December 30, 2015, shareholders approved a capital increase of CLP 230,000,000,000, through the issuance of 2,486,486,486 ordinary shares, with a share placement period of three years, expiring December 30, 2018. SMU carried out the following transactions as part of this capital increase:
 - On January 24, 2017, the Company placed 1,150,000,000 shares, at a price of CLP 113 per share, raising a total of CLP 129,950,000,000.
 - On November 16, 2017, the Company placed 575,000,000 shares, at a price of CLP 165 per share, raising a total of CLP 94,875,000,000.
 - On January 22, 2018, the Company placed 400,000,000 shares, at a price of CLP 185 per share, raising a total of CLP 74,000,000,000.

These three transactions, combined with the sustained improvement in operating results, enabled SMU to transform its financial position, reducing its ratio of net financial debt to EBITDA from 6.6 times as of December 31, 2016, to 3.8 times as of September 30, 2018.

Following these three transactions, the Company had 361,486,486 remaining shares available but decided that it was not necessary to use the shares to raise additional capital, and on December 30, 2018, the placement period for these shares expired.

In accordance with the provisions of Article 56 of the regulations of the Corporations Act of Chile, the Company declares that, given that the share placement periods have expired, the Company’s share capital amounts to CLP 523,741,972,811, divided among 5,772,576,856 ordinary shares, which have been fully subscribed and paid.



About SMU

SMU is the largest Chilean food retailer, based on number of stores, and the third largest Chilean food retailer, based on revenue for the year ended December 31, 2017. We operate our food retail business in Chile through four different formats: supermarkets (*Unimarc*), cash and carry stores (*Mayorista 10* and *Alvi*), convenience stores (*OK Market*) and an online grocer (*Telemercados*). We also operate in Peru, through two food cash and carry brands, *Mayorsa* and *MaxiAhorro*.

Caution Regarding Forward-Looking Statements

This press release may contain forward-looking statements. We have based any such forward-looking statements largely on our current beliefs, expectations and projections about future events and financial trends affecting our business. Although management considers these projections to be reasonable based on information currently available to it, many important factors could cause our actual results to differ substantially from those anticipated in our forward-looking statements. The words "believe," "may," "will," "aim," "estimate," "continue," "anticipate," "intend," "expect," "forecast" and similar words are intended to identify forward-looking statements. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities and the effects of future regulation and competition. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. In light of the risks and uncertainties described above, the forward-looking events and circumstances discussed in this press release might not occur and are not guarantees of future performance. Therefore, we caution readers not to place undue reliance on these statements. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to update or revise any forward-looking statements included in this press release because of new information, future events or other factors.

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