

Almacenes Éxito S.A.

Consolidated Financial Results

For the three-month period ended March 31

2014

New Éxito El Espinal,
Tolima

BVC (The Colombian Stock Exchange): "ÉXITO"
ADR Program: "ALAXL"

Medellín, Colombia - April 28, 2013- Almacenes Éxito S.A. ("Éxito" or "the Company"), the largest retail company in Colombia today announced its consolidated financial results for the period ended March 31, 2014. All figures are expressed in COP - Colombian pesos.

Exchange rate: 1 USD = COP\$ 1,965,32 at March 31, 2014



Almacenes Éxito S.A. Cordially invites you to participate in its **First Quarter 2014 Results Conference Call**

Date: April 29, 2014 at 10:00 a.m. Colombian time

To participate, please dial:

U.S. Toll Free: 877 809 8690

UK Toll Free: 0800 028 8438

France Toll Free: 0800 909 322

Colombia Toll Free: 01800 518 0165

International (outside U.S. dial): +706 634 6560

Conference ID Number: 30684966

1Q14 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" or <http://services.choruscall.com/links/exito140429.html>

First Quarter 2014 Financial & Operating Highlights

2014

Note 1: Consolidated figures include both Grupo Éxito's results in Colombia and the financial results of Spice Investment, Uruguay since October 1, 2011 of which financial results include the consolidation of 62.49% of Disco and 100% of Devoto Companies.

Note 2: Financial statements for the 1Q are not fully comparable to those of 2013 as the "Aniversario Éxito Promo Event" was held from February 27 to March 17 in 2013 while took place this year from March 28 to April 16 2014.

- **Net revenues** increased 1.3% to COP\$ 2,637,967 million.
- **Selling and Administrative Expenses** reached COP\$582,992 million. As a percentage of Net Revenues, SG&A represented 22,1%.
- **Operating Income** increased 3.5% for a total of COP\$110,894 million. Operating Income margin reached 4.2% as a percentage of Net Revenues.
- **Ebitda** grew 2.6% for a total of COP\$209,226 million to EBITDA margin of 7.9%.
- **Net Income** increased 10.8% to COP\$98,940 million to a Net Income margin of 3.8%.
- **Working Capital** reached a favorable position of COP\$595,970 million, with a freed up of COP\$113,526 million.

Expansion in Colombia

Grupo Éxito achieved a total of 6 stores opened in the first quarter: 2 Éxito stores, the first one in the city of Espinal and 4 Surtimax stores in Antioquia, Cartagena, Barranquilla, and Chinchiná in the coffee region. With these stores, the Company's store count was 472 stores in Colombia and 54 in Uruguay.

New Éxito Stores:

Éxito El Espinal in Tolima
and Éxito Express Kennedy in Bogotá.

New Surtimax Stores:

Ciudad Bolívar in Antioquia
Torices in Cartagena
Simón Bolívar in Barranquilla
and Chinchiná in Caldas.

The Company
completed
a total of **526**
stores



Commercial Events

Promotional Activity

Grupo Éxito held the **“Fiesta Escolar Éxito”**, which is a back to school activity, with special sales on various categories, such as textiles, entertainment and household furniture related to the event. The company also held the **“Aniversario Éxito”**, from March 28th to April 16th. In 2013, this same event took place at the end of February until mid-March.

Innovative Initiatives

Among the new features offered exclusively to our customers, was the new album by grammy-award winning artist, Juanes, in a joint and exclusive deal with the artist, only available at Exito stores.

The Company also held the 4th annual Pasta festival, **“Cumbre de la Pasta”**, where over 155.000 pasta lovers enjoyed recipes and samplings prepared on site.

The company additionally held the second annual **“Súper Bingo”** event with over 20 million bingo cards distributed among 600 thousand clients at our stores across all three brands.

Meeting Stakeholders

Grupo Éxito’s management team met with over 1,200 Suppliers in the cities of Bogotá, Medellín, Barranquilla and Bucaramanga and presented the Company’s 2013 results as well as sharing its 2014 plans.

The **General Shareholders’ Meeting** was held in March where all of the proposals presented by the Board of Directors were approved, including an increase of the dividend pay-out ratio from 50% to 54%. In addition Mr. Nicanor Restrepo was appointed as president of the Board of Directors.



Meeting with suppliers.



Juanes new album release.



Back to School Season



Consolidated Financial Statements as of March 31, 2014

Consolidated Income Statement

2014

	First Quarter, 2014		First Quarter, 2013		% Var
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	
Net revenues	2,637,967	100.0	2,604,463	100.0	1.3
Cost of sales	-1,944,081	-73.7	-1,940,676	-74.5	0.2
Gross profit	693,886	26.3	663,787	25.5	4.5
Selling, general and administrative expense	-582,992	-22.1	-556,687	-21.4	4.7
Operating income	110,894	4.2	107,100	4.1	3.5
Financial income	40,847	1.5	33,418	1.3	22.2
Financial expense	-15,724	-0.6	-16,717	-0.6	-5.9
Other non-operating income and expense	-13,879	-0.5	-6,660	-0.3	N/A
Minority interest	-331	0.0	-391	0.0	-15.3
Income before taxes	121,807	4.6	116,750	4.5	4.3
Income taxes	-22,867	-0.9	-27,418	-1.1	-16.6
Net income	98,940	3.8	89,332	3.4	10.8
EBITDA	209,226	7.9	203,867	7.8	2.6

Consolidated Balance Sheet

(In Millions of Colombian Pesos)

	March 2014	March 2013	% Var
Assets	10,186,732	10,069,255	1.2
Current Assets	3,824,906	3,788,666	1.0
Cash	1,128,784	1,604,286	-29.6
Marketable Securities	1,060,642	679,686	56.0
Inventories	1,150,321	1,074,721	7.0
Others	485,159	429,973	12.8
Non-current Assets	6,361,826	6,280,589	1.3
Liabilities	2,467,376	2,581,459	-4.4
Current Liabilities	2,235,044	2,294,037	-2.6
Financial Obligations Short Term	3,594	79,847	-95.5
Suppliers	1,396,342	1,409,604	-0.9
Others	835,108	804,586	3.8
Non-current Liabilities	232,332	287,422	-19.2
Financial Obligations Long Term	150,000	150,000	0.0
Others	82,332	137,422	-40.1
Minority Interest	14,513	13,560	7.0
Shareholders' equity	7,704,843	7,474,236	3.1



ROA and ROE

	March 2013	March 2014
ROA	4.7%	4.6%
ROE	6.3%	5.9%

Historic Value*	March 2013	March 2014
ROA	5.5%	5.6%
ROE	8.3%	7.8%

*Historic value does not include valuations and inflation adjustments.

Pasta fair event.



First Quarter 2014 Financial Highlights

2014

- **Net Revenues** increased 1.3% during the first quarter 2014 to a total of COP\$2,637,967 million compared to COP\$2,604,463 million reported in the same quarter 2013. The revenue outcome was impacted negatively by a 4.8% calendar effect derived from the concentration of the Exito Anniversary promotion in Q2 this year.

Net revenue growth for the first quarter 2014 included an overall same store sales decrease of 2.1% derived from an increase of 5.9% in Uruguay in terms of local currency and a decrease in Colombia of 3.2%. Nonetheless, when the calendar effect is excluded, same store sales rose by 1.6%, therefore, total sales could have represented an over 5% growth, a clear trend improvement compared to 2013.
- **Gross Profit** grew by 4.5% in the first quarter 2014 to COP\$693,886 million versus COP\$663,787 million of the same period last year. As a percentage of Net Revenues, the Gross Margin rose by 80 basis points to 26.3% in first quarter 2014. Improved gross profit levels reflected accurate purchasing activities, investment in price in only targeted categories and regions and the effectiveness of the overall performance of the sales mix while maintaining the Company's competitiveness. Exito also benefited from its strategy of strengthening its complementary business with a strong revenue increase from Real Estate as well as from Credit Cards, Travel and the Insurance businesses.
- **Selling and Administrative Expenses** reached COP\$582,992 million in first quarter 2014 compared to COP\$556,687 million in the same period 2013. As a percentage of Net Revenues they represented 22.1%. The SG&A expenses were affected by wage increases in Uruguay and general expenses in Colombia associated to the omni-channel strategy, the launch of new e-commerce businesses, and the development of "Aliados Surtimax" and shopping malls.
- **Operating Income** rose 3.5% in the first quarter 2014 to COP\$110,894 million compared to COP\$107,100 million in the same period 2013 and went from 4.1% to 4.2% as a percentage of Net Revenues. The retail business performance has demonstrated that investments required by the omnichannel strategy, developing the discount format and e-commerce expansion is greatly offset by the growth and high margin results of our premium Carulla brand and the increased share of Complementary Businesses in the Company's results.
- **EBITDA** grew 2.6% during the first quarter compared to the same period in 2013, from COP\$203,867 million to COP\$209,226 million EBITDA margin increased 10 basis points and reached 7.9% as a percentage of Net Revenues, mainly explained by the favorable performance of the sales mix at both companies, the contribution of complementary activities and strict expense controls.
- **Net Financial result** during the first quarter of 2014 shows Net Financial income of COP\$25,123 million compared to a Net Financial income of COP\$16,701 million reported in the first quarter last year, derived from increased revenues from short-term investments.
- **Other Non-Operating Income and Expenses** registered an expense of COP\$13,879 million in the first quarter 2014 from an expense of COP\$6,660 million. This result was mainly due to the earnings obtained in the first quarter of 2013 from asset sales.
- **Income Tax** decreased 16.6% due to lower tax provisions derived from tax benefits in capital expenditure. The effective tax rate in 1Q14 decreased to 18.8% compared to the 23.5% reported in the same period of last year.
- **Net Income** rose 10.8% in first quarter 2014 to COP\$98,940 million compared to COP\$89,332 million obtained in the same quarter last year. As a percentage of Net Revenues, Net Income margin grew from 3.4% to 3.8%, included the positive Company's operational results, higher net financial income, and lower tax levels.

Other Operating Information as of March 31, 2014

Number of Stores and Selling Area

Brand	Stores	Selling area (sq m)
Éxito	237	605,225
Carulla	84	73,320
Surtimax	149	77,710
Others	2	3,242
TOTAL COLOMBIA	472	759,497
Devoto	24	33,118
Disco	28	30,585
Geant	2	16,274
TOTAL URUGUAY	54	79,977
TOTAL GRUPO ÉXITO	526	839,474

Number of Stores, Selling Area (Owned/Leased)

COLOMBIA	Stores		Area	
	Stores	%	Area (sq m)	%
Owned	149	32	429,253	57
Leased	323	68	330,244	43
TOTAL	472	100	759,497	100
URUGUAY	Stores		Area	
	Stores	%	Area (sq m)	%
Owned	14	25	26,875	34
Leased	40	75	53,102	66
TOTAL	54	100	79,977	100

Openings and Closings

for the three-month period ended March 31, 2014

Brand	Openings	Closings
Éxito	2	2
Carulla		1
Surtimax	4	1
Other: Homemart		
Disco		
Devoto		
Geant		
Total	6	4

Same Store Sales Growth

Colombia

	2014	2013
1Q	-3.2%	+0.4%
Uruguay (in local currency)		
	2014	2013
1Q	+5.9%	+9.6%

Sales Mix Evolution

1Q14	Colombia	Uruguay	Grupo Éxito
Food	70%	85%	72%
Non Food	30%	15%	28%



New Surtimax
Torices
in Cartagena.



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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.

