

# 3Q2011 financial results

October 24, 2011



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**Almacenes Éxito S.A.**  
Investor Relations Dept.

[exitoinvestor.relations@grupo-exito.com](mailto:exitoinvestor.relations@grupo-exito.com)



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# Agenda

1. Macroeconomic Variables
2. 3Q 11 Highlights
3. 3Q 11 Financial Results
4. Working Capital
5. Strategy Follow-Up
6. Q&A Session



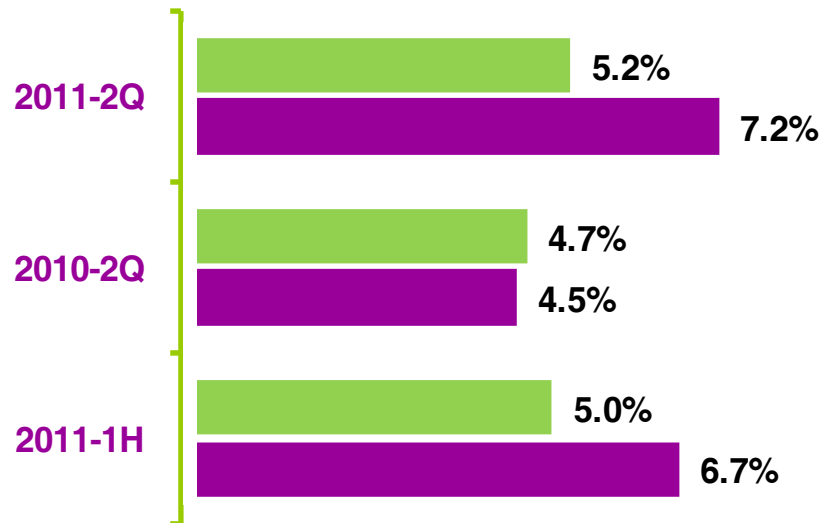


# Macroeconomic Variables

**Annualized CPI** of 3.7% as of September 2011 still aligned with the Central Bank range of 2% - 4% for 2011.

**Retail Sales** with solid growth pace of 8.0% as of August 2011\*.

## GDP vs. Retail Industry GDP



Source: DANE

■ Total GDP Growth ■ Retail Industry GDP Growth

**GDP grew** 5.2% in 2Q 11 compared to 4.7% in 2Q 10.

Over performing industries such as mining, retail and finance.

**Retail industry GDP** expanded 7.2% in 2Q 11 exceeding overall GDP growth.

\* DANE. Nominal terms excluding vehicles and gas

# 3Q 2011 Highlights



Salón del Queso

**Salon del Queso Carulla** first fair to promote consumption of cheese and other complementary products.

**Troop X** the new Grupo Exito's **private label**, aimed at children aged 4 to 10 with multi-category products.

**Exclusive Novelties** the launch of **Fonseca's** latest album *Ilusión*.

**exito.com** was given the award as the "E-commerce Leader in Retail in Colombia" by the ILCE\*.

**Social Responsibility** Grupo Éxito joined the **United Nations Global Compact** and Fundación Éxito presented the **Child Nutrition Award** with the presence of the former president of Brazil, Luiz Inácio Lula da Silva.

\* Latin American Institute of Electronic Commerce (ILCE)

# 3Q 2011 Highlights

## Expansion plan:

**12 openings:** 6 Exito Express and 6 Bodega Surtimax.

**6 conversions:** 6 Cafam and Ley stores converted to the Exito brand.

**Real estate business:** Second stage of the San Pedro Plaza mall in Neiva, expansion of commercial sites in Puerta del Norte and announcement of the construction of the new Viva Laureles shopping mall.

## Equity Offering:

114,270,684 shares issued, with a 172% subscription demand.

**International Expansion:** Acquisition of Disco and Devoto in Uruguay for a purchase price of USD\$ 746 million

**Local Expansion Plan:** An aggressive three-year plan to boost store openings and other complementary businesses.

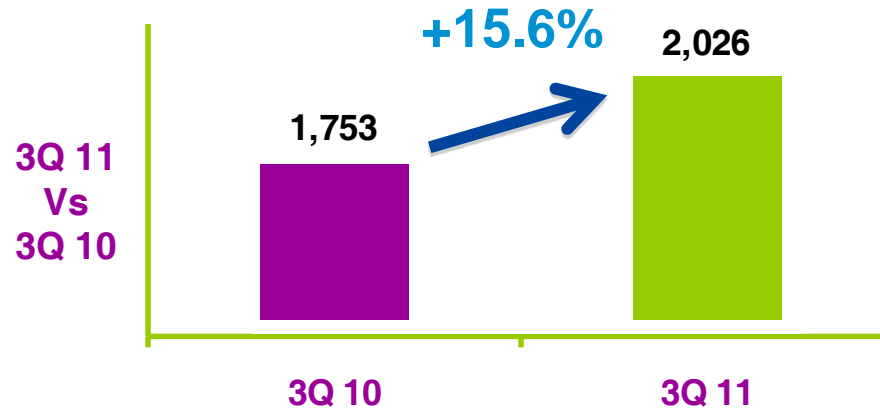


# Financial results

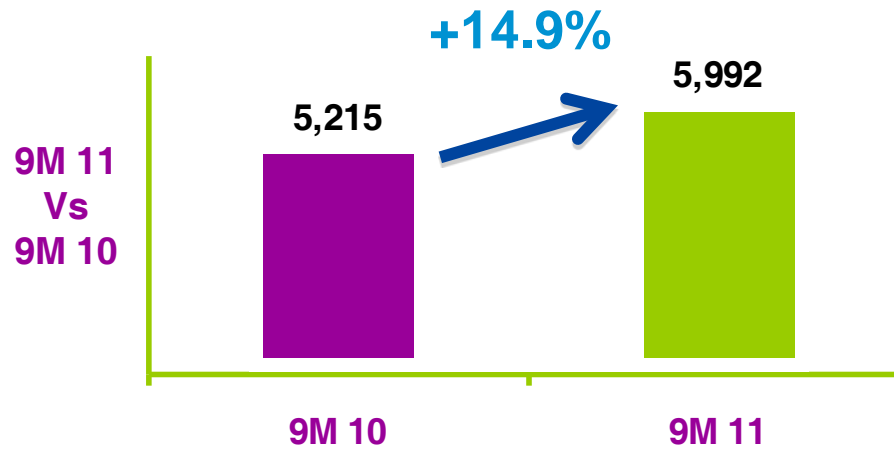
	3Q 11		9M 11	
	Million COP	% Var vs 3Q 2010	Million COP	% Var vs 9M 2010
<b>Net Revenues</b>	2,026,470	15.6%	5,992,152	14.9%
<b>Gross profit</b> Gross margin	502,225 24.8%	15.0%	1,475,227 24.6%	16.0%
<b>Operating income</b> Operating margin	74,529 3.7%	18.7%	222,634 3.7%	31.6%
<b>Net income</b> Net margin	58,756 2.9%	59.0%	167,363 2.8%	80.8%
<b>EBITDA</b> EBITDA margin	151,408 7.5%	14.2%	447,755 7.5%	32.2%



# Financial results



## Net Revenues

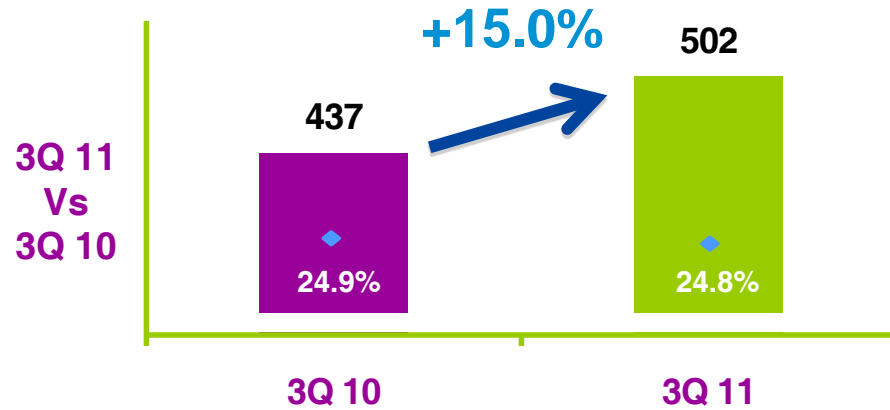


• Figures in COP Bn (000,000,000)

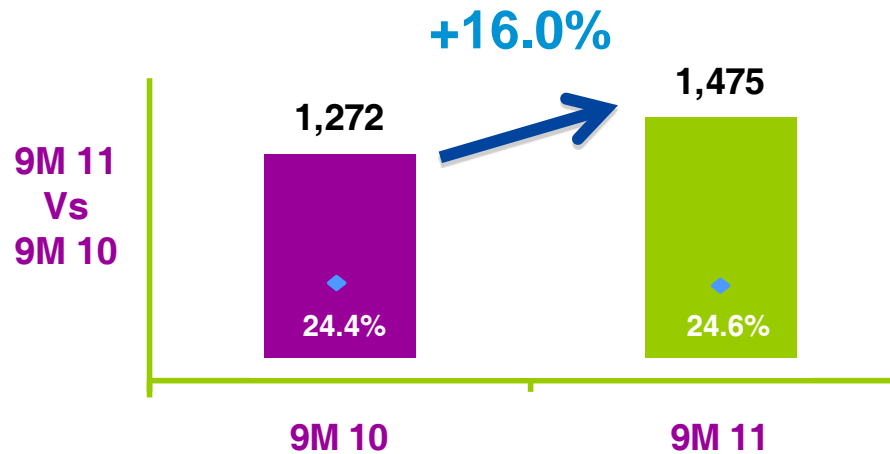




# Financial results



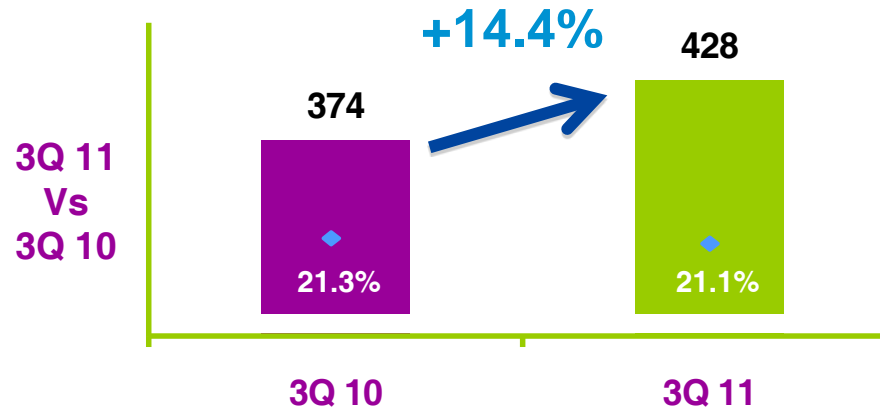
## Gross Profit



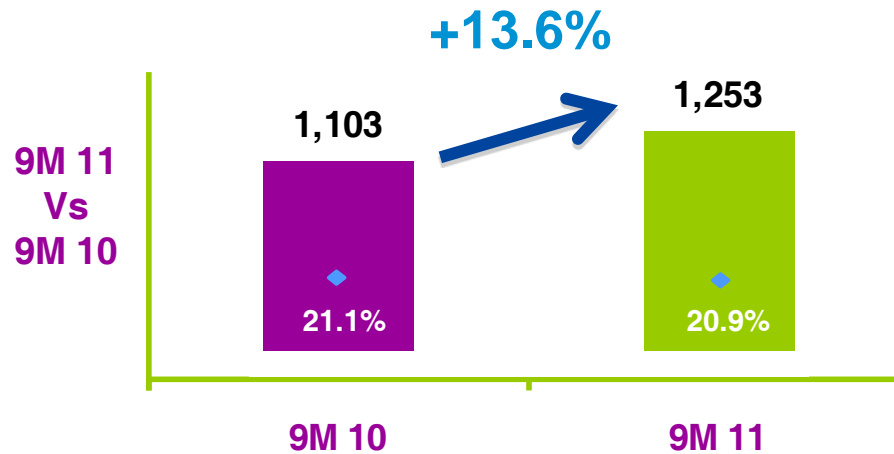
- ◆ Gross margin
- Figures in COP Bn (000,000,000)



# Financial results



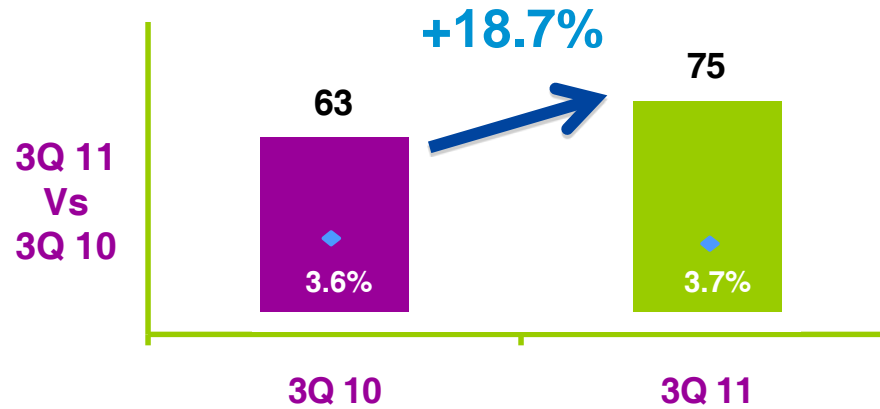
## SG&A



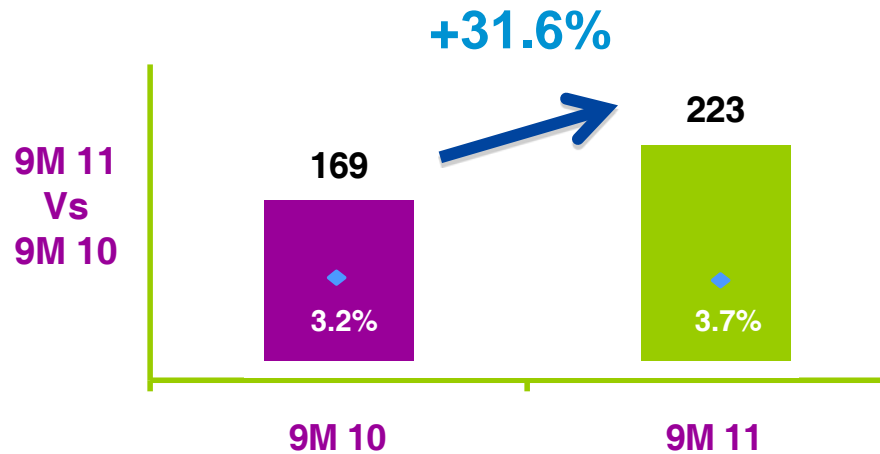
- ◆ SG&A/Net Revenues (%)
- Figures in COP Bn (000,000,000)



# Financial results



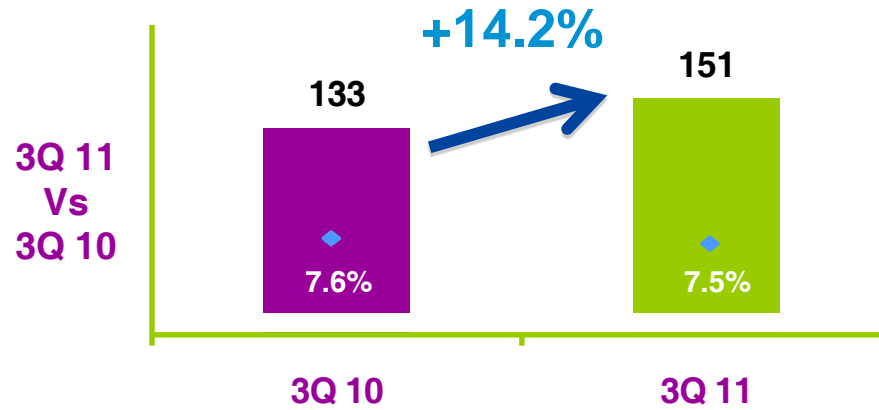
## Operating Income



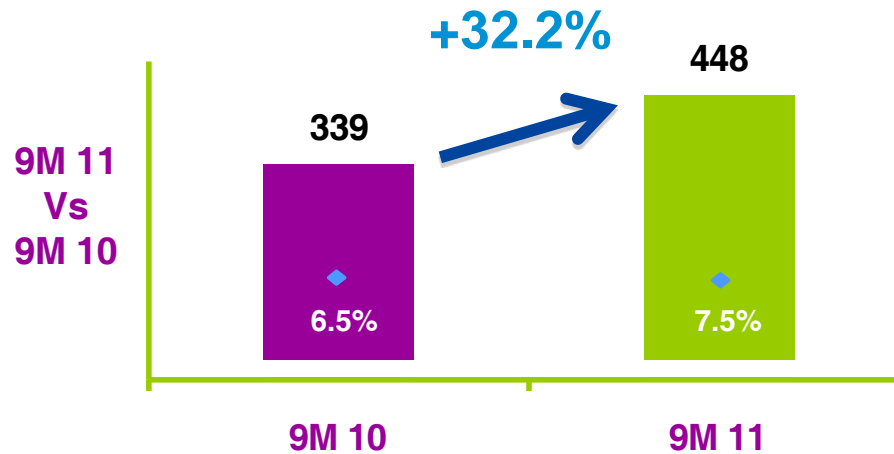
- ◆ Operating margin
- Figures in COP Bn (000,000,000)



# Financial results



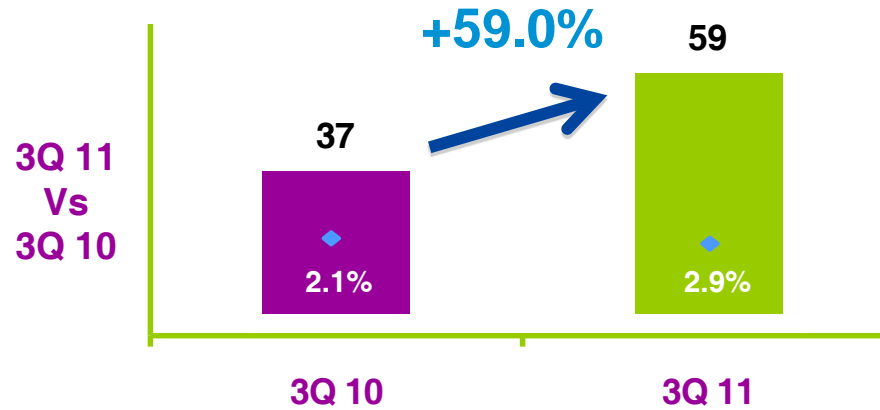
## EBITDA



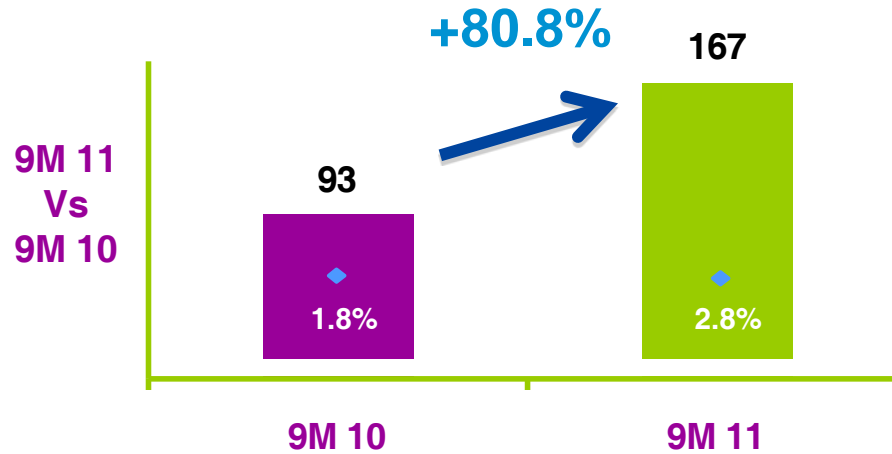
- ◆ EBITDA margin
- Figures in COP Bn (000,000,000)



# Financial results



## Net Income



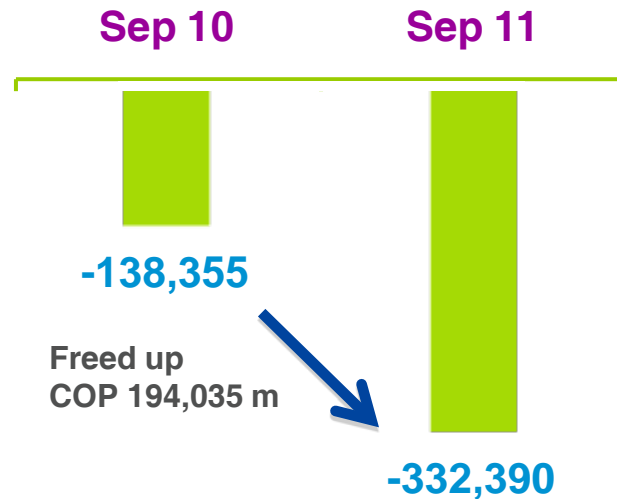
◆ Net margin

• Figures in COP Bn (000,000,000)



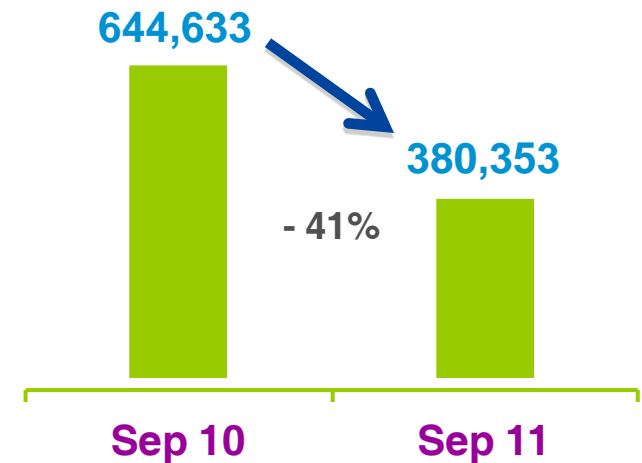
# Financial results

## Working Capital



**Working Capital** freed up of COP \$194,035 million (equity tax effect included).

## Financial Debt



**Financial Debt** dropped by 41% for a total consolidated debt of COP \$380,353 million.

# Strategy Follow-up

## Éxito Credit Card

More than **1.4 million** credit cards issued.

**+70%** currently active.

Near **15%** of our total sales



## Real Estate

**28 projects developed in 3Q 11** (openings, conversions and other minor real estate projects).

More than 30 **new openings** of Exito Express and 20 of Surtimax in large and mid-sized cities.

Acquisition of 8 Unimercas stores

Expansion into mid sized cities: Ocaña, Calarcá, Pitalito and Magangué

# Strategy Follow-up

## Travel Agencies

Second-largest travel agency in Colombia.

Network of **62 agencies** in 24 cities.



## Insurance

Network of **57 agencies**.

Business serves over 140,000 Colombians



## E-commerce

Retail **leader** in on-line sales.

YTD traffic increase of 93% and sales of 285% compared to 2010.







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