# QUARTERLY EARNINGS REPORT

# INTERIM CONSOLIDATED FINANCIAL STATEMENTS

# AS OF SEPTEMBER 30, 2018

# PLAZA S.A.

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## 1. - MARKET ANALYSIS

### Description and analysis of the business

Plaza S.A. is a holding Company that operates shopping centers under the Mall Plaza brand in Chile, Peru and Colombia, which total a leasable area of 1,650,000 $m^2$.

In Chile, it groups the companies that build, manage, operate and rent the premises and advertising spaces of its 17 Mallplaza shopping centers.. Its lessees include a diversified offer of products and services, being significant department stores, specialty stores, entertainment and culture, movie theaters, games for children, Viva libraries, restaurants and fast food outlets, supermarkets, car sales, offices, health and education. It also leases advertising space at its shopping centers. These leases cover 1,368,000 $m^2$ of leasable areas.

Through its subsidiary Mall Plaza Colombia S.A.S., Plaza S.A. owns shopping centers in Cartagena de Indias, Manizales and owns a plot in Barraquilla, which includes an operating Homecenter store and where it is building a shopping center. Currently, the leasable area in Colombia totals 79,000 $m^2$.

Plaza S.A. also manages 3 malls in Peru belonging to Mallplaza Perú S.A., where it owns a 33.33% interest. These malls offer a leasable area of 203,000 $m^2$ and are located in the cities of Callao (Lima), Arequipa and Trujillo.

Finally, Plaza S.A. is also carrying out the corresponding studies and analyzes to develop new projects in Chile, Peru and Colombia over the coming years.

### Description and analysis of the industrial sector

a) The Competition: According to surveys conducted in homes and various shopping malls, the main competitors to Plaza S.A. are shopping centers of all kinds, such as malls, power centers, strip centers and traditional stores located close to Mallplaza's shopping malls.

b) Its relative participation and evolution: Its market share of the retail trade is estimated at 6.7%. This participation is based on total sales at Mallplaza shopping centers, excluding sales in the automotive, supermarket, home and health sectors, and compared to an estimate of retail trade for those areas. Plaza S.A. participates in the new car sales sector through the premises of its subsidiaries Autoplaza S.A., located in the malls of the chain in Chile, and through Salón Motorplaza located in 5 shopping centers in Peru.

## 2.- ANALYSIS OF THE STATEMENT OF FINANCIAL POSITION

### a) **Assets** (in millions of Chilean pesos)

| | Sep-18 | Dec-17 | Change Sep18-Dec17 |
|---|---|---|---|
| Current assets | 171,152 | 168,947 | 1% |
| Non-current assets | 3,118,621 | 3,053,150 | 2% |
| **Total Assets** | **3,289,773** | **3,222,097** | **2%** |

### Current Assets

The increase of 1% in current assets, equivalent to MCh$2,205, is mainly due to increased cash and cash equivalents of MCh$5,006, other non-financial assets of MCh$3,251 due to the renewal of insurance policies that include GLA that was not available last year, and increased current tax assets of MCh$2,697. These were partially offset by decreased current receivables from related entities of MCh$ -5,439 explained by a decrease in loans to related companies and decreased trade and other receivables of MCh$ -2,747 due to seasonality effects causing increased billing in December.

### Non-Current Assets

Non-current assets increased by 2%, equivalent to MCh$65,471, mainly due to an increase in investment properties of MCh$32,642 as a result of construction progress at the Mallplaza Barranquilla and Mallplaza Manizales projects in Colombia, and completion of Mallplaza Arica in Chile. Also to investments in mall expansions in Chile associated with the company's investment plans. Furthermore, other non-financial non-current assets increased by MCh$14,017 mainly due to an investment advance in a subsidiary, revenue alignment and increased recoverable taxes of MCh$10,997 on the construction of Mallplaza Arica.

### Investment properties at Fair Value

Plaza S.A. values its investment properties at fair value and used this value as the attributable cost on the IFRS re-adoption date of January 1, 2015, in accordance with IFRS 1. The cost model has been applied since the IFRS conversion, and this value has been depreciated linearly on a monthly basis. It has not been revalued to fair value from period to period in the Income Statement. The value of the investment properties as of September 30, 2018 is MCh$2,957,458, representing 90% of the total consolidated assets of Plaza S.A.

MCh$ Millions of Chilean pesos

### Liabilities (in millions of Chilean pesos)

| | Sep-18 | Dec-17 | Change Sep18-Dec17 |
|---|---|---|---|
| Current liabilities | 134,146 | 176,351 | (24%) |
| Non-current liabilities | 1,318,472 | 1,302,126 | 1% |
| **Total Liabilities** | **1,452,618** | **1,478,477** | **(2%)** |
| Equity | 1,837,155 | 1,743,620 | 5% |
| **Total Equity and Liabilities** | **3,289,773** | **3,222,097** | **2%** |

### Current Liabilities

Current liabilities decreased by 24% equivalent to MCh$ -42,205, mainly due to decreased trade and other payables of MCh$ -35,886. The latter is mainly due to a decrease in the dividend provision following a dividend payment in April 2018 and decreased payables to related entities of MCh$ -4,179.

### Non-Current Liabilities

Non-current liabilities increased by MCh$16,346 mainly due to increased deferred taxes of MCh$8,602 mainly due to extreme zone tax benefits and increased other non-current financial liabilities of MCh$6,286 associated with increased SWAP hedging balances to cover financing.

### Equity (in millions of Chilean pesos)

| | Sep-18 | Dec-17 | Change Sep18-Dec17 |
|---|---|---|---|
| Share capital | 175,123 | 175,123 | 0% |
| Retained earnings | 1,481,343 | 1,403,579 | 6% |
| Share premium | 123,573 | 123,573 | 0% |
| Other reserves | (71,465) | (79,517) | (10%) |
| Non-controlling interests | 128,581 | 120,862 | 6% |
| **Total Equity** | **1,837,155** | **1,743,620** | **5%** |

Equity increased by MCh$93,535, mainly due to an increase in retained earnings of MCh$77,764, mainly due to increased net income for the period January to September 2018, and the difference between the dividend provision as of December 31, 2017 and the dividends paid in April 2018.

## Ratios

| | Sep-18 | Dec-17 | Change Sep18-Dec17 |
|---|---|---|---|
| Liquidity Ratio | 1.28 | 0.96 | 0.32 |
| Acid Ratio | 0.25 | 0.16 | 0.09 |
| Indebtedness Ratio | 0.79 | 0.85 | (0.06) |
| Net Financial Debt (1)/ Equity | 0.48 | 0.52 | (0.04) |
| Net Financial Debt (1) / EBITDA(2) | 3.64 | 4.10 | (0.45) |
| EBITDA / Financial Expenses (3) | 7.46 | 6.66 | 0.81 |
| EBITDA / Net Revenue (4) | 80.9% | 79.3% | 1.6% |
| Current liabilities / Total liabilities | 9.2% | 11.9% | (2.7%) |
| Assets / Non-Cur. Fin. Debt + Cur. Liab. | 3.33 | 3.14 | 0.18 |
| Unencumbered assets (5) / Net Financial Debt (1) | 3.29 | 3.13 | 0.16 |
| Return on Equity (6) | 6.8% | 6.3% | 0.5% |
| Return on Assets (7) | 3.8% | 3.5% | 0.3% |
| Return on Operating Assets (8) | 6.6% | 6.2% | 0.4% |
| Earnings per Share (9) | $ 59.05 | $ 54.07 | $ 4.98 |

(1) Current and non-current financial debt, discounting cash and cash equivalents and other investments of cash surpluses available in under 30 days.
(2) EBITDA for the rolling 12 month periods ended September 30, 2018 and December 31, 2017, respectively.
(3) EBITDA and financial expenses (Total bank expenses and fees together with interest on financial debt) for the periods ended September 30, 2018 and December 31, 2017, respectively.
(4) EBITDA and revenue net of common expense recovery for the periods ended September 30, 2018 and December 31, 2017, respectively.
(5) Investment properties that are free of mortgages or encumbrances.
(6) Net income for the rolling 12 month periods ended September 30, 2018 and December 31, 2017, over average equity (Average lineal equity for the last 4 quarters).
(7) Net income for the rolling 12 month periods ended September 30, 2018 and December 31, 2017, over average assets (Average lineal assets for the last 4 quarters).
(8) Earnings from operating activities for the rolling 12 month periods ended September 30, 2018 and December 31, 2017, over average investment properties (Average lineal investment properties for the last 4 quarters).
(9) Compares earnings per share for the rolling 12 month periods ended September 30, 2018 and December 31, 2017.

The liquidity ratio (Current Assets/Current Liabilities) increased from 0.96 times at the close of December 2017 to 1.28 times in September 2018, a variation of 0.32 points, mainly due to a decrease in current liabilities, due to a decrease in trade and other payables. The acid ratio is defined as cash and cash equivalents over current liabilities and it increased from 0.16 times as of December 2017 to 0.25 times as of September 2018, due to decreased current liabilities and increased cash and cash equivalents.

The indebtedness ratio [(Current and Non-Current Liabilities) / Equity] decreased from 0.85 to 0.79 times, mainly due to an increase in equity, due to the accumulation of income recorded as of September 2018 and a decrease in liabilities, mainly due to a decrease in the dividend provision, due to the dividend payment in April 2018. The net financial debt over equity ratio decreased from 0.52 times as of December 2017 to 0.48 times as of September 2018, associated with the increase in equity.

The net financial debt ratio (cash and cash equivalents and other investments of cash surpluses available in under 30 days) over rolling 12 months EBITDA decreased from 4.10 as of December 2017 to 3.64 times as of September 2018, due to EBITDA growth of 9.1%. The financial expense ratio, EBITDA over financial expenses, was 7.46 times as of September 2018, an increase over its value of 6.66 times as of December 2017.

The current liabilities over total liabilities indicator decreased from 11.9% as of December 2017 to 9.2% as of September 2018. This was mainly due to a decrease of 23.9% in current liabilities.

The assets over non-current financial debt and current liabilities ratio increased from 3.14 to 3.33 times as of September 2018, due to an increase of 2.1% in assets, and a decrease of 3.5% in the denominator, mainly due to decreased current liabilities.

The unencumbered asset ratio is investment properties free of mortgages or encumbrances over net financial debt, and it increased to 3.29 as of September 2018 mainly due to 2.0% growth in unencumbered assets.

The return on equity is defined as 12 months net income over average equity, and it reached 6.8% as of September 2018, an increase over the 6.3% reached as of December 2017, due to increased 12 months net income (11.7%) and the average increase in equity (3.1%).

The return on assets is 12 months net income over average assets, and it increased from 3.5% as of December 2017 to 3.8% as of September 2018, due to increased 12 months net income (11.7%) and growth in average assets (2.9%).

Earnings from operating activities is defined as earnings from 12 months operating activities over average investment properties, and it increased from 6.2% as of December 2017 to 6.6% as of September 2018. This is due to an increase of 8.2% in earnings from 12 months operating activities, compared to the 1.8% increase in average investment properties.

Finally, basic earnings per share from rolling 12 months continuing operations increased by $4.98 to reach $59.05 per share as of September 2018, while it was $54.07 as of December 2017.

## 3.- ANALYSIS OF THE STATEMENT OF INCOME BY FUNCTION

### **Income Statement** (in millions of Chilean pesos)

| Estado de Resultados | Por los nueve meses terminados al 30 de Septiembre de | | | | Por los tres meses terminados al 30 de Septiembre de | | | |
|---|---|---|---|---|---|---|---|---|
| | 2018 | 2017 | Var. | % | 2018 | 2017 | Var. | % |
| Ingresos de actividades ordinarias | 224.099 | 202.575 | 21.524 | 11% | 76.934 | 68.759 | 8.175 | 12% |
| Costo de Ventas | (52.848) | (44.385) | (8.463) | 19% | (18.126) | (14.920) | (3.206) | 21% |
| **Ganancia Bruta** | **171.251** | **158.190** | **13.061** | **8%** | **58.808** | **53.839** | **4.969** | **9%** |
| Gastos de administración | (24.075) | (25.209) | 1.134 | (4%) | (8.863) | (9.636) | 773 | -8% |
| Otros ingresos, por función | 2.142 | 343 | 1.799 | 524% | 4 | 120 | (116) | (97%) |
| Otros gastos, por función | (1.467) | (163) | (1.304) | 800% | (441) | (52) | (389) | 748% |
| Ingresos financieros | 1.366 | 1.110 | 256 | 23% | 382 | 277 | 105 | 38% |
| Costos financieros | (22.997) | (19.819) | (3.178) | 16% | (7.881) | (7.252) | (629) | 9% |
| Participación en las ganancias (pérdidas) de asociadas y negocios conjuntos, utilizando el método de la participación | 2.276 | 1.967 | 309 | 16% | 911 | 598 | 313 | 52% |
| Diferencias de Cambio | (5) | (46) | 41 | (89%) | (56) | (2) | (54) | 2.700% |
| Resultados por Unidades de Reajuste | (15.710) | (7.066) | (8.644) | 122% | (5.578) | 991 | (6.569) | (663%) |
| **Ganancia (Pérdida) antes de Impuesto** | **112.781** | **109.307** | **3.474** | **3%** | **37.286** | **38.883** | **(1.597)** | **(4%)** |
| Gasto por impuestos a las ganancias | (16.657) | (25.980) | 9.323 | (36%) | (9.129) | (10.453) | 1.324 | -13% |
| Ganancia (Pérdida) atribuible a part. no controladoras | 6.329 | 3.286 | 3.043 | 93% | 1.235 | 1.128 | 107 | 9% |
| **Ganancia (Pérdida) atribuible a los propietarios de la controladora** | **89.795** | **80.041** | **9.754** | **12%** | **26.922** | **27.302** | **(380)** | **(1%)** |
| **EBITDA (1)** | **181.353** | **161.032** | **20.321** | **13%** | **61.992** | **54.018** | **7.974** | **15%** |

(1) EBITDA includes gross profit and administrative expenses, excluding depreciation and amortization.

### Analysis 3Q2018 vs 3Q2017

### Operating Revenue

When comparing 3Q2018 to 3Q2017, operating revenue increased by 12%, mainly due to opening Mallplaza Los Dominicos, Mallplaza Arica and Mallplaza Manizales, as only Mallplaza Los Dominicos had been operating for one month in 3Q2017.

### Gross Profit

Gross profit for 3Q2018 increased by 9% with respect to 3Q2017, equivalent to MCh$4,969. This growth is mainly due to an increase of 12% of operating revenue, while cost of sales increased by 21% mainly due to increased depreciation, increased real estate taxes associated with fiscal revaluations and new leasable areas, in addition to increased operating expenses on the increased leasable areas, offset by increased efficiency within electricity expenditure.

### Administrative Expenses

Administrative expenses for 3Q2018 decreased by MCh$773 (-8%) compared to 3Q2017, due to non-recurrent costs in 3Q2017 associated with opening Mallplaza Los Dominicos. This effect was partially offset by increased marketing expenses mainly due to opening Mallplaza Manizales.

### EBITDA

EBITDA in 3Q2018 increased by 15% compared to 3Q2017, equivalent to MCh$7,974 with operational efficiency reaching 81%, an increase over the 79% achieved in 3Q2017.

### Financial Expenses

Financial expenses increased by MCh$629 in 3Q2018 compared to the same period for the previous year, mainly due to decreased capitalized interest, due to opening projects that were under construction during 3Q2017.

### Financial Income

Financial income reached MCh$382 in 3Q2018, which represents an increase of 38% compared to the same period for the previous year, due to increased surpluses arising on net income.

### Indexation Adjustments

Indexation adjustments are changes in the Chilean peso value of financial debt in Chile denominated in Unidades de Fomento (UF). They do not represent cash flows, and are merely accounting adjustments. Indexation adjustments generated an increased loss of MCh$6,569 when comparing 3Q2018 with the same period in 2017, which is due to variations in the value of the UF of 0.73% in 3Q2018 compared to -0.03% in 3Q2017.

Under IFRS, these financial statements do not include any inflation adjustments for assets, liabilities and equity, which have been recorded at their nominal values since December 31, 2014. Only those assets and liabilities that are denominated in a currency other than the Chilean peso have been adjusted. This mainly applies to financial liabilities in UF in the consolidated financial statements of Plaza S.A.

### Earnings Attributable to Owners of the Controlling Company

This reached MCh$26,922 in 3Q2018, a decrease of -1.4% compared to 3Q2017. This was mainly due to the loss on indexation adjustments, as a result of an increased variation in the UF. This effect was offset by increased income from operating activities associated with increased operating revenue generated mainly by the increase in the average available leasable area for the period.

## Cumulative analysis for September 2018 vs September 2017

### Operating Revenue

Operating revenue increased by 11% compared to 2017, mainly due to the increased leasable area in Chile, following the opening of Mallplaza Los Dominicos in September 2017, Mallplaza Arica in April 2018, Mallplaza Manizales in August 2018, and expansions in operating malls, such as the Pro Sport zone in Mallplaza Oeste, the fitness center in Mallplaza Alameda and the Boulevard in Mallplaza Egaña, among others.

## Gross Profit

Gross profit was MCh$171,251 as of September 2018, which represents an increase of 8% over the same period for the previous year. This increase is mainly due to the increase of 11% in operating revenue with respect to 2017, while cost of sales increased by 19%, equivalent to MCh$8,463, mainly due to increased depreciation and operating expenses due to the increase in leasable area and increased real estate taxes associated with fiscal revaluations in Chile.

## Administrative Expenses

Administrative expenses decreased by MCh$1,134 (-4%), associated with the absence of non-recurring expenses incurred in 2017 when Mallplaza Los Dominicos was opened, partially offset by an increase in marketing expenses generated by opening new malls and other minor fixed costs.

## EBITDA

EBITDA as of September 2018 reached MCh$181,353 growing 13% compared to the same period in 2017, equivalent to MCh$20,321, with operational efficiency measured as EBITDA over operating revenue of 81%.

## Financial Expenses

Financial expenses increased by MCh$3,178 compared to the same period in the previous year, mainly due to decreased capitalized interest on opening projects that were under construction during the previous year and the initial months of this year.

## Financial Income

Financial income arises on investing operational cash surpluses, which reached MCh$1,336 million. The increase of 23% is primarily due to increased operational cash surpluses.

## Indexation Adjustments

Indexation adjustments amounted to a loss of MCh$15,710 as of September 2018, higher than the accumulated loss of MCh$8,644 as of September 2017. This was mainly due to the increased percentage variation in the UF on these financial liabilities and decreased UF capitalization, due to projects opening that were being constructed during the previous year and the initial months of this year.

## Earnings Attributable to Owners of the Controlling Company

This was MCh$89,795, an increase of 12% compared to September 2017. This result was primarily due to operational growth and a reduction in the tax expense as a result of a tax benefit associated with opening Mallplaza Arica. These beneficial effects were partially offset by increased financial expenses and increased indexation adjustment losses due to the increased percentage variation in the UF on these financial liabilities and decreased UF capitalization, due to opening projects that were being constructed during the previous year and the initial months of this year.

## 4. - ANALYSIS OF THE STATEMENT OF DIRECT CASH FLOW

**Cash flow** (in millions of Chilean pesos)

| | Sep-18 | Sep-17 | Change Sep18-Sep17 |
|---|---|---|---|
| From operating activities | 146,931 | 138,671 | 6% |
| From investing activities | (58,706) | (119,730) | (51%) |
| From financing activities | (83,076) | (19,300) | 330% |

### From operating activities

Operating activities generated a positive cash flow of MCh$146,931, an increase of 6% (MCh$8,260) over that generated as of September 2017. This is due to increased receipts from providing services of MCh$30,970 associated with increased operating revenue, offset by increased payments to suppliers for providing goods and services of MCh$ -18,146.

### From investing activities

Investment activities generated a negative cash flow of MCh$58,706 during 2018, due to decreased payments for investment activities of MCh$61,023. This is mainly due to decreased purchases of other long-term assets, investment properties of MCh$43,038, due to lower payments following the completion of construction of Mallplaza Los Dominicos and Mallplaza Arica. Also, a decrease in other cash payments of MCh$11,136 mainly due to decreased advance payments for investments in subsidiary companies and compensation paid to Empresa Portuaria de Valparaíso for terminating their contract, and increased receipts from loans granted to related entities of MCh$6,800.

### From financing activities

Financing activities generated a negative cash flow of MCh$83,076 over the course of the year, which represents a net increase in payments of MCh$63,776 with respect to the same period for the previous year, mainly due to decreased new loans of MCh$47,626 and increased loan repayments of MCh$9,024. In addition, dividends paid increased by MCh$6,025 associated with net income for 2017.

## 5. - MARKET RISK ANALYSIS

The company is exposed to certain risks that could impact, to a greater or lesser extent, its business and financial performance in an adverse manner. Therefore, Plaza S.A. has developed plans to identify, evaluate, mitigate and monitor the risks it faces, under the COSO ERM (Enterprise Risk Management) risk management model, and risk control segmentation methodology known as the Three Barriers of Defense. This model is applied in the three countries where Mallplaza manages malls. The first and second defense barriers are composed of those responsible for each process and on a regular basis Management perform an assessment of the Company's risks in line with the business value and operational chains, in order to keep up to date with the risks that may impact the development or objectives of Plaza S.A. and its subsidiaries. The Company also recognizes its third defense barrier as the Comptroller's Office, whose objective is to verify compliance with policies and procedures, independently from Management, and who directly report to the Directors' Committee.

### A. RISKS INHERENT TO THE BUSINESS

**1. Financial Risks.** The main risks to which Plaza S.A. is exposed are (i) market risk, (ii) liquidity risk and (iii) credit risk. The Plaza S.A. Board has approved centralized policies and procedures to manage and minimize its exposure to risks that may affect the Company's profitability. Procedures have also been established to evaluate the evolution of these risks, and these policies and procedures are continuously reviewed to adapt them to changes in the Company's businesses and markets.

**2. Real Estate Market Conditions.** Local conditions within the real estate market in each country, such as excess supply or a reduction of the demand for commercial space, could affect the leasability of the Company's premises. Plaza S.A. mitigates this risk through negotiating long-term leases, and through a thorough analysis of the market when it is evaluating a new mall or mall extension, and securing binding agreements with significant operators prior to executing the project.

**3. Changes in Laws and Regulations.** Any change in the current regulatory framework could affect the revenue or costs of Plaza S.A. Its profitability could be affected by a change in the regulations associated with land or mall construction.

**4. Environmental Risks.** As a real estate owner, it could face liabilities for contaminating local communities. Plaza S.A. has established policies and procedures to ensure compliance with current environmental regulations and ensure that its urban centers are operated on a sustainable basis, based on best practice.

**5. Retail Sales through the Internet.** In recent years, retail sales have increased through e-commerce sales using the Internet. Plaza S.A manages this risk by regularly strengthening the various reasons for consumers to visit our malls and improve the sales of store operators, along with developing new services to reinforce the integration of shopping centers into the digital age, such as Wi-Fi services, applications for mobile devices and telephones, among others.

**B. GENERAL MARKET RISKS**

**1. Economic Cycles.** Shopping mall sales in general are highly correlated with the evolution of gross domestic product and consumption. A fall in personal disposable income caused by economic contraction could affect revenue for store operators (lessees), which could potentially affect the store occupancy rate. However, the commercial policy of Plaza S.A. is mostly focused on fixed charges and is not associated with the sales of its lessees. Therefore, revenue at Plaza S.A. is less sensitive to economic cycles that affect the revenue received by commercial stores, generated by their sales. Furthermore, the Company's lease revenue arises from several types of operators, some of whose business cycles experience an inverse correlation compared to others, such as supermarkets, home improvement stores, service units, specialized stores, medical and health buildings, offices, education and entertainment centers (cinemas and restaurants), among others.

**2. Market risk.** The main market risks to which Plaza S.A. is exposed are exchange rates, interest rates and inflation.
**2.1.1. Exchange Rate Risk.** The Company is exposed to two sources of risk from adverse movements in the price of currencies. The first is from financial debt issued in currencies other than the functional currency of the business, while the second is from investments abroad. Therefore, the Company sources its financing only in the business currencies of each country, and if this is not possible, hedging derivatives are used.
**2.1.2. Interest Rate Risk.** Plaza S.A. has most of its financial debt after currency hedges at fixed and long-term interest rates, in order to avoid exposure to fluctuations that may occur in variable interest rates, which may increase financial expenses.
**2.1.3. Inflation Risk.** The majority of Company revenue is adjusted by the respective inflation rates in Chile, Peru and Colombia. The main source of its revenue is Chile, and here revenue is denominated in Unidades de Fomento (UF). As most of the consolidated financial debt after hedges is indexed to the same currency, the Company therefore has a natural economic hedge that protects it from the inflation risk in its consolidated debt (revenue indexed to UF in Chile, or inflation in Peru and Colombia).

**3. Natural Risks.** The mitigation of these risks is outsourced by the Company through insurance policies that extensively cover the operational risks of all its investment properties (shopping malls in operation and construction) and the revenue streams associated with them, through first class insurance companies.

**4. Information Security and Technology Risks.** There are potential risks associated with digital security breaches, whether through cyber-attacks, malware, computer viruses, and email attachments, among others. Plaza S.A. manages the security and integrity of its IT networks and related systems to minimize the effect of a potential interruption in system continuity, by relying on companies specializing in these risks.