

A photograph of an Exito Express store exterior. The building has a bright yellow facade with the 'éxito express!' logo in black and red. Large glass windows show the interior shelves stocked with various products. In front of the store, there are some green bushes and a paved sidewalk. The image is partially overlaid by a green curved graphic on the left side of the page.

Exito Express
Calle 60
in Bogotá

Almacenes Éxito S.A.

Consolidated Financial Results

For the First Quarter ended March 31, 2015

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

Medellín, Colombia – May 27, 2015 – 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, 2015. All figures are expressed in COP -Colombian pesos.

Exchange rate: US\$1 = COP\$2.576,05 at March 31, 2015



Almacenes Éxito invites you to participate in its First Quarter 2015 Results Conference Call

Date: Thursday, May 28, 2015 at 10:00 a.m. Eastern time
9:00 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: 44967528

Almacenes Éxito S.A. will report its First Quarter 2015 Earnings On Wednesday, May 27, 2015 after market close. 1Q15 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/exito150521.html>

First Quarter 2015 Financial & Operating Highlights

2015

First Quarter 2015 Financial Highlights

In accordance with the provisions of Legal and the Regulatory guidelines, publicly listed Colombian companies are now required to converge financial reporting from accounting principles generally accepted in Colombia - otherwise known as Colgaap- to International Financial Reporting Standards - or IFRS starting in 2015. This is the first time companies in Colombia report under IFRS and therefore, quarterly financial results are expressed under the new accounting standards to make bases comparable⁽¹⁾.

Note: Consolidated figures include both Grupo Exito's results in Colombia and the financial results of Spice Investment, Uruguay since October 1, 2011 of which financial results include from 1Q15 the full consolidation of Disco Group.

- **Net Revenues** increased 28.4% to COP\$3,091,400 million in the first quarter 2015.
- **Selling and Administrative Expenses** increased 35.5% to COP\$602,943 million. As a percentage of Net Revenues, SG&A represented 21.4%
- **Recurring Operating Income (ROI)** increased 6.0% for a total of COP\$119,618 million. As a percentage of Net Revenues, Recurring Operating Income margin reached 3.9%.
- **Recurring Ebitda (ROI +D&A)** grew 5.9% for a total of COP\$178,858 million to **EBITDA** margin of 5.8%.
- **Net Income** decreased 29.2% to COP\$69,961 million to a Net Income margin of 2.3% mainly affected by extraordinary payments of wealth, valorization and CREE taxes payments in the base.
- **Working Capital** reached a favorable position of COP\$749,697 million, with a freed up of COP\$59,258 million.

(1) In the preparation of consolidated financial statements of Grupo Exito in IFRS at December 31, 2014, management has used its best knowledge in relation to standards and interpretations and the facts and circumstances. Nevertheless, information provided may experience, for example, changes or amendments to standards and rules or additional interpretations that may be issued by the International Accounting Standards Board ("IASB") that could change the regulation. Therefore, until the Company and its subsidiaries prepare their first complete set of consolidated financial statements under IFRS at December 31, 2015 and set its date of transition as it is defined in IFRS 1, there is a possibility that Consolidated Comparative Reports may be adjusted.

Expansion in Colombia

Grupo Exito achieved a total of 7 stores opened in the first quarter:

1 Éxito Express store in Bogotá and 6 Super Inter stores in Cali. With these stores, the Company's store count was 539 stores in Colombia and 54 in Uruguay for a total of 897,726 sqm of selling area.

New Éxito Express Stores:

Express: Avenida 60 in Bogotá

New Super Inter Stores:

Super Inter: Independencia, Tequendama and Oeste in Cali.

Express: Las Pilas, La Flora and Cambulos in Cali.

The Company completed a total of **593** stores



Commercial Events

Promotional Activity:

Grupo Éxito held the “Aniversario Éxito”, from February 28th to March 16th. In 2014, this same event took place from March 28th to April 16th.

Innovative initiatives

“Puntos Éxito” Loyalty program

In February, Grupo Éxito upgraded this program to become a clear commercial differentiator and a lever for attracting and retaining customers. From now on, the clients of Carulla and Éxito may freely use their points on any product they choose with an exchange rate of one point equals to one Colombian peso.

Super Inter Allies

Super Inter “Allies” for the first time under this brand in Cali through 8 independent retailers.

Integration with Cafam

Grupo Éxito started the process with Cafam to assure the ownership over its commercial establishments in Bogotá following the approval given by the “Superintendencia de Subsidio Familiar”. The strategic value of this transaction was very significant given the important contribution of 7% market share in Bogotá and 3% nationwide obtained since the initial agreement was signed back in 2011.

Meeting with Stakeholders

The General Shareholders’ Meeting was held in March where all of the proposals presented before the Board of Directors were approved. One of them was related to the creation of a special reserve for future dividend payments, aiming to limit the impact of the tax reform over the dividend and the second one, related to a 9.4% dividend increase which rose the dividend pay-out ratio from 54.2% to 56.7%.



One point = \$1 peso



Super Inter allies

Shareholders meeting



Consolidated Financial Statements as of March 31, 2015 under IFRS

Consolidated Income Statement for the First Quarter 2015

2015

	First Quarter 2015		First Quarter 2014		
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	% Var
Sales	3,000,467	97.1	2,334,748	96.9	28.5
Other Revenues	90,933	2.9	73,685	3.1	23.4
Total Net Revenues	3,091,400	100.0	2,408,433	100.0	28.4
Cost of Sales	(2,309,599)	-74.7	(1,794,556)	-74.5	28.7
Gross Profit	781,801	25.3	613,877	25.5	27.4
SG&A	(602,943)	-19.5	(444,929)	-18.5	35.5
Depreciation & Amortization	(59,240)	-1.9	(56,076)	-2.3	5.6
Recurring Operating Income (ROI)	119,618	3.9	112,872	4.7	6.0
Non-Recurring Income and Expenses	(30,800)	-1.0	2,478	0.1	N/A
Operating Income (EBIT)	88,818	2.9	115,350	4.8	-23.0
Net Financial Income	24,728	0.8	19,992	0.8	23.7
Income from associates & joint venture	(3,094)	-0.1	13,129	0.5	-123.6
Profit Before Tax (EBT)	110,452	3.6	148,471	6.2	-25.6
Income Tax	(25,743)	-0.8	(47,191)	-2.0	-45.4
Net Income	84,709	2.7	101,280	4.2	-16.4
Non-Controlling Interests (Minority Interest)	14,748	0.5	2,515	0.1	N/A
Net Income attributable to Grupo Éxito	69,961	2.3	98,765	4.1	-29.2
Recurring EBITDA (ROI+D&A)	178,858	5.8	168,948	7.0	5.9
EBITDA (EBIT+D&A)	148,058	4.8	171,426	7.1	-13.6

Cash Flow Statement

	March 31, 2015	March 31, 2014
Profit (loss)	84,709	101,279
Adjustments to reconcile Net Income	-693,616	-471,646
Cash Net provided (used) in Operating Activities	-	-
Cash Net provided (used) in Investment Activities	-33,026	-144,750
Cash net provided (used) in Financing Activities	-97,865	-30,586
Increase (decrease) Net of Cash and Cash Equivalents, before the FX rate changes	-739,798	-545,703
Effects on FX changes on cash and Cash Equivalents	-2,317	-5,114
Increase (decrease) net of cash and Cash Equivalents	-742,115	-550,817
Opening Balance of Cash and Cash Equivalents	2,953,937	2,717,162
Ending Balance of Cash and Cash Equivalents	2,211,822	2,166,345

Consolidated Balance Sheet under IFRS

(In Millions of Colombian Pesos)

	March 31, 2015	March 31, 2014	% Var
Cash & Cash Equivalents	2,211,822	2,166,345	2.1
Receivables	609,822	365,093	67.0
Inventories	1,313,271	1,033,465	27.1
Current Financial Assets	16,653	3,492	N/A
Current Assets	4,151,568	3,568,395	16.3
Intangible Assets	2,847,404	1,458,268	95.3
Tangible Assets	3,380,573	3,041,511	11.1
Investment Properties	651,690	535,546	21.7
Financial Assets	165,417	1,143,448	-85.5
Receivables	31,712	29,523	7.4
Deferred tax assets	59,802	29,785	100.8
Other assets	398	398	0.0
Non-current Assets	7,136,996	6,238,479	14.4
TOTAL ASSETS	11,288,564	9,806,874	15.1
Borrowing-Short Term	285,469	3,503	N/A
Provisions	52,948	44,399	19.3
Trade Payables	2,561,103	1,980,767	29.3
Financial liabilities	152,472	11,491	N/A
Other liabilities	76,390	64,000	19.4
Current Liabilities	3,128,382	2,104,160	48.7
Borrowing-Long Term	37,964	9,126	N/A
Provisions	56,360	41,930	34.4
Trade Payables	573	488	17.4
Deferred tax liabilities	54,417	11,508	N/A
Financial liabilities	-	140,606	-100.0
Other liabilities	64,041	53,163	20.5
Non-current Liabilities	213,355	256,821	-16.9
TOTAL LIABILITIES	3,341,737	2,360,981	41.5
Shareholder's Equity, Group Share	7,493,852	7,215,282	3.9
Minority Interest in Consolidated Companies	452,975	230,611	96.4
Shareholder's Equity	7,946,827	7,445,893	6.7

ROA and ROE

March 2015

ROA	4.1%
ROE	5.8%



First Quarter 2015 Financial Highlights

2015

- **Net Revenues** increased 28.4% during the first quarter 2015 to a total of COP\$3,091,400 million compared to COP\$2,408,433 million reported in the same quarter 2014 under IFRS. The revenue outcome was impacted positively by a calendar effect derived from the concentration of the Exito Anniversary promotion in Q1 this year.

Sales in Colombia grew by 14.5% and included an overall same store sales increase of 3.4% mainly driven by food sales. Sales in Uruguay for the 1Q15 period grew by 203% and included the consolidation of Disco Group in 1Q15 and also an overall same store sales increase of 11.5% in local currency.

In terms of Grupo Éxito's **total sales**, grew by 28.5% in 1Q15 and included the positive effect of the consolidation of Disco Group sales, which were not included for the 2014 period, as Grupo Éxito did not have sole control over this unit at that time.

In addition, the 1Q15 consolidated sales included the negative extraordinary lower sales effect over COP\$17,000 million from the complete re-assessment of Company's loyalty program. In February, Grupo Éxito upgraded this program and from now on, the clients of Carulla and Éxito may freely use their points on any product they choose with an exchange rate of one point equals to one Colombian peso.

Finally, Sales during 1Q15 included sales from Super Inter of nearly 8%, which made the base non-comparable versus the same period last year, as the operation was acquired by Grupo Éxito in 3Q14.

- **Gross Profit** grew by 27.4% in the first quarter 2015 to COP\$781,801 million versus COP\$613,877 million of the same period last year. As a percentage of Net Revenues, the Gross Margin was 25.3% in first quarter 2015.

Gross Profit included the negative effect of the loyalty program, the mix impact related to Super Inter's acquisition and the unfavourable margin mix due to the slow-down in terms of non-food sales.

- **Selling and Administrative Expenses** excluding depreciation and amortization reached COP\$602,943 million in first quarter 2015 compared to COP\$444,929

million in the same period 2014. As a percentage of Net Revenues they represented 35.5%. The SG&A expenses were affected by the non-recurrent payment of valorization tax to assets, the investment in structure enhancements such as real estate and ecommerce. Moreover, SG&A were affected by the mix impact related to Super Inter's acquisition and the consolidation of Disco Group.

- **Recurring Operating Income** increased by 6.0% in the first quarter of 2015 to COP\$119,618 million compared to the COP\$112,872 million in the same period of last year and was 3.9% as a percentage of Net Revenues.

It is important to mention that **Normalized Recurring Operating Income** in 1Q15 isolating the effect of the loyalty program and the valorization tax would have been of near to COP\$139.000 and represented a 23% growth and a 4.5% margin as a percentage of Net Revenues.

- **Recurring Ebitda** grew by 5.9% during the first quarter compared to the same period in 2014, from COP\$168,948 million to COP\$178,858 million. Recurring Ebitda margin was 5.8% as a percentage of Net Revenues, and a 4.8% Ebitda margin when included the effect of the annual wealth tax payment totally accrued in 1Q15 and registered as a non-recurrent expense. The wealth tax materially affected the Operating Income by nearly COP\$60.000 million.

- **Net Financial result** in the first quarter of 2015 shows a Net Financial income of COP\$24,728 million compared to a Net Financial income of COP\$19,992 million reported in the first quarter last year, derived from increased revenues from short-term investments.

- **Income Tax:** decreased 45.4% in 1Q15 to COP\$25,743 million due to the application of the difered tax calculation.

- **Net Income** attributable to Grupo Éxito decreased 29.2% in first quarter 2015 when compared to the same period 2014 going from COP\$98,765 million to COP\$69,961 million. As a percentage of Net Revenues, Net Income margin went from 4.1% to 2.3% mainly affected by extraordinary payments of wealth, valorization and CREE taxes payments in the base. Hence, the Normalized Net Income in 1Q15 isolating the effect of the loyalty program, the valorization and the wealth taxes and the revaluation of the investment in Uruguay from the base would have been of near to COP\$119,000 million, 20% growth and a 3.8% margin as a percentage of Net Revenues.

Other Operating Information as of March 31, 2015

Number of Stores and Selling Area

Brand	Stores	Selling Area (sq m)
Éxito	248	607,034
Carulla	90	75,959
Surtimax	149	79,000
Super Inter	52	55,702
Total Colombia	539	817,694
Devoto	24	33,183
Disco	28	30,828
Geant	2	16,021
Total Uruguay	54	80,032
Total Grupo Éxito	593	897,726

Number of Stores, Selling Area (Owned/Leased)

COLOMBIA	Stores		Area	
	Stores	%	Area (sq m)	%
Own	144	27	399,343	49
Leased	395	73	418,351	51
Total	539	100	817,694	100
URUGUAY	Stores		Area	
	Stores	%	Area (sq m)	%
Own	14	25	26,575	34
Leased	40	75	53,457	66
Total	54	100	80,032	100

Openings, closings and conversions for three-month period ended March 31, 2015

Brand	Openings	Closings
Éxito	1	1
Carulla		
Surtimax - Super Inter	6	4
Disco		
Devoto		
Geant		
Total	7	5

Sales Mix Evolution

	Colombia 1Q15	Uruguay 1Q15	Grupo Éxito 1Q15
Food	73%	78%	74%
Non Food	27%	22%	26%

Same Store Sales Growth

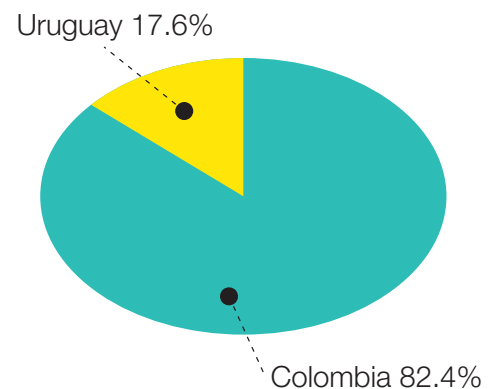
In local currency. Sales under IFRS

	1Q15	1Q14
Colombia	3.4%	-3.3%
Uruguay	11.5%	6.4%

Reporting by Segment 1Q15

	Sales			Ebit
	COP million	%Var	%Var sss	COP million
COLOMBIA	2,473,757	14.5	3.4	80,679
Éxito	1,703,657	4.5	3.9	
Carulla	347,004	1.29	-0.3	
Discount	369,695	130.9	7.8	
B2B	53,401	89.4	-3.7	
	Sales			Ebit
	COP million	%Var	%Var sss in local currency	COP million
URUGUAY	526,710	203.4	11.5	38,940

Sales by Country



Digital Catalog
launched in
Super Inter



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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.

