Almacenes Éxito S.A.
(BVC: EXITO)

Consolidated Financial Results
For the Second quarter ended June 30, 2016

2Q16

BVC (The Colombian Stock Exchange): "ÉXITO" ADR Program: "ALAXL"
Medellín, Colombia - August 29, 2016 - Almacenes Éxito S.A. ("Éxito" or "the Company"), the largest retail company in Colombia today announced its consolidated financial results for the period ended June 30, 2016. All figures are expressed in COP -Colombian pesos.
Exchange rate at June 30, 2016: 1 USD = COP$2,920 - BRL3.21 - UYU 30.60 and ARG 15.05

Grupo Éxito moving forward as a Multilatina Company, South American retail leader and relevant Real Estate regional player

Second Quarter 2016 Financial Highlights

Note: 2Q16 figures are not comparable as excludes the outcomes from Brazil and Argentina which consolidate since September 1st, 2015.

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- **Sales** totaled COP$16,78 billion mainly from the consolidation of the operations of Brazil and Argentina as well as from the solid performance in Colombia and Uruguay.
- **Recurring Operating Income** posted an increase of 262.2% to COP$567,204 million.
- **Recurring Ebitda** grew 303.5% to COP$857,146 million in the second quarter 2016 for a 4.8% EBITDA margin as a percentage of Net Revenues.
- **Group Share Net Result** was -COP$48,849 million in 2Q16 mainly derived from the Non-recurrent expense, Net financial expenses and the Net Loss reported in Brazil in 2Q16.

2Q16 Highlights

Retail Expansion

Grupo Éxito opened 3 stores in Colombia: 1 Exito, 1 Surtimax and 1 Surtimayorista. In Brazil, 9 stores: 1 Assai, 1 Pao de Açucar, 5 Minuto Pao de Açucar, 1 Ponto Frio and 1 Casas Bahia. Other 7 Ponto Frio stores were converted into Casas Bahia. At the same time, the Company continued reviewing store performance in this country and decided to close 13 Food Segment stores (9 Minimercado Extra, 2 Extra Hyper and 2 Pao de Açucar), as well as other 5 from the Via Varejo business unit (2 Pontofrio, 3 Casas Bahia). In Uruguay, other three stores opened under the Devoto Express brand.

As a result, at the conclusion of the second quarter, Grupo Éxito reached 2.541 stores, geographically diversified with 563 stores in Colombia, 1,882 in Brazil, 69 in Uruguay and 27 in Argentina with a consolidated selling area of over 3,82 million square meters.

First Cash and Carry store in Colombia

To address the important discount segment of the market, on May 12th, 2016 the Company opened in Bogotá, Colombia the first Cash & Carry store under the brand **"Surtimayorista"**. This Brazilian model was introduced as part of the synergies with Grupo Exito´s subsidiaries. The Company also launched the "Allies" business model in Brazil based on the Colombian model, with 45 stores operating under the **"CompreBem"** brand.

Real Estate vehicle "Viva Malls"

The **Real Estate** vehicle project moved forward with the successful development of "Viva Malls" on July 15th comprising 13 real estate assets for a total value close to COP$500,000 million pesos. At this stage, Viva Malls is 100% owned by Éxito and the Company in the process of selecting potential partners for its further development.

Consolidated Capital Expenditures

Capex for the group totaled COP$425,000 million for the quarter, nearly 83% of this amount was for the retail and real estate expansions as well as conversions. The remaining 17% were used for maintaining and supporting operational structures, updating IT systems and for logistics.

CFO Appointment

Mr. Manfred Gartz, was appointed as Grupo Éxito's Chief Financial Officer, starting from September 1st of this year. Mr. Gartz, who is of Colombian origin, has over 12 years of financial sector experience. Previously, he has held positions in Investment Banking and in Corporate Finance.

Consolidated Income Statement

In millions of COP

	Grupo Éxito									
	2Q16 (2)	% Net Revenues	2Q15 (1)	% Net Revenues	% Var	1H16	% Net Revenues	1H15 (1)	% Net Revenues	% Var
Sales	16,780,030	94.2	2,874,863	97.3	483,7	34,340,978	94.5	5,875,329	97.2	484.5
Other Revenues	1,025,221	5.8	78,568	2.7	1204,9	2,006,329	5.5	168,165	2.8	1093.1
Total Net Revenues	**17,805,251**	**100.0**	**2,953,431**	**100.0**	**502,9**	**36,347,307**	**100.0**	**6,043,494**	**100.0**	**501.4**
Cost of Sales	-13,196,320	-74.1	-2,190,956	-74.2	502,3	-27,476,203	-75.6	-4,500,555	-74.5	510.5
Gross Profit	**4,608,931**	**25.9**	**762,475**	**25.8**	**504,5**	**8,871,104**	**24.4**	**1,542,939**	**25.5**	**474.9**
SG&A	-3,751,784	-21.1	-550,073	-18.6	582,1	-7,401,489	-20.4	-1,150,704	-19.0	543.2
Depreciation and Amortization	-289,943	-1.6	-55,786	-1.9	419,7	-554,570	-1.5	-115,404	-1.9	380.5
Total SG&A	**-4,041,727**	**-22.7**	**-605,859**	**-20.5**	**567,1**	**-7,956,059**	**-21.9**	**-1,266,108**	**-20.9**	**528.4**
Recurring Operating Income (ROI)	**567,204**	**3.2**	**156,616**	**5.3**	**262,2**	**915,045**	**2.5**	**276,831**	**4.6**	**230.5**
Non-Recurring Income and Expenses	-338,899	-1.9	60,219	2.0	-662,8	-417,512	-1.1	29,419	0.5	-1519.2
Operating Income (EBIT)	**228,305**	**1.3**	**216,835**	**7.3**	**5,3**	**497,533**	**1.4**	**306,250**	**5.1**	**62.5**
Net Financial Income	-619,731	-3.5	21,898	0.7	-2930,1	-977,128	-2.7	41,597	0.7	-2449.0
Income from associates & joint venture	24,762	0.1	-4,533	-0.2	-646,3	51,426	0.1	-7,625	-0.1	-774.4
Profit before Tax (EBT)	-366,664	-2.1	234,200	7.9	-256,6	-428,169	-1.2	340,222	5.6	-225.8
Income Tax	-53,242	-0.3	-61,778	-2.1	-13,8	-64,499	-0.2	-86,354	-1.4	-25.3
Net Income	**-419,906**	**-2.4**	**172,422**	**5.8**	**-343,5**	**-492,668**	**-1.4**	**253,868**	**4.2**	**-294.1**
Non-controlling Interests (Minority Interest)	-371,057	-2.1	11,636	0.4	-3288,9	-447,980	-1.2	25,197	0.4	-1877.9
Net Income attributable to Grupo Éxito	**-48,849**	**-0.3**	**160,786**	**5.4**	**-130,4**	**-44,688**	**-0.1**	**228,671**	**3.8**	**-119.5**
Recurring EBITDA (ROI+D&A)	**857,146**	**4.8**	**212,402**	**7.2**	**303,5**	**1,469,615**	**4.0**	**392,235**	**6.5**	**274.7**
EBITDA (EBIT+D&A)	**518,248**	**2.9**	**272,621**	**9.2**	**90,1**	**1,052,103**	**2.9**	**421,654**	**7.0**	**149.5**

(1) Figures have been restated to reflect the effect of the final adjustments which coming from the completion of Purchase Price Allocation of the acquisition of Grupo Disco Uruguay SA operation, in accordance with IFRS 3 - Business Combinations.

(2) Figures which include the effect of the restatement of the results of Companhia Brasileira de Distribuição – CBD as a result of the adjustment made by this subsidiary related to Cnova N.V. research.

Consolidated Financial Performance

- **Consolidated Net Revenues** reached COP $17.8 billion during the second quarter of 2016 growing 502.9%. The outcome posted a positive performance derived from the solid sales trend across our operations driven by the implementation of commercial strategies “Quincenazo” in Colombia, “La Compra del Mes” in Argentina and “Ahorrá” in Uruguay, and “1,2,3 Passos Da Economia” in Brazil.
- **Gross Profit** grew 504.5% to COP$4,608,931 million from COP$762,475 million with a margin of 25.9% benefitted from the margin expansion mainly in the operations of Colombia and Uruguay, despite the consolidation effect, the still challenging consumption environment in Brazil and the overall price-driven strategy of the Company to maintain competitiveness.
- **SG&A** reached COP$4,041,727 million and 22.7% as percentage of Net Revenues. Margin reflected the requirements of the consolidation process and the inflationary trend in the region that represented higher salary levels, occupancy costs and utility bills. Nevertheless, the Company´s continues its focus on increasing productivity and cost-cutting initiatives to offset inflationary effects in the countries in which the Company operates.
- **Recurring Operating Income** increased 262.2% to COP$567,204 million in 2Q compared to COP$156,616 million in the same period 2015. The Recurring Operating Margin of 3.2% reflected the impact of higher inflation levels and the complex economic environment across the various countries that offset the Company´s productivity efforts.
- **Recurring Ebitda** increased 303,5% to COP$857,146 million in 2Q16 from COP$212,402 million in 2Q15. Recurrent Ebitda margin of 4.8% benefited from the strong operational performance of Colombia and Uruguay where margins increased 20 bps and 10 bps respectively, land reflected the consolidation effect and the continuation of the Company´s commercial activities across its operations.
- **Group Share Net result** in 2Q16 of -COP$48,849 million reflected the net loss reported in Brazil, and the financial expenses requirements in Colombia and Brazil.
- The consolidated **Non-recurrent expenses** related mainly to restructuring expenses in Brazil. It is noteworthy, that a non-recurrent income of COP$60.200 derived from the sale of our pharmacies to Cafam, benefited the base during the quarter in 2015.
- The consolidated **Net Financial Expense** derived mainly from the expense in Brazil and the debt service requirement in Colombia. It´s important to note that the Colombian Central Bank increased interest rates by 175 basis points year-to-date from 5.75% to 7.50%, which thus had a negative effect on the Company´s cost of debt.
- There was also a net loss of the operation in Brazil affecting the **Group Share Net result**.
- **Net Debt position** at the holding level that in 2Q16 closed at approximately COP$3,2 billion and USD$450 million. On a pro-forma basis, the Company confirmed a continued lower Net debt/adjusted EBITDA ratio by the end of 2016 of around 3.2x from the 3.8x ratio posted end 2015. The Company ´s strategy to achieve this target relies on a clear deleveraging plan that includes working capital optimization of around USD$150 million, increase productivity and cash centralization at the holding level among other activities.

2Q16 Sales performance

Sales and Mix by Country

Colombia

	2Q16 Millions of COP	% Sales Mix Food	% Sales Mix Non Food	2H16 Millions of COP	% Sales Mix Food	% Sales Mix Non Food
Colombia	2,569,875	75	25	5,227,884	75	25
Brazil	13,360,920	58	42	27,307,986	57	43
Uruguay	526,031	87	13	1,156,481	86	14
Argentina	323,855	72	28	652.337	72	28
Total *	**16,780,681**	**62**	**38**	**34,344,688**	**61**	**39**

*Intra-group transactions have not been eliminated.

Consolidated Sales grew 483.7% to totalled COP$16,78 billion during the second quarter of 2016, 62% of the sales mix was food-related, an increase of 240 bps vs the same period last year. The food category posted a strong 8.6% growth, driven mainly by the fresh line. Colombia grew strongly its food category and Brazil posted a positive 8.7% growth driven by Assaí and proximity and experienced the first signals of recovery at Extra/Multivarejo.

In the non-food category, sales experienced a positive performance in Colombia and in Uruguay mainly from the textile category growing by mid-teens. In Brazil, Via Varejo accelerated its sales recovery posting the best performance since 1Q15, with LFL sales growing by 2.6%.

Sales by segment

	2Q16 Total Sales (Millions of COP)	2Q16 % Same store Sales (1)	2Q16 %Var. Total sales (1)	2Q16 % Var. total sales
Total Colombia	**2,569,875**	**5.0**	**8.0**	**5.5**
Éxito	1,694,404	5.9	8.3	4.4
Carulla(2)	380,768	4.7	4.9	4.9
Discount	406,555	4.4	5.5	5.5
B2B*	88,148	N/A	38.3	38.3

(1) Adjusted for the calendar effect of -2.5% in Total Colombia and -3.9% at Éxito.
(2) Excluding the pharmacies sales from the base. SSS Carulla including pharmacies were 1.9%.
*B2B: Sales from Allies, Institutional and 3rd party sellers.

Sales in Colombia reached COP$2,56 billion and grew by 8.0% after adjusting for the calendar effect. Sales in Colombia grew strongly in 2Q16, higher than the 7.2% year-to-date trend after adjusting for the calendar effect. This was particularly outstanding when compared to retail sales if we exclude gas and vehicles, which grew by only 2.5% year-to-date. This was also positive given the very dynamic market expansion seen from other players.

Sales in the country benefited from the organic expansion of 46 new stores opened during the last 12 months and the like-for-like performance of the Company during the second quarter 2016 versus the same period of last year. Sales showed clear progress across all banners, driven mainly by the Exito brand. In addition, to highlight is the performance of the discount segment and the consistent growth from the Aliados business model, which clearly enhances our leadership position in the discount market, and is a vehicle to penetrate the still relevant informal food market.

In 2Q16, the share of the **sales mix** in the food category rose by 10 basis points versus last year to 75%. This growth mainly derived from the transfer of the Super Inter expertise in fresh products across the various banners. The country's non-food category also improved and sales rose by mid-single digit as well as positive same-store-sales levels driven mainly by the strong performance of the textile category that grew in the mid-teens supported by the "Every Day Low Price Textile Strategy", at the Exito stores.

In Colombia **same-store sales** rose sharply by 5.0%, despite the negative calendar effect of 2.5% related to 5 less days of the "Megaprima" event during 2Q16 versus the same period last year. Like-for-like levels related mainly to the positive performance across all banners and especially the low-double digit growth of the textile category. The fresh category also supported same-store-sales levels in the country and posted a high-mid single digit growth.

- Sales of the **Éxito** segment reached its fourth consecutive quarter of growth with 8.3% sales increase in 2Q16 and a 5.9% gross same-store sales level after adjusting for the calendar effect, one of the strongest LFL in several years. These reflected the positive effect of the "Megaprima" event and a stronger performance from the fresh and textile categories compared to the same quarter 2015.
- In **Carulla**, sales increased by 4.9% in 2Q16 mainly driven by the fresh category and an impressive 41% sales growth of the home category benefited by the digital catalogue strategy implemented at Carulla stores. Sales also benefited from the stronger performance of the premium main market in the cities of Bogotá, Cali and Medellin. Carulla posted a same-store sales growth of 4.7% excluding pharmacies.
- The **Discount** segment positively contributed to the sales performance in Colombia with a 5.5% growth and a 4.4% at the same-store-sales level. Surtimax stores located in the Atlantic Coast and Medellin led the sales growth as well as Super Inter stores mainly located in the Coffee Region.
- The recently opened Cash and Carry store in Bogotá and the 1.150 "allies" contributed with the sales trend of the **B2B** segment and strengthened the Company´s positioning within the discount market.

Operating Performance

Colombia

	2Q16	2Q15		1H16	1H15	
	Millions of COP	Millions of COP	2Q16/15	Millions of COP	Millions of COP	1H16/15
Net Revenues	2,685,938	2,506,935	7.1%	5,432,849	5,063,781	7.3%
Gross Profit	677,063	608,694	11.2%	1,336,407	1,204,079	11.0%
Gross Margin	25.2%	24.3%		24.6%	23.8%	
SG&A Expenses	-545,097	-482,007	13.1%	-1,105,292	-996,715	10.9%
SG&A /Net Revenues	-20.3%	-19.2%		-20.3%	-19.7%	
Recurring Operating Income	131,966	126,687	4.2%	231,115	207,364	11.5%
Recurring Operating margin	4.9%	5.1%		4.3%	4.1%	
Recurring EBITDA	195,212	178,174	9.6%	353,547	310,086	14.0%
Recurring EBITDA margin	7.3%	7.1%		6.5%	6.1%	

- **Net Revenues** in 2Q16 rose by 7.1% to COP$2,68 billion, with a dynamic sales trend growth of 8.0% adjusted by the calendar effect. There was a strong progression in other operational income, half of it derived from revenue from the Company´s Complementary Businesses as well as from asset sales and fees paid to Exito from the cancellation of the agreement with Ripley.

- **Recurring Operating Income** grew 4.2% to a 4.9% margin due to the Gross Margin increase of 90 bps, despite higher SG&A related to the integration process, the expansion activities, higher occupancy costs and utility bills and the 7% minimum increase in Colombia affecting the wage base.

- **Recurrent EBITDA** grew by 9.6% and gained 20 bps at the margin level, reaching 7.3% for the quarter. Recurrent EBITDA rose at higher rate than sales thanks to the strong commercial margin and sale of assets.

Sales in Brazil

	2Q16			
	Total Sales (Millions of COP)	% Same store Sales (1)	%Var. Total sales (1)	% Var. total sales
Total Brazil	**13.360.920**	**3,2%**	**4,9%**	**3,5%**
Food	8.251.783	7,1%	11,3%	8,7%
Non Food	3.120.299	2,6%	0,3%	0,3%
E-commerce	1.988.838	-7,9%	-7,9%	-7,9%

(1) Adjusted for the calendar effect of -1.4% in Total Brazil and -2.5% at Food segment.

Note: All variations in Total Sales and Same store sales are calculated in local currency.

Consolidated sales at **GPA** grew by 200 bps to 4.9% and another 240 bps at the same-store-sales level to 3.2% in the second quarter 2016 versus the same period last year and adjusted for the calendar effect. The solid performance at Assai drove sales levels in GPA, as well as the improved trend at Multivarejo and the acceleration in the sales recovery at Via Varejo.

In 2Q16, the **food business** represented nearly 58% of the mix, over 200 bps versus the same period last year and grew by 11.3% adjusted for the calendar effect. The food business posted 7.1% same-store-sales growth adjusted for the calendar effect, the highest growth rate since 3Q14, driven mainly by the performance of the cash and carry format as well as reflecting a strong sales improvement of the Extra brand. At this point, we want to highlight the following commercial activities: "1, 2 3 Passos da Economia", "Hiper-feira" and "O Mais Barato" that successfully caused the gradual food sales recovery as well as the progressive growth in volumes - particularly at Extra.

Assai again reached its highest sales level since 2Q16 with a 37.6% quarterly growth adjusted for the calendar effect, and improved its strong trend versus the previous quarter when reached 35.2%. Assai's solid double-digit same-store sales growth, significantly surpassed inflation, as the format works well within the current economic scenario. The brand has maintained strong organic expansion with 10 new stores opened during the last 12 months.

The **non food business** with Via Varejo continued recovering during 2Q16 and posted 0.3% sales growth. It also experienced positive like-for-like levels of 2.6% adjusted for the calendar effect, the strongest sales performance since 1Q15, despite important store closures during the last 3 quarters. The recovery of the business unit in terms of sales and the consistent market share gains in April and May in both the specialist market (+150 bps) and the total market (+220 bps), regarded to strategic actions implemented such as banner conversions, mobile store-in-store, solid performance of service revenue and assortment improvement at stores.

The **e-commerce** segment, CNova continued focusing on operational improvements to recover sales levels from service improvement and stocks reductions. In 2Q16, CNova increased its marketplace share by 780 bps versus the same period last year and reached 16.6% growth. Customer traffic rose by 21.4% to 257 million visits in 2Q16, supported by improved customer service quality and mobile devices that drove 43.6% of total traffic.

Operating Performance

Brazil

	2Q16	1H16
	Millions of COP	Millions of COP
Net Revenues	14,239,401	29,049,722
Gross Profit	3,622,962	6,885,166
Gross Margin	25.4%	23.7%
SG&A Expenses	-3,226,989	-6,323,641
SG&A /Net Revenues	-22.7%	-21.8%
Recurring Operating Income	395,973	561,525
Recurring Operating margin	2.8%	1.9%
Recurring EBITDA	612,391	988,569
Recurring EBITDA margin	4.3%	3.4%

- **Gross profit margin** at the consolidated level improved in Brazil by 140 bps to a 25.4% margin in 2Q16, mainly benefited by the recognition of tax credits that offset the Company´s efforts to maintain competitiveness through commercial strategies. At the same time, activities to drive competitiveness at Extra such as "1, 2, 3 Savings Steps", "Hyper-fair" and "The Lowest Price", favoured volume and market share growth throughout the hypermarkets. These commercial strategies, designed to strengthen the long-term value proposition for Extra Hiper and Supermarkets required a margin investment at Multivarejo of nearly160 bps.

- **Recurring Operating Income** margin of 2.8% reflected the internal efforts at the expense level. SG&A margins grew below inflation in business units such as Multivarejo (7.9%), due to expense optimization initiatives, particularly the revision of processes and the implementation of operational improvements at stores. SG&A margins at Assai also decreased by 30 bps due to higher operational leverage and disciplined cost controls. At the consolidated level, SG&A margins were 22.7% as a percentage of Net Revenues, derived from the business mix effect from the strong expansion in Assai and the expense effect at via Varejo (10.1%) from the end of payroll tax relief.

- **Recurring EBITDA** reflected strong levels in Assai and Via Varejo, with 5% and 8.7% margins, respectively, in local currency. The strong margin at via Varejo that grew by 290 bps versus the same period last year partially offset the 50 bps margin decrease of the food business due to the sales mix. The food business in Brazil maintained the profitability of Pao de Acucar and has a gradual improvement in the proximity format and Multivarejo, which posted a 6% margin.

Other operating expenses mainly related to additional provision for tax contingencies, expenses related to the Cnova investigation, others related to the integration process and restructuring expenses and asset write-offs. Thus, the consolidated adjusted EBITDA margin in Brazil was 4.3% in 2Q16 a strongest operational performance versus the cumulated result.

Sales in Uruguay

	2Q16		
	Total Sales (Millions of COP)	%Var. Total sales	% Var. Same Store Sales
Uruguay	526.031	19,7%	7,4%

Note: All variations in SSS are calculated in local currency.

Strong sales trend growth of 19.7% due mainly to the strong performance of Fast Moving Consumer Goods (FMCG) and in the fresh category. To highlight the high double-digit growth from the textile category. Sales in Uruguay posted a high food mix of 87% and like-for-like levels in the country reached 7.4% in local currency.

Operating Performance

Uruguay

	2Q16	2Q15		1H16	1H15	
	Millions of COP	Millions of COP	2Q16/15	Millions of COP	Millions of COP	1H16/15
Net Revenues	532,237	446,496	19.2%	1,169,534	979,713	19.4%
Gross Profit	186,040	153,781	21.0%	401,698	338,860	18.5%
Gross Margin	35.0%	34.4%		34.3%	34.6%	
SG&A Expenses	-151,214	-123,852	22.1%	-294,681	-269,393	9.4%
SG&A /Net Revenues	-28.4%	-27.7%		-25.2%	-27.5%	
Recurring Operating Income	34,826	29,929	16.4%	107,017	69,467	54.1%
Recurring Operating margin	6.5%	6.7%		9.2%	7.1%	
Recurring EBITDA	41,477	34,228	21,2%	104,694	82,149	27.4%
Recurring EBITDA margin	7.8%	7.7%		9.0%	8.4%	

- **Recurring Operating Income** grew by 16.4% to a 6.5% margin and the **Recurrent EBITDA** grew by 21.2% with a margin increase of 10 basis points to 7.8%. The business unit benefited from a strong gross profit level growth of 60 bps, which reflected market share gains in the country.

Sales in Argentina

	2Q16			
	Total Sales (Millions of COP)	% Same store Sales (1)	%Var. Total sales (1)	% Var. total sales
Argentina	323.855	30,9%	30,9%	29,2%

(1) Adjusted for the calendar effect of -1.7%

Note: All variations in Total Sales and SSS are calculated in local currency.

The country continues to experience a challenging retail environment due to high inflation, lower consumption and high interest rates. Nevertheless, Libertad posted a **Sales** and LFL growth of 30.9% when adjusted for the calendar effect, mainly derived from the strong performance of the proximity format and the food category driven by the positive effect of the commercial strategy "La Compra del Mes". The food mix grew by 150 bps in 2Q16 versus the same period last year to 72%, which benefited the like-for-like performance of Libertad.

Operating Performance

Argentina

	2Q16	1H16
	Millions of COP	Millions of COP
Net Revenues	348,495	699,264
Gross Profit	122,595	247,953
Gross Margin	35.2%	35.5%
SG&A Expenses	-118,155	-232,565
SG&A /Net Revenues	-33.9%	-33.3%
Recurring Operating Income	4,440	15,388
Recurring Operating margin	1.3%	2.2%
Recurring EBITDA	8,067	22,805
Recurring EBITDA margin	2.3%	3.3%

- **Margins** in Argentina benefited from higher stock levels, which offset inflationary pressures on costs as well as from the consistent performance of the real estate business. This business unit continues to demonstrate resiliency despite the economic environment of that country.

Consolidated Balance Sheet
In millions of COP

	June 2016	December 2015	% Var
ASSETS	**59,409,731**	**57,624,795**	**3.1**
Current Assets	**20,949,131**	**24,061,192**	**-12.9**
Cash & Cash Equivalents	4,176,905	10,068,717	-58.5
Inventories	9,700,516	8,683,707	11.7
Others	7,071,710	5,308,768	33.2
Non-current Assets	**38,460,600**	**33,563,603**	**14.6**
Goodwill	6,080,908	5,840,012	4.1
Other intangible assets	10,663,813	9,657,015	10.4
Property, plant and equipment	13,531,668	12,226,710	10.7
Investment Properties	1,164,246	1,126,410	3.4
Investments in associates and joint ventures	403,234	304,102	32.6
Others	6,616,731	4,409,354	50.1
LIABILITIES	**40,292,341**	**39,481,414**	**2.1**
Current Liabilities	**24,510,095**	**25,054,254**	**-2.2**
Trade Payables	14,300,006	18,660,890	-23.4
Borrowing-Short Term	6,331,701	3,922,558	61.4
Other financial liabilities	741,159	32,602	2173.4
Others	3,137,229	2,438,204	28.7
Non-current Liabilities	**15,782,246**	**14,427,160**	**9.4**
Trade Payables	38,836	33,394	16.3
Borrowing-Long Term	5,246,156	6,707,561	-21.8
Others	10,497,254	7,686,205	36.6
Shareholder´s Equity, Group Share	**19,117,390**	**18,143,381**	**5.4**
Non-controlling interests	11,583,125	10,624,231	9.0
Shareholder´s Equity	**7,534,265**	**7,519,150**	**0.2**

Summary Consolidated
Cash Flow Statement
(In millions of COP)

	1H16	1H15	%Var 16/15
Profit (loss)	**-492,668**	**253,868**	**-294.1**
Adjustment to reconciliate Net Income (loss)	(6,400,503)	(472,587)	1254.4
Cash Net provided (used) in Operating Activities	(7,028,641)	(355,769)	1875.6
Cash Net provided (used) in Invesmtent Activities	(665,048)	(362,792)	83.3
Cash net provided (used) in Financing Activities	**1,055,387**	**(301,894)**	**-449.6**
Increase (decresase) Net of cash and cash equivalents before the FX rate changes	-6,638,302	-1,020,455	550.5
Effects on FX changes on cash and Cash equivalents	746,490	-2,407	N/A
Increase (decresase) Net of cash and cash equivalents	**-5,891,812**	**-1,022,862**	**476.0**
Opening Balance of Cash and cash equivalents	**10,068,717**	**2,953,938**	**240.9**
Ending Balance of Cash and cash equivalents	**4,176,905**	**1,931,076**	**116.3**

Company´s International Strategy

The synergy plan moved ahead as expected across our 4 operations as Grupo Éxito continued working on the initial 15 initiatives identified in the synergy plan.

- The implementation of the cash and carry format in Colombia, with the opening of the first **"Surtimayorista",** is progressing better than expected. The sales performance of this format surpassed expectations within the first two months of operation. As a matter of fact, the solid traffic as well as strong customer acceptance has prompted us to open two additional "Supermayorista" stores next year. This will also enable Grupo Exito to fill the gap in the market and focus on serving mom & pops, professional buyers and, of course, the final consumer.

- The progress of the **joint commodity purchasing** activities is benefiting the negotiation of goods such as apples, salmon, cheese and olive oil at regional levels and allowed us to move an estimated volume of over 60 containers with savings between 5% and 15% in costs. Moreover, the negotiation of non-food products is being centralized at Via Varejo and joint purchasing agreements are advancing with other food suppliers.

- Following the first **LatAm Business Encounters** meeting conducted by Grupo Exito in the region, Colombian vendors are now exporting products such as coffee, flowers, dinnerware and textiles to Brazil, Uruguay and Argentina. Likewise, Brazilian vendors are exporting juices, housewares and small appliances to Colombia; Uruguayan vendors are exporting wine and fruits to Brazil and Colombia, and Argentinian vendors are exporting beef products to Brazil and Colombia. All this allows the Group as whole to get better terms with suppliers.

- The successful implementation in Brazil of the "look & feel" **textile** strategy at some of the Extra Hyper stores as well as in Libertad in Argentina. The pilot program inspired by the Colombian model, improved the trend in the category by high-double digit both at sales and same-store-sales levels in our hypermarket format.

- The "Allies" or "Aliados" Colombian business model being implemented in Brazil after 6 months of structuring. This synergy was presented to the market as part of the rationale of the acquisition of GPA in relation to the transfer of formats and business models across countries. Under the name, **"Aliado CompreBem"** the Company totalled 45 allies in Brazil and the expectation is to reach 100 by year-end.

- Implementation of **Argentina´s commercial model,** which go under the names "1, 2, 3 Passos Da Economia" at the Extra stores in Brazil and "Quincenazo" at the Exito Stores in Colombia, advanced with solid results in terms of sales and LFL levels as well as strengthened market share across banners. In 2Q16, Uruguay also experienced the arrival of the commercial model under the name "La Compra del Mes", thus, displaying the Company unified execution capacity within the region.

Number of stores and selling area by Country

Colombia

Brand	Stores	Selling Area (sq m)
Éxito	256	621,793
Carulla	98	83,177
Surtimax	151	83,739
Super Inter	58	58,301
Total Colombia	**563**	**847,010**

Uruguay

Brand	Stores	Selling Area (sq m)
Devoto	38	35,302
Disco	29	31,446
Geant	2	16,439
Total Uruguay	**69**	**83,187**

Brazil

Brand	Stores	Selling Area (sq m)
Pao de Acucar	184	235,969
Extra hiper	135	791,693
Extra super	194	222,148
Minimercado Extra	230	59,444
Minuto Pao de Acucar	67	15,724
Assaí	97	383,967
Pontofrio	225	147,191
Casas Bahía	750	924,276
Total Brazil	**1,882**	**2,780,412**

Argentina

Brand	Stores	Selling Area (sq m)
Libertad	15	110,594
Mini Libertad	12	1,875
Total Argentina	**27**	**112,469**

TOTAL	**2,541**	**3,823,078**

Almacenes Éxito S.A.
(BVC: EXITO)

Cordially invites you to participate in its
Second Quarter 2016 Results Conference Call

Date: Tuesday, August 30, 2016
Time: 10:00 a.m. Eastern Time
9:00 a.m. Colombia Time

Presenting for Grupo Éxito:
Carlos Mario Giraldo Moreno, Chief Executive Officer
José Gabriel Loaiza, VP of International Business
Jairo Medina P., Chief Financial Officer
María Fernanda Moreno, Investor Relations Manager

To participate, please dial:
U.S. Toll Free 1 888 771 4371
Colombia Toll Free: 01 800 9 156 924
International (outside U.S. dial): +1 847.585.4405

Conference ID Number: 43210245

Almacenes Éxito S.A. will report its Second Quarter 2016 Earnings on Monday, August 29, 2016 after the market closes.

2Q16 results will be accompanied by a webcast presentation and audio webcast that will be available on the company's website at www.grupoexito.com.co under "Investors"
http://event.onlineseminarsolutions.com/r.htm?e=1246273&s=1&k=E4369C71F300A0C4155B8090664CC5AB

For more information please contact: Investor Relations, Almacenes Éxito S.A.
Phone: (574) 339 6560 - exitoinvestor.relations@grupo-exito.com

Note on Forward Looking Statements

This press release may contain forward-looking statements regarding expected developments and expectations about future events. These statements are subject to economic, political, governmental and market conditions, risks and uncertainties, both domestically and globally, which may affect the performance of the economy, the retail industry and the Company overall. Factors such as variations in interest rates, inflation rates, exchange rate volatility and tax rates, among others, may cause actual results, performance and achievements of the Company to differ from the estimates provided at any time. For that reason, the Company does not accept responsibility for any variations or for the information provided by official sources.

Contact Information:
Almacenes Éxito Investor Relations
Phone: (574) 339 65 60
E-mail: exitoinvestor.relations@grupo-exito.com