

Almacenes Éxito S.A.

Consolidated Financial Results

1Q20

Envigado, Colombia, May 11, 2020 - Almacenes Éxito S.A. ("Grupo Éxito" or "the Company") (BVC: ÉXITO / ADR: ALAXL) announced its results for first quarter period ended March 31, 2020 (1Q20). All figures are expressed in millions (M) of Colombian Pesos (COP) unless otherwise stated. Consolidated data include results from Colombia, Uruguay and Argentina and the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations and eliminations.

Recurring EBITDA growth and positive Net Group Result despite COVID-19 effect

KEY BUSINESS HIGHLIGHTS

Financial Highlights

- Consolidated Net Revenue reached COP \$4.0 billion in 1Q20 benefited by innovation, omni-channel and strong performance of the food category. Strong net sales growth ex-COVID-19 (+7.7%⁽¹⁾).
- Recurring EBITDA was COP \$262,832 million and margin was 6.5%, reflecting strong sales growth and expenses under control.
- Net Group Share Result was an income of COP \$21,987 million benefited mainly from positive variations in operating performance of international operations and lower financial expenses from an improved capital structure.
- Consolidated CAPEX of COP \$51,799 million (85% on expansion, innovation, omni-channel and digital transformation activities).

Operating Highlights

- Solid sales growth of new formats and models in Colombia (Wow +14.6%, FreshMarket +24.7%, C&C +13.3%).
- Strong omni-channel performance in Colombia (+44.6%) and in Uruguay (+39.3%).
- Implementation of strategies to face COVID-19 to grant confidence and support to stakeholders.
- Changes in top management: Ruy Souza - Chief Financial Officer (announced on January 2020).

Outlook

- Protocols applied in all countries to face and mitigate effects from COVID-19.
- Shifting retail investment into omnichannel activities and strengthening of e-commerce.
- Holding's net and gross financial debt ratios at a very healthy level by the end of 2020 with a strong cash position.
- CapEx postponements may occur, and investment expected was adjusted by 50% (to COP \$200,000 million) focussed on innovation and omnichannel and prioritization into projects related to logistic and IT for e-commerce.

"1Q20 results were driven by the food retail business, format innovation and the customer's preference for virtual channels. The Company's quick operating response to the contingency was possible thanks to its well-structured physical and digital platforms, that allowed it to mitigate the impacts of COVID-19 mainly on complementary businesses. To face the contingency, we focussed on executing all the necessary actions for the immediate health protection and integrity of our collaborators and clients, anticipated payments to small and medium-sized suppliers and contributed to favour solidarity with those in need, especially through Fundación Éxito. As of 1Q20, over 48,000 food packages were provided to vulnerable children and 500,000 more were available at cost for our customers to contribute with diverse causes. We will continue working jointly with our stakeholders and with over 40,000 employees to overcome the contingency in best possible way", **stated Carlos Mario Giraldo Moreno, CEO of Grupo Éxito.**

(1) Including the calendar effect adjustment and excluding the -2.1% FX effect.

I. Consolidated Financial and Operating Performance

Please note that for comparison purposes, quarterly consolidated results included the Brazilian segment (Companhia Brasileira de Distribuição – CBD, Segisor S.A.S. and Wilkes Participações S.A., sold on November 27, 2019) and subsidiary Gemex O&W S.A.S. (Colombia), as net result of discontinued operations. Consolidated results also included an accounting adjustment applied only to the 1Q20 base in Colombia, as per the allocation from the expense to the cost, of staff and other items associated to food production processes.

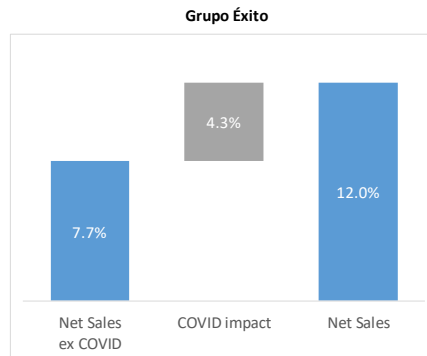
Consolidated Operating Performance

in COP M	1Q20	1Q19	% Var
Net Sales	3,899,888	3,527,129	10.6%
Other Revenue	152,543	166,634	(8.5%)
Net Revenue	4,052,431	3,693,763	9.7%
Cost of Sales	(3,034,922)	(2,702,066)	12.3%
Cost D&A	(16,387)	(13,035)	25.7%
Gross Profit	1,001,122	978,662	2.3%
<i>Gross Margin</i>	24.7%	26.5%	(179) bps
SG&A Expense	(754,677)	(734,086)	2.8%
Expense D&A	(110,499)	(119,349)	(7.4%)
Total Expense	(865,176)	(853,435)	1.4%
<i>Expense/Net Rev</i>	21.3%	23.1%	(176) bps
Recurring Operating Income (ROI)	135,946	125,227	8.6%
<i>ROI Margin</i>	3.4%	3.4%	(4) bps
Net Group Share Result	21,987	(13,574)	NA
<i>Net Margin</i>	0.5%	(0.4%)	91 bps
Recurring EBITDA	262,832	257,611	2.0%
<i>Recurring EBITDA Margin</i>	6.5%	7.0%	(49) bps
EBITDA	231,771	234,850	(1.3%)
<i>EBITDA Margin</i>	5.7%	6.4%	(64) bps
Shares	447.604	447.604	0.0%
EPS	49.1	(30.3)	NA

Note: Differences in the base versus the one reported in 2019 associated to the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations. Consolidated data include results from Colombia, Uruguay and Argentina, the accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-2.1% and -1.9% at top line and at recurring EBITDA in 1Q20). (1) Net sales including the calendar effect adjustment and excluding the -2.1% FX effect.

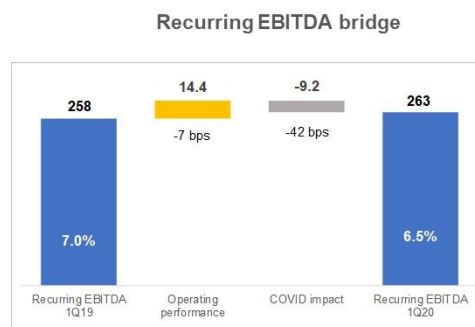
- Consolidated Net Revenue in 1Q20 grew by 9.7% (including a -2.1% FX effect) to COP\$ 4.05 billion. Consolidated net sales grew by 10.6% and totalled COP\$ 3.9 billion, benefited by solid performance of innovative models and formats across countries, strong omnichannel sales growth in Colombia (+44.6%) and in Uruguay (+39.3%), boosted sales from the food category (+16.0%) and the 33 stores opened, converted and refurbished during the last 12 months in the region.

- The Company posted a strong 7.7%⁽¹⁾ net sales growth even excluding the COVID-19 effect. The consequences from COVID-19 on Grupo Éxito’s consolidated net sales could be summarised as follows:
 - A stock-up movement that started by mid-March in all countries.
 - Customer preferences were towards purchasing on supermarkets and requesting home delivery solutions.
 - Clients reduced frequency to stores, however, there was an increase of the average basket and higher demand on digital channels.
 - There was an increased contribution to food on sales mix (+200 bps).



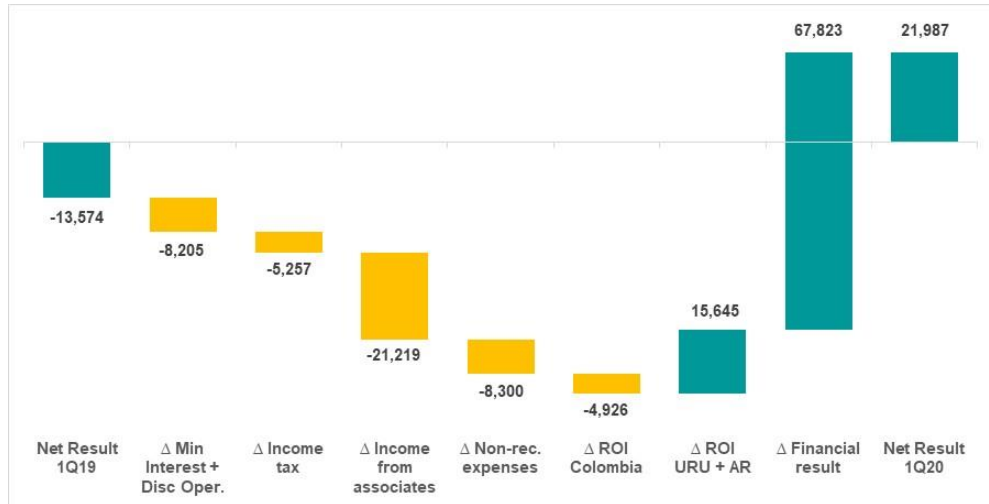
(1) Net sales including the calendar effect adjustment and excluding the -2.1% FX effect.

- **Gross Margin** in 1Q20 decreased by 179 bps to 24.7% as a percentage of Net Revenue, mostly affected by the accounting adjustment done to the allocation from the expense to the cost, of staff and other items associated to food production processes, adjusted only on the 1Q20 base in Colombia; the lower contribution from complementary businesses (mainly TUYA and real estate) due to COVID-19 and higher promotional activity in Uruguay and Argentina to boost demand.
- **SG&A expense** benefited by operating excellence that led to expense control and the accounting adjustment explained before. Expenses declined by 176 bps in 1Q20 as a percentage of Net Revenue versus the same period last year.
- **Recurring Operating Income** rose 8.6% in 1Q20 and margin slightly reduced by 4 bps to 3.4% versus the same periods last year.
- **Recurring EBITDA** grew by 2.0% to COP \$262,832 million in 1Q20 versus the same period last year and margin reduced 49 bps to 6.5%, reflecting net sales growth and controlled expenditure that offset the lower margin contribution from complementary businesses due to COVID-19.



Note: Amounts in thousands millions of COP.

- Consolidated Net Group Share Result in 1Q20 was an income of COP \$21,987 million that compares to the loss of COP \$13,574 posted the same period last year.



Note: ROI of international operations includes FX effect. Consolidated data include results from Colombia, Uruguay and Argentina, the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations and eliminations.

The **Net Group Share Result** mainly reflected a positive variation in operating performance of international operations and lower financial expenses from an improved capital structure partially offset by negative changes of income from associates, non-recurring expenses, minority interest and deferred tax.

Summary of Effects from COVID-19 on Net Sales and Recurring EBITDA in 1Q20

- Net Sales grew strongly by country and at consolidated level even excluding the COVID-19 effect, confirming the recovery trend seen in previous quarters.
- Recurring EBITDA also posted growth by country and at consolidated level, reflecting operational efficiencies.

Effect of COVID-19 in 1Q20 performance

	Col	Uru	Arg	Consol
Total Net Sales (1)	2,914	704	282	3,900
Total Net Sales growth	10.4%	12.1%	47.0%	10.6%
Net Sales (2)	9.4%	12.1%	47.0%	12.0%
Net Sales ex-COVID-19 (2)	5.3%	6.1%	44.9%	7.7%
Recurring EBITDA (1)	178	80	5	263
Recurring EBITDA margin	5.8%	11.3%	1.7%	6.5%
Recurring EBITDA (1) ex-COVID-19	189	76	7	272

(1) In thousands of millions of COP. (2) Net sales by country in local currency and including the calendar effect adjustment. Consolidated sales excluding the -2.1% FX effect.

Earnings per Share (EPS)

- Diluted EPS was COP \$49.1 per common share in 1Q20.

CAPEX

- **Consolidated Capital Expenditures** in 1Q20 were COP \$51,799 million (related to Colombia, Uruguay and Argentina). Capex allocation to expansion, innovation, omni-channel and digital transformation activities was 85% during the period. The remainder was allocated to maintenance and support of operational structures, IT systems updates and logistics.
- CapEx postponements may occur, and investment expected was adjusted by 50% (to COP \$200,000 million) focussed on innovation and omnichannel and prioritization into projects related to logistic and IT for e-commerce.

Food Retail Expansion

- Grupo Éxito opened 2 stores in 1Q20 in Colombia (2 Surtimayorista stores). The Company reached 33 stores from openings, conversions and remodelling in the region within the last 12 months.
- The Company ended the period with 640 food retail stores, geographically diversified as follows: 524 stores in Colombia, 91 in Uruguay and 25 in Argentina. The store count does not include allies in Colombia. The Company's consolidated selling area reached 1.05 million square meters.

Corporate Governance and Sustainability Achievements

- A new list of members to the Board of Directors for the period 2020 to 2022, was approved at the Extraordinary General Shareholders Meeting held on January 23, 2020, as follows:
 - Non-Independent members: Ronaldo Iabrudi dos Santos Pereira, Peter Paul Estermann, Christophe José Hidalgo, Rafael Russowsky, Bernard Petit and Philippe Alarcon.
 - Independent members: Luis Fernando Alarcón Mantilla (Chairman), Felipe Ayerbe Muñoz and Ana María Ibáñez Londoño.
- The Board of Directors and the Chief Executive Officer accepted the resignation of Mr. Manfred H. Gartz Moisés, as Chief Financial Officer, position he held since September 1st, 2016. As Chief Financial Officer, was appointed Mr. Ruy Souza, who has been working as Chief Financial Officer of Multivarejo since October 2019. Mr. Souza worked in Multivarejo since 2016 and held several positions, including Financial Manager and Director of Financial Controlling. Before joining Multivarejo, he was consultant in companies of diverse industries, in financial projects aimed at budget management, cost reduction and others focused on process improvement and optimization. Mr. Souza is an Industrial Engineer from São Paulo University and holds a Master in Process and Operations Management. The Board of Directors and the Chief Executive Officer expressed their warm welcome to Mr. Ruy, who started on February 17, 2020 and considered that his knowledge of the retail business, coupled with his experience in financial and control processes, will be important to the Group's growth.
- All proposals were approved at the General Shareholders' Meeting held on March 19, 2020.

Commercial Activities

- The Éxito brand celebrated its “Anniversary” which last 17 days (vs 12 days in 2019). The event was held at 113 stores, which offered a wide portfolio of food and hard-line products. Sales grew by 13.5%, transactions reached 9.3 million and units grew by 7.7%. Stores remained opened for 24 hours during the first day of promotion.
- The Éxito brand also held its “Back to School” event, which posted the strongest sales growth in the last 5 years.

Awards & Recognitions

- Carulla was recognized as one of the ten more inspiring stores in 2019, according to the “10 Magasins Inspirants” edition 2020, published by the French journalist and editor Olivier Dauvers. Mr Dauvers’s specialised report is massively distributed on a yearly basis.

II. Financial and Operational Performance by Country

Colombia

Most macro variables in Colombia seemed affected by the COVID-19 contingency during the first quarter of the year. LTM inflation remained relatively stable at 3.86% versus the 3.80% registered as of December 2019, however, the food component rose to 7.2% from the 5.80% recorded the same period. Unemployment levels rose to 12.6% as of March, which compares to the 9.5% posted at the end of 2019. The Central Bank adjusted its monetary policy in its last meeting held on March 31st and strongly reduced the repo rate set since 2018 from 4.25% to 3.75% to boost the economy. Within this environment, the consumer confidence index reverted the recovery trend seen at the end of 2019 and contracted by 23.8% as of March 2020 (vs. -9.5% dec-19). Total retail sales continued with a recovery trend and posted a 13.2% growth YOY in February which compares to the 7.1% posted in December 2019 (please note that the retail index excluding gas and vehicles, will not be reported anymore according to DANE).

Net Sales & SSS in Colombia

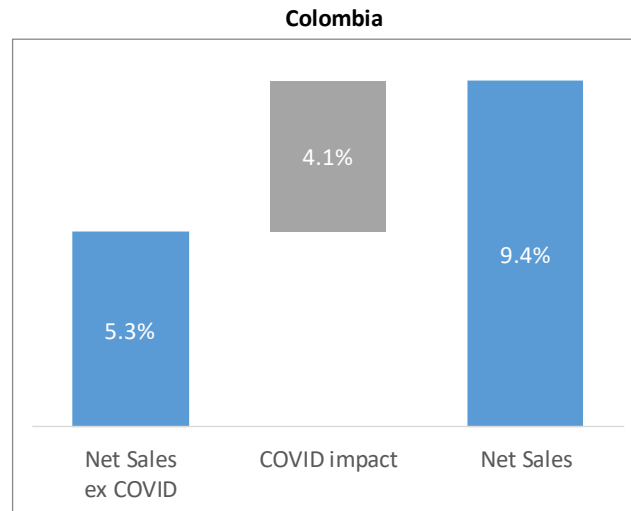
Variations	1Q20				
	grupo			SM & SI ⁽²⁾	B2B & Other ⁽³⁾
SSS	10.6%	8.8%	16.1%	14.3%	13.3%
Total	10.4%	8.9%	16.2%	6.8%	21.6%
SSS ⁽¹⁾	9.6%	7.9%	15.1%	13.3%	13.3%
Total ⁽¹⁾	9.4%	8.0%	15.1%	5.8%	21.6%
Total MCOP	2,913,612	1,996,808	425,473	309,653	181,678

Note: The Colombian perimeter includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country. (1) Variations in Colombia Net Sales and SSS included the effect of conversions and the calendar effect adjustment of 1.0% in 1Q20. (2) SM & SI: Surtimax and Super Inter brands. (3) B2B & Other: Includes sales from Surtimayorista, Allies, Institutional and third-party sellers and the sale of property development projects Copacabana worth COP \$11,000 M in 1Q19 and Montevideo worth COP \$21,000 M in 1Q20. (1) Net sales including the calendar effect adjustment.

Colombia contributed to 75% of quarterly consolidated sales in 1Q20. Grupo Éxito Colombia posted **Net Sales** growth of 9.4%⁽¹⁾, to COP \$2.9 billion, in line with the positive trend seen during the last two years. Net sales performance is explained by (i) boosted sales from innovative formats (Wow +14.6%, FreshMarket +24.7%, C&C +13.3%), (ii) strong omni-channel sales (+44.6%), (iii) solid food sales growth (+12.8%) and (iv) the 29 stores opened, converted and refurbished in the last 12 months. Net sales excluding COVID-19 grew by 5.3%⁽¹⁾.



(1) Variations in Colombia Net Sales and SSS included the effect of conversions and the calendar effect adjustment of 1.0% in 1Q20.



(1) Net sales including the calendar effect adjustment.

- Same-store sales (SSS) in Colombia grew by 9.6%⁽¹⁾ in 1Q20, mainly driven by the strong LFL levels of the Carulla (+15.1%⁽¹⁾), the low-cost (+13.3%⁽¹⁾) and the B2B segments (+21.6%⁽¹⁾).



(1) Variations in Colombia Net Sales and SSS included the effect of conversions and the calendar effect adjustment of 1.0% in 1Q20.

- Net Sales and LFL levels in Colombia reflected the Company’s quick operating response to contingency and a well-structured physical and digital platform to adapt to the new customer’s requirements.

Net Sales & SSS Colombia – By Segment



Note: SI+SM are sales from Surtimax and Super Inter brands. (1) Variations included the effect of conversions and the calendar effect adjustment of 1.0% in 1Q20.

- The Éxito segment** represented approximately 68.0% of the sales mix in Colombia and experienced a sales increase of 8.0%⁽¹⁾ and grew SSS by 7.9%⁽¹⁾ in 1Q20. The banner grew in all regions and posted low double-digit growth in the centre region and high single-digit growth in the pacific and north-west part of the country. The food category grew strongly by low double-digit and electronics posted high single-digit growth. Éxito's sales also benefited from successful commercial events held during the quarter such as "Éxito Anniversary" and "Back to School". Besides, the Éxito Wow stores posted a 14.6% growth in 1Q20 which compares to the 7.2% growth posted at other Éxito stores and represented a 17.8% share of the banner's total sales in 1Q20.
- The Carulla segment** was the best performing banner and represented near to 15.0% of sales in Colombia in 1Q20. Net sales and SSS both grew by 15.1%⁽¹⁾ driven by the food category and the strong performance of Fresh Market stores which grew sales by 24.7% (which compares to the 13.3% growth posted at other Carulla stores) and represented a 26.7% share of the banner's total sales in 1Q20.
- The low-cost segment** related to Super Inter and Surtimax brands, represented near to 11.0% of sales in Colombia in 1Q20. The strong net sales and SSS performance during the quarter (5.8%⁽¹⁾ and 13.3%⁽¹⁾ respectively) derived from the double-digit sales growth of the FMCG category, the mid-teens sales growth at converted stores and the store base optimization of non-performing stores converted into Surtimayorista.
- The B2B and Other segment** represented approximately 6.0% of sales in Colombia during 1Q20. Net sales in this segment rose by 21.6% during the quarter and by 13.3% in terms of SSS. The segment top line benefited from the sale of property project Montevideo worth COP \$21.000 million and strong performance of the Surtimayorista banner, which grew sales and SSS by 13.3%. The Cash & Carry format expanded with 2 stores opened in in the last-12-months from conversions, and the banner totalled 32 stores as of 1Q20. Surtimayorista stores continued to increase their share in Colombia's sales to 4.0% during the period (+72 bps versus 1Q19).

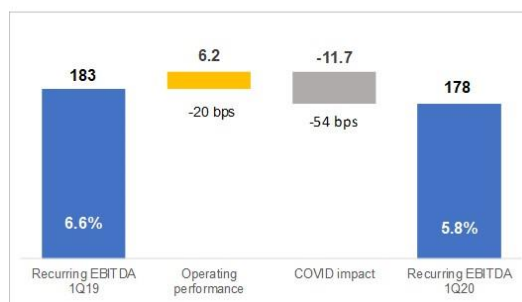
Operating Performance in Colombia

in COP M	1Q20	1Q19	% Var
Net Sales	2,913,612	2,638,928	10.4%
Other Revenue	137,956	151,948	(9.2%)
Net Revenue	3,051,568	2,790,876	9.3%
Gross profit	672,129	671,747	0.1%
<i>Gross Margin</i>	<i>22.0%</i>	<i>24.1%</i>	<i>(204) bps</i>
Total Expense	(603,648)	(598,340)	0.9%
<i>Expense/Net Rev</i>	<i>19.8%</i>	<i>21.4%</i>	<i>(166) bps</i>
Recurring Operating Income (ROI)	68,481	73,407	(6.7%)
<i>ROI Margin</i>	<i>2.2%</i>	<i>2.6%</i>	<i>(39) bps</i>
Recurring EBITDA	177,786	183,304	(3.0%)
<i>Recurring EBITDA Margin</i>	<i>5.8%</i>	<i>6.6%</i>	<i>(74) bps</i>

Note: The Colombian perimeter includes Almacenes Exito S.A. and its subsidiaries in the country. Differences in the base versus the one reported in 2019 associated the net result of Gemex O&W S.A.S. registered as a discontinued operation. Results include the allocation from the expense to the cost, of staff and other items associated to food production processes, adjusted only on the 1Q20 base (-171bps at the cost and the expense levels).

- **Net Revenue** grew by 9.3% in 1Q20 driven by sales levels boosted by innovative formats, omnichannel contribution and solid growth of the food category. Sales excluding the COVID-19 effect grew by 5.3%⁽¹⁾ confirming the positive trend carried over the first quarter of the year. **Other Revenue** was negatively affected by the effect of the quarantine period mainly the higher provisions required by TUYA credit card to protect the business sustainability (revenue reduced by near to 80% vs. 1Q19) and the real estate business that barely grew by 0.1% in 1Q20 due to the restricted access to shopping malls. Other complementary businesses such as travel, insurance and remittances were also greatly affected by COVID-19.
- **Gross Margin** in 1Q20 was 22.0% and reflected cost level improvements (+33 bps) offset mainly by (i) the strong accounting adjustment related to the allocation from the expense to the cost level of staff and other items associated to food production processes (-171 bps) applied only to the 1Q20 base and (ii) the -52 bps from the COVID-19 effect on complementary businesses (-40 bps from TUYA due to the higher provisions).
- **Recurring EBITDA** fell by 3.0% to 5.8% margin in 1Q20, a decrease of 74 bps versus the same period last year. Contribution from top line growth and expenditure efficiencies despite inflationary pressures in wages and property taxes were offset by the COVID-19 effect on complementary businesses of which 2/3 corresponded to the financial business (TUYA).

Recurring EBITDA bridge



Note: Amounts in thousands millions of COP.

Omni-channel, Innovation and Digital Transformation in Colombia in 1Q20

Omni-channel

Omni-channel sales in 1Q20, represented 5.2% of Grupo Éxito's total sales in Colombia (+132 bps vs 1Q19) and grew by 44.6% to nearly COP \$153,000 million. Total omni-channel deliveries were 1.2 M (+36% vs 1Q19).

- **Ecommerce:** exito.com and carulla.com increased sales by 41.0% in 1Q20, totalled over 25.5 million visits and 136,000 orders (vs. 17 million visits and 100,000 orders in 1Q19).
- **Marketplace:** Reached near to 1,100 vendors and the business unit grew by 49.0% in Gross Merchandise Value (GMV) in 1Q20.
- **Last Mile & Home Deliveries:** Available for Carulla and Éxito clients, grew by 36% in 1Q20 to 1.2 million deliveries, benefitted by the alliance with the last mile leader – Rappi and the strengthening of the service internally from our stores.
- **Digital catalogues:** Devices are available at 184 stores in Colombia. Clients grew by 17.0% and sales by 18.0% in 1Q20, facilitating the customer purchasing experience.
- **Click & Collect:** Posted a 179.1% orders growth in 1Q20 and service was available at 254 stores.

Innovation

- **Éxito Wow:** The model first launched in 2018, was present at 9 top stores in terms of sales as of 1Q20, in Bogotá, Medellín, Cali, Santanderes, Boyacá, Atlantic Coast and Cali. Stores from this model increased sales by 14.6% in 1Q20 (+740 bps versus other Éxito stores) and represented a 17.8% share of the banner's sales.
- **Carulla FreshMarket:** This model is already present at 13 stores as of 1Q20. Carulla FreshMarket stores grew sales by 24.7% in 1Q20 (+1130 bps versus Carulla stores) and represented 26.7% share of the banner's sales.
- **Cash & Carry:** In 1Q20, the Company opened 2 Surtimayorista stores (from conversions) and the banner totalled 32 stores. Surtimayorista stores grew sales by 13.3% and represented a 4.0% share on Colombia's sales. The banner is already present in the Atlantic Coast and in Bogotá, posts strong sales after conversions and improves returns due to its lower operating costs and CAPEX optimization. Stores posted profitable EBITDA margins since year 1, which compares to the non-profitable expansion followed by discounters in Colombia.
- **Private Label:** Grupo Éxito continued positioning the "*Frescampo*" brand to guarantee the lowest price available with quality and to compete within the low-cost market. The Company is also positioning "*Taeq*" as a healthy brand in Colombia. Private label represented around mid-teens the share on Colombia sales in 1Q20.

Digital Transformation

- **Apps:** Éxito and Carulla apps completed one year after being re launched. Both apps reached over 2.4 million downloads in LTM and 4.7 million discounts were activated in 1Q20.
- **Start-ups:** The Company has a strategic partnership with Rappi to improve delivery service and is currently working with other diverse start-ups in order to enhance service, operational activities and back office.

- In Colombia, the Company continued implementing developments in frictionless, customer service, data analytics, logistic and supply chain and HR Management according to the strategy established for 2020 to 2022.

Uruguay

in COP M	1Q20	1Q19	% Var
Net Sales	704,000	668,321	5.3%
Other Revenue	6,285	5,435	15.6%
Net Revenue	710,285	673,756	5.4%
Gross profit	237,929	233,128	2.1%
<i>Gross Margin</i>	33.5%	34.6%	(110) bps
Total Expense	(170,743)	(172,941)	(1.3%)
<i>Expense/Net Rev</i>	24.0%	25.7%	(163) bps
Recurring Operating Income (ROI)	67,186	60,187	11.6%
<i>ROI Margin</i>	9.5%	8.9%	53 bps
Recurring EBITDA	80,146	72,773	10.1%
<i>Recurring EBITDA Margin</i>	11.3%	10.8%	48 bps

Note: Data in COP includes a FX effect of -6.6% in 1Q20. (1) lin local currency and including the calendar effect adjustment of 0.6% in 1Q20. (2) Recurring EBITDA Margin grew 17.9% in local currency.

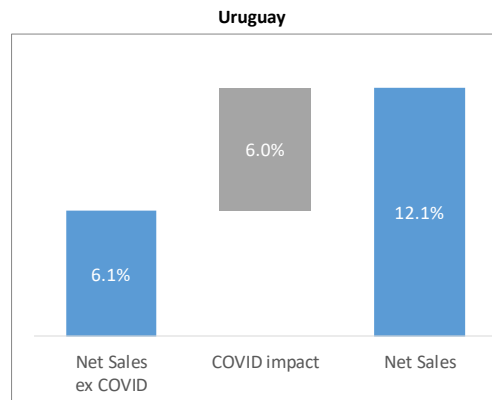
Net Sales & SSS in Uruguay

- Macroeconomic variables in Uruguay posted a mixed behaviour amidst the COVID-19 contingency. Unemployment rose to 10.5% (vs. 8.5% in 2019). CPI rose 9.2% (vs. 8.8% in 2019), however, the food component reduced to 13.2% (vs. 14.2% in 2019). The Central Bank maintained the repo rate at 9.25%, the same level since 2017 and the consumer environment seemed to improve during the first quarter of 2020 and recorded a stronger summer season versus the trend seen last year.
- Uruguay contributed to 18% of yearly consolidated sales. **Net sales and SSS** in Uruguay in 1Q20, grew by 12.1%⁽¹⁾ versus the same period last year confirming the positive trend seen since 2Q19, driven by the double-digit sales growth of the express format and the low double-digit growth of the Devoto and Disco banners. Top line was boosted by (i) a better-than-expected summer season which compares to the weak registered in 1Q19, (ii) a solid omnichannel growth (+39.3%), and (iii) a strong growth of the food category (+15.3%). The food sales mix in Uruguay grew to 89.2% in 1Q20, boosted mainly by the FreshMarket model implemented. The model totalled 17 stores in the country in 1Q20 and contributed to 43.5% of total sales posting an average ticket growth of 1.5x above the other stores.



(1) In local currency and including the calendar effect adjustment of 0.6%.

Customers also increased purchasing during the last two weeks of March due to COVID-19, however, net sales excluding this effect grew by 6.1%⁽¹⁾.

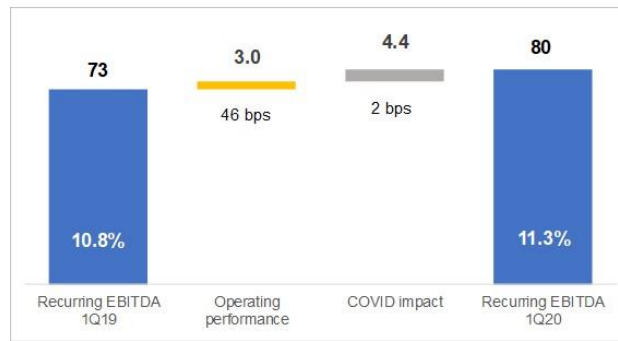


(1) Net sales by country in local currency and including the calendar effect adjustment.

Operating Performance in Uruguay

- Uruguay results in Colombian pesos included a -6.6% FX effect in 1Q20.
- **Net Revenue** grew by 5.4% in 1Q20, boosted the strong performance of food category driven by the FreshMarket stores, the food category growth and solid sales from omnichannel (+39.3%).
- **Gross Margin** in 1Q20 reduced by 110 bps to 33.5%, reflecting (i) a negative sales mix impact from lower non-food sales and (ii) an increased sale of basic products due to lower purchasing power.
- **Recurring EBITDA** grew by 10.1% and margin gained 48 bps to 11.3% in 1Q20 as a percentage of Net Revenue. The improved trend reflected cost and expense levels growing below top line from efficiencies.

Recurring EBITDA bridge



Note: Amounts in thousands millions of COP.

- Uruguay was the most profitable business unit in 1Q20.

Omni-channel, Innovation and Digital Transformation in Uruguay in 1Q20

Omni-channel

Omni-channel sales in 1Q20, represented 2.4% of Grupo Éxito's total sales in Uruguay (+45 bps vs 1Q19) and grew by 39.3% driven by the quick operating response during the two last weeks of March and positive evolution of the ecommerce business unit, especially Devoto.com.

- **Ecommerce:** increased sales by 76.9% in 1Q20, reached over 3 million visits and 16,000 orders.
- **Last Mile & Home Deliveries:** Grew by 26.2% in 1Q20 benefitted by the last mile service in partnership with "Pedidos Ya", already available at 29 stores and reached over 40,000 orders during the quarter.

Innovation

- **FreshMarket:** This model is already present at 17 stores as of 1Q20 and stores grew sales by 13.7% in 1Q20 and represented 43.5% share of the sales in Uruguay.

Digital Transformation

- **Apps:** reached over 17,000 downloads in 1Q20 and sales grew by 104.5% vs 4Q19.
- **Start-ups:** The Company is currently working with other diverse start-ups in order to enhance service, operational activities and back office.

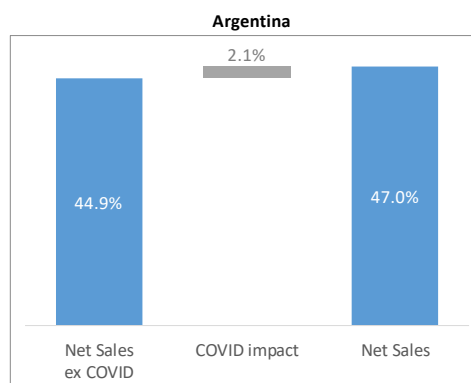
Argentina

in COP M	1Q20	1Q19	% Var
Net Sales	282,276	219,880	28.4%
Other Revenue	9,254	9,998	(7.4%)
Net Revenue	291,530	229,878	26.8%
Gross profit	91,925	74,463	23.5%
<i>Gross Margin</i>	<i>31.5%</i>	<i>32.4%</i>	<i>(86) bps</i>
Total Expense	(91,646)	(82,830)	10.6%
<i>Expense/Net Rev</i>	<i>31.4%</i>	<i>36.0%</i>	<i>(460) bps</i>
Recurring Operating Income (ROI)	279	(8,367)	NA
<i>ROI Margin</i>	<i>0.1%</i>	<i>(3.6%)</i>	<i>374 bps</i>
Recurring EBITDA	4,900	1,534	NA
<i>Recurring EBITDA Margin</i>	<i>1.7%</i>	<i>0.7%</i>	<i>101 bps</i>

Note: Differences in the base versus the one reported in 2019 associated to the inclusion of Onper (the non-operating company through which the Brazilian segment was previously consolidated). Data includes the FX effect of -13.7% in 1Q20 calculated with the closing exchange rate. According to CAME, Argentinian retail sales contracted by 17.8% YT-march. (1) In local currency and including the calendar effect adjustment of 1.7% in 1Q20.

Net Sales & SSS in Argentina

- Argentina macroeconomic indexes seemed to be the less affected among the countries in which Grupo Éxito operates. Inflation reduced to 50.0% (vs. the 54.0% in 2019) and food inflation reduced 70 bps to 53.0% versus the level posted at the end of 2019. Unemployment remained at 8.9% and the repo rate decreased to 38% from the 45% posted in the previous quarter. Retail sales continued affected and contracted by 17.8% YT- March 2020 (according to CAME) versus the same period last year.
- Libertad contributed to 7.0% of consolidated sales in 1Q20. Net sales and LFL reached 47.0%⁽¹⁾ for the quarter and grew strongly by 44.9%⁽¹⁾ when excluding the COVID-19 effect. Despite the retail sales contraction in the country, Libertad sales were driven by the strong food sales growth (+58.9%), the successful commercial strategies and solid performance during the carnival.

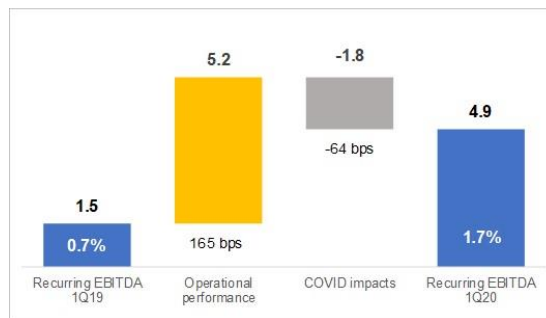


(1) Net sales by country in local currency.

Operational Performance in Argentina

- Performance from Libertad in Colombian pesos had a -13.7% FX effect in 1Q20.
- **Net Revenue** grew by 26.8% in 1Q20, driven by strong food sales growth in local currency (+58.9%) and successful performance of commercial events. Other revenue from real estate was negatively affected by traffic restrictions and mall’s closures during the quarantine period.
- **Gross Profit** grew by 23.5% in 1Q20 and margin reduced by 86 bps to 31.5% as a percentage of Net Revenue. Gross margin levels were impacted by the lower contribution from the real estate business.
- **Recurring EBITDA** grew by 3 times and margin gained 101 bps to 1.7% in 1Q20 as a percentage of Net Revenue. Improved performance derived from top line dilution and lower **SG&A expense** in electricity bills, operating and marketing expenditure and despite COVID-19.

Recurring EBITDA bridge



Note: Amounts in thousands millions of COP.

Omni-channel, Innovation and Digital Transformation in Argentina in 1Q20

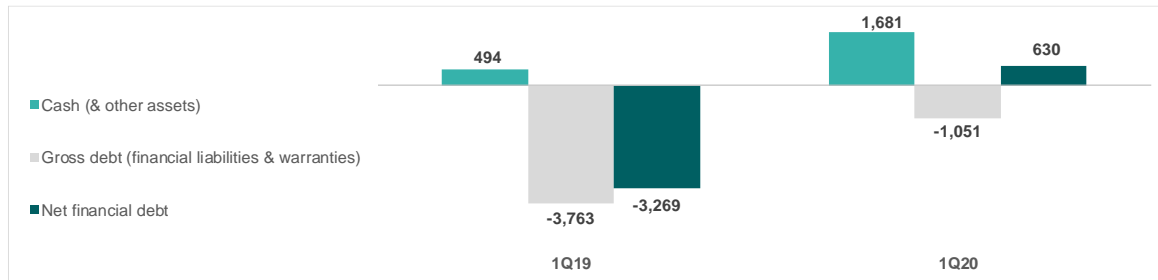
Omni-channel

- **Last Mile & Home Deliveries:** The Company is strengthening this type to services to customers. Home deliveries were near to 9,000 benefitted by the last mile service in partnership with “Rappi”, already available at 6 stores (2 Hyper and 4 proximity stores)

Innovation

- **FreshMarket:** This model is already present at 4 stores as of 1Q20 and stores grew sales by 68% in 1Q20 (+710 bps versus other stores) and volume by 6.8% (+520 bps versus other stores).

III. Financial Performance at Holding⁽¹⁾ Level



(1) Holding: Almacenes Éxito S.A results without Colombian or international subsidiaries. Note: IBR 3M (Indicador Bancario de Referencia). Holding gross debt issued 100% in Colombian Pesos with an interest rate below IBR3M + 4.0%.

Debt at the holding level

- In 1Q20, the Company’s gross debt reduced by COP\$2.7 billion, from improved capital structure (fully loan called off at the end of 2019 and a COP \$890,000 million loan taken on March 2020).
- The Net Financial Debt level improved by COP \$3.9 billion in 1Q20 versus 1Q19.
- The Central Bank reduced repo rates by 50 bps to 3.75%, on March 30th, the lowest level since June 2014.
- Interest rates below IBR3M + 4.0% in COP.

Cash at the holding level

- A healthier cash position level (+COP \$1.2 billion) to strengthen the Company’s future performance.

IV. 2020 Mitigation activities to face COVID-19

On March 11, 2020, the World Health Organization determined as a pandemic, the outbreak of coronavirus declared in the month of January, referred as COVID-19. Various countries around the world adopted a series of measures to prevent its spread. In Colombia, the government declared the health emergency on March 12, and later in March 17, issued quarantine and mandatory isolation decrees, the closure of borders, the restriction of travel, the limitation of public meetings and the suspension of all social activities, among others.

Commercial activity and results of operations could be negatively impacted as this pandemic affects the economy. Among other risks that may affect the operation and results of the Parent Company and its subsidiaries, are the impacts on the sales of some products and services, effects on the supply chain and of services, changes in the levels of imports and exports, lower revenues from the real estate business, disruption of national and international travel, changes in employee productivity, job preservation, volatility (stock markets, prices of some products and exchange rate) and any other associated to the commercial activity. The final effects of this emergency and its control go beyond the responsibility of the Parent Company and are therefore impossible to predict.

Grupo Éxito has implemented a series of measures and good practices, with which it seeks to give tranquillity, confidence and support to its stakeholders during the emergency generated by COVID-19. During 1Q20 the Company implemented the following most relevant mitigation strategies and actions, accordingly:

For our Clients guaranteeing their physical and food security:

- Extended opening hours in stores and exclusive service for the highest risk group, from 7:00 a.m. and until 8:30 a.m. (elderly, pregnant women and disable people).
- Launch of the 'White Line' for free and priority home delivery service, exclusively for healthcare professionals.
- Strengthening of e-commerce channels, home deliveries and apps for our clients to purchase during the decreed quarantine.
- Delivery service prioritizing the use of electric vehicles to help mitigate air pollution in Bogotá and Medellín.
- Permanent supply in stores through joint work with suppliers, allies and employees to guarantee the assortment.
- Setting of 2 stores in Bogotá and Medellín exclusively operating for the distribution and supply of the 200 more-purchased-products during the emergency.
- Strengthening of the pricing process at stores and with suppliers to mitigate involuntary errors and prioritization of purchasing of less affected products by devaluation.
- Switch of 15 textiles manufacturing workshops to produce masks.
- Additional measures at stores:
 - To guarantee the minimum distance between customers in line with current regulations, when entering stores and at tills.
 - Permanent disinfection and cleaning of stores, restrooms, high traffic areas and shopping carts and baskets.
 - To guarantee access to products with purchase limits of 4 units per customer and 2 maximum of face masks, antibacterial gel, alcohol and gloves.

For our Suppliers with support and joint work:

- Anticipated payment on March of more than COP\$ 60,000 million due in April, to 100% of our small and medium suppliers (867 SMEs) due in April, to improve their cash flow and facilitate the continuity of their operation and the preservation of employment.
- Self-regulation agreement for Colombian trade sector signed through FENALCO, ratifying our commitment to the protection of public health, food safety, the supply of basic products, the preservation of employment and economic activity to favour the proper management of the emergency.

For our Employees with care and job stability:

- Information and constant communication of the recommendations of the health authorities for self-care and protocol when contagion.
- Hygienic kits delivered to 34,000 employees at stores to guarantee their and our customer's safety.
- Massive implementation of working-from-home for our employees especially for those who require special care, such as pregnant women.
- Relocation of collaborators to the business units of greater operational relevance during the emergency.
- A 10% wages bonus for employees at stores and distribution centres as a recognition of their effort and commitment.

For other Stakeholders with a call for solidarity:

- Offering of 500,000 grocery baskets made of 12 basic products at cost price (COP\$ 16,000 each), so that customers with better economic conditions can contribute to those in need.
- Possibility of donating loyalty points to Fundación Éxito so that our clients can redirect resources to those who need them most.
- Donations of 48,000 grocery baskets through Fundación Éxito for Early Childhood, made up from contributions from employees who donated one day of their salary and donations from our clients made through the "Goticas" program.
- Launching of the "Mercado para Colombia" card to donate for those in need that can be purchased at stores or on-line. The Company donates COP\$ 5,000 for every COP\$ 50,000 collected to a social work.

At Grupo Éxito we ratify our commitment to the country and are aware of the importance of deploying these activities with speed and professionalism. The Company is working towards protecting the health of clients and collaborators and operating in the best possible with suppliers, to contribute to the countries' currently needs.

V. 1Q20 Conclusions

LatAm Platform

- ✓ Strong net sales and SSS growth excluding COVID-19 effect in all countries confirmed the trend seen in previous quarters.
- ✓ Consolidated Recurring EBITDA growth (+2.0%) despite COVID-19 effect on complementary businesses.
- ✓ Net income boosted by the solid performance of international operations and an improved financial structure.
- ✓ Protocols applied in all countries to face and mitigate effects from COVID-19.
- ✓ Shifting retail investment into omnichannel activities and strengthening of e-commerce.

Colombia

- ✓ Net sales growth ex-COVID-19 (+5.3%⁽¹⁾), driven by innovation, omnichannel and the food category (+12.8%).
- ✓ Strong sales growth of innovative models (Wow +14.6%, FreshMarket +24.7%, Cash and Carry +13.3%).
- ✓ Solid omnichannel performance (+44.6%, 5.2% sales share, +132 bps vs 1Q19).
- ✓ Recurring EBITDA margin reflected solid top line growth and controlled expenditure.
- ✓ An improved NFD (COP \$3.9 billion) and a stronger cash position (COP \$1.2 billion), expected to continue at a very healthy level along 2020.
- ✓ CapEx postponements may occur, and investment expected was adjusted by 50% (to COP \$200,000 million) focussed on innovation and omnichannel and prioritization into projects related to logistic and IT for e-commerce.

Uruguay

- ✓ Quarterly net sales grew by 12.1%⁽¹⁾ and by 6.1%⁽¹⁾ ex COVID-19.
- ✓ Solid contribution from FreshMarket stores (43.5% share on sales).
- ✓ Operating margin gains (+50 bps) driven by top line dilution on expenses and operational efficiencies.

Argentina

- ✓ Net sales grew by 47.0%⁽¹⁾ and by 44.9%⁽¹⁾ ex COVID-19, driven by accuracy on commercial activities.
- ✓ Stronger operating margin levels (+101 bps) despite COVID-19 effect on the real estate business.

Consolidated data include results from Colombia, Uruguay and Argentina, the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations, the accounting adjustment associated to food production processes in Colombia and eliminations. (1) In local currency and including the calendar effect adjustment.

VI. Grupo Éxito Strategic Pillars 2020 - 2022

Grupo Éxito’s strategy for 2020 to 2022, is comprised of five pillars, in order to adapt to changes in consumer trends and guarantee the Company’s sustainable growth in the long run. The goal is to implement and improve key activities, such as customer service, relational marketing, supplier relationships all supported by IT developments. These activities involve all countries in which the Company operates, and the implementation of these initiatives will follow a top-down approach.



1. Innovation

Activities to constantly innovate on stores, brands and products in accordance with customer requirements.

- Models:** upgrading retail by innovating premium stores with FreshMarket across the region and with the Wow model at hypermarkets in Colombia.
 - The “FreshMarket” model aims to innovate the fresh food category, renovate stores and improve layouts. Furthermore, it includes digital activities, such as apps, improved customer service and strengthening key offerings, such as events for wine, pasta, cheese, coffee and opera, related to the premium banner.
 - The “Wow” model: Launched in Colombia in 2018 regards to the hypermarket of the future, a shopping experience connected to the digital world, superior customer service and improved focus on fresh products.
- Formats/Banners:** improving the store portfolio base by focusing on converting and renovating stores into key profitable formats such:
 - Cash & Carry: to compete versus both the formal and informal markets. The format operates with low operating costs and CAPEX requirements, driving returns and boosting sales following conversions.
- Private Label:** development of the current portfolio of products to improve competitiveness by offering customers the lowest price and the best quality available. The Group is already strengthening well-known brands such as Frescampo in Colombia and positioning Taeq as the most important one for healthy products across the region.

2. Omni-channel Model:

Integration of virtual and physical platform to offer clients various channels, products and services to interact with the Company. Related to the development of:

- **E-commerce:** differentiated websites by genre, for non-food and food categories.
- **Market Place:** to improve the customer shopping experience by including multiple vendors, raising the number of transactions through the Company's websites.
- **Home Delivery & Last Milers:** to enhance convenience for customers through the development of start-ups such as last milers.
- **Digital Catalogues:** kiosks available at stores to purchase and order online.
- **Click & Collect:** service available for food and non-food purchases online to be collected at stores.

3. Digital Transformation

This pillar included the creation of the Digital Transformation Department in Colombia.

- **Apps:** to improve customer service, reinforced loyalty and increase share of wallet.
- **Start-ups:** research and analyse the feasibility of start-ups with which the Company may enhance service, operational activities and back office. Other analyses underway include artificial intelligence and image recognition.
- **Additional Activities:**
 - **Frictionless developments:** to improve the customer service experience at stores, especially when purchasing and paying for groceries or services, to reduce waiting time perception, by implementing:
 - ✓ Self-check-out: customer self-scanning, payment and packaging.
 - ✓ Mobile POS: on-foot cashier.
 - ✓ Scan & Pay: customer self-scanning and on-line receipt ready to be processed at the cashier.
 - ✓ Shop & Go: customer self-scanning, on-line payment through the app and go.
 - **Customer Service:** activities to improve relationship with clients and improving waiting time perception by using trendy channels such as:
 - ✓ Chatbot: 24-hour virtual assistant to answer questions/requirements from clients.
 - ✓ Social Marketing: active attention to customer's social media behaviour and using data collected to improve service and processes.
 - ✓ Social Wi-Fi: free high-quality internet connection available for clients.
 - ✓ Kiosks: interactive devices to allow our customers to self-manage purchases.
 - **Data Analytics:** usage of all data collected through all channels and IT developments to improve customer knowledge and internal data management.
 - ✓ Predictive Models: analyse common trends to improve the understanding of customer, demand, logistics and supply chain.
 - ✓ CRM: Customer Relationship Management.
 - **Logistic and Supply Chain**
 - ✓ Inventory Management: improvement and optimization by usage of data and trends.
 - ✓ Productivity Management: transforming processes by focusing in agility, flexibility, efficiency and supply chain precision.

- **HR Management**
 - ✓ Transforming management of human resources by creating on-line platforms for employee selection and recruitment processes, training and HR data management.

4. **Best Practices and Integration**

- **Asset Monetization:** to improve the Company's returns by developing:
 - Real Estate optimization.
 - Non-core asset disposal, to focus on the food segment cross the region.
- **Traffic Monetization:** to boost growth by leveraging activities through the development of:
 - Loyalty Programs: which provide high potential for data monetization – transactional information, consumer data and marketing focused campaigns.
 - Complementary businesses: to optimize revenue from the financial, insurance, travel, mobile and money transfer businesses.
- **Operational Excellence:** execution of the program across countries to maintain SG&A expense growth below inflation levels, by focusing on:
 - Logistics & Supply Chain: improving the operation by setting stores and dark stores to support omni-channel activities and rolling out inventory management activities.
 - Lean Productivity Schemes: review of processes and structures across the diverse business units.
 - Joint Purchasing: commodity purchasing activities, including indirect goods, services and technology across the region to deliver cost savings.
 - Back Office: opportunities to further optimize and centralize diverse processes across the region.

5. **Sustainable Shared Value**

- **Gen Cero**
 - Focusing on childhood nutrition
- **Sustainable trade**
 - Direct local purchasing
- **My Planet**
 - Protecting the environment
- **Healthy Lifestyle**
 - Offering a healthy portfolio to customers
- **Employee well-being**
 - HR development

VII. Additional Information

Conference Call Details

**Almacenes Éxito S.A.
(BVC: EXITO)**

Cordially invites you to participate in its First Quarter 2020 Results Conference Call

Date: Tuesday, May 12, 2020
Time: 10:00 a.m. Eastern Time
9:00 a.m. Colombia Time

Presenting for Grupo Éxito:

Carlos Mario Giraldo Moreno - Chief Executive Officer
Ruy Souza - Chief Financial Officer
María Fernanda Moreno - Investor Relations Manager

To participate, please click:

[Join through Microsoft Teams](#)

Almacenes Éxito S.A. will report its First Quarter 2020 Earnings on
Monday, May 11, 2020 after the market closes.

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

Upcoming Financial Publications

Second Quarter 2020 Earnings Release – July 27, 2020

IR and PR contacts

María Fernanda Moreno R.

Investor Relations Director

+ (571) 746 70 70 ext. 314236

maria.morenorodriguez@grupo-exito.com
Grupo Éxito Calle 80 - Cr 59 A No. 79 – 30

Claudia Moreno B.

PR and Communications Director

+ (574) 604 96 96 ext. 305174

claudia.moreno@grupo-exito.com
Cr 48 No. 32B Sur – 139 – Envigado, Colombia

Company Description

Grupo Éxito is one of the largest multinationals in Colombia and a relevant food retailer in South America, with operations in Colombia, Uruguay and Argentina. The Company has clear competitive advantages derived from its strength in innovation, bricks and mortar, and the value of their brands, supported by the quality of its human resource. Grupo Éxito also leads an omnichannel strategy and diversifies its revenue with a sound set of complementary businesses to enhance its retail offering.

In 2019, Consolidated Net Revenues totalled COP \$15.3 billion derived from retail sales and its strong portfolio of complementary businesses: credit card, travel, insurance, mobile operator, money transfers and real estate with shopping malls in Colombia and Argentina. The Company operated 653 stores: in Colombia with Grupo Éxito, in Uruguay with Grupo Disco and Grupo Devoto, and in Argentina with Libertad.

Grupo Éxito's solid omni-channel model and multi-format and multi-brand strategies make it the leader in all modern retail segments. The Company's hypermarkets lead under the Éxito, Geant and Libertad banners; in premium supermarkets under the Carulla, Disco and Devoto brands; in proximity under the Carulla, Éxito, Devoto and Libertad Express brands. In the low-cost market the Group operates stores under banners Surtimax, Super Inter and Surtimayorista in Colombia.

In 2019 the Company officially declared its Digital Transformation Strategy to adapt to changes in consumer trends.

VIII. Appendices

Notes:

- Numbers expressed in COP billion represent 1.000.000.000.000.
- Growth and variations expressed versus the same period last year, except when stated otherwise.
- Sums and percentages may reflect discrepancies due to rounding of figures.
- All margins are calculated as percentage of net revenue.

Glossary

- **Colombia results** includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country.
- **Consolidated results:** includes Almacenes Éxito results, Colombian and international subsidiaries in Uruguay and Argentina.
- **EBIT:** Recurring Operating Income adjusted for the other non-recurring operational income/expense result.
- **EBITDA:** Earnings before Interest, Taxes, Depreciation and Amortization.
- **EPS:** Earnings Per Share calculated on an entirely diluted basis.
- **Financial Result:** impacts of interests, derivatives, financial assets/liabilities valuation, FX changes and other related to cash, debt and other financial assets/liabilities.
- **GLA:** Gross Leasable Area.
- **GMV:** Gross Merchandise Value.
- **Holding:** includes Almacenes Éxito results without Colombian and international subsidiaries.
- **Net Group Share Result:** net result attributable to Grupo Éxito's shareholders.
- **Net Revenue:** total revenue related to total net sales and other revenue.
- **Other Revenue:** revenue related to complementary businesses (real estate, insurance, financial services, travel, etc.) and other revenue.
- **Recurring EBITDA:** measure of profitability that includes Recurring Operating Income adjusted for Depreciation and Amortization both in cost and expense (D&A).
- **Recurring Operating Income (ROI):** includes the Gross Profit adjusted by SG&A expense and D&A.
- **SSS:** same-store-sales levels, including the effect of store conversions.
- **Total Net Sales:** sales related to the retail business.

1. Consolidated P&L

in COP M	1Q20	1Q19	% Var
Net Sales	3,899,888	3,527,129	10.6%
Other Revenue	152,543	166,634	(8.5%)
Net Revenue	4,052,431	3,693,763	9.7%
Cost of Sales	(3,034,922)	(2,702,066)	12.3%
Cost D&A	(16,387)	(13,035)	25.7%
Gross Profit	1,001,122	978,662	2.3%
<i>Gross Margin</i>	<i>24.7%</i>	<i>26.5%</i>	<i>(179) bps</i>
SG&A Expense	(754,677)	(734,086)	2.8%
Expense D&A	(110,499)	(119,349)	(7.4%)
Total Expense	(865,176)	(853,435)	1.4%
<i>Expense/Net Rev</i>	<i>21.3%</i>	<i>23.1%</i>	<i>(176) bps</i>
Recurring Operating Income (ROI)	135,946	125,227	8.6%
<i>ROI Margin</i>	<i>3.4%</i>	<i>3.4%</i>	<i>(4) bps</i>
Net Group Share Result	21,987	(13,574)	NA
<i>Net Margin</i>	<i>0.5%</i>	<i>(0.4%)</i>	<i>91 bps</i>
Recurring EBITDA	262,832	257,611	2.0%
<i>Recurring EBITDA Margin</i>	<i>6.5%</i>	<i>7.0%</i>	<i>(49) bps</i>
EBITDA	231,771	234,850	(1.3%)
<i>EBITDA Margin</i>	<i>5.7%</i>	<i>6.4%</i>	<i>(64) bps</i>
Shares	447.604	447.604	0.0%
EPS	49.1	(30.3)	NA

Note: Differences in the base versus the one reported in 2019 associated to the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations. Consolidated data include results from Colombia, Uruguay and Argentina, the accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-2.1% and -1.9% at top line and at recurring EBITDA in 1Q20).

2. P&L and CAPEX by Country

Income Statement	Colombia	Uruguay	Argentina	Consol
in COP M	1Q20	1Q20	1Q20	1Q20
Let Sales	2,913,612	704,000	282,276	3,899,888
Other Revenue	137,956	6,285	9,254	152,543
Net Revenue	3,051,568	710,285	291,530	4,052,431
Cost of Sales	(2,364,498)	(470,994)	(199,521)	(3,034,922)
Cost D&A	(14,941)	(1,362)	(84)	(16,387)
Gross profit	672,129	237,929	91,925	1,001,122
<i>Gross Margin</i>	<i>22.0%</i>	<i>33.5%</i>	<i>31.5%</i>	<i>24.7%</i>
SG&A Expense	(509,284)	(159,145)	(87,109)	(754,677)
Expense D&A	(94,364)	(11,598)	(4,537)	(110,499)
Total Expense	(603,648)	(170,743)	(91,646)	(865,176)
<i>Expense/Net Rev</i>	<i>19.8%</i>	<i>24.0%</i>	<i>31.4%</i>	<i>21.3%</i>
Recurring Operating Income (ROI)	68,481	67,186	279	135,946
<i>ROI Margin</i>	<i>2.2%</i>	<i>9.5%</i>	<i>0.1%</i>	<i>3.4%</i>
Non-Recurring Income and Expense	(24,274)	90	(6,877)	(31,061)
Operating Income (EBIT)	44,207	67,276	(6,598)	104,885
<i>EBIT Margin</i>	<i>1.4%</i>	<i>9.5%</i>	<i>(2.3%)</i>	<i>2.6%</i>
Net Financial Result	(31,431)	5,060	(7,957)	(34,328)
Recurring EBITDA	177,786	80,146	4,900	262,832
<i>Recurring EBITDA Margin</i>	<i>5.8%</i>	<i>11.3%</i>	<i>1.7%</i>	<i>6.5%</i>
CAPEX				
<i>in COP M</i>	39,894	9,970	1,935	51,799
<i>in local currency</i>	39,894	112	31	

Note: Differences in the base versus the one reported in 2019 associated to the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations. Consolidated data include results from Colombia, Uruguay and Argentina, the accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-2.1% and -1.9% at top line and at recurring EBITDA in 1Q20).

3. Consolidated Balance Sheet

in COP M	Dec 2019	Mar 2020	Var %
Assets	15,861,015	15,865,910	(78.1%)
Current assets	5,356,665	5,130,986	(86.6%)
Cash & Cash Equivalents	2,562,674	2,074,662	(65.3%)
Inventories	1,900,660	2,051,518	(69.5%)
Accounts receivable	379,921	344,528	(65.6%)
Assets for taxes	333,850	409,986	(43.4%)
Assets held for sale	37,928	40,189	(99.8%)
Others	141,632	210,103	(49.6%)
Non-current assets	10,504,350	10,734,924	(68.3%)
Goodwill	2,929,751	3,050,449	(43.9%)
Other intangible assets	304,215	326,824	(93.7%)
Property, plant and equipment	3,845,092	3,923,514	(68.1%)
Investment properties	1,626,220	1,676,931	2.7%
Right of Use	1,303,648	1,276,959	(75.2%)
Investments in associates and JVs	210,487	197,090	(75.5%)
Deferred tax asset	177,269	184,840	37.9%
Assets for taxes	-	-	N/A
Others	107,668	98,317	(89.5%)
Liabilities	7,416,173	8,231,863	(84.7%)
Current liabilities	5,906,214	6,459,454	(82.9%)
Trade payables	4,662,801	3,553,831	(72.9%)
Lease liabilities	222,177	213,352	(75.1%)
Borrowing-short term	616,822	1,288,949	(43.7%)
Other financial liabilities	114,871	97,392	(90.6%)
Liabilities held for sale	-	-	N/A
Liabilities for taxes	72,910	72,979	(75.6%)
Others	216,633	1,232,951	N/A
Non-current liabilities	1,509,959	1,772,409	(88.9%)
Trade payables	114	-	N/A
Lease liabilities	1,308,054	1,299,804	(71.6%)
Borrowing-long Term	43,531	285,920	(93.8%)
Other provisions	18,998	20,128	(99.1%)
Deferred tax liability	116,503	144,060	(89.8%)
Liabilities for taxes	800	923	(99.8%)
Others	21,959	21,574	(99.2%)
Shareholder´s equity	8,444,842	7,634,047	(58.7%)

4. Consolidated Cash Flow

in COP M	Mar 2020	Mar 2019	Var %
Profit	42,388	158,424	(73.2%)
Adjustment to reconcile Net Income	211,121	1,039,376	(79.7%)
Cash Net (used in) Operating Activities	(1,215,488)	(3,607,977)	(66.3%)
Cash Net (used in) Investment Activities	(51,536)	(481,225)	(89.3%)
Cash net provided by Financing Activities	757,773	933,861	(18.9%)
Var of net of cash and cash equivalents before the FX rate	(509,251)	(3,155,341)	(83.9%)
Effects on FX changes on cash and cash equivalents	21,239	(34,105)	N/A
(Decrease) net of cash and cash equivalents	(488,012)	(3,189,446)	(84.7%)
Opening balance of cash and cash equivalents discontinued operations			
Opening balance of cash and cash equivalents	2,562,674	5,973,764	(57.1%)
Ending balance of cash and cash equivalents discontinued operations	-	-	
Ending balance of cash and cash equivalents	2,074,662	2,784,318	(25.5%)

5. Financial Indicators

	Indicators at Consolidated Level		Indicators at Holding Level	
	March 2020	December 2019	March 2020	December 2019
Assets / Liabilities	1.93	2.14	1.91	2.14
Liquidity (Current Assets / Current Liabilities)	0.79	0.91	0.77	0.92

6. Debt by Country- Currency and Maturity

Net debt breakdown by country

31 March 2020, (millions of COP)	Colombia	Uruguay	Argentina	Consolidated
Short-term debt	971,620	414,721	0	1,386,341
Long-term debt	285,920	0	-	285,920
Total gross debt (1)	1,257,540	414,721	0	1,672,261
Cash and cash equivalents	1,748,646	247,100	78,916	2,074,662
Net debt	491,106	167,621	78,916	402,401

Holding Gross debt by maturity

31 Mar 2020, (millions of COP)	Nominal amount	Nature of interest rate	Maturity Date	31-mar-20
Revolving credit facility - Syndicated	500,000	Floating	August 2020	-
Revolving credit facility - Bilateral	100,000	Floating	August 2020	100,000
Revolving credit facility - Bilateral	100,000	Floating	January 2021	100,000
Short Term - Bilateral	600,000	Floating	March 2021	600,000
Long Term - Bilateral	290,000	Floating	March 2026	290,000
Total gross debt (2)	1,590,000			1,090,000

Note: The Colombian perimeter includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country. Holding gross debt issued 100% in Colombian Pesos with an interest rate below IBR3M + 4.0%. (1) Debt without contingent warranties and letters of credits. (2) Debt at the nominal amount.

7. Almacenes Éxito⁽¹⁾ P&L

in COP M	1Q20	1Q19	% Var
Net Sales	2,918,803	2,644,631	10.4%
Other Revenue	70,484	86,199	(18.2%)
Net Revenue	2,989,287	2,730,830	9.5%
Cost of Sales	(2,363,686)	(2,107,524)	12.2%
Cost D&A	(13,412)	(10,852)	23.6%
Gross profit	612,189	612,454	(0.0%)
<i>Gross Margin</i>	<i>20.5%</i>	<i>22.4%</i>	<i>(195) bps</i>
SG&A Expense	(460,079)	(457,885)	0.5%
Expense D&A	(88,781)	(91,484)	(3.0%)
Total Expense	(548,860)	(549,369)	(0.1%)
<i>Expense/Net Rev</i>	<i>(18.4%)</i>	<i>(20.1%)</i>	<i>176 bps</i>
Recurring Operating Income (ROI)	63,329	63,085	0.4%
<i>ROI Margin</i>	<i>2.1%</i>	<i>2.3%</i>	<i>(19) bps</i>
Non-Recurring Income and Expense	(21,888)	(19,491)	12.3%
Operating Income	41,441	43,594	(4.9%)
<i>EBIT Margin</i>	<i>1.4%</i>	<i>1.6%</i>	<i>(21) bps</i>
Net Financial Result	(39,597)	(104,918)	(62.3%)
Net Group Share Result	21,987	(13,574)	NA
<i>Net Margin</i>	<i>0.7%</i>	<i>(0.5%)</i>	<i>123 bps</i>
Recurring EBITDA	165,522	165,421	0.1%
<i>Recurring EBITDA Margin</i>	<i>5.5%</i>	<i>6.1%</i>	<i>(52) bps</i>

((1) Holding: Almacenes Éxito Results without Colombian subsidiaries. Variations in the base versus the one reported in 2019 associated the net result of Gemex O&W S.A.S. registered as discontinued operations. Data includes the accounting adjustment associated to food production processes in Colombia applied only in the 1Q20 base.

8. Almacenes Éxito⁽¹⁾ Balance Sheet

in COP M	Dec 2019	Mar 2020	Var %
Assets	13,519,213	13,405,994	(20.8%)
Current assets	4,448,466	4,084,880	4.3%
Cash & Cash Equivalents	2,206,153	1,681,446	(10.8%)
Inventories	1,555,865	1,628,225	16.4%
Accounts receivable	199,712	155,798	(28.6%)
Assets for taxes	314,736	373,855	N/A
Others	172,000	245,556	1.0%
Non-current assets	9,070,747	9,321,114	(28.4%)
Goodwill	1,453,077	1,453,077	0.0%
Other intangible assets	159,225	163,486	13.3%
Property, plant and equipment	2,027,180	1,994,391	(3.0%)
Investment properties	91,889	91,878	(5.9%)
Right of Use	1,411,410	1,427,553	9.9%
Investments in subsidiaries, associates and JVs	3,614,639	3,870,420	(50.0%)
Others	313,327	320,309	45.3%
Liabilities	6,322,685	7,033,758	(26.1%)
Current liabilities	4,847,078	5,294,777	0.2%
Trade payables	3,901,549	2,740,204	(23.2%)
Lease liabilities	224,492	213,784	19.2%
Borrowing-short term	204,705	853,728	(18.1%)
Other financial liabilities	95,437	84,481	(24.1%)
Liabilities for taxes	66,270	48,142	(4.6%)
Others	354,625	1,354,438	N/A
Non-current liabilities	1,475,607	1,738,981	(58.9%)
Lease liabilities	1,394,323	1,412,763	6.4%
Borrowing-long Term	6,293	248,443	(91.2%)
Other provisions	53,056	56,224	45.0%
Deferred tax liability	-	-	N/A
Others	21,935	21,551	(27.5%)
Shareholder's equity	7,196,528	6,372,236	(14.0%)

1) Holding: Almacenes Éxito Results without Colombian or international subsidiaries.

9. Stores and Selling Area

Banner by country	Store number	Sales Area (sqm)
Colombia		
Éxito	247	624,907
Carulla	96	85,241
Surtimax	80	38,009
Super Inter	69	65,346
Surtimayorista	32	32,349
Total Colombia	524	845,851
Uruguay		
Devoto	60	39,886
Disco	29	33,452
Geant	2	16,411
Total Uruguay	91	89,749
Argentina		
Libertad	15	103,967
Mini Libertad	10	1,796
Total Argentina	25	105,763
TOTAL	640	1,041,363

Note: The store count does not include allies in Colombia.

Note on Forward-Looking Statements

This document contains certain forward-looking statements based on data, assumptions and estimates, that the Company believes are reasonable, however, it is not historical data and should not be interpreted as guarantees of its future occurrence. Grupo Éxito operates in a competitive and rapidly changing environment, therefore, it is not in a position to predict all of the risks, uncertainties or other factors that may affect its business, their potential impact on its business, or the extent to which the occurrence of a risk or a combination of risks could have results that are significantly different from those included in any forward-looking statement.

The forward-looking statements contained in this document are made only as of the date hereof. Except as required by any applicable law, rules or regulations, Grupo Éxito expressly disclaims any obligation or undertaking to publicly release any updates of any forward-looking statements contained in this press release to reflect any change in its expectations or any change in events, conditions or circumstances on which any forward-looking statement contained in this press release is based.

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