Grupo Éxito recorded COP 14 billion in net revenue, a 9.9% [1] growth, derived from commercial assertiveness and innovation in Colombia and Brazil; recurring EBITDA grew to a margin of 7.1% during 1Q19

Consolidated results were leveraged by Brazil's positive performance with a net sales increase of 12% [1 2] and Colombia's innovation with net revenues growing by 3.6%

The Company´s focus is on implementing g an innovative omnichannel strategy in the region to enhance customer experience

- *The Company recorded a top line increase of 9.9%[1] derived from the implementation of innovative activities and its commitment to enhance value proposals.*
- *Recurring EBITDA totaled COP 1 billion with a 7.1% margin compared to last year's 7.0%.*
- *Colombia increased net revenues by 3.6%, driven by the Éxito Wow banner, Carulla Fresh Market and Surtimayorista Cash and Carry, all posting double-digit growth.*
- *The e-commerce channels and home delivery in Colombia represented 3.9% of the Company's sales mix with a 38% growth.*
- *Grupo Pão de Açúcar, GPA, in Brazil, continued on a positive path and had top line growth of 12% [2], derived from the consistent performance of Assaí and Multivarejo.*
- *Our operation in Uruguay continued as the most profitable in the region, with a recurring EBITDA margin of 10.8%, despite the impact of a weak tourism season.*
- *In the midst of a challenging macroeconomic context in Argentina, Grupo Éxito posted a 36.9% net revenue growth in local currency.*
- *The Company focuses on integrating processes and developing digital transformation initiatives to improve customer experience.*
- *Grupo Éxito is incentivizing direct business relations with local producers and farmers to promote sustainable trade in alliance with the national government and other private entities. .*

1. Excluding the FX effect.
2. In local currency.

Boletín de prensa

Grupo Éxito's Consolidated Results (Colombia, Brazil, Uruguay, Argentina)

Grupo Éxito net revenue reached COP 14 billion during 1Q19 (+9.9% [1]), mainly from results in Colombia and Brazil (+3.6% and +12% [2], respectively). These positive results are leveraged by innovation mainly in formats, channels, and e-commerce enhancing the Company's value propositions.

Recurring EBITDA reached COP 1 billion, a 9,9% [1] growth, from the implementation of operational excellence strategies that allowed expense control. Net result reflected the usual consumption behavior during the first quarter of the year and the FX effect.

Grupo Éxito totaled1,521 food retail stores: 540 in Colombia, 864 in Brazil, 91 in Uruguay and 26 in Argentina, which encompass over 2,8 million square meters of total sales area as of 1Q19.

"Grupo Éxito is focusing on a modern and innovative omnichannel strategy to improve customer experience in the region. In addition to this strategy, commercial activities have also allowed us to post positive results in our operations. Both Colombia and Brazil showed consistent sales growth. In Colombia, from banners such as Éxito wow, Carulla Fresh Market and Surtimayorista, all posting double-digit growth. E-commerce sales also grew by 38% and already represented 3.9% of the Company's total sales in the country. In Brazil, the solid performance of Assaí and Multivarejo as well as the implementation of omnichannel initiatives, leveraged the 12% [2] *growth of GPA's net revenues. Our solid competitive platform relies on permanent innovation, integration of virtual channels and stores and complementary businesses, to address the new market trends",* stated Carlos Mario Giraldo Moreno, CEO Grupo Éxito.

Grupo Éxito's Consolidated Operational Performance
All figures expressed in millions of Colombian pesos (COP)

	1st Quarter - 2019 (1Q19)			
	2019	**2018**	**% var COP**	**% var excl.FX effect**
Net Revenue	14,275,209	13,743,788	3.9%	9.9%
Gross Profit	3,307,253 23.2%	3,274,095 23.8%	1.0%	7.4%
SG&A Expense	-2,753,172 -19.3%	-2,740,015 -19.9%	0.5%	7.0%
Recurring Operating Income (ROI)	554,081 3.9%	534,080 3.9%	3.7%	9.4%
Recurring EBITDA	1,010,225 7.1%	967,092 7.0%	4.5%	9.9%
Group's Net Result	-13,574 -0.1%	-2,338 0.0%	NA	NA

2018 and 2019 figures are comparable and both include the implementation of IFRS 16.

In Colombia, innovation continues leveraging our positive trend

Net revenues in Colombia reached near to COP 2.8 billion, a 3.6% growth in 1Q19 versus the same period last year. In Colombia, net revenue grew above inflation (3.2%) and recurring EBITDA was COP 182,650 million, a margin of 6.5%. Net sales continued on a positive recovering trend with a 2.7% growth.

These results showed the Company's assertiveness of its innovation and commercial strategies to respond to our customer's new requirements.

- Omnichannel sales (exito.com, carulla.com, home delivery, virtual catalogs, marketplace and last mile) grew 38% in 1Q19 compared to 1Q18 and represented 3.9% of the Company's sales mix.

  As part of its digital transformation strategy, the Company re launched Éxito and Carulla apps in March, which totaled more than 456,000 downloads during the 1Q19. Apps are expected to become a powerful channel for consumers, due to the connectivity of the physical and virtual worlds and the customization of each customer's consumption habits.

- Innovation in banners also contributed to results:

  - Éxito Wow stores Country and Envigado posts double-digit net sales growth and were 6.3% of the banner´s sales mix.. At least 7 Éxito wow stores will be opened by year end.

- The six Carulla Fresh Market stores, our exclusive premium model, were 13.4% of the banner´s sales mix during 1Q19. The fresh product category in these stores, grew by over 20%.
- Surtimayorista, our Cash and Carry format, grew sales by 23.1% and was here 3.3% of Colombian sales mix. Two stores opened during the first quarter of the year and the banner reached 20 stores mainly located in the central area of the country and in the Atlantic coast.

The consistent growth of Assaí and superior performance of Multivarejo leveraged GPA's positive results

Grupo Éxito's operation in Brazil recorded a solid performance, net revenues grew by 12% [12], reaching COP 10,6 billon during 1Q19. The outcome reflects the solid growth of the Assaí banner and constant increase in Multivarejo sales.

Assaí banner, our Cash and Carry format, increased sales by 25.1% [1] and reached a 14,8% growth in customer traffic, which allowed it to record a market share gain of 230 bps. The Passaí credit card reached 720,000 cards issued and has consolidated itself as a loyalty and innovation tool.

Multivarejo (Extra and Pão de Açúcar) grew net sales by 1,5% [1], and also recorded a market share gain largely thanks to performance of proximity and hypermarket stores. The 26 renovated Pão de Açúcar stores represented 25% of the brand's sales mix, between 10 and 15 additional stores are expected to undergo remodeling by year end.

Digital transformation initiatives advanced positively and positioned GPA as an e-commerce retail food leader in Brazil. James Delivery, our last mile services company, started operations in Sao Paulo; it is expected that the service will be available in 10 cities by the end of the year. Besides, "express" and "click and collect" delivery services are already offered in 76 Pão de Açúcar and Extra stores. Moreover, Cheftime, startup in the ready meals segment, began operations in 28 additional stores; the service will be available in 100 stores by 2Q19.

"My discount" app registered a new record, with more than 8.3 million downloads, 70% more than 1Q18. Sales from users were 40% at Pão de Açúcar and 20% at Extra banners and average spending is twice in app user.

Grupo Éxito's Uruguayan operation continues as the Company's most profitable in the region

In the midst of a challenging macroeconomic context determined by a weak tourism season, a consumption scenario affected by unemployment of 8.4% and inflation of 7.8%, the Company posted net revenue of more than COP 673,000 million.

The Company has explored diverse alternatives to face a difficult context such as: expanding the Devoto express brand and the Fresh Market concept and growing costs and expenses below inflation through operational efficiencies.

Grupo Éxito in Uruguay reached a recurring EBITDA margin of 10.8%, ratifying it as the most profitable operation in South America.

In Argentina, the result continues to be leveraged by the real estate business

The economic context in the country entailed a 10% lower purchasing power for Argentinians during the first quarter of the year; besides government has fought to curb inflation and reactivate consumption. In the midst of this context, Grupo Éxito recorded net revenues close to COP 230,000 million, with a growth of 36.9% in local currency.

Libertad's dual model (retail + real estate) continued showing good results. The real estate business is an important hedge for revenue and results offering a competitive advantage for Libertad. New commercial initiatives, such as "Home" and "Mobile," the implementation of the Fresh Market model and the continuity of some promotional activities such as: “Todo por tu bolsillo,” “Todo x 20,” and “Todo x 50”, contributed to improve results. The Company advanced on action plans to partially mitigate increases in utility bills, labor and dollarized expenses.

Recurring EBITDA margin in Argentina was 0.7%, a positive result versus levels posted by other peers and taking into account the adverse macroeconomic environment.

Libertad posted market share gains of 3.5% in 1Q19 versus the same period last year and reached 20.4% in the region where the Company operates.

Innovation and integration processes in the region

After exceeding expected 2018’s synergies run rate goal in the region, the Company began searching for new initiatives. Thus, Grupo Éxito´s strategy is focusing mainly on developing mobile apps, dark stores, frictionless activities (shop & go, scan & pay),, improving logistics and reducing expenses.

Grupo Éxito´s digital transformation activities in the region, also include:

- Strengthening the last mile delivery model
- Jointly working with starts-ups (artificial intelligence, facial recognition and the Internet Of Things)
- Mobile apps

Grupo Éxito committed with sustainable trade and local producers

Grupo Éxito is joining governmental entities such as the Ministry of Agriculture and Rural Development and other entities in the regions, to promote interaction with local farmers to generate direct opportunities.

- Business meetings seek to allow farmers to obtain competitive and constant profits.
- Grupo Éxito acquires 92% of fruits and vegetables in the country, 82% of those are bought from more than 670 local and small producers, without any intermediation.
- During 2019, business meetings with farmers, will take place in Caldas, Boyacá, Norte de Santander, Meta, Córdoba, Putumayo, Valle del Cauca, Bolívar, Antioquia and Santander to strengthen sustainable trade.

The Company encourages alliances with associations and organizations to facilitate local purchasing.
We are committed to Colombia's development. We expect our small, medium and large suppliers to find a partner in us that will enable them to grow and strengthen.

Prizes and awards that motivate our work

- As per to a survey by *Merco*, Grupo Éxito was among the top **retail companies in Colombia with the best Corporate Governance and Social Responsibility practices**, ranking 11th in the country.

- As per to a survey by IPSOS, Grupo Éxito was ranked **3rd most influential brand** in Colombia. The market intelligence firm researched and analyzed 100 local and international companies operating in Colombia and surveyed over 2,000 people. Relevant factors analyzed included trust and corporate reputation.

Almacenes Éxito S.A.

Interim consolidated financial statements

At March 31, 2019 and at December 31, 2018

Almacenes Éxito S.A.
Interim consolidated financial statements
At March 31, 2019 and December 31, 2018

Almacenes Éxito S.A.
Certification by the Parent's Legal Representative and Head Accountant

Envigado, May 15, 2019

We, the undersigned Legal Representative and Head Accountant of Almacenes Éxito S.A., Parent company, each of us duly empowered and under whose responsibility the accompanying financial statements have been prepared, do hereby certify that regarding the consolidated financial statements of the Parent and its subsidiaries, at March 31, 2019 and at December 31, 2017, the following assertions therein contained have been verified prior to making them available to you and to third parties:

1. All assets and liabilities included in the interim consolidated financial statements do exist, and all transactions included in said interim consolidated financial statements have been carried out during the three-month period ended March 31, 2019 and during the annual period ended December 31, 2018.

2. All economic events achieved by the Parent and its subsidiaries during the three-month period ended March 31, 2019 and during the annual period ended December 31, 2018, have been recognized in the financial statements.

3. Assets represent likely future economic benefits (rights) and liabilities represent likely future economic sacrifice (obligations) obtained by or in charge of the Parent and its subsidiaries at March 31, 2019 and at December 31, 2018.

4. All items have been recognized at proper values.

5. All economic events affecting the Parent and its subsidiaries have been properly classified, described and disclosed in the interim consolidated financial statements.

We do certify the above assertions pursuant to section 37 of Law 222 of 1995.

Further, the undersigned legal representative of Almacenes Éxito S.A., Parent company, does hereby certify that the interim consolidated financial statements and the operations of the Parent and its subsidiaries at March 31, 2019 and at December 31, 2018, are free from fault, inaccuracy or misstatement that prevent users from having a true view of its financial position.

I do certify the above assertion pursuant to section 46 of Law 964 of 2005.

Carlos Mario Giraldo Moreno	Jorge Nelson Ortiz Chica
Parent's Legal Representative	Parent's Head Accountant
	Professional Card 67018-T

Almacenes Éxito S.A.
Interim consolidated statements of financial position
At March 31, 2019 and at December 31, 2018
(Amounts expressed in millions of Colombian pesos)

	Notes	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Current assets				
Cash and cash equivalents	7	2,784,318	5,973,764	5,973,764
Trade receivables and other accounts receivable	8	1,019,811	1,000,267	1,000,298
Prepaid expenses	9	260,886	137,346	156,829
Accounts receivable from related parties	10	308,685	131,720	131,720
Inventories	11	6,329,824	6,720,396	6,720,396
Other financial assets	12	104,586	141,214	141,214
Tax assets	23	758,071	724,290	724,290
Non-current assets held for trading	43	21,222,421	24,157,914	20,289,112
Total current assets		32,788,602	38,986,911	35,137,623
Non-current assets				
Trade receivables and other accounts receivable	8	184,759	135,284	135,284
Prepaid expenses	9	22,158	24,308	59,912
Accounts receivable from related parties	10	30,745	28,316	28,316
Other financial assets	12	728,877	754,065	754,065
Property, plant and equipment, net	13	11,917,520	12,317,515	12,334,581
Investment property, net	14	1,621,003	1,633,625	1,633,625
Use rights, net	15	4,507,515	4,703,501	-
Goodwill	16	5,254,635	5,436,868	5,436,868
Intangible assets other than goodwill, net	17	5,526,336	5,767,176	5,767,176
Investments accounted for using the equity method	18	739,916	792,618	814,039
Tax assets	23	2,300,939	2,302,451	2,302,451
Deferred tax assets	23	852,508	851,859	703,763
Other non-financial assets		398	398	398
Total non-current assets		33,687,309	34,747,984	29,970,478
Total assets		66,475,911	73,734,895	65,108,101
Current liabilities				
Accounts payable to related parties	10	308,498	236,698	236,698
Financial liabilities	19	2,587,826	2,319,197	2,320,284
Employee benefits	20	4,302	3,657	3,657
Other provisions	21	45,699	36,997	36,997
Trade payables and other accounts payable	22	9,117,790	13,115,802	13,226,708
Lease labilities	22	591,573	767,706	-
Tax liabilities	23	310,452	298,699	298,699
Other financial liabilities	24	1,008,772	1,037,191	1,037,191
Other non-financial liabilities	25	270,625	338,735	338,735
Non-current liabilities held for trading	43	17,346,509	20,194,736	16,458,772
Total current liabilities		31,592,046	38,349,418	33,957,741
Non-current liabilities				
Financial liabilities	19	4,438,171	4,704,688	4,732,106
Employee benefits	20	27,680	27,680	27,680
Other provisions	21	2,242,931	2,330,648	2,330,648
Trade payables and other accounts payable	22	42,247	40,720	40,720
Lease labilities	22	4,733,405	4,730,446	-
Deferred tax liabilities	23	1,974,362	2,082,157	2,069,442
Tax liabilities	23	358,738	397,014	397,014
Other financial liabilities	24	3,114,310	2,583,089	2,583,089
Other non-financial liabilities	25	15,241	11,963	11,963
Total non-current liabilities		16,947,085	16,908,405	12,192,662
Total liabilities		48,539,131	55,257,823	46,150,403
Shareholders' equity, see accompanying statement		17,936,780	18,477,072	18,957,698
Total liabilities and shareholders' equity		66,475,911	73,734,895	65,108,101

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

The accompanying notes are an integral part of the interim consolidated financial statements.

Carlos Mario Giraldo Moreno
Parent's Legal Representative
(See accompanying certificate)

Jorge Nelson Ortiz Chica
Parent's Head Accountant
Professional Card 67018-T
(See accompanying certificate)

Ángela Jaimes Delgado
Parent's Statutory Auditor
Professional Card 62183-T
Appointed by Ernst and Young Audit S.A.S. TR-530
(See accompanying report dated May 15, 2019)

Almacenes Éxito S.A.
Interim consolidated statements of income
For the three-month periods ended March 31, 2019 and March 31, 2018
(Amounts expressed in millions of Colombian pesos)

	Notes	March 31, 2019	March 31, 2018 (1)	March 31, 2018 (2)
Continuing operations				
Revenue from ordinary activities under contracts with customers	28	14,275,209	13,743,788	13,743,788
Cost of sales	11	(10,967,956)	(10,469,693)	(10,482,565)
Gross profit		3,307,253	3,274,095	3,261,223
Distribution expenses	29	(1,377,518)	(1,354,535)	(1,437,754)
Administration and sales expenses	29	(237,515)	(212,528)	(212,962)
Employee benefit expenses	30	(1,175,351)	(1,175,863)	(1,175,863)
Other operating revenue	31	39,071	2,911	2,911
Other operating expenses	31	(47,470)	(66,310)	(66,310)
Other net (losses)	31	(18,521)	(6,113)	(6,834)
Profit from operating activities		489,949	461,657	364,411
Financial revenue	32	210,871	165,052	164,544
Financial expenses	32	(563,568)	(535,269)	(381,055)
Share of profits in associates and joint ventures accounted for using the equity method	33	(16,696)	(20,033)	(17,634)
Profit from continuing operations before income tax		120,556	71,407	130,266
Tax expense	23	(35,739)	(17,482)	(31,469)
Net period profit from continuing operations		84,817	53,925	98,797
Net period profit from discontinued operations	43	73,607	96,830	103,872
Net period profit		158,424	150,755	202,669
Profit is attributable to:				
(Loss) profit attributable to the shareholders of the controlling entity		(13,574)	(2,338)	9,984
Profit attributable to non-controlling interests		171,998	153,093	192,685
Earnings per share (*)				
Earnings per basic share (*):				
Earnings (loss) per basic share attributable to the shareholders of the controlling entity	34	(30.32)	(5.22)	22.31
Earnings per basic share from continuing operations attributable to the shareholders of the controlling entity	34	(34.72)	(19.36)	7.00
Earnings per basic share from discontinued operations attributable to the shareholders of the controlling entity	34	4.40	14.14	15.31
Earnings per diluted share (*):				
Earnings (loss) per diluted share attributable to the shareholders of the controlling entity	34	(30.32)	(5.22)	22.31
(Loss) per diluted share from continuing operations attributable to the shareholders of the controlling entity	34	(34.72)	(19.36)	7.00
Earnings per diluted share from discontinued operations attributable to the shareholders of the controlling entity	34	4.40	14.14	15.31

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(1) For comparison to 2019, these financial statements include certain minor reclassifications to distribution expenses, and to administration and sales expenses.

(*) Amounts expressed in Colombian pesos.

The accompanying notes are an integral part of the interim consolidated financial statements.

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Almacenes Éxito S.A.
Interim consolidated statements of comprehensive income
For the three-month periods ended March 31, 2019 and March 31, 2018
(Amounts expressed in millions of Colombian pesos)

	Notes	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Net period profit		158,424	150,755	202,669
Other comprehensive income for the period				
Components of other comprehensive income that will not be reclassified to period results, net of taxes				
(Loss) from investments in equity instruments		(6,547)	(126,951)	(207,729)
Total other comprehensive income that will not be reclassified to period results, net of taxes		(6,547)	(126,951)	(207,729)
Components of other comprehensive income that will be reclassified to period results, net of taxes				
(Loss) from translation exchange differences	27	(740,316)	(1,222,121)	(1,272,139)
Gain from the hedging of cash flows	27	360	2,203	2,203
Share of other comprehensive income of associates and joint ventures accounted for using the equity method that will be reclassified to period results	27	(9,997)	(43,588)	(43,588)
Total other comprehensive income that will be reclassified to period results, net of taxes		(749,953)	(1,263,506)	(1,313,524)
Total other comprehensive income		(756,500)	(1,390,457)	(1,521,253)
Total comprehensive income		(598,076)	(1,239,702)	(1,318,584)
Profit is attributable to:				
(Loss) attributable to shareholders of the controlling entity		(296,321)	(506,659)	(502,664)
(Loss) profit attributable to non-controlling interests		(301,755)	(733,043)	(815,920)
Earnings per share (*)				
Earnings per basic share (*)				
(Loss) per basic share from continuing operations	34	(662.01)	(1,131.94)	(1,123.01)
Earnings per diluted share (*):				
(Loss) per diluted share from continuing operations	34	(662.01)	(1,131.94)	(1,123.01)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(*) Amounts expressed in Colombian pesos.

The accompanying notes are an integral part of the interim consolidated financial statements.

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Almacenes Éxito S.A.
Interim consolidated statements of cash flows
For the three-month periods ended March 31, 2019 and March 31, 2018
(Amounts expressed in millions of Colombian pesos)

	March 31, 2019	March 31, 2018 (1)	March 31, 2018 (2)
Cash flows provided by operating activities			
Net period profit	158,424	150,755	202,669
Adjustments to reconcile period profit			
Current income tax	87,182	61,507	61,507
Deferred income tax	(51,443)	(44,025)	(30,038)
Financial costs	287,328	276,174	276,174
Impairment of receivables	120,342	159,281	159,281
Reversal of receivable impairment	(14,762)	(2,131)	(2,131)
Inventory impairment	2,824	-	-
Reversal of inventory impairment	(3,788)	(2,612)	(2,612)
Employee benefit provisions	646	644	644
Other provisions	310,809	369,255	369,255
Reversal of other provisions	(213,243)	(121,532)	(121,532)
Expense from depreciation of property, plant and equipment, use rights and investment property	409,654	396,826	232,909
Amortization of intangible assets expense	38,712	36,186	36,186
Share-based payments	10,002	-	-
Loss from application of the equity method	16,696	20,034	17,634
Loss from the disposal of non-current assets	21,487	6,113	6,834
Other adjustments for which the effects on cash are cash flows provided by investment or financing activities	(141,494)	(111,743)	(111,743)
Operating income before changes in working capital	1,039,376	1,194,732	1,095,037
Decrease (increase) in trade receivables and other accounts receivable	1,737,869	(133,987)	(133,987)
(Increase) in prepaid expenses	(131,330)	(87,758)	(83,747)
(Increase) in receivables from related parties	(180,877)	(49,166)	(49,166)
Decrease in inventories	140,183	335,635	335,635
(Increase) decrease in tax assets	(218,542)	40,785	40,785
Decrease in non-current assets held for trading	3,421	-	-
(Decrease) in other provisions	(168,571)	(157,767)	(157,767)
(Decrease) in trade payables and other accounts payable and lease liabilities	(1,933,997)	(1,777,651)	(1,998,575)
(Decrease) increase in accounts payable to related parties	(38,046)	33,803	33,803
(Decrease) in tax liabilities	(32,711)	(95,170)	(95,170)
(Decrease) in other non-financial liabilities	(53,159)	(53,490)	(53,490)
(Decrease) in non-current liabilities held for trading	(3,771,593)	(2,192,733)	(1,873,555)
Net cash flows (used in) operating activities	(3,607,977)	(2,942,767)	(2,940,197)
Cash flows provided by investment activities			
Cash flows used to maintain control over subsidiaries	9	-	-
(Increase) in other non-financial assets	-	(5,000)	(5,000)
Acquisition of property, plant and equipment	(376,760)	(270,474)	(270,474)
Acquisition of investment property	(23,171)	(35,077)	(35,077)
Acquisition of intangible assets	(83,406)	(72,087)	(72,087)
Proceeds of the sale of property, plant and equipment	2,103	18,993	18,993
Proceeds of the sale of intangible assets	-	67	67
Net cash flows (used in) investment activities	(481,225)	(363,578)	(363,578)
Cash flows provided by financing activities			
Cash flows provided by changes in the share of interest in subsidiaries that do not result in loss of control	283,950	-	-
Decrease in other financial assets	27,767	44,566	44,566
Increase in other financial liabilities	690,615	499,115	499,115
Increase in financial liabilities	249,817	346,682	344,112
(Decrease) in financial liabilities under lease agreements	(99,466)	(32,107)	(32,107)
Dividends paid	(34,066)	(21,041)	(21,041)
Financial yields	143,544	111,743	111,743
Interest paid	(293,665)	(286,631)	(286,631)
Transactions with non-controlling entities	152	19,499	19,499
Other cash (outflows)	(34,787)	(11,609)	(11,609)
Net cash flows provided by financing activities	933,861	670,217	667,647
Net (decrease) in cash and cash equivalents	(3,155,341)	(2,636,128)	(2,636,128)
Effects of variation in exchange rates	(34,105)	(350,623)	(350,623)
Cash and cash equivalents at the beginning of period	5,973,764	5,281,618	5,281,618
Cash and cash equivalents at the end of period	2,784,318	2,294,867	2,294,867

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) For comparison to 2019, certain reclassifications to net cash flows from discontinued operation have been included in these financial statements.

Carlos Mario Giraldo Moreno
Parent's Legal Representative
(See accompanying certificate)

Jorge Nelson Ortiz Chica
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Professional Card 67018-T
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Ángela Jaimes Delgado
Parent's Statutory Auditor
Professional Card 62183-T
Appointed by Ernst and Young Audit S.A.S. TR-530
(See accompanying report dated May 15, 2019)

Almacenes Éxito S.A.
Interim consolidated statements of changes in shareholders' equity
For the three-month periods ended March 31, 2019 and March 31, 2018
(Amounts expressed in millions of Colombian pesos)

	Issued share capital	Premium on the issue of shares	Treasury shares repurchased	Legal reserve	Occasional reserve	Reacquisition of shares	Future dividends	Other reserves	Total reserves	Other accumulated comprehensive income	Retained earnings	Other equity components	Total equity of the controlling entity	Changes in non-controlling interests	Total in net equity
	Note 26	Note 26	Note 26	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27					
Balance at December 31, 2017	4,482	4,843,466	(2,734)	7,857	1,665,209	22,000	15,710	9,662	1,720,438	(49,694)	1,312,737	10,873	7,839,568	11,892,786	19,732,354
Cash dividend declared	-	-	-	-	-	-	-	-	-	-	(108,857)	-	(108,857)	(270)	(109,127)
Net income for the period	-	-	-	-	-	-	-	-	-	-	9,984	-	9,984	192,685	202,669
Other comprehensive income	-	-	-	-	-	-	-	-	-	(512,648)	-	-	(512,648)	(1,008,605)	(1,521,253)
Appropriation for reserves	-	-	-	-	108,856	-	-	-	108,856	-	(108,856)	-	-	-	-
(Decrease) from changes in the ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,735)	(1,735)
(Decrease) from other distributions to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(389)	(389)
Other developments in shareholders' equity	-	-	-	-	(1,494)	-	-	3,911	2,417	-	(16,415)	2,386	(11,612)	21,625	10,013
Balance at March 31, 2018	4,482	4,843,466	(2,734)	7,857	1,772,571	22,000	15,710	29,283	1,831,711	(562,342)	1,088,593	13,259	7,216,435	11,096,097	18,312,532
Balance at December 31, 2017 (1)	4,482	4,843,466	(2,734)	7,857	1,665,209	22,000	15,710	9,662	1,720,438	(49,694)	1,012,273	10,873	7,539,104	11,236,977	18,776,081
Cash dividend declared	-	-	-	-	-	-	-	-	-	-	(108,857)	-	(108,857)	2,999	(105,858)
Net income for the period	-	-	-	-	-	-	-	-	-	-	(2,338)	-	(2,338)	153,093	150,755
Other comprehensive income	-	-	-	-	-	-	-	-	-	(504,321)	-	-	(504,321)	(886,136)	(1,390,457)
Appropriation for reserves	-	-	-	-	108,856	-	-	-	108,856	-	(108,856)	-	-	-	-
Increase from changes in the ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,735)	(1,735)
(Decrease) from other distributions to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(389)	(389)
Other developments in shareholders' equity	-	-	-	-	(1,494)	-	-	3,911	2,417	-	(15,706)	2,386	(10,903)	(54,009)	(64,912)
Balance at March 31, 2018 (1)	4,482	4,843,466	(2,734)	7,857	1,772,571	22,000	15,710	29,283	1,831,711	(554,015)	776,516	13,259	6,912,685	10,450,800	17,363,485
Balance at December 31, 2018	4,482	4,843,466	(2,734)	7,857	1,772,571	22,000	15,710	27,241	1,845,379	(700,799)	943,688	424,339	7,357,821	11,119,251	18,477,072
Cash dividend declared	-	-	-	-	(139,706)	-	-	-	(139,706)	-	-	-	(139,706)	(75,368)	(215,074)
Net income for the period	-	-	-	-	-	-	-	-	-	-	(13,574)	-	(13,574)	171,998	158,424
Other comprehensive income	-	-	-	-	-	-	-	-	-	(282,747)	-	-	(282,747)	(473,753)	(756,500)
Appropriation for reserves	-	-	-	-	139,701	-	139,702	-	279,403	-	(279,403)	-	-	-	-
Increase from changes in the ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	2,245	2,245	276,028	278,273
Other developments in shareholders' equity	-	-	-	-	(1,544)	-	-	11,954	10,410	-	12,101	(58,838)	(36,327)	30,912	(5,415)
Balance at March 31, 2019	4,482	4,843,466	(2,734)	7,857	1,771,022	22,000	155,412	39,195	1,995,486	(983,546)	662,812	424,339	6,887,712	11,049,068	17,936,780

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

The accompanying notes are an integral part of the interim consolidated financial statements.

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(See accompanying certificate)

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Appointed by Ernst and Young Audit S.A.S. TR-530
(See accompanying report dated May 15, 2019)

Note 1. General information

Almacenes Éxito S.A., (hereinafter the Parent), was incorporated pursuant to Colombian laws on March 24, 1950; its main place of business is at Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The life span of the Parent goes to December 31, 2050.

The Parent is listed on the Colombia Stock Exchange (BVC) since 1994 and is under the control of the Financial Superintendence of Colombia.

The Parent's main corporate purpose is:
- Acquire, store, transform and, in general, distribute and sell under any trading figure, including funding thereof, all kinds of goods and products, produced either locally or abroad, on a wholesale or retail basis, physically or online.
- Provide supplementary services, namely grant credit facilities for the acquisition of goods, grant insurance coverage, carry out money transfers and remittances, provide mobile phone services, trade tourist package trips and tickets, repair and maintain furnishings, complete paperwork.
- Give or receive in lease trade premises, receive or give, in lease or under occupancy, spaces or points of sale or commerce within its trade establishments intended for the exploitation of businesses of distribution of goods or products, and the provision of ancillary services.
- Incorporate, fund or promote with other individuals or legal entities, enterprises or businesses intended for the manufacturing of objects, goods, articles or the provision of services related with the exploitation of trade establishments.
- Acquire property, build commercial premises intended for establishing stores, malls or other locations suitable for the distribution of goods, without prejudice to the possibility of disposing of entire floors or commercial premises, give them in lease or use them in any convenient manner with a rational exploitation of land approach, as well as invest in property, promote and develop all kinds of real estate projects.
- Invest resources to acquire shares, bonds, trade papers and other securities of free movement in the market to take advantage of tax incentives established by law, as well as make temporary investments in highly liquid securities with a purpose of short-term productive exploitation; enter into firm *factoring* agreements using its own resources; encumber its chattels or property and enter into financial transactions that enable it to acquire funds or other assets.
- In the capacity as wholesaler and retailer, distribute oil-based liquid fuels through service stations, alcohols, biofuels, natural gas for vehicles and any other fuels used in the automotive, industrial, fluvial, maritime and air transport sectors, of all kinds.

The Parent's ultimate controlling entity is Casino Guichard Perrachon S.A. (France). The control situation has been registered with the Aburrá Sur Chamber of Commerce. At March 31, 2019, the controlling entity had a 55.30% interest (December 31, 2018 - 55.30%) in the share capital of the Parent.

The Parent registered before the Aburrá Sur Chamber of Commerce a situation of entrepreneurial Group regarding its subsidiaries.

Note 1.1. Stock ownership in subsidiaries included in the interim consolidated financial statements

Below is a detail of the stock ownership in subsidiaries included in the interim consolidated financial statements at March 31, 2019 and December 31, 2018:

Name	Segment	Country	Functional currency	Stock ownership 2019			Stock ownership 2018		
				Direct	Indirect	Total	Direct	Indirect	Total
Almacenes Éxito Inversiones S.A.S.	Colombia	Colombia	Colombian peso	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Logística, Transporte y Servicios Asociados S.A.S.	Colombia	Colombia	Colombian peso	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Éxito Industrias S.A.S.	Colombia	Colombia	Colombian peso	94.53%	3.42%	97.95%	94.53%	3.42%	97.95%
Gemex O & W S.A.S.	Colombia	Colombia	Colombian peso	85.00%	0.00%	85.00%	85.00%	0.00%	85.00%
Éxito Viajes y Turismo S.A.S.	Colombia	Colombia	Colombian peso	51.00%	0.00%	51.00%	51.00%	0.00%	51.00%
Marketplace Internacional Éxito y Servicios S.A.S.	Colombia	Colombia	Colombian peso	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Carulla Vivero Holding Inc.	Colombia	British Virgin Islands	Colombian peso	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Fideicomiso Lote Girardot	Colombia	Colombia	Colombian peso	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Patrimonio Autónomo Viva Malls	Colombia	Colombia	Colombian peso	51.00%	0.00%	51.00%	51.00%	0.00%	51.00%
Patrimonio Autónomo Viva Sincelejo	Colombia	Colombia	Colombian peso	0.00%	26.01%	26.01%	0.00%	26.01%	26.01%
Patrimonio Autónomo Viva Villavicencio	Colombia	Colombia	Colombian peso	0.00%	26.01%	26.01%	0.00%	26.01%	26.01%
Patrimonio Autónomo San Pedro Etapa I	Colombia	Colombia	Colombian peso	0.00%	26.01%	26.01%	0.00%	26.01%	26.01%
Patrimonio Autónomo Centro Comercial	Colombia	Colombia	Colombian peso	0.00%	26.01%	26.01%	0.00%	26.01%	26.01%
Patrimonio Autónomo Iwana	Colombia	Colombia	Colombian peso	51.00%	0.00%	51.00%	51.00%	0.00%	51.00%
Patrimonio Autónomo Viva Laureles	Colombia	Colombia	Colombian peso	0.00%	40.80%	40.80%	0.00%	40.80%	40.80%
Patrimonio Autónomo Viva Palmas	Colombia	Colombia	Colombian peso	0.00%	26.01%	26.01%	0.00%	26.01%	26.01%
Patrimonio Autónomo Centro Comercial Viva Barranquilla	Colombia	Colombia	Colombian peso	0.00%	45.90%	45.90%	0.00%	45.90%	45.90%
Spice Investment Mercosur S.A.	Uruguay	Uruguay	Uruguayan peso	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Larenco S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Geant Inversiones S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Lanin S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Devoto Hermanos S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Mercados Devoto S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
5 Hermanos Ltda.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Sumelar S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Raxwy Company S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Supermercados Disco del Uruguay S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Maostar S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	31.25%	31.25%	0.00%	31.25%	31.25%
Ameluz S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%

Name	Segment	Country	Functional currency	Stock ownership 2019 Direct	Stock ownership 2019 Indirect	Stock ownership 2019 Total	Stock ownership 2018 Direct	Stock ownership 2018 Indirect	Stock ownership 2018 Total
Fandale S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Odaler S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
La Cabaña S.R.L.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Ludi S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Semin S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Randicor S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Setara S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Hiper Ahorro S.R.L.	Uruguay	Uruguay	Uruguayan peso	0.00%	62.49%	62.49%	0.00%	62.49%	62.49%
Ciudad del Ferrol S.C.	Uruguay	Uruguay	Uruguayan peso	0.00%	61.24%	61.24%	0.00%	61.24%	61.24%
Mablicor S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	31.87%	31.87%	0.00%	31.87%	31.87%
Tipsel S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Tedocan S.A.	Uruguay	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Vía Artika S. A.	Argentina	Uruguay	Uruguayan peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Spice España de Valores Americanos S.L.	Argentina	Spain	Euro	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Geant Argentina S.A.	Argentina	Argentina	Argentine peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Gelase S. A.	Argentina	Belgium	Euro	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Libertad S.A.	Argentina	Argentina	Argentine peso	0.00%	100.00%	100.00%	0.00%	100.00%	100.00%
Onper Investment 2015 S.L.	Brazil	Spain	Colombian peso	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Ségisor S.A.	Brazil	France	Euro	0.00%	50.00%	50.00%	0.00%	50.00%	50.00%
Wilkes Partipações S.A.	Brazil	Brazil	Brazilian real	0.00%	50.00%	50.00%	0.00%	50.00%	50.00%
Companhia Brasileira de Distribuição - CBD	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
Sendas Distribuidora S.A.	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
Bellamar Empreend. e Participações Ltda.	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
GPA Malls & Properties Gestão de Ativos e Serviços Imobiliários Ltda. ("GPA M&P")	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
CBD Holland B.V.	Brazil	Holland	Euro	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
GPA 2 Empreed. e Participações Ltda.	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
GPA Logística e Transporte Ltda.	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
Companhia Brasileira de Distribuição Luxembourg Holding S.A.R.L.	Brazil	Luxembourg	Euro	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
SCB Distribuição e Comércio Varejista de Alimentos Ltda.	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
Bitz Fidelidade e Inteligência S.A.	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
Leji Intermediação S.A.	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
Companhia Brasileira de Distribuição Netherlands Holding B.V.	Brazil	Holland	Euro	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
Novasoc Comercial Ltda.	Brazil	Brazil	Brazilian real	0.00%	18.68%	18.68%	0.00%	18.68%	18.68%
CNova Comércio Eletrônico S.A. (a)	Brazil	Brazil	Brazilian real	0.00%	6.94%	6.94%	0.00%	8.08%	8.08%
Via Varejo S.A. (a)	Brazil	Brazil	Brazilian real	0.00%	6.94%	6.94%	0.00%	8.08%	8.08%
Indústria de Móveis Bartira Ltda. (a)	Brazil	Brazil	Brazilian real	0.00%	6.94%	6.94%	0.00%	8.08%	8.08%
VVLOG Logística Ltda. (a)	Brazil	Brazil	Brazilian real	0.00%	6.94%	6.94%	0.00%	8.08%	8.08%
Globex Administracao e Serviços Ltda. (a)	Brazil	Brazil	Brazilian real	0.00%	6.94%	6.94%	0.00%	8.08%	8.08%
Lake Niassa Empreend. e Participações Ltda. (a)	Brazil	Brazil	Brazilian real	0.00%	6.94%	6.94%	0.00%	8.08%	8.08%
Globex Administradora de Consórcio Ltda. (a)	Brazil	Brazil	Brazilian real	0.00%	6.94%	6.94%	0.00%	8.08%	8.08%

(a) The decrease arises from the expiration of TRSs (Total Return Swaps) issued on December 21, 2018 and February 20, 2019, used to sell common shares of Via Varejo S.A. as part of the disinvestment process of this company by subsidiary Companhia Brasileira de Distribuição - CBD.

Note 1.2. Colombian and foreign operating subsidiaries

The accompanying interim consolidated financial statements at March 31, 2019 include the same Colombian operating subsidiaries and the same largest operating subsidiaries located abroad as included in the consolidated financial statements for the annual period ended December 31, 2018.

The corporate purpose and other relevant information regarding the following Colombian operating subsidiaries and largest foreign operating subsidiaries were disclosed in the consolidated financial statements for the annual period ended December 31, 2018:

- Almacenes Éxito Inversiones S.A.S.
- Logística, Transporte y Servicios Asociados S.A.S.
- Éxito Industrias S.A.S.
- Gemex O & W S.A.S.
- Éxito Viajes y Turismo S.A.S.
- Fideicomiso Lote Girardot
- Patrimonio Autónomo Viva Malls
- Patrimonio Autónomo Viva Sincelejo
- Patrimonio Autónomo Viva Villavicencio
- Patrimonio Autónomo San Pedro Etapa I
- Patrimonio Autónomo Centro Comercial
- Patrimonio Autónomo Iwana
- Patrimonio Autónomo Viva Laureles
- Patrimonio Autónomo Viva Palmas
- Patrimonio Autónomo Centro Comercial Viva Barranquilla
- Marketplace Internacional Éxito y Servicios S.A.S.

- Companhia Brasileira de Distribuição - CBD
- Libertad S.A.
- Supermercados Disco del Uruguay S.A.
- Devoto Hermanos S.A.
- Mercados Devoto S.A.

Note 1.3. Listing in public registries

Almacenes Éxito S.A., the Parent company, is listed on the Colombian Stock Exchange (BVC) since 1994.

The shares of subsidiary Companhia Brasileira de Distribuição – CBD are listed on the São Paulo Stock Exchange ("BM&FBovespa") at "Corporate Governance Level 1" under the symbol "PCAR4" and on the New York Stock Exchange (ADR Level III), under the symbol "CBD".

Subsidiary Via Varejo S.A. (classified as a non-current asset held for trading since November 2016) is a joint stock corporation subsidiary of Companhia Brasileira de Distribuição - CBD, admitted to the so-called "Corporate Governance Level 2" of the special offer segment of the Sao Paulo Stock Exchange - "BM&FBovespa", subject to the Regulations for Issuers Quote and Admission to the Trading of Securities.

Associate Cnova NV is a public limited liability company of the Netherlands incorporated on May 30, 2014, under the laws of the Netherlands. Its common shares were listed on the NASDAQ - Global Select Market in November 2014, and on January 23, 2015 were admitted for quote and negotiation on Euronext Paris.

Note 1.4. Subsidiaries with material non-controlling interests

At December 31, 2018 and December 31, 2017, the following subsidiaries, as reporting entities, have been included in the consolidated financial statements as subsidiaries with material non-controlling interests:

	Material non-controlling ownership percentage (1)	
	March 31, 2018	December 31, 2018
Grupo Disco del Uruguay S.A.	37.51%	37.51%
Éxito Viajes y Turismo S.A.S.	49.00%	49.00%
Patrimonio Autónomo Viva Malls	49.00%	49.00%
Patrimonio Autónomo Viva Sincelejo	73.99%	73.99%
Patrimonio Autónomo Viva Villavicencio	73.99%	73.99%
Patrimonio Autónomo San Pedro Etapa I	73.99%	73.99%
Patrimonio Autónomo Centro Comercial	73.99%	73.99%
Patrimonio Autónomo Iwana	49.00%	49.00%
Patrimonio Autónomo Centro Comercial Viva Barranquilla	54.10%	54.10%
Patrimonio Autónomo Viva Laureles	59.20%	59.20%
Patrimonio Autónomo Viva Palmas	73.99%	73.99%
Companhia Brasileira de Distribuição - CBD	81.32%	81.32%

(1) Total non-controlling interest, considering the Parent's direct and indirect interest.

Note 1.5. Restrictions on the transfer of funds

At March 31, 2019 and at December 31, 2018 there are no restrictions on the capability of subsidiaries to transfer funds to the Parent in the form of cash dividends, or loan repayments or advance payments.

Note 2. Basis for preparation

The interim consolidated financial statements for the three-month periods ended March 31, 2019 and March 31, 2018, and for the annual period ended December 31, 2018 have been prepared in accordance with accounting and financial reporting standards accepted in Colombia, set out in Law 1314 of 2009 as a translation of the International Financial Reporting Standards (IFRS) authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015 by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28, 2018 by Regulatory Decree 2483. Neither the Parent nor its subsidiaries have applied any of the exceptions to the IFRS contained in such decrees.

Financial statements herein presented

These Parent's and its subsidiaries' interim consolidated financial statements are made of the statements of financial position at March 31, 2019 and at December 31, 2018, and the statements of income, statements of comprehensive income, statements of cash flows and statements of changes in shareholders' equity for the three-month periods ended March 31, 2019 and March 31, 2018.

These interim consolidated financial statements are based on interim information as required by IAS 34 and do not include all financial reporting disclosures required for annual financial statements under IAS 1. All disclosures required for annual financial statements were properly included in the financial statements at December 31, 2018.

Statement of accountability

Parent's management is responsible for the information contained in these interim consolidated financial statements. Preparing such financial statements pursuant to accounting and financial reporting standards accepted in Colombia, set out by Law 1314 of 2009 in line with the International Financial Reporting Standards (IFRS) officially translated and authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015, by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28, 2018 by Regulatory Decree 2483 without applying any of the exceptions to the IFRS therein contained, requires management judgment to apply the accounting policies.

Estimates and accounting judgments

The Parent's and its subsidiaries' estimations to quantify some of the assets, liabilities, revenue, expenses and commitments therein contained have been used to prepare the accompanying interim consolidated financial statements. Basically, such estimations refer to:

- The hypotheses used to estimate the fair value of financial instruments,
- The appraisal of financial assets to identify actual impairment losses,
- The useful lives of property, plant and equipment and of intangible assets,
- Variables used and hypotheses used to assess and determine the indicator of impairment for non-financial assets,
- Variables used to assess and determine inventory losses and obsolescence,
- Actuarial assumptions used to estimate retirement benefits and long-term employee benefit liabilities, such as inflation rate, death rate, discount rate, and the possibility of future salary increases,
- The probability of occurrence and the value of liabilities that serve as a basis to recognize provisions related to lawsuits and business reorganizations,
- The assumptions used to recognize liabilities arising from the customer loyalty program,
- The probability of making future profits to recognize deferred tax assets,
- The valuation technique applied to determine the fair values of elements in business combinations.
- Time estimated to depreciate use rights; hypotheses used in the calculation of growth rates in lease contracts registered as use rights, and variables used to measure lease liabilities.

Such estimations are based on the best information available regarding the facts analyzed at the date of preparation of the accompanying interim consolidated financial statements, which may give rise to future changes by virtue of potential situations that may occur and would result in prospective recognition thereof; this situation would be treated as a change in accounting estimates in future financial statements.

Distinction between current and non-current items

The Parent and its subsidiaries present their current and non-current assets, as well as their current and non-current liabilities, as separate categories in their statement of financial position. For this purpose, current assets are understood as those amounts that will be realized or will become available in a term not to exceed one year, and current liabilities are those amounts that will be enforceable or payable also in a term not to exceed one year. All other assets and liabilities are classified as non-current.

Functional currency

The Parent and each subsidiary define their functional currency and their transactions are measured in such currency. The Parent's functional currency is the Colombian peso, and the functional currencies of subsidiaries are disclosed in Note 1 - General Information, under the subsection relevant to share interest in subsidiaries included in the interim consolidated financial statements.

Hyperinflation

Functional currencies of the Parent and of each of its subsidiaries belong to non-hyperinflationary economies, exception made of Argentina whose accumulated inflation rate at March 31, 2019 calculated using different consumer price index combinations has exceeded 100%, reason why the interim consolidated financial statements include inflation adjustments.

Domestic forecasts for such country suggest that there is low probability that the inflation rate would significantly decrease under 100% during 2019. For these reasons, Argentina economy is hyperinflationary.

Subsidiaries in Argentina present their financial statements adjusted for inflation as provided for in IAS 29 "Financial Reporting in Hyperinflationary Economies".

These interim consolidated financial statements are expressed in Colombian pesos, functional currency of the Parent, which is the currency used in the prime economic environment where it rules. Figures shown have been stated in millions of Colombian pesos.

Subsidiaries' financial statements carried in a functional currency other than the Colombian peso have been translated into Colombian pesos. Transactions and balances are translated as follows:

- Assets and liabilities are translated into Colombian pesos at the period closing exchange rate;
- Income-related items are translated into Colombian pesos using the period's average exchange rate;
- Equity transactions in foreign currency are translated into Colombian pesos at the exchange rate in force on the date of each transaction.

Exchange differences arising from the translation are directly recognized in a separate component of equity and are reclassified to the statement of income upon sale of the investment in a subsidiary.

Foreign currency transactions

Transactions in foreign currency are defined as those denominated in a currency other than the functional currency. During the reporting periods, exchange differences arising from the settlement of such transactions, between the historical exchange rate when recognized and the exchange rate in force on the date of collection or payment, are accounted for as exchange gains or losses and shown as part of the net financial result in the statement of income.

Monetary balances at period closing expressed in a currency other than the functional currency are updated based on the exchange rate at the closing of the reporting period, and the resulting exchange differences are recognized as part of the net financial results in the statement of income. For this purpose, monetary balances are translated into the functional currency using the market representative exchange rate (*).

Non-monetary items are not translated at period closing exchange rate but are measured at historical cost (at the exchange rates in force on the date of each transaction), except for non-monetary items measured at fair value such as forward and swap financial instruments, which are translated using the exchange rates in force on the date of measurement of the fair value thereof.

(*) Market Representative Exchange Rate means the average of all market rates negotiated during the closing day (closing exchange rate), equivalent to the international "spot rate", as also defined by IAS 21 - Effects of Changes in Foreign Exchange Rates, as the spot exchange rate in force at the closing of the reporting period.

Accounting accrual basis

The interim consolidated financial statements have been prepared on the accounting accrual basis, except for information on cash flows.

Materiality

Economic events are recognized and presented in accordance with materiality thereof. An economic event is material wherever awareness or unawareness thereof, given its nature or value and considering the circumstances, may have a material impact on the economic decisions to be made by the users of the information.

When preparing the interim consolidated financial statements, including the notes thereto, the materiality for presentation purposes was defined on a 5% basis applied to current and non-current assets, current and non-current liabilities, shareholders' equity, period results and to each individual account at a general ledger level for the reporting period.

Offsetting of balances and transactions

Assets and liabilities are offset and reported net in the interim consolidated financial statements, only if they arise from the same transaction, there is an enforceable legal right on the closing date that makes it mandatory to receive or pay recognized amounts at net value, and wherever there is an intention to offset on a net basis towards realizing assets and settling liabilities simultaneously.

Classification as liability or equity

Debt and equity instruments are classified as financial liabilities or as equity, following the substance of the relevant legal agreement.

Fair value measurement

The fair value is the price to be received upon the sale of an asset, or paid out upon transferring a liability under an orderly transaction carried out by market participants on the date of measurement.

Measurements of the fair value are carried out using a fair value hierarchy that reflects the importance of inputs used to determine the measurements:

- Based on (unadjusted) prices quoted in active markets for identical assets or liabilities (level 1).
- Based on valuation models commonly applied by market participants who use variables other than prices quoted, directly or indirectly perceptible for assets or liabilities (level 2).
- Based on the Company's own valuation models applying non-perceptible estimated variables for assets or liabilities (level 3).

Note 3. Basis for consolidation

These interim consolidated financial statements include the financial statements of the Parent and all its subsidiaries. Subsidiaries (including special-purpose vehicles) are entities over which the Parent has direct or indirect control. Special-purpose vehicles (SPV) are stand-alone trust funds (Patrimonios Autónomos) established with a defined purpose or limited term. A listing of subsidiaries is included in Note 1.

"Control" is the power to govern relevant activities, such as the financial and operating policies of a controlled company (subsidiary). Control is reached when the Parent has power over a controlled company, is exposed to variable benefits from its involvement and has the capability of influencing the amount of benefits. Power arises from rights, generally along with the holding of 50% or more of voting rights, even though it sometimes is more complex and results from one or more contracts, reason why there may be entities not having such interest percentage but whose activities are understood to be carried out to the benefit of the Parent and the Parent is exposed to all risks and benefits attached to the controlled company.

Wherever there is control, the consolidation method applied is that of global integration method. Under this method, all of subsidiaries' assets, liabilities, shareholders' equity and income are incorporated into the Parent's financial statements, after elimination of equity investments in such subsidiaries, account balances and intercompany transactions.

All significant transactions and material balances among subsidiaries have been eliminated upon consolidation; non-controlled interest represented by third parties' ownership interests in subsidiaries (non-controlling interests) have been recognized and separately included in the consolidated shareholders' equity.

At the time of assessing whether the Parent has control over a subsidiary, analysis is made of the existence and effect of potential voting rights currently exercised. Subsidiaries are consolidated as of the date on which control is transferred to the Parent and excluded from consolidation upon termination of control.

All controlled companies are consolidated into the Parent's financial statements, regardless the ownership interest percentage.

Transactions involving a change in the Parent's ownership interest percentage without loss of control are recognized in shareholders' equity, given that there is no change of control over the economic entity. Cash flows provided by changes in ownership interests not resulting in a loss of control are classified as financing activities in the statement of cash flows.

In transactions involving a loss of control, the entire ownership interest in the subsidiary is derecognized, retained interests are recognized at fair value and the gain or loss arising from the transaction is recognized in period income, including the relevant items of other comprehensive income. Cash flows from the acquisition or loss of control over a subsidiary are classified as investment activities in the statement of cash flows.

Period income and each component in other comprehensive income are attributed to the owners of the controlling entity and to non-controlling ownership interests.

In consolidating the financial statements, all subsidiaries apply the same policies and accounting principles implemented by the Parent, pursuant to accounting and financial reporting standards accepted in Colombia, set out by Law 1314 of 2009 in line with the International Financial Reporting Standards (IFRS) officially translated and authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015, by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28, 2018 by Regulatory Decree 2483 without applying any of the exceptions to the IFRS therein contained.

The Parent values its inventories by applying the first-in-first-out method, while subsidiary Companhia Brasileira de Distribuição – CBD and its subsidiaries value their inventories at the weighted average cost, basically given the different taxes recognized upon the acquisition of inventories (in the Brazil segment) that would have an impact on the final valuation of the inventories under the FIFO method.

Subsidiaries' assets and liabilities, revenue and expenses, as well as the Parent's revenue and expenses in foreign currency, have been translated into Colombian pesos at market exchange rates on each closing date and at period average, as follows:

	Closing rates		Average rates		
	March 31, 2019	December 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018
US Dollar	3,174.79	3,249.75	3,137.26	2,856.87	2,956.43
Uruguayan peso	94.81	100.25	95.63	100.41	96.36
Brazilian real	800.12	838.75	832.06	881.34	812.77
Argentine peso	73.14	86.29	80.61	145.27	111.63
Euro	3,564.82	3,714.98	3,561.96	3,513.12	3,486.88

Note 4. Significant accounting policies

The accompanying interim consolidated financial statements at March 31, 2019 have been prepared using the same accounting policies, measurements and bases used to present the consolidated financial statements for the annual period ended December 31, 2018, except for the standards mentioned in note 5.2 that came into effect as of January 1, 2019, pursuant to accounting and financial reporting standards accepted in Colombia, set out in Law 1314 of 2009 in line with the International Financial Reporting Standards (IFRS), officially translated and authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015 by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28, 2018 by Regulatory Decree 2483, without applying any of the exceptions to the IFRS therein contained.

Adoption of new standards in force as of January 1, 2019 mentioned in Note 5.2 did not entail significant change to these accounting policies as compared to those applied when preparing the financial statements at December 31, 2018 and no significant effects arose from adoption thereof, except for the adoption of IFRS 16 whose effects were properly disclosed in the annual financial statements at December 31, 2018 and have been included in these interim consolidated financial statements.

The most significant policies applied to prepare the accompanying interim consolidated financial statements were the following, regarding which a summary was included in the separate financial statements for the annual period ended December 31, 2018, except for IFRS 16 - Leases, regarding which a summary is included below in this Note:

- Investments in associates and joint arrangements
- Related parties
- Business combinations and goodwill
- Put options *granted to the holders of non-controlling interests*
- Intangible assets
- Research and development costs
- Property, plant and equipment
- Investment property
- Non-current assets held for trading and discontinued operations
- Finance leases
- Operating leases
- Loan costs
- Impairment of non-financial assets
- Inventories
- Financial assets
- Financial liabilities
- Embedded derivatives
- Derivative financial instruments
- Hedge accounting
- Share-based payments
- Employee benefits
- Provisions, contingent assets and liabilities
- Taxes
- Share capital
- Revenue from ordinary activities under contracts with customers
- Loyalty programs
- Costs and expenses
- Earnings per basic and diluted share
- Operation segments
- Leases and lease liabilities

  Use rights assets are assets representing the right of the Parent and its subsidiaries as lessees to use an underlying asset during the term of a lease agreement.

They are initially measured at cost, which includes the present value of payments under the lease agreement discounted at the incremental rate of loans of the Parent and its subsidiaries, plus indirect costs incurred under the lease agreement, plus an estimation of the costs required to dismantle the underlying asset upon termination of the lease agreement. Later, they are measured at cost less accumulated depreciation and less accumulated impairment losses, plus adjustments from measurements of lease liabilities relevant to the use right.

Initially, lease liabilities are comprised of payments for the right to use the underlying asset during the term of the lease agreement, including fixed payments, variable lease payments and the payment of fines arising from termination of the lease agreement. Later, lease liabilities are measured by increasing the book value to reflect interests, reducing the book value to reflect payments made and measuring again the book value to reflect new amendments to the lease agreement.

The useful lives of use rights are defined by the irrevocable terms of the lease agreements covering underlying assets together with periods covered by an option to extend the term or an option to terminate the lease agreement.

The Parent and its subsidiaries do not carry assets arising from the right to use:
- lease agreements whose underlying assets are low-cost assets such as furniture and fixtures, computers, machinery and equipment and office equipment,
- lease agreements for underlying assets with a term of less than one year,
- lease agreements covering intangible assets.

Use rights and lease liabilities are shown in a separate line item in the statement of financial position.

Note 5. New and modified standards and interpretations

Note 5.1. Standards issued during the three-month period ended March 31, 2019

During the three-month period ended March 31, 2019 the International Accounting Standards Board IASB did not issue new standards or amendments.

No Regulatory Decrees enabling the application of new International Financial Reporting Standards authorized by the International Accounting Standards Board IASB were enacted in Colombia during the three-month period ended March 31, 2019.

Note 5.2. Standards applied as of 2019, issued prior to January 1, 2019

The following standards started to be applied as of January 1, 2019 according to the adoption date set by the IASB:
- Amendment to IAS 19 - Employee Benefits
- IFRS 16 - Leases
- IFRIC 23 - Uncertainties over Income Tax Treatments
- Amendment to IAS 28 - Investments in Associates and Joint Ventures
- Amendment to IFRS 9
- Annual improvement to IFRS Cycle 2015-2017

In Colombia, these standards were enacted by means of Regulatory Decree 2483 of December 28, 2018. No significant effects arose from application of these standards, exception made of IFRS 16 whose effects were properly disclosed in the annual financial statements at December 31, 2018.

Note 5.3. Standards applied earlier during the three-month period ended March 31, 2019

During the three-month period ended March 31, 2019, the Parent and its subsidiaries did not apply the early adoption of standards.

Note 5.4. Standards not yet in force at March 31, 2019, issued prior to January 1, 2019

During the year ended December 31, 2017 the International Accounting Standards Board IASB issued the following new standards and amendments:
- IFRS 17 - Insurance Contracts, to be applied as of January 2021.
- Amendment to IFRS 3 - Business Combinations, to be applied as of January 2020.
- 2018 Conceptual framework, to be applied as of January 2020.

Note 5.5. Standards issued during the year ended December 31, 2018

Regulatory Decree 2483 of December 28, 2018 was enacted in Colombia during the year ended December 31, 2018. Such decree compiled and updated the technical frameworks ruling the preparation of financial reporting set out in Regulatory Decree 2420 of 2015 amended by Regulatory Decree 2496 of 2016, Regulatory Decree 2130 of 2016 and Regulatory Decree 2170 of 2017, allowing the application of International Financial Reporting Standards authorized by the International Accounting Standards Board in force at December 31, 2018 and those applicable as of January 1, 2019.

During the year ended December 31, 2018 the International Accounting Standards Board IASB issued the following new standards and amendments:
- Amendment to IAS 19, Employee Benefits, to be applied as of January 2019.
- Amendment to IFRS 3 - Business Combinations, to be applied as of January 2020.
- 2018 Conceptual framework, to be applied as of January 2020.

Amendment to IAS 19 "Employee Benefits" (January 2018)

The amendment specifies how a company accounts for a defined-benefits plan. IAS 19 requires a company to update its assumptions and remeasure its net defined benefit-related liabilities or assets upon occurrence of a plan event (e.g. a change, reduction or settlement). The amendment also clarifies that after a plan event, a company would use such updated assumptions to measure the cost of the current service and the net interest for the remaining of the reporting period following the plan event.

No material effects are expected from the application of this amendment.

Amendment to IFRS 3 - Business Combinations (October 2018)

The amendment has a limited scope seeking to improve the definition of business. It clarifies the definition of business as a comprehensive set of activities and assets aimed at and managed to provide goods or services to customers, generating revenue from investments (dividends or interests) or other kinds of ordinary revenue.

No material effects are expected from the application of this amendment.

2018 Conceptual framework (March 2018)

The new conceptual framework, which is not a standard by itself, integrates and improves certain concepts such as: (i) confirms the purpose of delivering financial information and clarifies the role of administration work, (ii) highlights the importance of delivering information regarding financial performance, (iii) improves the concepts to deliver information regarding assets, liabilities, revenue and expenses, (iv) introduces a guidance on measurement, and (v) supports the Council in establishing standards.

No material effects are expected from the application of this conceptual framework.

Note 5.6 Standards applied as of 2018, issued prior to January 1, 2018

The following standards started to be applied as of January 1, 2018 according to the adoption date set by the IASB:
- Amendment to IAS 40. (a)
- Amendments to IFRS 4. (a)
- Amendments to IFRS 2. (a)
- Annual improvements cycle 2014-2016. (a)
- IFRS 15 - Revenue from Ordinary Activities under Contracts with Customers. (b)
- IFRS 9 - Financial Instruments. (c)
- IFRIC 22 - Foreign Currency Transactions and Advance Consideration. (d)

(a) In Colombia, these standards were made part of Regulatory Decree 2420 of December 14, 2015 by means of Regulatory Decree 2170 of December 22, 2017. No material effects resulted from application of these amendments and annual improvements.

(b) In Colombia, this standard was made part of Regulatory Decree 2420 of December 14, 2015 by means of Regulatory Decree 2496 of December 23, 2015. The Company reviewed the changes to this IFRS against the rules contained in the previous standards and which were deleted by it, and no significant effects resulted from application of this IFRS.

(c) The Company started to apply this standard as of January 1, 2014. No material effects resulted from application of this IFRS.

(d) In Colombia, this standard was enacted by means of Regulatory Decree 2483 of December 28, 2018.

Amendment to IAS 40 - Investment property (issued December 2016).

The amendment sets out that an entity will transfer a property to, or from, investment property, when there is evidence of a change in use, which occurs if the property meets, or ceases to meet, the definition of investment property. A change in management intentions regarding the use of a property is not evidence of a change in use by itself. The listing of situations that evidence a change in use of investment property provided by the standard was defined as a non-exhaustive listing of examples.

The amendments are effective for periods commencing on or after January 1, 2018. Earlier application was permitted. The Company did not consider early application thereof.

Amendment to IFRS 4 - "Insurance Contracts" (issued September 2016).

The amendment allows entities mainly developing insurance activities an option to continue carrying its accounts under current IFRS and delay the application of IFRS 9 - "Financial Instruments" until the earlier of application of the new insurance standard or for periods commencing on or after January 1, 2021. Following full adoption of IFRS 9, the amendment grants all entities having insurance contracts an option to present in other comprehensive income and not in profit or loss the changes in the fair value of qualifying designated financial assets.

The amendments are effective for periods commencing on or after January 1, 2018. This amendment is not applicable to the Company.

Amendment to IFRS 2 - "Share-based Payments" (issued June 2016)

The amendment relates to the following aspects:

- Addresses the effects of vesting and non-vesting consolidation conditions on the measurement of the fair value of liabilities incurred from cash-settled share-based payments.
- Classifies share-based payment transactions that include net settlement features for tax purposes.
- Defines the accounting of share-based payments when the transaction changes from cash-settled to equity-settled.

The amendments are effective for periods commencing on or after January 1, 2018. Earlier application was permitted. The Company did not consider early application thereof.

IFRS 15 - "Revenue from Ordinary Activities under Contracts with Customers" (issued May 2014).

The standard sets out a unique comprehensive accounting model for ordinary revenue arising from contracts with customers. IFRS 15 will supersede the guidelines on recognition of ordinary revenue included in IAS 18 - Revenue, IAS 11 - Construction Contracts and related interpretations, once applicable.

The core principle of IFRS 15 is that an entity recognizes the revenue from ordinary activities to describe the transfer of goods or services promised to customers, in exchange for an amount that reflect the consideration the entity expects to be entitled to in exchange for such goods or services.

An entity recognizes revenue from ordinary activities pursuant to such basic principle, by applying the following stages:

- Stage 1: Identify customer contract.
- Stage 2: Identify performance obligations under the contract.
- Stage 3: Define the transaction price.
- Stage 4: Allocate the transaction price to performance obligations under the contract.
- Stage 5: Recognize ordinary revenue when (or in as much as) the entity fulfills a performance obligation.

Pursuant to IFRS 15, revenue is recognized upon fulfillment of a performance obligation. The standard also includes guidance on specific aspects related with the recognition of revenue, and requires a higher level of disclosure.

The standard is effective for periods commencing on or after January 1, 2018. The Company did not consider early application thereof.

The Company has reviewed the changes in this standard as compared to what was required by previous standards, which were repealed by the former.

Some of the aspects that have been reviewed include:

- Regarding the performance obligation, retail sales represent the only performance obligation; consequently, the Company does not expect an effect on the recognition of revenue, given that like under prior standards revenue is recognized when control over the asset is transferred to the customer, generally upon delivery thereof;
- The Company recognizes revenue from retail sales measured at the fair value of the consideration received or to be received, including returns and discounts;
- The Company does not grant volume discounts to its customers;
- The Company generally grants minor repair warranties but does not offer extended warranties under contracts with customers. The amount of such warranties is non-material;
- Regarding customer loyalty programs, no material changes are expected since liabilities representing points granted that have not been redeemed or expired are measured at the fair value of points and recognized as deferred revenue;
- The Company concluded that services provided to customers are delivered over time, taking into consideration that customers receive and consume benefits simultaneously. In line with this definition, revenue from such service contracts will continue to be recognized over time;
- Regarding disclosures and presentation requirements, the Company did not change the notes to the financial statements given that there are no changes related with judgments applied in the definition of the transaction price, or in the disaggregation of the revenue recognized from contracts with customers, or in the information on revenue for each reporting segment.

IFRS 9 - "Financial Instruments" (issued July 2014)

IFRS 9 introduced new requirements for the classification, measurement and derecognition of financial assets and liabilities, as well as new requirements for hedge accounting and impairment of financial assets.

IFRIC 22 - Foreign Currency Transactions and Advance Consideration (issued December 2016)

This interpretation clarifies the accounting of transactions including the receipt or payment of advance consideration in foreign currency.

The interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or a non-monetary liability arising from payment or receipt of advance consideration before it recognizes the related asset, expense or revenue. It does not apply when an entity measures the related asset, expense or revenue on initial recognition at fair value or at the fair value of the consideration received or paid out on a date other than the date of initial recognition of a non-monetary asset or a non-monetary liability. In addition, it is not required to apply this interpretation to income taxes, insurance contracts or reinsurance contracts.

The amendments are effective for periods commencing on or after January 1, 2018. Earlier application was permitted. The Company did not consider early application thereof. No material effects resulted from application of this IFRIC.

Note 5.7 Standards adopted earlier during the year ended December 31, 2018

During the year ended December 31, 2018, the Company did not apply any Standards earlier.

Note 5.8 Standards not yet in force at December 31, 2018, issued prior to January 1, 2018

During the year ended December 31, 2016 the International Accounting Standards Board IASB issued the following new standards and amendments:
- IFRS 16 - Leases, to be applied as of January 2019.

During the year ended December 31, 2017 the International Accounting Standards Board IASB issued the following new standards and amendments:
- IFRS 17 - Insurance Contracts, to be applied as of January 2021.
- IFRIC 23 - Uncertainty over Income Tax Treatments, to be applied as of January 2019.
- Amendment to IAS 28, Investments in Associates and Joint Ventures, to be applied as of January 2019.
- Amendment to IFRS 9, to be applied as of January 2019.
- Annual improvements to IFRS standards cycle 2015-2017, to be applied as of January 2019.

During the year ended December 31, 2018 the International Accounting Standards Board IASB issued the following new standards and amendments:
- Amendment to IAS 19, Employee Benefits, to be applied as of January 2019.

IFRS 16 - Leases (issued January 2016)

The standard sets out the principles for recognition, measurement, presentation and disclosure of leases, applicable to lessors and lessees. It deletes the dual accounting model for lessees, which makes a distinction between finance lease agreements that are carried in the balance sheet and operating leases for which recognition of future lease instalments is not required. Instead, a single model is developed, in the balance sheet, like the current finance lease.

IFRS 16 supersedes IAS 17 - Leases and relevant interpretations, and is applicable to periods commencing on or after January 1, 2019; earlier application is permitted, if IFRS 15 - Revenue from Contracts with Customers has been applied. Earlier application was not considered.

IFRS 17 - Insurance Contracts (issued May 2017)

This IFRS sets out the principles for recognition, measurement, presentation and disclosure of insurance contracts, and supersedes IFRS 4 - Insurance Contracts.

This standard requires a company issuing insurance contracts to disclose such contracts in the statement of financial position as the aggregate of: (a) cash flows from compliance less current estimates of the amounts the company expects to collect on premiums, as well as claims, benefits and expense payouts, including an adjustment relevant to the timeliness and risk attached to such amounts; and (b) the contract margin associated with the service less the expected gain from providing the insurance coverage.

The expected gain from the insurance coverage is recognized in income during the term when the insurance coverage is provided.

Additionally, it requires a company to differentiate the groups of contracts from which it expects to obtain a gain and those from which it expects a loss, the latter being recognized in income as soon as the company identifies such expected losses.

On each reporting date, companies are required to update cash flows from compliance, using current estimates of the amount, timeliness and uncertainty of cash flows and discount rates.

Regarding measurement, historic cost changes to current value. This allows including committed cash flows (both rights and liabilities), and updating them on each reporting date.

No material effects are expected from the application of this IFRS.

IFRIC 23 Uncertainties Over Income Tax Treatments (issued June 2017)
This interpretation clarifies how to account for the income tax regarding the effects of uncertainties, pursuant to IAS 12 - Income tax.

The purpose of the interpretation is to limit the diversity of views under which companies recognize and measure a tax liability or a tax asset when tax treatments are uncertain, given that there is no clarity regarding how to apply the tax law to a certain transaction, or whether the tax authority will accept the tax treatment given by the company.

No material effects are expected from the application of this IFRIC.

Amendment to IAS 28 Investments in Associates and Joint Ventures (issued October 2017)

The amendment clarifies that a company applies IFRS 9 - Financial Instruments to long-term interests in an associate or joint venture that is part of the net investment in the associate or joint venture.

No material effects are expected from the application of this amendment.

Amendment to IFRS 9 Financial Instruments (issued October 2017)

This amendment allows companies to measure financial assets terminated early with negative compensation at amortized cost or fair value through other comprehensive income, provided a condition is met, instead of at fair value through income.

No material effects are expected from the application of this amendment.

Annual improvement to IFRS Cycle 2015-2017 (issued December 2017)

Include the following amendments:

- IFRS 3 - Business Combinations. The following paragraph is added: "When a party to a joint arrangement (as defined in IFRS 11 - Joint Arrangements) obtains control of a business that is a joint operation (as defined by IFRS 11), and it had title to the rights and obligations arising from the liabilities related with such joint operation immediately before acquisition date, the transaction is a business combination carried out in stages. Consequently, the acquirer shall apply the requirements relevant to a business combination carried out in stages, including the remeasurement of the interest previously held in the joint operation as described in section 42. In doing so, the acquirer shall remeasure all its interest previously held in the joint operation.

- IFRS 11 - Joint Arrangements. The following paragraph is added: "A party that participates in a joint operation, but does not have joint control, may obtain joint control of the joint venture whose activity is a business, as defined by IFRS 3. In these events, the interests previously held in the joint operation are not remeasured".

- IAS 12 - Income Tax. Modifies the basis for the conclusions regarding the consequences of payments for financial instruments classified as equity in the income tax.

- IAS 23 - Loan Costs. Paragraph 14 is amended as follows: "Where funds are part of a general pool, and they are used to obtain a qualifying asset, such entity will determine the amount of costs eligible for capitalization by applying a capitalization rate to payouts related to that asset. The capitalization rate will be the weighted average of loan costs applicable to all loans received by the entity that are outstanding during the period. Nevertheless, an entity will exclude from this calculation the loan costs applicable to loans specifically obtained to fund a qualifying asset until all activities required to prepare such asset for its foreseen use or sale have been completed. The amount of borrowing costs that an entity is entitled to capitalize during the period will not exceed total loan costs incurred during the same period".

No material effects are expected from the application of these improvements.

Note 6. Business combinations

Note 6.1. Business combinations carried out during the three-month period ended March 31, 2019

No business combinations were carried out during the three-month period ended 31 March 2019.

Note 6.2. Business combinations completed during the three-month period ended March 31, 2019

No business combinations were completed during the three-month period ended March 31, 2019. Business combinations with Cheftime and with James Delivery, started in 2018 by subsidiary Companhia Brasileira de Distribuição - CBD, are still undergoing the price allocation process. Note 6.4 discloses the fair values of identifiable assets and liabilities under such business acquired at acquisition date, at period closing and at March 31, 2019.

Note 6.3. Business combinations carried out and completed during the year ended December 31, 2018

The following business combinations were carried out and completed during the year ended December 31, 2018:

Note 6.3.1. Tipsel S.A. business combination

Seeking to expand operations in Uruguay, on June 20, 2018 subsidiary Mercados Devoto S.A. acquired 100% of the shares of Tipsel S.A., a company engaged in the food self-service business.

Acquisition price on the date of acquisition amounted to $586 and was fully allocated to goodwill.

Goodwill was fully allocated to the Uruguay segment and is attributable to the synergies expected from the integration of the operation of stores acquired in this country.

Expenses associated with the acquisition of this company were not material.

The consolidation of Tipsel S.A. from the date of acquisition resulted in revenue from ordinary activities in amount of $77 and did not generate any gains.

The goodwill has shown the following variations from the time of acquisition of the business to the balance carried at March 31, 2019:

Goodwill from the acquisitions at June 20, 2018	584
Effect of exchange difference	14
Goodwill at March 31, 2019 (Note 16)	598

Note 6.3.2. Tedocan S.A. business combination

Seeking to expand operations in Uruguay, on July 2, 2018 subsidiary Mercados Devoto S.A. acquired 100% of the shares of Tedocan S.A., a company engaged in the food self-service business.

Acquisition price on the date of acquisition amounted to $1,055 and was fully allocated to goodwill.

Goodwill was fully allocated to the Uruguay segment and is attributable to the synergies expected from the integration of the operation of stores acquired in this country.

Expenses associated with the acquisition of this company were not material.

The consolidation of Tedocan S.A. from the date of acquisition resulted in revenue from ordinary activities in amount of $139 and a loss of $4.

The goodwill has shown the following variations from the time of acquisition to the balance carried at March 31, 2019:

Goodwill from the acquisitions at July 2, 2018	1,258
Effect of exchange difference	24
Goodwill at December 31, 2019 (Note 16)	1,282

Note 6.4. Business combinations carried out during the year ended December 31, 2018

The following business combinations were carried out during the year ended December 31, 2018:

Note 6.4.1. Cheftime business combination

On November 12, 2018, Companhia Brasileira de Distribuição - CBD entered a strategic association with Cheftime to allocate and sell gastronomic packages online. The agreement entitles Companhia Brasileira de Distribuição - DBC to acquire control over Cheftime. Companhia Brasileira de Distribuição - CBD paid $680 for the purchase option to acquire 51% of interests for R$1; the purchase option can be exercised within 18 months, renewable for a like period to the discretion of the subsidiary or imperative if certain goals are met. In addition to that amount, Companhia Brasileira de Distribuição - CBD disbursed $340 to Cheftime as a loan convertible into one share of stock if the option is exercised.

Exercising the purchase option is a current enforceable right of Companhia Brasileira de Distribuição -CBD and requires vesting. The exercise of the option is dependent upon a contingent consideration of meeting the goals set 18 months after execution of the agreement, at the latest. Such consideration under the contract is valued in the range from R$20 to R$30. Company estimation is R$20.

Pursuant to the agreement, Companhia Brasileira de Distribuição - CBD is entitled to appoint 3 of 5 members of the Board; making decisions regarding certain important administration issues requires 75% of voting rights.

The price of acquisition as well as the fair values of identifiable assets and liabilities from the business acquired at acquisition date and at the closing of the measurement period are as follows:

	Temporary fair values at November 12, 2018	Measurement period adjustments	Final fair values at November 12, 2018	Measurement period adjustments (1)	Fair values at March 31, 2019
Property, plant and equipment	587	-	587	231	818
Total identifiable assets	-	-	-	-	-
Total liabilities taken on	-	-	-	-	-
Net assets and liabilities measured at fair value	587	-	587	231	818

Goodwill arising from the operation amounts to:

	Temporary fair values at November 12, 2018	Measurement period adjustments	Final fair values at November 12, 2018	Measurement period adjustments (1)	Fair values at March 31, 2019
Consideration transferred	17,781	-	17,781	-	17,781
Less fair value of identifiable net assets	(587)	-	(587)	(231)	(818)
Goodwill from the acquisition	17,194	-	17,194	-	16,963

(1) Adjustments arise only from the effects of exchange differences.

Goodwill was fully allocated to the Brazil segment and is attributable to the synergies expected from the integration of the operations in this country.

No expenses associated with the acquisition of this company were incurred.

The goodwill has shown the following variations from the time of acquisition of the business to the balance carried at March 31, 2019:

Goodwill from the acquisitions at November 12, 2018	18,014
Effect of exchange differences	(1,051)
Goodwill at March 31, 2019 (Note 16)	16,963

Note 6.4.2 James Delivery business combination

On December 26, 2018, Companhia Brasileira de Distribuição - CBD executed a stock purchase-sale agreement with James Delivery to acquire 100% of the shares of stock. Consideration amounts to $16,775 and will be paid in 2019. James Delivery offers a multi-service product order and delivery platform.

The price of acquisition as well as the fair values of identifiable assets and liabilities from the business acquired at acquisition date and at the closing of the measurement period are as follows:

	Temporary fair values at December 26, 2018	Measurement period adjustments	Final fair values at December 26, 2018	Measurement period adjustments (1)	Fair values at March 31, 2019
Property, plant and equipment	168	-	168	437	605
Total identifiable assets	-	-	-	-	-
Total liabilities taken on	-	-	-	-	-
Net assets and liabilities measured at fair value	168	-	168	437	605

Goodwill arising from the operation amounts to:

	Temporary fair values at December 26, 2018	Measurement period adjustments	Final fair values at December 26, 2018	Measurement period adjustments (1)	Fair values at March 31, 2019
Consideration transferred	16,775	-	16,775	-	16,775
Less fair value of identifiable net assets	(168)	-	(168)	(605)	(773)
Goodwill from the acquisition	16,607	-	16,607	-	16,002

(1) Adjustments arise only from the effects of exchange differences.

Goodwill was fully allocated to the Brazil segment and is attributable to the synergies expected from the integration of the operations in this country.

No expenses associated with the acquisition of this company were incurred.

The goodwill has shown the following variations from the time of acquisition to the balance carried at March 31, 2019:

Goodwill from the acquisitions at December 26, 2016	16,915
Effect of exchange difference	(913)
Goodwill at March 31, 2019 (Note 16)	16,002

Note 7. Cash and cash equivalents

The balance of cash and cash equivalents is as follows:

	March 31, 2019	December 31, 2018
Cash at hand and in banks	1,111,222	2,606,044
Term deposit certificates (1)	1,615,167	3,279,648
Fiduciary rights (2)	49,402	62,788
Other cash equivalents (3)	8,527	25,284
Total cash and cash equivalents	2,784,318	5,973,764

(1) Includes $1,586,635 (December 31, 2018 - $3,257,389) relevant to fixed-term deposits of subsidiary Companhia Brasileira de Distribuição - CBD, with yields of 5.57% E.A.R. (December 31, 2018 - 5.51% E.A.R.) equivalent to 87.92% (December 31, 2018 - 85.78%) of the Interbank Deposit Certificate - IDC. TDCs mature in less than 90 days of negotiation date.

(2) The balance includes:

	March 31, 2019	December 31, 2018
Fiducolombia S.A.	46,141	50,785
Corredores Davivienda S.A.	2,616	6,545
Fondo de Inversión Colectiva Abierta Occirenta	561	5,225
Fiduciaria Bogota S.A.	57	87
BBVA Asset S.A.	26	49
Credicorp Capital	1	97
Total fiduciary rights	49,402	62,788

(3) The balance represents Monetary Regulation Drafts issued by the Central Bank of Uruguay and subscribed by subsidiaries Grupo Disco del Uruguay S.A. and Devoto Hermanos S.A. maturing in less than three months.

At March 31, 2019, the Parent and its subsidiaries recognized yields from cash at hand and in banks and cash equivalents in amount of $8,837 (March 31, 2018 - $8,358), which were recorded as financial revenue as detailed in Note 32.

At March 31, 2019 and December 31, 2018, cash and cash equivalents were not restricted or levied in any way as to limit availability thereof.

Note 8. Trade receivables and other accounts receivable

The balance of trade receivables and other accounts receivable is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Trade accounts receivable (Note 8.1)	742,549	657,941	657,941
Other accounts receivable (Note 8.2) (1)	462,021	477,610	477,641
Total trade receivables and other accounts receivable	1,204,570	1,135,551	1,135,582
Current (Note 8.3)	1,019,811	1,000,267	1,000,298
Non-current (Note 8.3)	184,759	135,284	135,284

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account reflects the derecognition of the balance receivable of subsidiaries Grupo Disco del Uruguay S.A., Mercados Devoto S.A. and Devoto Hermanos S.A. for the commission to gain lease agreements, which should be taken into consideration when measuring the use right.

Note 8.1. Trade accounts receivable

The balance of trade receivables is as follows:

	March 31, 2019	December 31, 2018
Trade accounts (1)	582,408	466,563
Rentals and dealers	92,307	94,346
Accounts receivable from suppliers (2)	53,708	84,893
Employee funds and lending	30,345	37,963
Sale of real-estate project inventories (3)	10,863	-
Other trade receivables	24	-
Impairment of receivables (Note 8.3)	(27,106)	(25,824)
Trade accounts receivable	742,549	657,941

(1) Includes trade receivables from customers of Companhia Brasileira de Distribuição - CBD, relevant to sales under payment terms other than financing (direct credit to consumer with intervention DCCI). It additionally includes accounts receivable of Companhia Brasileira de Distribuição - CBD from financial entities or banks, arising from sales on credit cards "Administradoras de cartões de crédito", where Companhia Brasileira de Distribuição - CBD receives cash in as much as customers pay to the bank the instalments agreed upon.

(2) Refer to accounts receivable from suppliers of Companhia Brasileira de Distribuição – CBD relevant to the suppliers' contribution arising from purchase volume, price protection and agreements defining a supplier's participation in advertising-related expenses.

(3) The balance receivable represents the sale of the Copacabana real-estate project.

Note 8.2. Other accounts receivable

The balance of other accounts receivable is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Accounts receivable from insurance companies (2)	171,658	172,392	172,392
Accounts receivable from the sale of companies (3)	68,631	68,792	68,792
Employee funds and lending	67,858	77,070	77,070
Business agreements	28,772	30,695	30,695
Sale of fixed assets, intangible assets and other assets	28,002	42,961	42,961
Taxes receivable	14,592	627	627
Money transfer services	4,704	572	572
Tax claims	1,360	1,360	1,360
Money remittances	5,639	6,938	6,938
Other accounts receivable (1)	83,567	89,405	89,436
Impairment loss	(12,762)	(13,202)	(13,202)
Total other accounts receivable	462,021	477,610	477,641

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account reflects the derecognition of the balance receivable of subsidiaries Grupo Disco del Uruguay S.A., Mercados Devoto S.A. and Devoto Hermanos S.A. for the commission to gain lease agreements, which should be taken into consideration when measuring the use right.

(2) Includes $139,221 (December 31, 2018 - $145,943) recorded by subsidiary Companhia Brasileira de Distribuição - CBD arising from the willingness of the insurance company to pay for the claim filed regarding the casualty occurred on December 27, 2017 at the refrigerated products distribution center located in the municipality of Osasco. The variation as compared to the balance at December 31, 2017 is due to exchange difference.

(3) Relates to accounts receivable arising from the exercise of the purchase option on certain fuel stations sold by subsidiary Companhia Brasileira de Distribuição - CBD. The amount of the account receivable is updated from a monetary point of view since the execution of the agreement on May 28, 2012, by 110% of the IDC (interbank deposit certificate), with payment foreseen in 240 monthly instalments.

Note 8.3. Trade receivables and other accounts receivable classified as current and non-current

The balance of trade receivables and other accounts receivable classified as current and non-current is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Trade accounts receivable	534,706	463,471	463,471
Accounts receivable from insurance companies	171,658	172,392	172,392
Rentals and dealers	92,307	94,346	94,346
Employee funds and lending	78,203	94,395	94,395
Accounts receivable from suppliers	53,708	84,893	84,893
Business agreements	28,772	30,695	30,695
Sale of property, plant and equipment, intangible assets and other assets	28,002	42,961	42,961
Taxes receivable	14,592	627	627
Money remittances	5,639	6,938	6,938
Money transfer services	4,704	572	572
Tax claims	1,360	1,360	1,360
Other (8)	46,028	46,643	46,674
Impairment of receivables (2)	(39,868)	(39,026)	(39,026)
Total current	1,019,811	1,000,267	1,000,298
Accounts receivable from the sale of companies	68,631	68,791	68,791
Employee funds and lending	20,001	20,639	20,639
Trade accounts receivable	47,701	3,092	3,092
Other	48,426	42,762	42,762
Total non-current	184,759	135,284	135,284

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account reflects the derecognition of the balance receivable of subsidiaries Grupo Disco del Uruguay S.A., Mercados Devoto S.A. and Devoto Hermanos S.A. for the commission to gain lease agreements, which should be taken into consideration when measuring the use right.

(1) The impairment of receivables is recognized as expense in period results. However, even if impaired, the Parent and its subsidiaries are of the opinion that these balances are recoverable, given the extensive credit risk analysis on customers, including credit ratings when they are available in credit databases recognized in the market. During the three-month period ended March 31, 2019, the net effect of the impairment of receivables in the statement of income represents a revenue of $21,641 ($33,381 expense at March 31, 2018).

The development of the impairment of receivables during the period was as follows:

Balance at December 31, 2018	39,026
Recognized impairment loss	120,342
Receivables written-off	(127,221)
Reversal of impairment loss	(14,762)
Reclassifications to non-current assets held for trading	24,071
Effect of exchange differences from translation into reporting currency	(1,588)
Balance at March 31, 2019	39,868

Note 8.4. Trade receivables and other accounts receivable by age

The aging of trade receivables and other receivables, irrespective of impairment, is as follows:

			Overdue			
Period	Total	Not due	< 30 days	31 - 60 days	61 - 90 days	> 90 days
March 31, 2019	1,244,438	972,578	215,534	13,706	11,972	30,648
December 31, 2018	1,174,608	952,955	116,864	58,373	7,621	38,795

Note 9. Prepaid expenses

The balance of prepaid expenses is:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Taxes (2)	127,890	243	243
Leases (1)	42,605	42,919	98,006
Bank fees	31,893	32,865	32,865
Advertising	24,173	25,737	25,737
Insurance	14,541	27,141	27,141
Maintenance	13,385	9,750	9,750
Public utilities	-	9,890	9,890
Licenses in use	-	1,797	1,797
Other advance payments	28,557	11,312	11,312
Total prepaid expenses	283,044	161,654	216,741
Current	260,886	137,346	156,829
Non-current	22,158	24,308	59,912

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account reflects the derecognition of advance payment by subsidiary Companhia Brasileira de Distribuição - CBD for the commission to gain lease agreements, which should be taken into consideration when measuring the use right.

(2) Represents advance payment of IPTU tax of subsidiary Companhia Brasileira de Distribuição – CBD.

Note 10. Accounts receivable from and accounts payable to related parties

The balance of accounts receivable from related parties is as follows:

	Accounts receivable	
	March 31, 2019	December 31, 2018
Joint ventures (1)	52,701	58,812
Associates (2)	261,317	76,674
Grupo Casino companies (3)	19,833	20,643
Controlling entity (4)	5,579	3,907
Total	339,430	160,036
Current	308,685	131,720
Non-current	30,745	28,316

(1) The balance of accounts receivable is made as follows:
- Involvement in a corporate collaboration agreement $17,503 (December 31, 2018 - $7,019) and reimbursement of shared expenses, collection of coupons and other items $20,905 (December 31, 2018 - $36,579) with Compañía de Financiamiento Tuya S.A.
- Redemption of points in amount of $14,189 (December 31, 2018 - $14,804) and other services in amount of $104 (December 31, 2018 - $410) with Puntos Colombia S.A.S.

(2) The balance mainly relates to balances with Financiera Itaú CBD - FIC Promotora de Vendas Ltda., mostly charges arising from trade agreements for the promotion and sale of financial services offered by Financiera Itaú CBD - FIC Promotora de Vendas Ltda. at the stores of Companhia Brasileira de Distribuição – CBD.

(3) Mainly relates to the balance receivable for expatriate payments from Casino Services in amount of $11,912 (December 31, 2018 - $12,487), from Distribution Casino France in amount of $118, (December 31, 2018 - $82) and from Casino International in amount of $5,611 (December 31, 2018 - $5,057), and for energy efficiency services received from Greenyellow Energía de Colombia S.A.S. in amount of $83 (December 31, 2018 - $527).

(4) Relates to the balance receivable arising from the Latin America strategic direction service agreement entered with Casino Guichard-Perrachon S.A.; the balance also includes charges arising from the cost sharing agreement and bonuses receivable.

The balance of accounts payable to related parties and the balance of other financial liabilities with related parties is:

	Accounts payable		Other financial liabilities	
	March 31, 2018	December 31, 2018	March 31, 2018	December 31, 2018
Grupo Casino companies (1)	147,647	146,481	-	-
Controlling entity (2)	123,882	54,447	-	-
Associates (3)	22,335	25,771	-	-
Joint ventures (4)	14,620	9,986	37,273	44,860
Members of the Board	14	13	-	-
Total	308,498	236,698	37,273	44,860

(1) The balance mainly relates to accounts payable arising from the provision of energy efficiency solution services by Green Yellow Colombia S.A.S. and Green Yellow do Brasil Energía to the Parent and to subsidiary Companhia Brasileira de Distribuição – CBD, respectively, and to the provision by other companies of merchandise import services.

(2) The balance of accounts payable to the Controlling entity is made as follows:

- Cost sharing agreement entered by and between Companhia Brasileira de Distribuição - CDB and Casino Guichard-Perrachon S.A. on August 10, 2014, whose purpose is the reimbursement of expenses incurred by companies of Grupo Casino and their professional staff to the benefit of this subsidiary. This agreement was authorized by the Board of Directors on July 22, 2014.

- "*Agency Agreement,*" entered by and between Companhia Brasileira de Distribuição - CBD and Casino Guichard-Perrachon S.A. on July 25, 2016 with the purpose of regulating procurement intermediation services for the provision of goods.

- "*Cost Reimbursement Agreement*" entered by and between Companhia Brasileira de Distribuição - CBD and Casino Guichard- Perrachon S.A. on July 25, 2016 with the purpose of regulating the reimbursement by Companhia Brasileira de Distribuição - CBD of expatriate (French associates) expenses relevant to French social contributions paid by Casino in France.

(d) Reimbursement of expenses between Companhia Brasileira de Distribuição - CBD and Casino Guichard-Perrachon S.A. related with the provision of intermediation services for the procurement of goods.

(e) "Triple S" loan in US Dollars with HSBC, repaid by Grupo Casino on behalf of Libertad S.A.

(f) Liabilities of subsidiary Libertad S.A. related with services provided to expatriates.

(g) Consultancy and technical assistance services provided by Casino Guichard-Perrachon S.A. and Geant International B.V. in amount of $4,940 (December 31, 2018 - $235) and dividends payable in amount of $77,264 /December 31, 2018 - $15,050).

(3) The balance payable mainly relates to balances with Financiera Itaú CBD - FIC Promotora de Vendas Ltda., arising from credit management expenses.

(4) The balance of accounts payable relates to:
(-) Balance payable to Puntos Colombia S.A.S. arising from the issue of points (accumulations) in line with the change in the loyalty program implemented by the Company in amount of $14,616 (December 31, 2018 - $9,983);
- Balance payable to Compañía de Financiamiento Tuya S.A. arising from intermediation fees in amount of $4 (December 31, 2018 - $3).

At March 31, 2019 and at December 31, 2018 the balance of other financial liabilities represents collections received from third parties related with Tarjeta Éxito (Éxito Credit Card), owned by Compañía de Financiamiento Tuya S.A. (Note 24).

Note 11. Inventories, net and Cost of sales

Note 11.1. Inventories, net

The net balance of net inventories is as follows:

	March 31, 2018	December 31, 2018
Inventories available for trading	6,092,924	6,420,659
Inventories in transit	132,016	181,338
Materials, small spares, accessories and consumable packaging.	20,995	23,846
Inventories of property under construction (1)	98,454	109,823
Raw materials	2,551	3,278
Production in process	689	610
Inventory impairment (2)	(17,805)	(19,158)
Total inventories	6,329,824	6,720,396

(1) Relates to the Figue real estate project owned by Companhia Brasileira de Distribuição – CBD in amount of $1,971 (December 31, 2018 - $4,362), currently under construction for trading purposes and to the Montevideo real estate project in amount of $96,483 (December 31, 2018 - $96,483), owned by the Parent . At December 31, 2018 also included the Copacabana real estate project in amount of $8,978, owned by the Parent.

(2) The development of the provision during the period reported is as follows:

Balance at December 31, 2018	19,158
Reversal of impairment provisions (Note 11.2)	(3,788)
Impairment loss recognized during the period (Note 11.2)	2,824
Effect of exchange differences from translation into reporting currency	(389)
Balance at March 31, 2019	17,805

At March 31, 2019 and at December 31, 2018, inventories are not subject to limitation or liens that restrict tradability or realization thereof, and have been duly insured against all risks.

Pursuant to Parent's and its subsidiaries' policies, inventories are valued at cost or at net realizable value (fair value less selling costs), whichever is less. Adjustments to this valuation are included in the costs of sales for the period.

Note 11.2. Cost of sales

The following is the information related with the cost of sales, impairment and reversals of impairment recognized in inventories:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Cost of goods sold (1) (2)	10,968,920	10,472,305	10,485,177
(Reversal) impairment loss, net (3)	(964)	(2,612)	(2,612)
Total cost of sales	10,967,956	10,469,693	10,482,565

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this cost of goods sold account relates to the derecognition of fixed payments under lease agreements and the recognition of depreciation of use rights.

(2) Includes $37,806 cost of depreciation and amortization (2018 restated - $38,563; presented - $13,046).

(3) The circumstances that gave rise to the reversal of impairment mainly relate to logistic adaptations and optimization of the goods storage space at the distribution center, delimiting the exposure of goods at the warehouses. Also, they relate to a change in the management of physical counts (which are now managed through general inventories instead of revolving inventories), increase in post-season critical controls, assessment of critical merchandise and supplementary activities.

Note 12. Other financial assets

The balance of other financial assets is as follows:

	March 31, 2019	December 31, 2018
Financial assets measured at fair value through income (1)	629,541	652,100
Derivative financial instruments designated as hedge instruments (2)	79,838	75,296
Financial assets measured at amortized cost (3)	41,637	40,899
Derivative financial instruments (4)	68,752	113,541
Financial assets at fair value through other comprehensive income (5)	13,695	13,443
Total other financial assets	833,463	895,279
Current	104,586	141,214
Non-current	728,877	754,065

(1) Financial assets measured at fair value through income relate to:

(a) Balances in certain bank accounts regarding legal and tax deposits not available to subsidiary Companhia Brasileira de Distribuicao - CBD given that they are restricted to be used for payments under some legal proceedings filed against it. The balance is monthly updated using an interest rate, and the variation is recognized as revenue or expense in the statement of income.

	March 31, 2019	December 31, 2018
Deposit for labor legal proceedings	374,719	388,276
Deposit for tax legal proceedings	193,811	198,831
Deposit for regulatory legal proceedings	32,617	35,228
Deposit for civil legal proceedings	27,028	28,405
Total	628,175	650,740

(b) Legal deposits in amount of $178 (December 31, 2018 - $159) relevant to subsidiary Libertad S.A.

(d) Investments in equity securities of Fondo Valorar Futuro to manage liquidity in amount of $1,188 (December 31, 2018 - $1,201), which are measured at fair value based on the Fondo's unit value. Changes in fair value are recognized as revenue or expense in the statement of income.

(2) Derivative financial instruments designated as hedge instruments refer to:

(2) Derivatives designated as hedge instruments that reflect the fair value of swap contracts for 100% of liabilities denominated in US Dollars at a fixed interest rate, of Companhia Brasileira de Distribuição – CBD, exception made of DCCI (Direct consumer credit through an intermediary). The fair value is measured by exchanging such instruments at a floating IDC rate. The term of these contracts equals that of the debt, and they hedge both principal and interests. Average annual IDC rate at March 31, 2019 was 6.34% (December 31, 2018 - 6.42%). The fair values of these instruments are determined based on valuation models commonly used by market participants.

The detail of maturities of these instruments is as follows:

	Derivative	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
March 31, 2019	*Swap*	-	-	-	42,897	36,782	79,679
December 31, 2018	*Swap*	-	-	839	37,506	36,471	74,816

(2) Derivative instruments designated as hedge instrument reflect swap transactions carried out by the Parent under contracts executed with financial entities, whose purpose is the exchange, at specific intervals, of the difference between the amounts of fixed and variable interest rates calculated in relation with an agreed-upon nominal principal amount, which turns variable rates into fixed rates and cash flows then may be determined in local currency. The fair values of these instruments are determined based on valuation models commonly used by market participants.

At March 31, 2019 relates to the following transactions:

	Nature of risk insured	Hedged item	Range of rates for hedged item	Range of rates for hedging instruments	Fair value
Swap	Interest rate	Financial liabilities	Libor USD 1M + 2.22%	9.06%	159

The detail of maturities of these hedging instruments at March 31, 2019 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	-	-	-	159	159

At December 31, 2018 relates to the following transactions:

	Nature of risk insured	Hedged item	Range of rates for hedged item	Range of rates for hedging instruments	Gross amount
Swap	Interest rate	Financial liabilities	IBR 3M	4.4% - 6.0%	480

The detail of maturities of these hedging instruments at December 31, 2018 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	-	-	-	480	480

(3) Financial assets measured at amortized cost mainly relate to investments in bonds issued by Compañía de Financiamiento Tuya S.A. which the Parent has the intention and capability of maintaining to obtain contract cash flows until maturity. Such investments are part of the Tarjeta Éxito corporate collaboration agreement. At March 31, 2019 the nominal value amounts to $39,500 (December 31, 2018 - $19,500) and maturities go from 5 to 8 years yielding CPI + 6%.

(4) Derivative financial instruments reflect the fair value of forward and swap contracts to hedge the fluctuation in the exchange rates and interest rates of liabilities in foreign currency. The fair values of these instruments are estimated based on valuation models commonly applied by market participants who use variables other than prices quoted, directly or indirectly perceptible for assets or liabilities. In the statement of financial position, the Parent measures the derivative financial instruments (forward and swap) at fair value, on each accounting closing date.

The detail of maturities of these instruments at March 31, 2019 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	625	255	4,987	-	-	5,867
Swap	-	18,743	-	19,553	24,589	62,885
	625	18,998	4,987	19,552	24,589	68,752

The detail of maturities of these instruments at December 31, 2018 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	21,145	13,060	4,470	-	-	38,675
Swap	-	-	22,423	24,409	28,034	74,866
	21,145	13,060	26,893	24,409	28,034	113,541

(5) Financial assets measured at fair value through other comprehensive income are equity investments not held for trading. The detail of these investments is as follows:

	March 31, 2019	December 31, 2018
Investment in bonds	12,883	12,735
Fideicomiso El Tesoro stages 4A and 4C 448	564	448
Associated Grocers of Florida, Inc.	113	113
Central de Abastos del Caribe S.A	71	71
La Promotora S.A.	50	50
Sociedad de Acueducto, Alcantarillado y Aseo de Barranquilla S.A. E.S.P.	14	14
Carnes y Derivados de Occidente S.A.S.	-	12
Total	13,695	13,443

The balance of other financial assets classified as current and non-current is as follows:

	March 31, 2019	December 31, 2018
Derivative financial instruments	44,163	85,507
Derivative financial instruments designated as hedge instruments	42,897	38,345
Financial assets measured at fair value through other comprehensive income	12,883	12,735
Financial assets measured at amortized cost	4,465	4,468
Financial assets measured at fair value through income	178	159
Total current	104,586	141,214
Financial assets measured at fair value through income	629,363	651,941
Derivative financial instruments designated as hedge instruments	36,941	36,951
Financial assets measured at amortized cost	37,172	36,431
Derivative financial instruments	24,589	28,034
Financial assets measured at fair value through other comprehensive income	812	708
Total non-current	728,877	754,065

At March 31, 2019 and December 31, 2018, no restrictions or liens have been imposed on other financial assets that limit negotiability or realization thereof, exception made of (a) the investment in bonds of Compañía de Financiamiento Tuya S.A., which were issued under a corporate collaboration agreement on Tarjeta Éxito; (b) legal and tax deposits of subsidiary Companhia Brasileira de Distribuicao - CBD intended for payment of certain legal claims filed against it and (c) legal deposits of subsidiary Libertad S.A.

None of the assets was impaired at March 31, 2019 and December 31, 2018.

Note 13. Property, plant and equipment, net

The net balance of net property, plant and equipment is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Land	2,342,370	2,406,067	2,406,067
Buildings (1)	4,042,521	4,131,398	4,167,695
Machinery and equipment	2,811,023	2,893,704	2,893,704
Furniture and fixtures	1,625,054	1,659,721	1,659,721
Assets under construction	204,077	213,271	213,271
Premises	818,126	845,833	845,833
Improvements to third party properties	5,313,670	5,452,094	5,452,094
Vehicles	19,292	21,631	21,631
Computers	809,265	813,358	813,358
Other property, plant and equipment	183,424	183,281	183,281
Total property, plant and equipment	18,168,822	18,620,358	18,656,655
Accumulated depreciation (1)	(6,248,529)	(6,299,910)	(6,319,141)
Impairment	(2,773)	(2,933)	(2,933)
Total net property, plant and equipment	11,917,520	12,317,515	12,334,581

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustments arise from the reclassification to use rights of certain assets and accumulated depreciation thereof that used to be properly recognized as property, plant and equipment and were related to finance leases.

The development of the cost of property, plant and equipment, and depreciation thereof, during the reporting period is as follows:

Cost	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Premises	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2018	2,406,067	4,131,398	2,893,704	1,659,721	213,271	845,833	5,452,094	21,631	813,358	183,281	18,620,358
Additions	17,592	21,695	19,338	19,589	178,045	11,456	59,436	157	12,293	7,599	347,200
Loan costs	-	1,677	90	85	3,321	53	1,012	-	48	-	6,286
Increase (decrease) from movements between property, plant and equipment accounts	-	2,764	(12,595)	7,021	(84)	134	8,906	1,751	72	-	7,969
Increase (decrease) from transfers from (to) investment property (Note 14)	-	-	-	-	(1)	-	(8)	-	-	-	(9)
Increase (decrease) from transfers from (to) other balance sheet accounts	(125)	22,547	35,250	19,889	(188,502)	4,666	75,987	49	13,453	2,982	(13,804)
(Disposal) of property, plant and equipment	-	(32)	(21,291)	(3,434)	(986)	(1,830)	(12,394)	(721)	(1,805)	(137)	(42,630)
(Derecognition) of property, plant and equipment	-	-	(1)	-	(6)	(25)	-	-	-	-	(32)
(Decrease) from transfers (to) non-current assets held for trading	-	(5,546)	(5,642)	(6,849)	4,749	(1,760)	(26,096)	-	(11,489)	(2,285)	(54,918)
Effect of exchange differences from translation into presentation currency	(96,496)	(148,539)	(99,428)	(61,221)	(6,115)	(40,401)	(242,470)	(1,156)	(33,588)	(8,016)	(737,430)
Other changes	-	-	(398)	(1)	399	-	(2,797)	-	-	-	(2,797)
Net currency position result	15,332	16,557	1,996	(9,746)	(14)	-	-	(2,419)	16,923	-	38,629
Balance at March 31, 2019	2,342,370	4,042,521	2,811,023	1,625,054	204,077	818,126	5,313,670	19,292	809,265	183,424	18,168,822
Accumulated depreciation											
Balance at December 31, 2018		974,100	1,367,120	894,486		367,573	1,940,685	15,453	619,894	120,599	6,299,910
Depreciation expense/cost		23,418	60,078	32,727	-	13,837	72,799	610	20,175	5,101	228,745
Increase (decrease) from transfers from (to) other balance sheet accounts		-	220	(245)	-	(36)	41	1	95	-	76
Increase (decrease) from movements between property, plant and equipment accounts		2,776	(3,545)	2,837	-	134	5,053	667	47	-	7,969
Increase (decrease) from transfers from (to) investment property (Note 14)		81	-	-	-	-	-	-	-	-	81
(Disposal) of property, plant and equipment		(34)	(5,119)	(2,329)	-	(968)	(4,057)	(582)	(1,606)	(74)	(14,769)
(Decrease) from transfers (to) non-current assets held for trading		(5,546)	(433)	492	-	526	(8,895)	(106)	(116)	71	(14,007)
Effect of exchange differences from translation into presentation currency		(43,405)	(52,360)	(35,636)	-	(17,900)	(85,798)	(827)	(26,481)	(5,595)	(268,002)
Other changes		127	-	-	-	-	-	-	-	-	127
Net currency position result		8,399	-	-	-	-	-	-	-	-	8,399
Balance at March 31, 2019		959,916	1,365,961	892,332	-	363,166	1,919,828	15,216	612,008	120,102	6,248,529
Impairment											
Balance at December 31, 2018	-	-	-	-	-	-	2,933	-	-	-	2,933
Effect of exchange differences from translation into presentation currency	-	-	-	-	-	-	(160)	-	-	-	(160)
Balance at March 31, 2019	-	-	-	-	-	-	2,773	-	-	-	2,773

The rate used to determine the amount of loan costs capitalized was 6.459%, calculated with the weighted average of loan costs applicable to borrowings, outstanding at the closing of March 31, 2019.

Assets under construction are represented by those assets not ready for their intended use as expected by the Parent's and its subsidiaries' management, and on which costs directly attributable to the construction process continue to be capitalized.

The carrying amounts of property, plant and equipment under finance lease are as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Computers	1,802	2,362	2,362
Machinery and equipment	2,026	2,456	2,456
Furniture and fixtures	2,295	2,536	2,536
Other property, plant and equipment	12,346	12,543	12,543
Premises	252	277	277
Buildings (1)	-	-	17,066
Total property, plant and equipment, net of depreciation	18,722	20,174	37,240

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustments arise from the reclassification to use rights of certain assets and accumulated depreciation thereof that used to be properly recognized as property, plant and equipment and were related to finance leases.

The cost of property, plant and equipment does not include the balance of estimated dismantling and similar costs, since the assessment and analysis made by the Parent and its subsidiaries defined that there are no contractual or legal obligations requiring such estimation at the time of acquisition.

At March 31, 2019, Companhia Brasileira de Distribuição - CBD recognized assets delivered to third parties as collateral to secure lawsuits in amount of $683,301 (December 31, 2018 - $715,467).

Except for the above, at March 31, 2019 and December 31, 2018 no restrictions or liens have been imposed on items of property, plant and equipment that limit realization or tradability thereof, and there are no commitments to acquire, build or develop property, plant and equipment.

During the three-month period ended March 31, 2019 and during the year ended December 31, 2018, no compensations were received for damaged assets, and no payment acceptances by insurance companies to compensate for damaged assets were recognized.

No impairment of property, plant and equipment was recognized at March 31, 2019 and at December 31, 2018.

Note 14. Investment property, net

The Parent's and its subsidiaries' investment properties are business premises and plots of land held to generate income from operating lease activities or future appreciation of the price thereof.

The net balance of investment properties is made as follows:

	March 31, 2019	December 31, 2018
Land	326,300	327,844
Buildings	1,441,275	1,443,356
Construction in progress	8,626	7,253
Total cost of investment property	1,776,201	1,778,453
Accumulated depreciation	(155,198)	(144,828)
Total investment property, net	1,621,003	1,633,625

The development of the cost of investment property and depreciation thereof, during the reporting period, is as follows:

Cost	Land	Buildings	Constructions in progress	Total
Balance at December 31, 2018	327,844	1,443,356	7,253	1,778,453
Additions	-	21,846	1,325	23,171
Increase (decrease) from transfers (to) from property, plant and equipment (Note 13)	-	8	1	9
Disposals	-	(28)	-	(28)
Derecognition	-	(1,859)	-	(1,859)
Effect of exchange differences from translation into reporting currency	(7,558)	(41,127)	(103)	(48,788)
Net currency position result	6,014	19,079	150	25,243
Balance at December 31, 2018	326,300	1,441,275	8,626	1,776,201

Accumulated depreciation	Buildings
Balance at December 31, 2018	144,828
Depreciation expense	8,732
Disposals	(28)
(Decrease) from transfers (to) property, plant and equipment (Note 13)	(81)
Effect of exchange differences from translation into reporting currency	(8,518)
Net currency position result	10,265
Balance at December 31, 2018	155,198

(1) The rate used to determine the amount of loan costs capitalized was 6.459%, calculated with the weighted average of loan costs applicable to borrowings, outstanding at the closing of March 31, 2019.

At March 31, 2019 and at December 31, 2018 there are no limitations or liens imposed on investment property that restrict realization or tradability thereof.

At March 31, 2019 and at December 31, 2018 the Parent and its subsidiaries are not committed to acquire, build or develop investment property or to repair, maintain or improve such property, other than existing constructions. Also, they have not received compensations from third parties arising from the damage or loss of investment property, nor has they recognized impairment losses.

Note 37 discloses the fair values of investment property, based on the appraisal carried out by an independent third party.

Note 15. Use rights, net

The Parent and its subsidiaries started to apply IFRS 16 - Leases as of January 1, 2019. As mentioned in the financial statements at the closing of December 31, 2018, this standard requires recognizing a use right-related asset and a lease liability.

The Parent and its subsidiaries elected to apply the standard retrospectively, as if it had been applied from the start date of all lease agreements, to disclose comparable effects for each reporting period.

The balance of use rights, net, is as follows:

	March 31, 2019	December 31, 2018
Use rights	6,921,206	7,039,643
Total use rights	6,921,206	7,039,643
Accumulated depreciation	(2,413,691)	(2,336,142)
Total use rights, net	4,507,515	4,703,501

The development of the cost of use rights and depreciation thereof, during the reporting period, is as follows:

Cost

Balance at December 31, 2018	7,039,643
Increase from creations	55,165
Increase from reappraisals	107,081
Derecognition	(38,772)
Effect of exchange differences from translation into reporting currency	(241,911)
Balance at March 31, 2019	6,921,206

Accumulated depreciation

Balance at December 31, 2018	2,336,142
Depreciation cost and expense	172,177
Derecognition	(22,545)
Effect of exchange differences from translation into reporting currency	(72,083)
Balance at March 31, 2019	2,413,691

Note 16. Goodwill

The balance of goodwill is as follows:

	March 31, 2019	December 31, 2018
Companhia Brasileira de Distribuição – CBD (1)	2,248,451	2,357,021
Spice Investment Mercosur S.A. (2)	1,385,465	1,448,468
Carulla Vivero S.A. (3)	827,420	827,420
Súper Inter (4)	453,649	453,649
Libertad S.A. (1)	166,625	177,285
Cafam (5)	122,219	122,219
Other (6)	50,806	50,806
Total goodwill	5,254,635	5,436,868

(1) Refers to goodwill from the business combination completed in August 2015 for the acquisition of the operations of Companhia Brasileira de Distribuição - CBD in Brazil and Libertad S.A. in Argentina, through the Spanish company Onper Investments 2015 S.L. It also includes goodwill from the business combinations completed in 2018 by Companhia Brasileira de Distribuição - CBD with Cheftime and James Delivery.

(2) The balance includes:

- The business combination accomplished by the Parent in 2011 for the acquisition of Uruguayan Spice Investments Mercosur S.A. in amount of $287,844 (December 31, 2018 - $287,844). The value is the cost attributable in the opening balance sheet in exercise of the exemption of not to restate business combinations.

- Goodwill recognized by Spice Investments Mercosur S.A. in the acquisition of its subsidiaries in Uruguay, pursuant to options offered by IFRS 1 in amount of $245,835 (December 31, 2018 - $259,944).

- Goodwill from the business combination accomplished by the Parent with Grupo Disco del Uruguay S.A. resulting from the acquisition of control at January 1, 2015 in amount of $846,297 (December 31, 2018 - $894,874).

- Goodwill from the business combination carried out by Mercados Devoto S.A. to acquire Sumelar S.A. in 2016 in amount of $1,137 (December 31, 2018 - $1,203).

- Goodwill from the business combination carried out in 2016 and completed in 2017 by Mercados Devoto S.A. to acquire 5 Hermanos Ltda. in amount of $2,472 (December 31, 2018 - $2,614).

- Goodwill from the business combination carried out and completed in 2018 by Mercados Devoto S.A. to acquire Tipsel S.A. in amount of $598 (December 31, 2018 - $633).

- Goodwill from the business combination carried out and completed in 2018 by Mercados Devoto S.A. to acquire Tedocan S.A. in amount of $1,282 (December 31, 2018 - $1,356).

(3) Relates to goodwill from the business combination carried out in 2007 resulting from the merger with Carulla Vivero S.A. The amount was determined in the opening statement of financial position using the deemed cost option, pursuant to the exemption of IFRS 1 of not to restate business combinations.

(4) Includes $179,412 from the acquisition of 19 Súper Inter business establishments carried out in September 2014; $264,027 from the acquisition of 29 Súper Inter business establishments carried out in April 2015; and $10,210 from the acquisition of 7 business establishments carried out between February 23, 2015 and June 24, 2015.

(5) Refers to the agreement executed on February 23, 2015, to acquire Cafam stores that had been operated by the Company since 2010. Business establishments acquired were subsequently turned into Éxito, Carulla and Surtimax stores. For impairment testing purposes, as of December 31, 2015 such goodwill was allocated to Éxito $80,134, to Carulla $29,075 and to Surtimax $13,010.

(6) The balance includes:

- Minor acquisitions of other business establishments that were subsequently turned into Éxito, Carulla and Surtimax stores. For impairment testing purposes, as of December 31, 2015 such goodwill was allocated to Éxito $10,540, to Surtimax $28,566 and to Súper Inter $10,683.

- Goodwill from the business combination with Gemex O&W S.A.S. in amount of $1,017.

During the three-month period ended March 31, 2019 the following was the development of goodwill:

Balance at December 31, 2018	5,436,868
Goodwill from business combinations	-
Effect of exchange differences from translation into reporting currency	(198,600)
Net currency position result	16,367
Balance at March 31, 2019	5,254,635

Goodwill has indefinite useful life on the grounds of the Parent's and its subsidiaries' considerations thereon, and consequently it is not amortized.

Goodwill was not impaired at March 31, 2019 and December 31, 2018.

Note 17. Intangible assets other than goodwill, net

The net balance of intangible assets other than goodwill is made as follows:

	March 31, 2019	December 31, 2018
Trademarks (1)	3,090,688	3,237,799
Rights (2)	1,797,236	1,861,168
Computer software	1,313,676	1,460,509
Customer-related intangible assets (3)	31,204	32,711
Other	77	84
Total cost of intangible assets other than goodwill	6,232,881	6,592,271
Accumulated amortization	(706,545)	(825,095)
Total intangible assets other than goodwill, net	5,526,336	5,767,176

The development of intangible assets other than goodwill during the reporting year is as follows:

Cost	Trademarks (1)	Rights (2)	Computer software	Customer-related intangible assets (3)	Other	Total
Balance at December 31, 2018	3,237,799	1,861,168	1,460,509	32,711	84	6,592,271
Additions	-	19,973	63,432	-	-	83,405
Loan costs	-	-	49	-	-	49
Effect of exchange differences from translation into reporting currency	(151,300)	(85,259)	(58,349)	(1,507)	(10)	(296,425)
Net monetary position result	4,200	1,355	-	-	.	5,555
Transfers	-	125	15,199	-	3	15,327
Transfer to non-current assets held for trading	-	(125)	21,282	-	-	21,157
Disposals and derecognition	-	(13)	(60,357)	-	-	(60,370)
Other changes	(11)	12	(128,089)	-	-	(128,088)
Balance at December 31, 2018	3,090,688	1,797,236	1,313,676	31,204	77	6,232,881

Accumulated amortization						
Balance at December 31, 2018	-	4,351	807,069	13,630	45	825,095
Amortization expense/cost	-	4,392	33,190	1,014	116	38,712
Transfers	-	-	98	-	-	98
Effect of exchange differences from translation into reporting currency	-	(373)	(29,668)	(667)	(7)	(30,715)
Net monetary position result	-	1,392	-	-	(13)	1,379
Transfer to non-current assets held for trading	-	-	55,907	-	-	55,907
Disposals and derecognition	-	-	(56,453)	-	-	(56,453)
Other changes	-	-	(127,351)	-	(127)	(127,478)
Balance at December 31, 2018	-	9,762	682,792	13,977	14	706,545

(1) The balance relates to the following trademarks:

Operating segment	Banner	Useful life	March 31, 2019	December 31, 2018
Food	Extra (a)	Indefinite	1,435,413	1,504,724
Food	Pão de Açúcar (a)	Indefinite	833,723	873,981
Food	Assaí (a)	Indefinite	595,801	624,568
Uruguay	Miscellaneous (b)	Indefinite	100,406	106,170
Argentina	Libertad (c)	Indefinite	44,214	47,225
Surtimax-Súper Inter	Surtimax (d)	Indefinite	17,427	17,427
Surtimax-Súper Inter	Súper Inter (e)	Indefinite	63,704	63,704
			3,090,688	3,237,799

(a) Refers to trademarks of subsidiary Companhia Brasileira de Distribuição – CBD. These trademarks were registered during 2016 as result of the progress and further completion of the Purchase Price Allocation process as part of the acquisition of control over such subsidiary.

(b) Refers to trademarks of Grupo Disco del Uruguay S.A.

(c) Relates to trademarks of subsidiary Libertad S.A. These trademarks were registered during 2016 as result of the progress and further completion of the Purchase Price Allocation process as part of the acquisition of control over such subsidiary.

(d) Trademark received upon the merger with Carulla Vivero S.A.

(e) Trademark acquired under the business combination carried out with Comercializadora Giraldo Gómez y Cía S.A.

Such trademarks have indefinite useful lives on the grounds of the Parent's and its subsidiaries' considerations thereon, and consequently they are not amortized.

(2) The balance refers to the following rights:

a) $1,768,853 (December 31, 2018 - $1,834,132) of Companhia Brasileira de Distribuição - CBD, in the food segment, relevant to trade rights acquired as trade usage of paying a "premium" to obtain a rental contract in commercially attractive places.

b) Rights of Libertad S.A. in amount of $1,397 (December 31, 2018 - $50).

(c) Contracts executed by the Parent in December 2017 in amount of $2,226, December 2016 in amount of $11,552 and September 2016 in amount of $13,238 for the acquisition of rights to exploit commercial premises.

Such rights have indefinite useful lives on the grounds of the Parent's and its subsidiaries' considerations thereon, and consequently they are not amortized.

(3) Relates to non-contract relations with customers, an intangible recognized by subsidiary Companhia Brasileira de Distribuição – CBD, which is amortized over an average of 9 years.

At March 31, 2019 and at December 31, 2018, intangible assets other than goodwill are not limited or subject to lien that would restrict realization or tradability thereof. In addition, there are no commitments to acquire or develop intangible assets other than goodwill.

None of the intangible assets other than goodwill were impaired at March 31, 2019 and at December 31, 2018.

Note 18. Investments accounted for using the equity method

The balance of investments accounted for using the equity method is made as follows:

Company	Classification	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Cnova N.V. (1)	Associate	361,472	414,153	435,574
Financiera Itaú CBD - FIC Promotora de Vendas Ltda.	Associate	171,319	169,161	169,161
Compañía de Financiamiento Tuya S.A.	Joint venture	202,751	203,704	203,704
Puntos Colombia S.A.S.	Joint venture	4,374	5,600	5,600
Total investments accounted for using the equity method		739,916	792,618	814,039

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account relates to the recognition of the effect of applying this IFRS on the investment balance as shown in the associate's shareholders equity.

Note 19. Financial liabilities

The balance of financial liabilities is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Bank overdrafts	-	84	84
Bank loans (2)	2,166,050	1,845,638	1,845,638
Put option (3)	411,409	435,023	435,023
Financial Leases (1)	3,732	31,837	32,923
Letters of credit	6,635	6,615	6,615
Total current financial liabilities	2,587,826	2,319,197	2,320,284
Bank loans (2)	4,429,692	4,624,056	4,624,056
Financial Leases (1)	8,479	80,632	108,050
Total non-current financial liabilities	4,438,171	4,704,688	4,732,106

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to these accounts relates to the reclassification of finance leases to lease liabilities regarding certain contracts on assets that were properly recorded as finance leases.

(2) In August 2015, the Parent entered into credit agreements with local banks in amount of $3.25 trillion and with foreign banks in amount of $1.21 trillion (USD 400 million at the exchange rate of $3,027.20 Colombian pesos) for the acquisition of the operations in Brazil and Argentina through the Spanish company Onper Investment 2015 S.L. Such credits are measured at amortized cost using the effective interest method, where transaction costs are included in amount of $14,332.

Under both agreements, the Parent is committed to request approval from the banks if it requires to carry out the following transactions: encumber assets, enter into extraordinary agreements with any affiliated company, incur additional debt wherever the result is breach of the credit agreement and/or without prior authorization from creditors; creditors shall automatically grant authorization if the occurrence index is complied with, measured using the latest financial statements released by the Parent, among other.

During January 2016 and April 2016, the Parent requested disbursements in amount of $400,000 and $100,000, respectively, against the revolving trench under the credit agreement executed in July 2015. The revolving credit in amount of $500,000 with a term of two years, and the revolving cash credit with a term of one year, were restructured in August 2016.

$97,495 of the balance of non-current bank loans were repaid by the Parent in August 2016; $55,000 and $500,000 of current loans were repaid in November 2016 and December 2016, respectively.

In February 2017 the Parent obtained a loan in amount of $530,000; in March 2017, $70,000; in April 2017, $158,380; in May 2017, $79,216; and in September $120,000.

In June 2017 Distribuidora de Textiles y Confecciones S.A.S. obtained a loan from Bancolombia in amount of $60,000 at a rate of IBR 3 months + 2.0% quarterly in arrears, with a term of 5 years and 24-month grace period for repayment of principal.

In February 2017 and in August 2017, the Parent repaid $194,990 ($97,495 each month) of the outstanding balance of non-current bank loans; in June 2017 repaid $200,000; in August 2017 repaid $50,000; in October 2017 repaid $120,000; in November 2017 repaid $100,000 and in December 2017 repaid $150,000 of current bank loans (syndicated revolving credit).

On December 22, 2017 the Parent obtained a new syndicated revolving credit in amount of USD 450 million, maturing in December 2020. These resources allowed paying in advance the US Dollar syndicated credit outstanding at that date in the same amount, maturing in December 2018. Also, the peso revolving syndicated credit in amount of $500,000 was restructured to extend maturity from August 2018 to August 2020; all other contract conditions remain unchanged. The Parent's debt level after the above two transactions does not vary; however, the average term of the debt goes from 2.2 years to 2.9 years, optimizing the Parent's future payment outflows.

The Parent requested disbursements in amount of $120,000, $350,000 and $30,000 during January, February and May 2018, respectively, against the syndicated revolving credit.

$97,495, $73,015, $97,495 and $73,015 of the non-current bank loan balance were repaid by the Parent in February, June, August and December 2018, respectively.

$120,000 and $380,000 of the balance of syndicated revolving loans were repaid by the Parent in July and August 2018, respectively.

The balance at December 31, 2018 also includes short-term loans in amount of $794,904 and long-term loans in amount of $361,492 acquired by Companhia Brasileira de Distribuição - CBD, and long-term loans acquired by subsidiary Segisor S.A. in amount of $1,476,494).

It also includes $182,848 received on December 21, 2018 by subsidiary Companhia Brasileira de Distribuição - CBD under the contract commitment to sell 3.86% of the interests in the equity of Vía Varejo S.A. through a total return swap transaction. Through this transaction, amounts received are subject to further adjustment from the subsequent resale of the shares in the market during the contract term. Exposure of the subsidiary to the variation in the market value of underlying assets prevents shares from being deleted from accounting records at December 31, 2018.

During February and March 2019, the Parent requested disbursements in amount of $70,000 and $30,000, respectively, against the revolving trench under the credit agreement executed on December 21, 2018. In February 2019, the Parent requested disbursements amounting to $50,000 against the syndicated revolving credit facility.

$97,495 of the non-current bank loan balance and $84,540 of the US Dollar bilateral current loan balance were repaid by the Parent in February 2019.

At March 31, 2019 subsidiary Companhia Brasileira de Distribuição - CBD acquired loans totaling $122,465 and subsidiary Libertad S.A. acquired loans in amount of $25,167.

(3) Spice Investments Mercosur S.A. is a party to the put option contract entered with the owners of non-controlling interests in subsidiary Grupo Disco del Uruguay S.A. The exercise price of the option is based on a previously determined formula and the option may be exercised at any time. The option is measured at fair value.

Below is a detail of annual maturities of non-current bank loans and finance leases outstanding at December 31, 2018, discounted at present value:

Year	Total
2020	2,096,813
2021	306,832
2022	217,746
>2023	1,816,780
	4,438,171

Note 20. Employee benefits

The following are the balances of employee benefits:

	March 31, 2019	December 31, 2018
Defined benefit plans	30,037	29,441
Long-term benefit plan	1,945	1,896
Total employee benefits	31,982	31,337
Current	4,302	3,657
Non-current	27,680	27,680

Note 21. Other provisions

The balance of other provisions is made as follows:

	March 31, 2019	December 31, 2018
Legal proceedings (1)	344,865	357,052
Taxes other than income tax (2)	1,873,935	1,945,660
Restructuring (3)	22,271	9,296
Other (4)	47,559	55,637
Total other provisions	2,288,630	2,367,645
Current (Note 21.1)	45,699	36,997
Non-current (Note 21.1)	2,242,931	2,330,648

At March 31, 2019 and December 31, 2018, the Parent and its subsidiaries did not recognize provisions for contracts for consideration.

The detail of provisions is as follows:

(1) Provisions for lawsuits are recognized to cover estimated potential losses arising from lawsuits brought against the Parent and its subsidiaries, related with labor, civil, administrative and regulatory matters, which are assessed based on the best estimation of cash outflows required to settle a liability on the date of preparation of the financial statements. The balance is made of $245,392 (December 31, 2018 - $255,095) for labor legal proceedings; $79,226 (December 31, 2018 - $79,011) for civil legal proceedings and $20,247 (December 31, 2018 - $22,946) for administrative and regulatory legal proceedings.

Provisions for labor proceedings include:

- Lawsuits filed against the Parent related with collective issues in amount of $30 (December 31, 2018 - $30), indemnifications in amount of $2,496 (December 31, 2018 - $2,524), salary and mandatory payment adjustments in amount of $159 (December 31, 2018 - $160), health and retirement pension issues in amount of $5,081 (December 31, 2018 - $5,135) and labor relations and solidarity issues in amount of $2,177 (December 31, 2018 - $2,200).
- Lawsuits filed against subsidiary Companhia Brasileira de Distribuição - CBD and its subsidiaries amounting to $234,812 (December 31, 2018 - $244,392), which are updated in line with a table provided by the TST ('Tribunal Superior do Trabalho') plus 1% monthly interest.
- Lawsuits filed against subsidiary Libertad S.A. in amount of $138 (December 31, 2018 - $112).
- Lawsuits filed against Spice Investment Mercosur S.A. and its subsidiaries $- (December 31, 2018 - $491).
- Lawsuits filed against Colombian subsidiaries in amount of $499 (December 31, 2018 - $51).

Provisions for civil legal proceedings include:

- Lawsuits filed against the Parent in cases related with third party liability in amount of $1,212 (December 31, 2018 - $1,145), customer protection $873 (December 31, 2018 - $873), metrology and technical regulations $304 (December 31, 2018 - $112), real estate-related proceedings $289 (December 31, 2018 - $557) and other minor legal proceedings in amount of $1,113 (December 31, 2018 - $1,035).
- Lawsuits filed against subsidiary Companhia Brasileira de Distribuição - CBD and its subsidiaries $74,932 (December 31, 2018 - $74,832). This balance includes certain legal actions seeking the revision of contracts and renewals on lease instalments agreed upon. A provision is recognized for the difference between amounts paid and amounts disputed by the counterparty in the legal action, when in the opinion of in-house and external counsels there is a probability of adjustment to the instalments paid. At March 31, 2018, the provisions to protect against such legal actions amounted to $44,007 (December 31, 2018 - $41,099) for which there are no legal deposits covering said amount; should there be such deposits, they are recognized as other financial assets.
- Lawsuits filed against Spice Investment Mercosur S.A. and its subsidiaries $- (December 31, 2018 - $210).
- Lawsuits filed against Colombian subsidiaries in amount of $503 (December 31, 2018 - $247).

Provisions for administrative and regulatory proceedings relate to lawsuits of subsidiary Companhia Brasileira de Distribuição - CBD, including certain proceedings on the grounds of fines applied by regulatory agencies of which the most relevant are those of Brazilian consumer protection agencies PROCONs, INMETRO and local Mayor's offices. At March 31, 2019, such provision amounted to $20,247 (December 31, 2018 - $22,946).

(2) Provisions for taxes other than income tax include $1,863,497 (December 31, 2018 - $1,934,825) relevant to tax legal proceedings of Companhia Brasileira de Distribuição - CBD and its subsidiaries, which are subject to monthly monetary adjustment at index rates used by each tax authority; $8,632 (December 31, 2018 - $8,632) for tax legal proceedings of the Parent; and $1,806 (December 31, 2018 - $2,203) for other proceedings of subsidiary Libertad S.A.

(a) Parent's legal proceedings refer to:
  - Industry and trade tax in amount of $2,217 (December 31, 2018 - $2,217).
  - Real estate tax in amount of $2,926 (December 31, 2018 - $2,926).
  - Value added tax in amount of $3,234 (December 31, 2018 - $3,234).
  - VAT payable on beer in amount of $255 (December 31, 2018 - $255).

(b) The most relevant tax lawsuits of Companhia Brasileira de Distribuição CBD and its subsidiaries, include:
  - Social contribution for the funding of social security - COFINS and social integration program - PIS: Under the non-cumulative system to calculate PIS and COFINS, a request was filed claiming right to exclude the value of the Impuesto a la Circulación de Mercaderías y Servicios - ICMS (Tax on the Movement of Goods and Services) from the basis to assess these two contributions and other less relevant matters. The value of the provision at March 31, 2019 is $72,811 (December 31, 2018 - $72,133).
  - Tax on the circulation of goods and services (ICMS): By means of a ruling dated October 16, 2014, the Higher Federal Court (STF) defined that ICMS taxpayers who trade basic basket products are not entitled to fully apply the credits arising from such tax; consequently, with the support of external advisors, it was deemed appropriate to recognize a provision in amount of $67,210 (December 31, 2018 - $77,165).
  - Complementary Law No. 110/2001: The right of not to recognize the contributions set forth in Complementary Law No. 110/2001, established to support the costs of the Fundo de Garantia do Tempo de Serviço (FGTS) is being discussed through judicial action. The value of the provision at March 31, 2019 is $72,811 (December 31, 2018 - $73,810).
  - Other provisions relate to the following legal proceedings, in amount of $291,243 (December 31, 2018 - $285,176):
    (i) Investigation regarding the failure to apply the Fator Acidentário de Prevenção (FAP) for 2011;
    (ii) Investigations related with procurement from suppliers deemed disqualified from the registry with Secretaria da Fazenda Estadual, mistake in application of aliquot and ancillary obligations by state tax authorities;
    (iii) Undue credit.
  - Provisions for taxes other than income tax in amount of $1,172,926 (December 31, 2018 - $1,240,748), relevant to the adjustment arising from the purchase price allocation process of subsidiaries Companhia Brasileira de Distribuição - CBD and Libertad S.A. Provisions recognized relate to proceedings associated with the following taxes:
    - Tax on the Movement of Goods and Services - ICMS in amount of $1,018,571 (December 31, 2018 - $1,078,939);
    (ii) Social Contribution for the Funding of Social Security - COFINS in amount of $65,924 (December 31, 2018 - $69,108);
    (iii) Tax on industrial products - IPI in amount of $60,362 (December 31, 2018 - $63,277);
    (iv) Brazilian tax on real estate property - IPTU in amount of $27,571 (December 31, 2018 - $28,902), and
    (vi) Other in amount of $498 (December 31, 2018 - $522).

(3) The restructuring provision relates to the reorganization processes announced to Parent's employees of stores and distribution centers in amount of $16,348 (December 31, 2018 - $911), to the employees of Colombian subsidiaries in amount of $4 (December 31, 2018 - $4) and to the employees of subsidiary Companhia Brasileira de Distribuição CBD in amount of $5,919 (December 31, 2018 - $8,381) that will affect the Parent's and its subsidiaries' activities and operations. The provision is based on cash outflows required, directly associated with the restructuring plan. Disbursement and plan implementation are expected to be completed during 2019. The restructuring provision was recognized in period results as other expenses.

(4) The balance of other provision relates to:

(a) Provisions were recognized in amount of $42,368 (December 31, 2018 - $47,636) as a result of the Purchase Price Allocation process of subsidiaries Companhia Brasileira de Distribuição - CBD and Libertad S.A., covering external counsel fees related with the defense of tax proceedings, whose compensation is tied to a success fee upon the legal closing thereof. Such percentages may vary, in accordance with qualitative and quantitative factors of each proceeding.

(b) Provision to protect against reduction of goods "VMI" at the Parent in amount of $959 (December 31, 2018 - $2,237).

(c) Other minor provisions at Colombian subsidiaries in amount of 261 (December 31, 2018 - $332).

(d) Closing down of stores at the Parent in amount of $3,971 (December 31, 2018 - $5,432).

Balances and development of other provisions during the period are as follows:

	Legal proceedings	Taxes other than income tax	Restructuring	Other	Total
Balance at December 31, 2018	357,052	1,945,660	9,296	55,637	2,367,645
Increase	210,916	41,721	24,713	447	277,797
Uses	(17)	-	-	(415)	(432)
Payments	(159,745)	(725)	(6,154)	(1,514)	(168,138)
Reversals (not used)	(84,268)	(119,189)	(5,281)	(4,505)	(213,243)
Increase from value updating based on the passage of time	29,604	3,408	-	-	33,012
Effect of exchange differences from translation into reporting currency	(15,959)	(90,232)	(303)	(2,091)	(108,585)
Increase from classification to non-current assets held for trading and discontinued operations	7,282	93,292	-	-	100,574
Balance at March 31, 2019	344,865	1,873,935	22,271	47,559	2,288,630

Note 21.1. Other provisions classified as current and non-current

The balance of other provisions, classified as current and non-current is as follows:

	March 31, 2019	December 31, 2018
Legal proceedings	3,829	4,518
Restructuring	22,271	9,296
Taxes other than income tax	843	974
Other	18,756	22,209
Total other current provisions	45,699	36,997
Taxes other than income tax	1,873,092	1,944,686
Legal proceedings	341,036	352,534
Other	28,803	33,428
Total other non-current provisions	2,242,931	2,330,648

Note 21.2. Forecasted payments of other provisions

Forecasted payments of other provisions for which the Parent and its subsidiaries are responsible at March 31, 2019 are:

	Legal proceedings	Taxes other than income tax	Restructuring	Other	Total
Less than 12 months	3,829	843	22,271	18,756	45,699
From 1 to 5 years	147,944	1,470,632	-	28,803	1,647,379
5 years and more	193,092	402,460	-	-	595,552
Total estimated payments	344,865	1,873,935	22,271	47,559	2,288,630

Note 22. Lease liabilities, trade accounts payable and other accounts payable

Note 22.1 Lease liabilities

The Parent and its subsidiaries started to apply IFRS 16 - Leases as of January 1, 2019. As mentioned in the financial statements at the closing of December 31, 2018, this standard requires recognizing a use right-related asset and a lease liability.

The Parent and its subsidiaries elected to apply the standard retrospectively, as if it had been applied from the start date of all lease agreements, to disclose comparable effects for each reporting period.

The balance of lease liabilities is as follows:

	March 31, 2019	December 31, 2018
Lease liabilities	5,324,978	5,498,152
Current	591,573	767,706
Non-current	4,733,405	4,730,446

Note 22.2 Trade payables and other accounts payable

The balance of trade payables and other accounts payable is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Suppliers (1)	7,431,772	11,151,355	11,262,261
Employee benefits	739,087	819,985	819,985
Costs and expenses payable	292,116	449,734	449,734
Dividends payable	159,491	54,781	54,781
Tax withholdings payable	127,961	67,831	67,831
Purchase of assets	71,417	212,719	212,719
Taxes collected payable	60,302	54,078	54,078
Acquisition of companies	17,044	33,550	33,550
Other	218,600	271,769	271,769
Total current trade payables and other accounts payable	9,117,790	13,115,802	13,226,708
Other	42,247	40,720	40,720
Total non-current trade payables and other accounts payable	42,247	40,720	40,720

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. Adjustment to these accounts arises from the reclassification of fixed-payment liabilities under lease agreements to lease liabilities.

Note 23. Income tax

Note 23.1. Tax regulations applicable to the Parent and to its Colombian subsidiaries

Income tax regulations in force applicable to the Parent and its Colombian subsidiaries:

a. The income tax rate for legal entities shall be 33% for 2019, 32% for taxable 2020, 31% for taxable 2021 and 30% from taxable 2022 onwards.

   For 20185 the income tax rate applicable was 33%.

   The income tax surcharge levied on domestic companies was eliminated for 2019.

   For 2018, the income tax surcharge for domestic companies was 4% applicable on taxable profits higher than $800.

b. The taxable base to assess the income tax under the presumptive income model shall be 1.5% of the net equity held on the last day of the immediately preceding taxable period for 2019 and 2020, and 0% as of taxable 2021.

   For 2018, the taxable base to assess the income tax under the presumptive income model was 3.5% of the net equity held on the last day of the preceding taxable period.

c. Comprehensive inflation adjustments were eliminated for tax purposes as of 2007, and the tax on occasional gains was reinstated at a current rate of 10%, payable by legal entities on total occasional gains obtained during the taxable year.

d. A tax on dividends paid to individuals resident in Colombia was established as of 2019 at a rate of 15%, triggered when the amount distributed is higher than 300 UVT ($10 for 2019) when such dividends have been taxed upon the distributing companies. For non-resident individuals and foreign companies, the tax rate is 7.5% when such dividends have been taxed upon the distributing companies. When the earnings that give rise to dividends have not been taxed upon the distributing company, the tax rate applicable to shareholders will be 33% for 2019, 32% for 2020, 31% for 2021 and 30% as of 2022.

During 2018, a tax on dividends paid to individuals resident in Colombia was levied at a rate of 5% triggered when the amount distributed was between 600 UVT ($20 for 2018) and 1000 UVT ($33 for 2018) and 10% on higher amounts when such dividends have been taxed upon the distributing companies. For non-resident individuals and foreign companies, the tax rate is 5% when such dividends have been taxed upon the distributing companies. When the earnings that give rise to dividends have not been taxed upon the distributing company, the tax rate applicable to shareholders will be 35%.

e. As of 2017 the tax base adopted is the accounting system pursuant to the accounting technical rules framework in force in Colombia, set forth by Law 1314 of 2009 in line with the International Financial Reporting Standards (IFRS) officially translated and authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2450 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015 by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170, and updated on December 28, 2018 by Regulatory Decree 2483 with certain exceptions regarding the realization of revenue, recognition of costs and expenses and the accounting effects of the opening balance upon adoption of these standards.

f. The tax on financial transactions is a permanent tax. 50% of this tax is tax-deductible.

g. Taxes, levies and contributions actually paid during the taxable year or period are 100% deductible as of 2019, if they are related with the company's economic activity including fees paid to business associations.

h. 50% of the industry and trade tax can be taken as a tax discount for taxable 2019 to 2021. As of 2022, 100% can be taken as a tax discount.

i. Regarding contributions to employee education, payments meeting the following conditions shall be deductible as of 2019: (a) devoted for scholarships and education forgivable loans to the benefit of employees, (b) payments to programs or care centers for the children of employees and (c) payments to primary, secondary, technical, technological and higher education institutions.

(j) VAT on the acquisition, formation, construction or import of productive real fixed assets may be discounted from the income tax as of 2019.

(k) As of 2019, the income withholding tax on payments abroad is 20% on consultancy services, technical services, technical assistance, professional fees, royalties, leases, compensations and management or administration services.

(l) As of 2019, taxes paid abroad shall be deemed tax discounts during the taxable year of payment, or during any subsequent taxable period.

m. The annual adjustment applicable at December 31, 2018 to the cost of movable assets and real estate deemed fixed assets is 4.07%.

Tax credits of the Parent and its Colombian subsidiaries

Pursuant to tax regulations in force as of 2017, the time limit to offset tax losses is 12 years following the year in which the loss was incurred.

Excess presumptive income over ordinary income obtained as of taxable 2007 may be offset against ordinary net income assessed within the following five (5) years.

Company losses are not transferrable to shareholders. In no event tax losses arising from revenue other than income and occasional gains, and from costs and deductions not directly related with the generation of taxable income, will be offset against the taxpayer's net income.

Pursuant to sections 188 and 189 of the Tax Code, at December 31, 2018 the Parent and its subsidiary Almacenes Éxito Inversiones S.A.S. assessed their income tax liability using the presumptive income method.

Pursuant to sections 188 and 189 of the Tax Code, at March 31, 2019 subsidiaries Éxito Industrias S.A.S., Logística, Transporte y Servicios Asociados S.A.S., and Éxito Viajes y Turismo S.A.S. assessed their income tax liability using the ordinary income method.

At March 31, 2019, the Parent has accrued $461,308 (December 31, 2018 - $445,924) excess presumptive income over net income.

At March 31, 2019, the subsidiaries have accrued $4,688 (December 31, 2018 - $4,681) excess presumptive income over net income. The detail of excess presumptive income over net income is as follows:

	March 31, 2019	December 31, 2018
Éxito Industrias S.A.S.	4,663	4,663
Almacenes Éxito Inversiones S.A.S.	25	18
Total	4,688	4,681

At March 31, 2019, the Parent has accrued tax losses amounting to $671,881 (December 31, 2018 - $624,344).

At March 31, 2019, the subsidiaries have accrued tax losses amounting to $57,427 (December 31, 2018 - $58,185). The detail of tax losses is as follows:

	March 31, 2019	December 31, 2018
Éxito Industrias S.A.S.	34,553	36,508
Gemex O&W S.A.S.	22,742	21,677
Almacenes Éxito Inversiones S.A.S.	132	-
Total	57,427	58,185

The development of tax losses during the three-month period ended March 31, 2019 is as follows:

Almacenes Éxito S.A.	47,537
Gemex O&W S.A.S.	1,065
Almacenes Éxito Inversiones S.A.S.	132
Éxito Industrias S.A.S.	(1,955)
Total	46,799

Closing of tax returns

As of 2017, the general term to close tax returns is 3 years, and 6 years for taxpayers required to report transfer pricing information. Tax returns where tax losses are assessed will be closed in 12 years and those including offsetting of tax losses will be closed in 6 years.

Given filing dates established by Colombian tax authorities, the 2018 income tax returns of the Parent and its subsidiaries have not been filed at March 31, 2019.

For the Parent, the income tax return for 2017 showing tax losses and a balance receivable is open for review during 12 years as of filing of the balance receivable; income tax return for 2016 where tax losses and a balance receivable were assessed is open for review during 5 years as of filing of the balance receivable; income tax for equality CREE return for 2016 is open for review during 5 years as of filing of the balance receivable.

For subsidiary Éxito Industrias S.A.S. (formerly Distribuidora de Textiles y Confecciones S.A.S.), income tax return for 2017 is open for review during 6 years; income tax return for 2016 where tax losses and a balance receivable were assessed is open for review during 5 years as of filing of the balance receivable; income tax returns for 2014 and 2015 are open for review during 5 years; income tax for equality CREE returns for 2014 and 2015 are open for review during 5 years as of filing date.

For subsidiary Éxito Inversiones S.A.S., the income tax return for 2017 showing a balance receivable is open for review for 3 years as of filing of the balance receivable; income tax return for 2016 showing a balance receivable is open for review for 2 years as of filing of the balance receivable; income tax return for 2015 where tax losses and a balance receivable were assessed is open for review for 5 years as of filing of the balance receivable; income tax for equality CREE return for 2016 showing a balance receivable is open for review for 2 years as of filing of the balance receivable; income tax for equality CREE return for 2015 showing a balance receivable is open for review for 5 years as of filing of the balance receivable.

For subsidiary Gemex O&W S.A.S., income tax return for 2017 where tax losses and a balance receivable were assessed is open for review during 12 years as of filing of the balance receivable; income tax return for 2016 where tax losses and a balance receivable were assessed is open for review during 5 years as of filing of the balance receivable; income tax returns and income tax for equality CREE returns for 2013, 2014, 2015 and 2016 are open for review during 5 years as of filing date.

For subsidiary Logística, Transporte y Servicios Asociados S.A.S., income tax return for 2017 where tax losses were offset and a balance receivable was assessed is open for review during 6 years as of filing of the balance receivable; income tax returns for 2016 and 2015 where tax losses and a balance receivable were assessed are open for review during 5 years as of filing of the balance receivable; income tax for equality CREE returns for 2016 and 2015 where a balance receivable was assessed are open for review during 5 years as of filing of the balance receivable.

For subsidiary Éxito Viajes y Turismo S.A.S., income tax return for 2017 is open for review during 3 years as of filing date; income tax return for 2016 were tax losses were offset is open for review during 5 years as of filing date; income tax returns and income tax for equality CREE returns for 2014 and 2015 are open for review during 5 years as of filing date.

Tax advisors and management of the Parent and its subsidiaries are of the opinion that no additional taxes will be assessed, other than those carried at March 31, 2019.

Transfer pricing

Parent transactions with its controlling entity and foreign related parties have been carried out in accordance with the arm's length principle as if they were independent parties, as required by Transfer Pricing provisions set out by domestic tax regulations. Independent advisors updated the transfer pricing survey as required by tax regulations, aimed at demonstrating that transactions with foreign related parties were carried out at market values during 2018. For this purpose, the Parent will file an information statement and will make the mentioned survey available by mid July 2019.

Foreign controlled entities

Under the special regime applicable to foreign subsidiaries that are investment vehicles, as of 2017 the standard sets out that passive revenue obtained by such vehicles must be included in the year of accrual and not in the year of effective distribution of profits.

Note 23.2. Tax regulations applicable to foreign subsidiaries

Tax regulations in force applicable to foreign subsidiaries foresee the following income tax rates:
- Subsidiaries domiciled in Uruguay apply a 25% rate;
- Certain subsidiaries domiciled in Brazil apply a 25% rate and other subsidiaries apply a 34% rate, and
- Subsidiaries domiciled in Argentina apply a 35% rate.

Note 23.3. Current tax assets and liabilities

The balances of current tax assets and liabilities recognized in the statement of financial position are:

Current tax assets

	March 31, 2019	December 31, 2018
Other current tax assets of subsidiary Onper Investment 2015 S.L.	478,267	511,964
Income tax balance receivable by Parent and its Colombian subsidiaries (1)	197,266	154,686
Other current tax assets of subsidiary Spice Investment Mercosur S.A.	41,748	29,913
Industry and trade tax advances and withholdings of Parent and its Colombian subsidiaries	28,841	23,375
Tax discounts of Parent from taxes paid abroad	11,949	285
Current income tax assets of subsidiary Spice Investment Mercosur S.A. (2)	-	4,067
Total current tax assets	758,071	724,290

(1) The income tax balance receivable of Parent and its Colombian subsidiaries is comprised of:

	March 31, 2019	December 31, 2018
Income tax withholdings (a)	204,422	219,186
Less income tax (expense) (Note 23.4)	(6,532)	(64,500)
Less prior years income tax payable	(624)	-
Total income tax balance receivable	197,266	154,686

(a) Includes the net of income tax payable and balances receivable and taxes withheld applicable to the Parent's and its Colombian subsidiaries' income tax.

(2) The balance of current income tax assets of subsidiary Spice Investments Mercosur S.A. is comprised of:

	December 31, 2018
Current income tax assets	5,532
Current income tax liabilities	(1,465)
Total	4,067

Current tax liabilities

	March 31, 2019	December 31, 2018
Taxes of subsidiary Onper Investment 2015 S.L. other than income tax	186,362	210,978
Income tax of subsidiary Onper Investment 2015 S.L. (1)	65,079	32,520
Industry and trade tax payable	40,248	53,023
Taxes of subsidiary Spice Investment Mercosur S.A. other than income tax	12,290	648
Other taxes payable	5,155	1,530
Income tax of subsidiary Spice Investment Mercosur S.A. (2)	1,318	-
Total current tax liabilities	310,452	298,699

(1) The balance of current income tax liabilities of subsidiary Onper Investment 2015 S.L. is comprised of:

	March 31, 2019	December 31, 2018
Current income tax liabilities	(122,658)	(106,835)
Current income tax assets	57,579	74,315
Total	(65,079)	32,520

(2) The balance of current income tax liabilities of subsidiary Spice Investments Mercosur S.A. is comprised of:

	March 31, 2019
Current income tax assets	45,908
Current income tax liabilities	(47,226)
Total	(1,318)

Note 23.4. Income tax

The reconciliation of accounting income to taxable (loss), and the tax expense estimation are as follows:

	March 31, 2019	March 31, 2018 (1)	March 31, 2018	December 31, 2018
Earnings before income tax	120,556	71,407	130,266	1,570,473
Add				
Non-deductible taxes	10,299	17	17	427
Non-deductible expenses	6,425	3,056	3,056	46,616
Tax on financial transactions	2,489	2,939	2,939	8,270
Fines, penalties and litigation	435	518	518	1,611
Taxes taken on and revaluation	340	1,744	1,744	50,488
IFRS adjustments with no tax effects (1) (2)	-	30,825	18,520	-
Reimbursement of deduction of income-generating fixed assets arising from the sale of assets	-	-	-	33,798
Selling price of fixed assets held less than two years	-	-	-	25,147
Net income - recovery of depreciation of fixed assets sold	-	-	-	27,794
Receivables written-off	-	256	256	5,381
Non-deductible inventory losses	-	375	375	315
Less				
Effect of accounting results of foreign subsidiaries	(142,464)	(97,773)	(144,327)	(1,304,642)
IFRS adjustments with no tax effects (1) (2)	(34,681)	-	-	(309,805)
Recovery of provisions	(2,411)	-	-	(239)
Amortization of tax losses and excess presumptive income	(1,955)	(1,118)	(1,118)	(16,089)
Tax-exempt dividends received from subsidiaries	(1,500)	(73)	(73)	(27,870)
Goodwill tax deduction, in addition to the accounting deduction	(806)	(49,464)	(49,464)	(20,351)
Deduction additional 30% on salary of voluntary apprentices	(435)	-	-	(1,739)
Disabled employee deduction	(416)	(379)	(379)	(445)
(Recovery) of receivables	(206)	(20,099)	(20,099)	-
Cost of sales of fixed assets held less than two years	-	-	-	(77,140)
Derecognition of gain from the sale of fixed assets reported as occasional gain	-	-	-	(26,585)
Net current period (loss) of the Parent and of certain Colombian subsidiaries	(44,330)	(57,769)	(57,769)	(14,585)
Presumptive income of the Parent and of certain Colombian subsidiaries for the current period	15,390	41,361	41,361	148,743
Net income for the current period of certain Colombian subsidiaries	4,405	2,331	2,331	17,147
Net taxable income	19,795	43,692	43,692	165,890
Income tax rate	33%	33%	33%	33%
Subtotal income tax (expense)	(6,532)	(14,418)	(14,418)	(54,744)
Occasional gains tax (expense)	-	-	-	(3,625)
Income tax surcharge	-	(1,698)	(1,698)	(6,504)
Tax discounts	-	-	-	373
Total income tax (expense)	(6,532)	(16,116)	(16,116)	(64,500)
Tax revenue prior year	-	-	-	2,286
Total income tax (expense) of the Parent and its Colombian subsidiaries	(6,532)	(16,116)	(16,116)	(62,214)
Total current tax (expense) of foreign subsidiaries	(80,650)	(45,391)	(45,391)	(319,224)
Total current income tax (expense)	(87,182)	(61,507)	(61,507)	(381,438)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. Please refer to the explanation regarding adjustment to this account under 23.4 (2) below.

(2) IFRS adjustments with no tax effects are:

	March 31, 2019	March 31, 2018 (2)	March 31, 2018	December 31, 2018
Net results from applying the equity method	(34,925)	(74,735)	(74,735)	(396,749)
Other accounting (not for tax purposes) (revenue), net	(16,408)	1,727	1,727	(26,436)
Exchange difference, net	(13,354)	80,663	80,663	36,980
Higher accounting depreciation over depreciation for tax purposes	(11,731)	(12,225)	(12,225)	(44,545)
Recovery of provisions	(6,455)	(25,459)	(25,459)	(383)
Excess personnel expenses for tax purposes over accounting personnel expenses	(2,068)	(18,565)	(18,565)	(34,900)
Non-deductible taxes	(43)	(1,327)	(1,327)	3
Non-deductible fines and penalties	(14)	-	-	-
Non-accounting costs for tax purposes	-	-	-	(17,215)
Taxed leases	24,559	16,224	16,224	77,528
Accounting provisions	19,912	31,707	31,707	66
Other accounting expenses with no tax effects (a)	3,825	12,305	-	-
Taxed dividends of subsidiaries	1,500	19,998	19,998	93,558
Taxed actuarial estimation	521	512	512	2,288
Total	(34,681)	30,825	18,520	(309,805)

(a) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account results from the tax effect from the non-deductibility of depreciation of use rights and the financial cost of lease liabilities.

The components of the income tax expense recognized in the statement of income are:

	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Current income tax (expense)	(87,182)	(61,507)	(61,507)
Deferred income tax revenue (Note 23.5) (1)	51,443	44,025	30,038
Total income tax (expense)	(35,739)	(17,482)	(31,469)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

A detail of the current tax expense of foreign subsidiaries is as follows:

	March 31, 2019	March 31, 2018
Uruguay	(11,937)	(11,137)
Brazil and Argentina	(68,713)	(34,254)
Total current tax (expense)	(80,650)	(45,391)

The estimation of the presumptive income of the Parent and of certain Colombian subsidiaries is as follows:

	March 31, 2019	March 31, 2018
Net shareholders' equities	1,047,618	1,204,034
Less net shareholders' equities to be excluded	(21,636)	(22,495)
Base shareholders' equities	1,025,982	1,181,539
Presumptive income	15,390	41,354
Add: Taxed dividends	-	7
Total presumptive income	15,390	41,361

Note 23.5 Deferred tax

The Parent and its subsidiaries recognize deferred taxes receivable or payable, arising from temporary differences representing a lower or higher payment of the current year income tax, estimated at expected recovery rates, provided there is reasonable expectation that such differences will revert in future. Should there be any deferred tax asset, an analysis will be made of whether the Parent and its subsidiaries will generate enough taxable income in future that allow offsetting the asset, in full or in part.

A detail of deferred tax carried in the statement of financial position and the breakdown of deferred tax assets and liabilities for the four geographical segments in which the Parent and its subsidiaries operations are grouped is as follows:

	March 31, 2019			December 31, 2018 (1)			December 31, 2018		
	Deferred tax assets	Deferred tax liabilities	Deferred income tax (liabilities) Net amount	Deferred tax assets	Deferred tax liabilities	Deferred income tax (liabilities) Net amount	Deferred tax assets	Deferred tax liabilities	Deferred income tax (liabilities) Net amount
Tax losses	211,095	-	211,095	196,376	-	196,376	196,376	-	196,376
Excess presumptive income	144,936	-	144,936	140,258	-	140,258	140,258	-	140,258
Tax credits	57,236	-	57,236	56,282	-	56,282	56,282	-	56,282
Financial liabilities	34,081	-	34,081	46,168	-	46,168	46,168	-	46,168
Other provisions	19,276	-	19,276	14,896	-	14,896	14,896	-	14,896
Other financial liabilities	4,922	-	4,922	2,850	-	2,850	2,850	-	2,850
Trade and other receivables	3,996	-	3,996	4,113	-	4,113	4,113	-	4,113
Prepaid expenses	3,546	-	3,546	3,681	-	3,681	3,681	-	3,681
Employee benefit provisions	3,854	-	3,854	3,642	-	3,642	3,642	-	3,642
Use rights, net (1)	482	-	482	476	-	476	-	-	-
Accounts payable to related parties	88	-	88	8,196	-	8,196	8,196	-	8,196
Other non-financial assets	-	-	-	-	(20)	(20)	-	(20)	(20)
Cash and cash equivalents	-	(4)	(4)	-	-	-	-	-	-
Investments in subsidiaries and joint ventures	-	(90)	(90)	-	(60,657)	(60,657)	-	(60,657)	(60,657)
Accounts receivable from related parties	-	(186)	(186)	-	(523)	(523)	-	(523)	(523)
Lease liabilities (1)	-	(416)	(416)	-	(411)	(411)	-	-	-
Other non-financial liabilities	-	(459)	(459)	3,386	-	3,386	3,386	-	3,386
Non-current assets held for trading	-	(555)	(555)	-	(555)	(555)	-	(555)	(555)
Inventories	-	(1,205)	(1,205)	5,360	-	5,360	5,360	-	5,360
Construction in progress	-	(4,945)	(4,945)	-	(915)	(915)	-	(915)	(915)
Trade and other payables	-	(5,070)	(5,070)	-	(1,209)	(1,209)	-	(1,209)	(1,209)
Real estate projects	-	(5,691)	(5,691)	-	(12,457)	(12,457)	-	(12,457)	(12,457)
Intangible assets other than goodwill	-	(7,507)	(7,507)	-	(7,654)	(7,654)	-	(7,654)	(7,654)
Land	-	(7,085)	(7,085)	-	(9,623)	(9,623)	-	(9,623)	(9,623)
Other financial assets	-	(22,513)	(22,513)	-	(37,331)	(37,331)	-	(37,331)	(37,331)
Other property, plant and equipment	-	(28,183)	(28,183)	-	(26,512)	(26,512)	-	(26,512)	(26,512)
Investment property	-	(33,292)	(33,292)	-	(8,561)	(8,561)	-	(8,561)	(8,561)
Buildings	-	(120,817)	(120,817)	-	(91,758)	(91,758)	-	(91,758)	(91,758)
Goodwill	-	(186,061)	(186,061)	-	(185,781)	(185,781)	-	(185,781)	(185,781)
Total Parent	483,512	(424,079)	59,433	485,684	(443,967)	41,717	485,208	(443,556)	41,652
Colombian subsidiaries (1)	25,681	(26,511)	(830)	27,118	(26,329)	789	13,891	(14,025)	(134)
Total Colombia segment	509,193	(450,590)	58,603	512,802	(470,296)	42,506	(499,099)	(475,581)	41,518
Uruguay segment	24,455	-	24,455	25,994	-	25,994	25,994	-	25,994
Brazil and Argentina segment (1)	318,860	(1,523,772)	(1,204,912)	313,063	(1,611,861)	(1,298,798)	178,670	(1,611,861)	(1,433,191)
Total	852,508	(1,974,362)	(1,121,854)	851,859	(2,082,157)	(1,230,298)	703,763	(2,069,442)	(1,365,679)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account arises from the effects on deferred tax from the temporary difference resulting upon recognition of use rights and lease liabilities.

The effect of the deferred tax on the statement of income is as follows:

	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Deferred income tax (1)	41,042	46,194	32,207
Deferred occasional gains tax	10,401	(2,187)	(2,187)
Income tax surcharge	-	18	18
Total deferred income tax revenue	51,443	44,025	30,038

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

The effect of the deferred tax on the statement of comprehensive income is as follows:

	March 31, 2019	March 31, 2018
Gain from derivative financial instruments designated as	(185)	(1,085)

hedge instruments (1)		
Total	(185)	(1,085)

The reconciliation of the development of net deferred tax (liabilities), between March 31, 2019 and December 31, 2018 to the statement of income and the statement of other comprehensive income is as follows:

	March 31, 2019
Revenue from deferred tax recognized in income for the period	51,443
(Expense) from deferred tax recognized in other comprehensive income for the period.	(185)
Effect of the translation of the deferred tax recognized in other comprehensive income for the period (1)	57,186
Total decrease in net deferred tax (liabilities) between March 31, 2019 and December 31, 2018	108,444

(1) Such effect resulting from the translation at the closing rate of deferred tax assets and liabilities of foreign subsidiaries is included in the line item "Exchange difference from translation" in other comprehensive income (Note 27).

Deferred tax assets generated by certain minor investments that have shown losses during the current or prior periods have not been recognized. The amount of losses is as follows:

	March 31, 2018	December 31, 2018
Other minor investments	(7,545)	(11,780)
Total	(7,545)	(11,780)

Temporary differences related to investments in subsidiaries, associates and joint ventures, for which no deferred tax liabilities have been recognized at March 31, 2019 amount to $55,388 (December 31, 2018 - $53,361).

Note 23.6 Effects of the distribution of dividends on income tax.

Pursuant to Colombian tax regulations in force, neither the distribution of dividends nor retained earnings influence the income tax rate.

Note 23.7 Non-current tax assets and liabilities

<u>Non-current tax assets</u>

At March 31, 2018, the balance of $2,302,451 (December 31, 2018 - $2,302,451) relates to taxes receivable of subsidiary Companhia Brasileira de Distribuição - CBD, basically the ICMS tax (Tax on the Movement of Goods and Services) and the Social Security National Tax.

<u>Non-current tax liabilities</u>

At March 31, 2019, the balance of $358,738 (December 31, 2018 - $397,014) relates to taxes payable of subsidiaries Companhia Brasileira de Distribuição - CBD and Libertad S.A. for federal taxes and incentive program by instalments.

Note 24. Other financial liabilities

The balance of other financial liabilities is as follows:

	March 31, 2018	December 31, 2018
Bonds issued (1)	3,965,859	3,477,711
Collections received on behalf of third parties (2)	127,112	131,326
Derivative financial instruments designated as hedge instruments (3)	21,436	9,473
Derivative financial instruments (4)	8,675	1,770
Total	4,123,082	3,620,280
Current	1,008,772	1,037,191
Non-current	3,114,310	2,583,089

(1) Subsidiary Companhia Brasileira de Distribuição – CBD issues bonds to strengthen working capital, and to maintain its cash strategy and its debt and investment profile extension strategy. Bonds issued are not convertible, have no renegotiation clauses and are unsecured, exception made of the issue of bonds by subsidiaries, which are endorsed by subsidiary Companhia Brasileira de Distribuição - CBD. Amortization of bonds varies in accordance with the issue.

The following amortization schedules are foreseen at March 31, 2019 for current issues:

- Payments solely upon maturity with half-yearly remuneration (4th issue of notes and 13th, 14thy, 15th and 16th issue of bonds)

13th and 14th issues are entitled to early redemption at any time in accordance with the conditions set by the issue instrument. 15th issue is entitled to early redemption as of December 15, 2018 and 16th issue as of December 10, 2018 pursuant to the conditions of the issue of bonds.

On December 20, 2016, the 13th issue of straight, not convertible, unsecured bonds was issued with unique serial number and privately placed with Ares Serviços Imobiliários Ltda., who in turn assigned and transferred them to Ápice Securitizadora S.A., which acquired the bonds and credit rights of Agronegocio (CRA) with the purpose of linking them to the 2nd series of the 1st issue of certificates receivable of Agronegocio. Resources raised will be solely devoted to the purchase of agricultural products such as fruits, vegetables, dairy products, poultry and other animal proteins directly from rural producers and rural cooperatives. The attracted amount of $932,773 matures on December 20, 2019, and bears an interest of 97.5% of the IDC payable every six months.

The 14th issue by Ápice Securitizadora S.A. of titles receivable from Agronegocio, represented in straight, not convertible, unsecured bonds with unique serial number, which were placed by Bradesco BBI S.A., Safra S.A. and BNP Paribas Brasil S.A. was approved on February 23, 2017. The attracted amount of $998,639 matures on April 13, 2020 with final compensation of 96% of IDC after book building. Resources were made available to Companhia Brasileira de Distribuição - CBD on April 17, 2017.

The 15th issue of certificates, represented in uncovered, non-convertible, unsecured, single-seried bonds was approved on January 17, 2018. The attracted amount of $668,925 matures on January 15, 2021 with a final repayment of 104.75% of IDC.

The 16th issue of certificates, represented in uncovered, non-convertible, unsecured, two-seried bonds was approved on September 11, 2018. The amount attracted with the first series $520,534 matures on September 10, 2021 with a final repayment of 106% of IDC and the amount attracted with the second series $371,810 matures on September 12, 2022 with a final repayment of 107.4% of IDC.

The 4th issue of certificates, represented in uncovered, non-convertible, unsecured, single-seried bonds was approved on January 10, 2019. The attracted amount of $520,534 matures on January 9, 2022 with a final repayment of 105.75% of IDC.

At March 31, 2019, the detail and current value of outstanding issues is as follows:

Issue	Type	Maturity	Rate	Balance
13th issue of bonds	Ordinary	December 20, 2019	97.5% of IDC	823,254
14th issue of bonds	Ordinary	April 13, 2020	96% of IDC	888,058
15th issue of bonds	Ordinary	January 15, 2021	104.75% of IDC	648,042
16th issue of bonds (1st series)	Ordinary	September 10, 2021	106% of IDC	562,437
16th issue of bonds (2nd series)	Ordinary	September 12, 2022	107.4% of IDC	401,626
4th issue of bonds	Ordinary	January 9, 2022	105.75% of IDC	648,842
Incremental costs of fund raising				(6,400)
				3,965,859

Subsidiary Companhia Brasileira de Distribuição – CBD is required to maintain financial ratios related with issues released. Such ratios are estimated based on consolidated financial information prepared pursuant to accounting principles adopted in Brazil, as follows: (i) net debt (debt less cash and cash equivalents and accounts receivable) not to exceed net shareholders' equity); and (ii) net consolidated debt ratio/Ebitda less than or equal to 3.25. The subsidiary complied with such ratios at March 31, 2019 and at December 31, 2018.

(2) The balance of collections received on behalf of third parties is as follows:

	March 31, 2018	December 31, 2018
Éxito Card collections (a)	37,273	44,860
Non-banking correspondent	40,730	47,340
Revenue received on behalf of third parties (b)	34,316	27,287
Direct trading (marketplace)	3,923	5,000
Other collections	10,870	6,839
Total	127,112	131,326

(a) Represents collections received from third parties related with Tarjeta Éxito (Éxito Credit Card), owned by Compañía de Financiamiento Tuya S.A. (Note 10).

(b) The balance relates to:

- Insurance premiums, extended warranties, telephone companies cell phone recharges and other collections by subsidiary Companhia Brasileira de Distribuição - CBD on behalf of Financiera Itaú CBD - FIC Promotora de Vendas Ltda. in amount of $9,981 (December 31, 2018 - $9,454).

- Collections received on behalf of third parties for hotel services, ground transportation, car rentals and reservation of air tickets as part of the intermediation of Éxito Viajes y Turismo S.A.S. as travel agency in amount of $$22,714 (December 31, 2018 - 15,508).

- Collections received on behalf of third parties from Grupo Disco del Uruguay S.A. and Mercados Devoto S.A. in amount of $1,621 (December 31, 2018 - $2,325).

(3) Derivatives denominated as hedge instruments represent:

(2) Financial exchange transactions - swap transactions carried out by the Parent and its subsidiaries under contracts executed with financial entities, whose purpose is the exchange, at specific intervals, of the difference between the amounts of fixed and variable interest rates calculated in relation with an agreed-upon nominal principal amount, which turns variable rates into fixed rates and cash flows then may be determined in local currency. The fair values of these instruments are determined based on valuation models commonly used by market participants.

(b) The fair value of swap contracts for 100% of liabilities denominated in US Dollars at a fixed interest rate of Companhia Brasileira de Distribuição – CBD, exception made of DCCIs (Direct consumer credits through an intermediary). The fair value is measured by exchanging such instruments at a floating IDC rate. The term of these contracts equals that of the debt, and they hedge both principal and interests. Average annual IDC rate at March 31, 2019 was 6.34% (December 31, 2018 - 6.42%).

Financial bartering is used to hedge exchange rate and/or interest rate risks of financial liabilities arising from the acquisition of property, plant and equipment, as well as from the business combinations of Companhia Brasileira de Distribuição - CBD and of Libertad S.A. The coverage ratio is 100% of the item hedged, this being the total or a portion of the relevant financial liability.

The Parent and its subsidiaries document accounting hedging relationships and conduct efficacy testing from initial recognition and over the time of the hedging relationship until derecognition thereof. No inefficacy has been identified during the periods reported.

At March 31, 2019 relates to the following transactions:

Hedging instrument	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Gross amount
Swap	Interest rate	Financial liabilities	IBR 3M	5.1% - 6.0%	6,278
Swap	Interest and exchange rates	Financial liabilities	Libor USD 1M + 2.22%	9.06%	23
Swap	Interest and exchange rates	Financial liabilities	1.94% to 9.80%	IDC	15,135
					21,436

At December 31, 2018, relates to the following transactions:

Hedging instrument	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Gross amount
Swap	Interest rate	Financial liabilities	IBR 3M	5.1% - 6.0%	6,890
Swap	Interest and exchange rates	Financial liabilities	Libor USD 1M + 2.22%	9.06%	21
Swap	Interest and exchange rates	Financial liabilities	1.94% to 9.80%	IDC	2,562
					9,473

The detail of maturities of these hedging instruments at March 31, 2019 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	562	2,440	16,429	2,005	21,436

The detail of maturities of these hedging instruments at December 31, 2018 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	295	2,752	4,975	1,451	9,473

(4) Derivative financial instruments reflect the fair value of forward and swap contracts to cover the fluctuation in the exchange rates of liabilities in foreign currency. The fair values of these instruments are estimated based on valuation models commonly applied by market participants who use variables other than prices quoted, directly or indirectly perceptible for assets or liabilities. In the statement of financial position, the Parent and its subsidiaries measure the derivative financial instruments (forward and swap) at fair value, on each accounting closing date.

The detail of maturities of these instruments at March 31, 2019 is as follows:

Derivative	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	8,532	22	-	-	8,554
Swap	121	-	-	-	121
					8,675

The detail of maturities of these instruments at December 31, 2018 is as follows:

Derivative	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	192	1,506	-	-	1,698
Swap	-	72	-	-	72
					1,770

The balance of other financial liabilities classified as current and non-current is as follows:

	March 31, 2018	December 31, 2018
Bonds issued	853,554	896,073
Collections received on behalf of third parties	127,112	131,326
Derivative financial instruments designated as hedge instruments	19,431	8,022
Derivative financial instruments	8,675	1,770
Total current	1,008,772	1,037,191
Bonds issued	3,112,305	2,581,638
Derivative financial instruments designated as hedge instruments	2,005	1,451
Total non-current	3,114,310	2,583,089

Note 25. Other non-financial liabilities

The balance of other non-financial liabilities is as follows:

	March 31, 2018	December 31, 2018
Revenue received in advance (1)	215,962	256,885
Customer loyalty programs (2)	45,617	48,636
Advance payments under contracts and other projects	8,351	7,256
Instalments received under "plan resérvalo"	691	647
Repurchase coupon	4	176
Extended warranty	-	15,712
Other (3)	-	9,423
Total other current non-financial liabilities	270,625	338,735
Advance payments under contracts and other projects	712	727
Other (3)	14,529	11,236
Total other non-current non-financial liabilities	15,241	11,963

(1) Mainly relates to revenue received in advance from third parties on the sale of various products through means of payment, lease of premises and strategic alliances.

	March 31, 2018	December 31, 2018
Lease of furniture (a)	168,643	182,922
Gift card	30,915	57,199
Cafam comprehensive card	7,399	7,210
Exchange card	3,347	3,492
Other	3,965	4,263
Data and telephone minutes purchased in advance	923	979
Fuel card	770	820
Total current	215,962	256,885

(a) Relates to advance payments from third parties on rental of gondola ends and luminous paper to display products at subsidiary Companhia Brasileira de Distribuição - CBD.

(2) Relates to customer loyalty programs “Puntos Éxito” and “Supercliente Carulla” of the Parent; “Hipermillas” of subsidiary Mercados Devoto S.A.; “Tarjeta Más” of subsidiary Supermercados Disco del Uruguay S.A.; “Puntos Extra” and “Pao de Acucar” of subsidiary Companhia Brasileira de Distribuição – CBD and "Club Libertad" of subsidiary Libertad S.A.

The following are the balances of these programs included in the statement of financial position:

	March 31, 2018	December 31, 2018
"Hipermillas" and "Tarjeta Más" programs	26,062	26,665
"Puntos Éxito" and "Supercliente Carulla" programs	11,488	18,539
"Meu Desconto" program	7,795	2,919
Club Libertad	272	513
Total	45,617	48,636

(3) Mainly relates to a payment received by subsidiary Companhia Brasileira de Distribuição – CBD from "Allpark" under a car parking service agreement.

Note 26. Share capital, treasury shares repurchased and premium on the issue of shares

At March 31, 2019 and at December 31, 2018, the Parent's authorized capital is represented in 530,000,000 common shares with a nominal value of $10 (*) each; subscribed and paid-in capital amounts to $4,482; the number of outstanding shares is 447,604,316 and the number of treasury shares reacquired is 635,835 valued at $2,734.

(*) Expressed in Colombian pesos.

The rights attached to the shares are speaking and voting rights per each share. No privileges have been granted on the shares, nor are they restricted in any way. Additionally, there are no option contracts on Parent shares.

The premium on placement of shares represents the higher value paid over the par value of the shares, and amounts to $4,843,466 at March 31, 2019 and at December 31, 2018. Pursuant to legal regulations, this balance may be distributed as profits upon winding-up of the company, or upon capitalization of this value. Capitalization means the transfer of a portion of such premium to a capital account as result of the issue of a share-based dividend.

Note 27. Reserves, Retained earnings and Other comprehensive income

Reserves

Reserves are appropriations made by the Parent's General Meeting of Shareholders on the results of prior periods. In addition to the legal reserve, there is an occasional reserve, a reserve for the reacquisition of shares and a reserve for payment of future dividends.

Retained earnings

Retained earnings include the effect on shareholders' equity of the convergence to IFRS in amount of $1,070,092 resulting from the opening financial statement prepared in 2014 under IFRS 1, included in the accounting and financial reporting standards accepted in Colombia, set out in Law 1314 of 2009 in line with International Financial Reporting Standards (IFRS) officially translated and authorized by the International Accounting Standards Board (IASB) at December 31, 2014, regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015 by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28,m 2018 by Regulatory Decree 2483.

Other accumulated comprehensive income

The balance of each component of other comprehensive income in the statement of financial position is as follows:

	March 31, 2019			March 31, 2018 (1)			December 31, 2018		
	Fair value	Tax effect	Net amount	Fair value	Tax effect	Net amount	Fair value	Tax effect	Net amount
Measurement of financial statements at fair value through other comprehensive income (2)	(114,279)	-	(114,279)	(129,927)	-	(129,927)	(107,732)	-	(107,732)
Measurement of defined benefit plans (3)	(4,760)	1,432	(3,328)	(4,449)	1,472	(2,977)	(4,760)	1,432	(3,328)
Translation exchange differences (4)	(1,150,317)	-	(1,150,317)	(219,649)	-	(219,649)	(410,001)	-	(410,001)
(Loss) from the hedging of cash flows (5)	(5,433)	1,769	(3,664)	(16,228)	5,355	(10,873)	(5,978)	1,954	(4,024)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method (6)	(48,346)	-	(48,346)	(29,416)	-	(29,416)	(38,349)	-	(38,349)
Total other accumulated comprehensive income	(1,323,135)	3,201	(1,319,934)	(399,669)	6,827	(392,842)	(566,820)	3,386	(563,434)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) Relates to accumulated gains or losses arising from the valuation at fair value of investments in financial instruments through equity, less amounts transferred to retained earnings upon sale of such investments. Changes in fair value are not reclassified to income for the period.

(3) Represents the accumulated value of actuarial gains or losses arising from the Parent's and its subsidiaries' defined benefit plans. The net value of the new measurements is transferred to retained earnings and is not reclassified to income for the period.

(4) Represents the accumulated value of exchange differences arising from the translation of assets, liabilities, equity and results of foreign operations into the Parent's presentation currency. Accumulated translation differences are reclassified to period results upon disposition of the foreign operation. Includes the effect of translating deferred tax assets and liabilities in amount of $57,186 (Note 23).

(5) Represents the accumulated value of the effective portion of gains or losses arising from changes in the fair value of hedging instruments in a cash flow hedging. The accumulated value of gains or losses is reclassified to period results only when the hedged transaction influences period results or a highly likely transaction is not foreseen to occur, or is included, as part of the carrying value, in a non-financial hedged item.

(6) Value allocated to the Parent of the other comprehensive income from its investments in associates and joint ventures through direct investment or through subsidiaries.

Note 28. Revenue from ordinary activities under contracts with customers

The balance of revenue from ordinary activities under contracts with customers is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Retail sales (Note 41)	14,035,999	13,519,070
Service revenue (1)	208,748	205,905
Other ordinary revenue (2)	30,462	18,813
Revenue from ordinary activities under contracts with customers	14,275,209	13,743,788

(1) The balance of service revenue relates to:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Lease of real estate	81,274	81,321
Commissions	28,129	35,865
Distributors	27,019	24,949
Lease of physical space	23,462	12,519
Advertising	14,690	12,462
Transport	10,903	12,218
Other revenue from the provision of services	6,309	8,486
Telephone services	6,144	8,349
Non-banking correspondent	5,006	4,063
Administration of real estate	2,158	2,213
Travel administration fees	1,985	1,564
Payments	1,669	1,896
Total service revenue	208,748	205,905

(2) Other ordinary revenue relates to:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Involvement in collaboration agreement (a)	14,503	6,076
Royalty revenue	3,760	2,546
Other revenue from Latam strategic direction (Note 35)	2,083	1,669
Other exploitation activities	1,450	1,895
Revenue from financial services	848	1,001
Other	7,818	5,626
Total other ordinary revenue	30,462	18,813

(a) Relates to the involvement in the corporate collaboration agreement with Compañía de Financiamiento Tuya S.A.

Note 29. Distribution expenses and Administration and sales expenses

The balance of distribution expenses is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Depreciation and amortization (1)	353,857	342,299	205,412
Fuels and power	198,052	187,188	187,188
Public utilities	148,703	138,006	138,006
Advertising	130,274	142,189	142,189
Commissions on debit and credit cards	101,764	99,046	99,046
Taxes other than income tax	93,899	115,136	115,136
Repairs and maintenance	91,034	93,049	93,049
Outsourced employees	72,658	58,905	58,905
Other provisions expense	35,418	911	911
Fees	19,760	22,144	22,144
Transport	16,809	17,383	17,383
Legal expenses	14,470	20,150	20,150
Leases (1)	11,241	12,140	232,246
Packaging and marking materials	10,959	11,385	11,385
Insurance	10,008	8,158	8,158
Administration of trade premises	8,825	8,433	8,433
Travel expenses	5,024	4,787	4,787
Contributions and affiliations	476	373	373
Other	54,287	72,853	72,853
Total distribution expenses	1,377,518	1,354,535	1,437,754

The balance of administration and sales expenses is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018	January 1 to March 31, 2018
Depreciation and amortization (1)	56,703	52,150	50,637
Taxes other than income tax	40,404	30,504	30,504
Fees	33,136	32,644	32,644
Outsourced employees	30,351	28,810	28,810
Public utilities	20,211	24,609	24,609
Impairment expense	9,710	3,388	3,388
Repairs and maintenance	7,987	8,808	8,808
Travel expenses	5,250	4,949	4,949
Fuels and power	2,664	3,007	3,007
Leases (1)	2,163	4,102	6,049
Insurance	1,849	1,545	1,545
Transport	732	630	630
Administration of trade premises	712	462	462
Contributions and affiliations	535	665	665
Legal expenses	277	1,986	1,986
Packaging and marking materials	104	54	54
Advertising	101	63	63
Other	24,626	14,152	14,152
Total administration and sales expenses	237,515	212,528	212,962

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to these accounts is due to the recognition of depreciation of use rights and derecognition of fixed expenses under lease agreements.

Note 30. Employee benefit expense

The balance of employee benefit expenses incurred by each significant category is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Wages and salaries	725,352	722,930
Contributions to the social security system	187,710	179,330
Other short-term employee benefits	74,322	73,343
Total short-term employee benefit expense	987,384	975,603
Post-employment benefit expenses, defined contribution plans	28,302	30,246
Post-employment benefit expenses, defined benefit plans	717	731
Total post-employment benefit expenses	29,019	30,977
Termination benefit expenses	48,687	68,161
Other long-term employee benefits	103	83
Other personnel expenses	110,158	101,039
Total employee benefit expenses	1,175,351	1,175,863

Note 31. Other operating revenue, other operating expenses and other net gains

Other operating revenue, other operating expenses and other net gains include the effects of the most significant events occurred during the period which would distort the Parent's and its subsidiaries' recurrent profitability analysis; these are defined as significant elements of unusual revenue and expense whose occurrence is exceptional and the effects of the items that given its nature are not included in an assessment of recurring operating performance of the Parent and its subsidiaries, such as impairment losses, disposal of non-current assets and the effect of business combinations, among other.

The balance of other operating revenue, other operating expense and other net gains, is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Other operating revenue			
Recurring			
Recovery of impairment of trade receivables (Note 8.3)	14,762	1,709	1,709
Taxes other than non-current income tax (2)	8,573	-	-
Recovery of other provisions related to labor lawsuits (3)	4,882	70	70
Reimbursement of ICA-related costs and expenses	2,917	139	139
Recovery of other provisions related to administrative legal proceedings (4)	2,672	-	-
Recovery of other provisions related to civil lawsuits	1,613	599	599
Recovery of other provisions	1,226	-	-
Compensation from insurance companies	425	394	394
Other recurring revenue	142	-	-
Total recurring	37,212	2,911	2,911
Non-recurring			
Recovery of other provisions (5)	1,859	-	-
Total non-recurring	1,859	-	-
Total other operating revenue	39,071	2,911	2,911
Other operating expenses			
Reorganization expenses (6)	(32,905)	(53,614)	(53,614)
Provision for tax proceeding expenses (7)	(13,597)	(9,452)	(9,452)
Tax restructuring expense	-	(1,826)	(1,826)
Tax on wealth expense	-	(52)	(52)
Other expenses	(968)	(1,366)	(1,366)
Total other operating expenses	(47,470)	(66,310)	(66,310)
Other net gains (losses)			
(Loss) from the sale of property, plant and equipment (8)	(18,867)	(4,885)	(4,885)
Derecognition of property, plant and equipment	(1,878)	(1,942)	(1,942)
Loss from disposal of other assets	(588)	(7)	(7)
Derecognition of lease agreements (1)	2,812	721	-
Total other net (losses)	(18,521)	(6,113)	(6,834)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account is due to the recognition of revenue arising from the derecognition of use rights and liabilities from the early termination of lease agreements.

(2) Represents the recovery of taxes other than non-current income tax of subsidiary Companhia Brasileira de Distribuição - CBD and its subsidiaries.

(3) For 2019 represents the recovery of provisions for labor legal proceedings of the Parent in amount of $208 and of subsidiary Companhia Brasileira de Distribuição - CBD and its subsidiaries in amount of $4,674.

(4) Represents the recovery of provisions for administrative legal proceedings of subsidiary Companhia Brasileira de Distribuição - CBD and its subsidiaries.

(5) Represents the recovery of provisions of Patrimonio Centro Comercial Viva Barranquilla in amount of $1,859.

(6) Represents expenses arising from the provision of the Parent's plan to restructure its Colombian subsidiaries including the acquisition of the operating excellence plan and corporate retirement plan in amount of $18,765 (2018 - $35,581); expenses incurred under the restructuring plan of subsidiary Companhia Brasileira de Distribuição - CBD in amount of $10,954 (2018 - $2,027) and expenses incurred under the restructuring plan of subsidiary Libertad S.A. in amount of $3,186 (2018 - $3,684). For 2018, includes expenses arising from the measures implemented by subsidiary Companhia Brasileira de Distribuição - CBD to adapt the expense structure including all operating and administrative areas, seeking to mitigate the effects of inflation on fixed costs and a reduced dilution of costs, in amount of $12,322.

(7) Represents expenses of Companhia Brasileira de Distribuição - CBD arising from legal proceedings related with the income tax and other taxes such as ICMS, PIS/COFINS.

(8) For 2019, basically represents the loss from the sale of property, plant and equipment of subsidiary Companhia Brasileira de Distribuição - CBD, and the gain from the sale of property, plant and equipment of subsidiary Libertad S.A. in amount of $753.

Note 32. Financial revenue and expenses

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Gain from exchange difference (1)	128,314	125,794	125,286
Gain from derivative financial instruments	50,377	1,759	1,759
Revenue from interest, cash and cash equivalents	8,837	8,358	8,358
Interest revenue, factoring and/or suppliers	1,163	524	524
Other financial revenue	22,180	28,617	28,617
Total financial revenue	210,871	165,052	164,544
Interest expense from lease liabilities (1)	(149,505)	(154,224)	-
Loss from derivative financial instruments	(95,885)	(115,501)	(115,501)
Loss from exchange difference (1)	(89,619)	(13,796)	(13,806)
Interest, loans and finance lease expenses	(86,839)	(103,475)	(103,475)
Interest expense, bonds	(61,974)	(54,428)	(54,428)
Expense from the amortized cost of loans and accounts receivable	(41,477)	(47,382)	(47,382)
Commission expense	(17,009)	(1,059)	(1,059)
Interest expense on supplier factoring transactions	(6,458)	(7,678)	(7,678)
Net monetary position results, effect of the statement of financial position (2)	(2,272)	-	-
Net monetary position results, effect of the statement of income (2)	(213)	-	-
Other financial expenses	(12,317)	(37,726)	(37,726)
Total financial expenses	(563,568)	(535,269)	(381,055)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account arises from the recognition of interest expense upon measurement of lease liabilities using the effective interest method.

(2) Represents results arising from the net monetary position of the financial statements of subsidiary Libertad S.A.

Note 33. Share of profits in associates and joint ventures that are accounted for using the equity method

The share of profits in associates and joint ventures that are accounted for using the equity method is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Financiera Itaú CBD - FIC Promotora de Vendas Ltda.	17,429	9,994	9,994
Cnova N.V. (1)	(31,946)	(41,608)	(39,209)
Puntos Colombia S.A.S.	(1,226)	(1,309)	(1,309)
Compañía de Financiamiento Tuya S.A.	(953)	12,890	12,890
Total	(16,696)	(20,033)	(17,634)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account relates to the recognition of the effect of applying this IFRS on the results of the associate.

Note 34. Earnings per share

Earnings per share are classified as basic and diluted. The purpose of basic earnings is to give a measure of the participation of each ordinary share of the controlling entity in the Parent's performance during the reporting periods. The purpose of diluted earnings is to give a measure of the participation of each ordinary share in the performance of the Parent taking into consideration the dilutive effect (decrease in earnings or increase in losses) of outstanding potential ordinary shares during the period.

At March 31, 2019 and at December 31, 2018. the Parent has not carried out transactions with potential ordinary shares, nor after the closing date or at the date of release of these financial statements.

Below is information regarding earnings and number of shares used in the calculation of basic and diluted earnings per share:

<u>In period results:</u>

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Net (loss) profit attributable to shareholders of the controlling entity	(13,574)	(2,338)	9,984
Weighted average of the number of common shares attributable to the basic earnings per share (basic and diluted)	447.604.316	447.604.316	447.604.316
Earnings (loss) per basic and diluted share attributable to the shareholders of the controlling entity (*) in Colombian pesos.	(30.32)	(5.22)	22.31

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Net period profit from continuing operations	84,817	53,925	98,797
Less: net gains from continuing operations attributable to non-controlling interests	(100,358)	(62,592)	(95,663)
Net (loss) gains from continuing operations attributable to the shareholders of the controlling entity	(15,541)	(8,667)	3,134
Weighted average of the number of common shares attributable to the basic earnings per share (basic and diluted)	447.604.316	447.604.316	447.604.316
(Loss) earnings per basic and diluted share from continuing operations attributable to the shareholders of the controlling entity (in Colombian pesos)	(34,72)	(19,36)	7.00

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Net period profit from discontinued operations	73,607	96,830	103,872
Less: net gains from continuing operations attributable to non-controlling interests	(71,640)	(90,501)	(97,022)
Net profit from discontinued operations attributable to the shareholders of the controlling entity	1,967	6,329	6,850
Weighted average of the number of common shares attributable to the basic earnings per share (basic and diluted)	447.604.316	447.604.316	447.604.316
Earnings per basic and diluted share from discontinued operations attributable to the shareholders of the controlling entity (in Colombian pesos)	4.40	14.14	15.31

	January 1 to March 31,	January 1 to March 31,	January 1 to March 31,

	2019	2018 (1)	2018
Net period profit from continuing operations	84,817	53,925	98,797
Weighted average of the number of common shares attributable to the basic earnings per share (basic and diluted)	447.604.316	447.604.316	447.604.316
Earnings per basic and diluted share (in Colombian pesos) from continuing operations	189.49	120.48	220.72

	January 1 to March 31, 2019	January 1 to March 31, 2018	January 1 to March 31, 2018
Net period profit from discontinued operations	73,607	96,830	103,872
Weighted average of the number of common shares attributable to the basic earnings per share (basic and diluted)	447.604.316	447.604.316	447.604.316
Earnings per basic and diluted share from discontinued operations (in Colombian pesos)	164.45	216.33	232.06

In total period comprehensive results:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Net (loss) attributable to the shareholders of the controlling entity	(296,321)	(506,659)	502,664
Weighted average of the number of common shares attributable to the basic earnings per share (basic and diluted)	447.604.316	447.604.316	447.604.316
(Loss) per basic and diluted share in total comprehensive income (in Colombian pesos)	(662.01)	(1,131.94)	1,123.01

(1) Estimation of the net earnings per share based on restated amounts that include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

Note 35. Transactions with related parties

Note 35.1. Key management personnel compensation

Transactions between the Parent and its subsidiaries and key management personnel, including legal representatives and/or administrators, mainly relate to labor agreements executed by and between the parties.

Compensation of key management personnel is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Short-term employee benefits (1)	33,029	31,585
Share-based payment plan	4,158	2,823
Post-employment benefits	496	518
Long-term employee benefits	11	-
Termination benefits	-	892
Total	37,694	35,818

(1) A portion of short-term employee benefits is reimbursed by Casino Guichard Perrachon S.A. under a Latin American strategic direction service agreement entered with the Parent. Revenue from Latam strategic direction was recognized during the three-month period ended March 31, 2019 in amount of $2,083 (March 31, 2018 - $1,669) as described in Note 28.

Note 35.2. Transactions with related parties

Transactions with related parties relate to revenue from retail sales and other services, as well as to costs and expenses related to risk management and technical assistance support, purchase of goods and services received.

The amount of revenue, costs and expenses arising from transactions with related parties is as follows:

	Revenue		Costs and expenses	
	January 1 to March 31, 2019	January 1 to March 31, 2018	January 1 to March 31, 2019	January 1 to March 31, 2018
Controlling entity (1)	2,713	1,668	43,059	20,024
Associates (2)	31,305	45,727	-	-
Grupo Casino companies (3)	26,995	867	20,992	15,472
Joint ventures (4)	19,606	11,206	17,298	667
Members of the Board	-	-	286	1,669
Total	80,619	59,468	81,635	37,832

(1) Revenue from the controlling entity relate to a Latin America strategic direction service agreement entered with Casino Guichard-Perrachon S.A.

Costs and expenses mainly represent the reimbursement of expenses incurred by professionals and companies of Grupo Casino for the benefit of Companhia Brasileira de Distribuição - CBD under a "*cost sharing agreement*" and to costs incurred by the Parent for consultancy and technical assistance services provided by Casino Guichard-Perrachon S.A. and Geant International B.V.

(2) Revenue mainly comes from the reimbursement of expenses arising from the infrastructure contract, commissions on the sale of financial products and lease of property, transactions carried out with FIC Promotora de Vendas Ltda, a financing company of Companhia Brasileira de Distribuição - CBD.

(3) Revenue mainly refers to sales of products to Distribution Casino France and to a supplier centralized negotiation with International Retail Trade and Services.

Costs and expenses mainly represent expenses incurred by Companhia Brasileira de Distribuição - CBD under the cost sharing agreement, and to costs related with energy efficiency services received at the Parent and intermediation in the import of goods.

(4) Revenue represents yields on bonds and coupons with Compañía de Financiamiento Tuya S.A. in amount of $3,903 (March 31, 2018 - $4,756); share in the corporate collaboration agreement with Compañía de Financiamiento Tuya S.A. in amount of $14,503 (March 31, 2018 - $6,076); rental of real estate property to Compañía de Financiamiento Tuya S.A. in amount of $1,096 (March 31, 2018 - $374) and services provided to Puntos Colombia S.A.S. in amount of $104 (March 31, 2018 - $0).

Costs and expenses represent the cost of the loyalty program and liability management of Puntos Colombia S.A.S. in amount of $16,610 (March 31, 2018 - $0), and commissions on means of payment with Compañía de Financiamiento Tuya S.A. in amount of $688 (March 31, 2018 - $ 667).

Note 36. Impairment of assets

Note 36.1. Financial assets

No material losses from the impairment of financial assets were identified at March 31, 2019 and at December 31, 2018.

Note 36.2. Non-financial assets

At December 31, 2018, the Parent completed the annual impairment testing by cash-generating units, which is duly supported in the financial statements at the closing of such year.

No indication of impairment of non-financial assets was identified at March 31, 2019.

Note 37. Fair value measurement

Below is a comparison of book values and fair values of financial assets and liabilities and of non-financial assets and liabilities of the Parent and its subsidiaries at March 31, 2019 and at December 31, 2018 on a periodic basis as required or permitted by an accounting policy; financial assets and liabilities whose carrying amounts are an approximation of fair values are excluded, considering that they mature in the short term (in less than or up to one year), namely: trade receivables and other debtors, trade payables and other creditors, collections on behalf of third parties and short-term financial liabilities.

	March 31, 2019		December 31, 2018	
	Book value	Fair value	Book value	Fair value
Financial assets				
Trade receivables and other accounts receivable at amortized cost	35,844	34,029	36,130	34,064
Investments in private equity funds (Note 12)	1,188	1,188	1,201	1,201
Forward contracts measured at fair value through income (Note 12)	5,867	5,867	38,675	38,675
Swap contracts measured at fair value through income (Note 12)	62,885	62,885	74,866	74,866
Derivative *swap* contracts denominated as hedge instruments (Note 12)	79,838	79,838	75,296	75,296
Investment in bonds (Note 12)	41,637	40,161	40,899	39,983
Investment in bonds through other comprehensive income (Note 12)	12,883	12,883	12,735	12,735
Equity investments (Note 12)	812	812	708	708
Non-financial assets				
Investment property (Note 14)	1,621,003	2,299,423	1,633,625	2,276,252
Property, plant and equipment, and Investment property held for trading (Note 43)	59,916	59,916	61,696	61,696
Financial liabilities				
Financial liabilities and finance leases (Note 19)	6,614,588	5,205,689	6,617,367	6,632,308
Put option (1) (Note 19)	411,409	411,409	435,023	435,023
Bonds and trade papers issued (Note 24)	3,965,859	3,963,273	3,477,711	3,432,042
Swap contracts denominated as hedge instruments (Note 24)	21,436	21,436	9,473	9,473
Forward contracts measured at fair value through income (Note 24)	8,554	8,554	1,698	1,698
Derivative swap contracts measured at fair value through income (Note 24)	121	121	72	72
Non-financial liabilities				
Customer loyalty liability (Note 25)	45,617	45,617	48,636	48,636

(1) The development of the put option measurement during the period was:

Balance at December 31, 2018	435,023
Changes in fair value recognized in Investments (a)	(23,614)
Balance at March 31, 2019	411,409

The following methods and assumptions were used to estimate the fair values:

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
Loans at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Commercial rate of banking institutions for consumption receivables without credit card for similar term horizons. Commercial rate for VIS housing loans for similar term horizons.
Investments in private equity funds	Level 1	Unit value	The value of the fund unit is given by the preclosing value for the day, divided by the total number of fund units at the closing of operations for the day. The fund administrator appraises the assets daily.	N/A
Forward contracts measured at fair value through income	Level 2	*Peso-US Dollar forward*	The difference is measured between the forward agreed upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is determined based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the *swap* net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon TES curve. Swap *LIBOR curve.* Treasury Bond curve. CPI 12 months
Derivative *swap* contracts denominated as hedge instruments	Level 2	Discounted cash flows method	The fair value is calculated based on forecasted future cash flows of transactions using IDC curves and discounting them at present value, using *swap* IDC market rates, both as displayed by BM&FBovespa.	IDC curve IDC rate for swaps
Equity investments	Level 1	Market quote prices	The fair value of such investments is determined as reference to the prices listed in active markets if companies are listed; in all other cases, the investments are measured at the deemed cost as determined in the opening balance sheet, considering that the effect is immaterial and that carrying out a measurement using a valuation technique commonly used by market participants may generate costs higher than the value of benefits.	N/A
Investment in bonds	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for investments under similar conditions on the date of measurement in accordance with maturity days.	CPI 12 months + Basis points negotiated
Investment property	Level 1	Comparison or market method	This technique involves establishing the fair value of goods from a survey of recent offers or transactions for goods that are similar and comparable to those being appraised.	N/A
Investment property	Level 3	Discounted cash flows method	This technique provides the opportunity to identify the increase in revenue over a previously defined period of the investment. Property value is equivalent to the discounted value of future benefits. Such	Weighted average cost of capital Growth in lessee sales Vacancy

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
			benefits represent annual cash flows (both, positive and negative) over a period, plus the net gain arising from the hypothetical sale of the property at the end of the investment period.	Growth in revenue
Investment property	Level 3	Realizable-value method	This technique is used wherever the property is suitable for urban development, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable value
Investment property	Level 3	Replacement cost method	The valuation method consists in calculating the value of a brand-new property, built at the date of the report, having the same quality and comforts as that under evaluation. Such value is called replacement value; then an analysis is made of property impairment arising from the passing of time and the careful or careless maintenance the property has received, which is called depreciation.	Physical value of building and land.
Non-current assets classified as held for trading	Level 2	Realizable-value method	This technique is used wherever the property is suitable for urban development, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable-value

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Liabilities				
Financial liabilities and finance leases measured at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Reference Banking Index (RBI) + Negotiated basis points. LIBOR rate + Negotiated basis points.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses *swap* cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the *swap* net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon TES curve. Swap *LIBOR curve.* Treasury Bond curve. CPI 12 months
Derivative instruments measured at fair value through income	Level 2	*Peso-US Dollar forward*	The difference is measured between the forward agreed upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is determined based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Derivative *swap* contracts denominated as hedge instruments	Level 2	Discounted cash flows method	The fair value is calculated based on forecasted future cash flows of transactions using market curves and discounting them at present value, using *swap* market rates.	Swap curves calculated by Forex Finance Market Representative Exchange Rate (TRM)
Customer loyalty liability	Level 3	Market value	The customer loyalty liability is updated in accordance with the point average market value for the last 12 months and the effect of the expected redemption rate, determined on each customer transaction.	Number of points redeemed, expired and issued. Point value. Expected redemption rate.
Bonds issued	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for bonds in similar conditions on the date of measurement in accordance with maturity days.	CPI 12 months
Put option	Level 3	Given formula	Measured at fair value using a given formula under an agreement executed with non-controlling interests of Grupo Disco, using level 3 input data.	Net income of Supermercados Disco del Uruguay S.A. at 31 December 2014 and 2015 US Dollar-Uruguayan peso exchange rate on the date of valuation US Dollar-Colombian peso exchange rate on the date of valuation

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Liabilities				
				otal shares Supermercados Disco del Uruguay S.A.

Material non-observable input data and a valuation sensitivity analysis on the valuation of the "*put option contract*" refer to:

	Material non-observable input data	Range (weighted average)	Sensitivity of the input data on the estimation of the fair value
Put option	Net income of Supermercados Disco del Uruguay S.A. at December 31, 2018	$116,869	A significant increase in any of input data severally considered would result in a significantly higher measurement of the fair value.
	Ebitda of Supermercados Disco del Uruguay S.A., consolidated over 12 months	$147,238	
	Net financial debt of Supermercados Disco del Uruguay S.A., consolidated over 6 months	($98,164)	
	Fixed contract price	$454,431	
	US Dollar-Uruguayan peso exchange rate on the date of valuation	$32.41	
	US Dollar-Colombian peso exchange rate on the date of valuation	$3,249.75	
	Total shares Supermercados Disco del Uruguay S.A.	443.071.575	

The Parent identifies whether transfers between fair value hierarchy levels have occurred, through a change in valuation techniques, in such a way that the new measurement is the most accurate picture of the new fair value of the appraised asset or liability.

Changes in hierarchies may occur if new information is available, certain information used for valuation is no longer available, there are changes resulting in the improvement of valuation techniques or changes in market conditions.

There were no transfers between level 1 and level 2 hierarchies during the year.

Note 38. Contingent assets and liabilities

Note 38.1. Contingent assets

The Parent and its subsidiaries have not recognized material contingent assets at March 31, 2019 and at December 31, 2018.

Note 38.2. Contingent liabilities

Contingent liabilities at March 31, 2019 and December 31, 2018 are as follows:

(a) The following proceedings are underway, seeking that the Parent be exempted from paying the amounts claimed by the complainant entity:

- Administrative discussion with DIAN amounting to $18,483 (December 31, 2018 - $18,483) regarding notice of special requirement 112382018000126 of September 17, 2018 informing of a proposal to amend the income tax return for 2015.
- Resolutions by means of which the District Tax Direction of Bogotá issued to the Company an official revision settlement of the industry and trade tax for the bimonthly periods 4, 5 and 6 of 2011 on the grounds of alleged inaccuracy in payments, in amount of $11,830 (December 31, 2018 - $11,830).
- Resolutions issued by the District Finance Direction of Bogotá by means of which the industry and trade tax return of the Company for the bimonthly periods 2, 3, 4, 5 and 6 of 2012 were amended on the grounds of alleged inaccuracy in payments in amount of $5,000 (December 31, 2018 - $5,000).
- Resolution defining the budget and approving the distribution and individual allocation of the reappraisal of the general benefit contribution for the development of a public works program regarding Company property in amount of $1,163 (December 31, 2018 - $1,163).
- Resolutions by means of which a penalty was imposed on the grounds of inadequate offsetting of the Carulla Vivero S.A. 2008 income tax in amount of $1,088 (December 31, 2018 - $1,088).
- Resolution and official assessment imposing penalties on the Company on the grounds of errors in the self-assessment of contributions to the Social Security System in amount of $940 (December 31, 2018 - $940).
- Termination of lease agreement on the grounds of failure to deliver certain trade premises at the Patrimonio Autónomo Centro Comercial Viva Riohacha, in amount of $602 (December 31, 2018 - $0)
- Resolution by means of which the DIAN issued official revision assessment regarding sales tax of the first bimonthly period of taxable 2013, on the grounds of alleged inaccuracy in payments in amount of $544 (December 31, 2018 - $544).

(b) Tax proceedings of subsidiary Companhia Brasileira de Distribuição - CBD:

- Imposto de Renda Pessoa Juridica (IRPJ), Imposto de Renda Retido na Fonte (IRRF), Contribuição Social sobre o Lucro Líquido (CSLL), Imposto sobre operações financeiras (IOF), Imposto de renda sobre o lucro líquido (ILL); They relate to tax offsetting proceedings, rules on deductibility of provisions, payment discrepancies, excess payments, and fines on the failure to comply with ancillary obligations, among other minor proceedings. Such proceedings are pending administrative and judicial ruling. Such proceedings include those regarding the collection of differences in the receipts of IRPJ for years 2007 to 2013, arising from the incorrect deduction of the amortization of goodwill paid on and arising from transactions between shareholders Casino Guichard Perrachon S.A. and Abílio Diniz. Amounts discussed amount to $752,911 (December 31, 2018 - $781,718).
- Tax proceedings resulting from the deduction of amortization expenses during 2012 and 2013, of the goodwill gained upon acquisition of the Ponto Frío trademark in 2009. The proceeding is valued at $72,011 (December 31, 2018 - $74,649).
- Sales tax, procurement tax, bank taxes and taxes on industrial products (COFINS, PIS and CPMF and IPI): refer to offsetting proceedings on IPI credits - inputs subject to zero aliquot or exempt - acquired from third parties, other offsetting requests, collection of taxes with a bearing on soy exports, payment differences, excess payments, fines from the failure to comply with ancillary obligations, non-recognition of COFINS and PIS credits on products predominantly single-phase, among other issues. Such proceedings are pending administrative and judicial ruling. Amounts discussed amount to $1,473,150 (December 31, 2018 - $1,532,541).

- Tax on the movement of goods and services (ICMS): Companhia Brasileira de Distribuição - CBD was called by state tax authorities regarding the appropriation of credits related with: (i) electric power; (ii) procurement from suppliers deemed disqualified before the register of Secretaria da Fazenda Estadual; (iii) compensation of tax substitution without compliance with the ancillary obligations set forth in Portaria CAT n° 17 of the State of Sao Paulo; (iv) incidents on the goods procurement operation; and (v) arising from the trading of extended warranty, among other. Such proceedings are pending final administrative and judicial ruling. Such proceedings amount to $4,246,512 (December 31, 2018 - $4,441,214).

- Tax on services (ISS), Brazilian tax on real estate (IPTU), tax rates and other: refer to requirements on third party withholdings, differences in the payment of IPTU, fines from the failure to comply with ancillary obligations, ISS - compensation for advertising expenses, and miscellaneous levies. Such proceedings are pending administrative and judicial ruling. The proceeding is valued at $91,646 (December 31, 2018 - $96,910).

(c) Other proceedings:

- A requirement by the National Social Security Institute of Brazil INSS to subsidiary Companhia Brasileira de Distribuição - CBD in amount of $338,450 (December 31, 2018 - $352,276) because of its failure to pay social contributions on benefits granted to its employees, among other matters. The requirements are being discussed in administrative and judicial proceedings.

- Parent's third-party liability lawsuit amounting to $1,531 (December 31, 2018 - $1,531) for alleged injuries to a customer at Éxito Santa Marta store premises.

- Parent's third-party liability lawsuit amounting to $700 (December 31, 2018 - $700) for alleged damages to the plaintiff's property during the demolition of Club Campestre Sincelejo and subsequent construction of Almacén Éxito Sincelejo on the same land.

(d) Other contingent liabilities:

- On June 1, 2017 the Parent granted a guarantee on behalf of its subsidiary Almacenes Éxito Inversiones S.A.S. in amount of $2,631 to cover a potential failure to comply with its obligations with one of its main suppliers.

- On August 15, 2018 and October 31, 2018 subsidiary Éxito Viajes y Turismo S.A.S. granted collaterals in amount of $526 y $1,312, respectively, to certain suppliers to protect against potential failure in issuing travel tickets.

- $334,450 (December 31, 2018 - $430,280) of Companhia Brasileira de Distribuição - CBD arising from real estate-related actions filed on the grounds of extension of lease agreements at market prices, administrative proceedings brought by regulators such as consumer protection bodies (PROCONs), Instituo Nacional de Metrologia, Normalização e Qualidade Industrial – INMETRO, Agência Nacional de Vigilância Sanitária - ANVISA, among other.

- $104,246 (December 31, 2018 - $108,561) of Companhia Brasileira de Distribuição – CBD for external counsel fees to defend tax proceedings, whose compensation is tied to a success fee upon legal closing of such proceedings. Such percentages may vary, in accordance with qualitative and quantitative factors of each proceeding.

These contingent liabilities, whose nature is that of potential liabilities, are not recognized in the statement of financial position; instead, they are disclosed in the notes to the financial statements.

Note 39. Dividends declared and paid

At March 31, 2019

The Parent's General Meeting of Shareholders held on March 27, 2019, declared a dividend of $139,706, equivalent to an annual dividend of $312.12 per share (*), payable in four quarterly installments and enforceable between the sixth and tenth working day of April, July and October 2019, and January 2020.

(*) Expressed in Colombian pesos.

Dividends paid during the three-month period ended March 31, 2019 amounted to $27,207.

Dividends declared and paid to the owners of non-controlling interests in the following subsidiaries during the three-month period ended March 31, 2019 are as follows:

	Dividends declared	Dividends paid
Companhia Brasileira de Distribuição - CBD	70,554	-
Patrimonio Autónomo Viva Villavicencio	1,594	2,400
Éxito Viajes y Turismo S.A.S.	1,442	1,442
Patrimonio Autónomo Centro Comercial	564	849
Patrimonio Autónomo Viva Sincelejo	442	985
Grupo Disco del Uruguay S.A.	358	362
Patrimonio Autónomo Viva Laureles	340	439
Patrimonio Autónomo San Pedro Etapa I	74	382
Total	75,368	6,859

At December 31, 2018

The Parent's General Meeting of Shareholders held on March 23, 2018, declared a dividend of $108,857, equivalent to an annual dividend of $243.20 per share (*), payable in four quarterly installments and enforceable between the sixth and tenth working day of April, July and October 2018, and January 2019.

(*) Expressed in Colombian pesos.

Dividends paid during the annual period ended December 31, 2018 amounted to $87,072.

Dividends declared and paid during the annual period ended December 31, 2018 to the owners of non-controlling interests in the following subsidiaries are:

	Dividends declared	Dividends paid
Companhia Brasileira de Distribuição - CBD	157,393	184,497
Grupo Disco del Uruguay S.A.	22,310	12,024
Patrimonio Autónomo Viva Villavicencio	7,894	4,900
Éxito Viajes y Turismo S.A.S.	2,457	2,457
Patrimonio Autónomo Viva Malls	2,223	10,123
Patrimonio Autónomo Centro Comercial	2,704	1,878
Patrimonio Autónomo Viva Sincelejo	2,316	1,919
Patrimonio Autónomo Centro Comercial Viva Barranquilla	2,017	2,817
Patrimonio Autónomo Viva Laureles	1,617	1,557
Patrimonio Autónomo San Pedro Etapa I	1,028	802
Éxito Industrias S.A.S.	76	76
Patrimonio Autónomo Viva Palmas	-	604
Total	202,035	223,654

Note 40. Seasonality of transactions

The operation cycles of the Parent's and it subsidiaries indicate certain seasonality in operating and financial results; for the Parent and its Colombian subsidiaries, there is a concentration during the last quarter of the year, mainly because of Christmas and "Special Price Days", which is the second most important promotional event of the year; for foreign subsidiaries there is a concentration during the first half of the year, mainly arising from carnivals and Easter, and during the last quarter of the year, because of Christmas.

Note 41. Information on operating segments

For organizational and management purposes, the Parent and its subsidiaries are focused on seven operating segments divided in four geographic segments, namely Colombia (Éxito, Carulla, Surtimax-Súper Inter and B2B), Brazil (Food), Uruguay and Argentina. For each of the segments there is financial information that is used on an ongoing basis by senior management for making decisions on the operations, allocation of resources and strategic approach.

Total assets and liabilities by segment are not specifically reported internally for management purposes and consequently they are not disclosed in the framework of IFRS 8 - Operating segments.

Reportable segments include development of the following activities:

Colombia:

- Éxito: The most significant products and services in this segment come solely from retailing activities, with stores under the banner Éxito.
- Carulla: The most significant products and services in this segment come solely from retailing activities, with stores under the banner Carulla.
- Surtimax-Súper Inter: The most significant products and services in this segment come solely from retailing activities, with stores under the banners Surtimax and Súper Inter.
- B2B: The most significant products and services in this segment come solely from retailing activities in B2B format and with stores under the banner Surti wholesaler.

Brazil:

- *Food*: The most significant products and services in this segment come solely from food trading activities.

Argentina

- The most significant products and services in this segment come solely from retailing activities in Argentina, with stores under the banners Libertad and Mini Libertad.

Uruguay:

- The most significant products and services in this segment come solely from retailing activities in Uruguay, with stores under the banners Disco, Devoto and Géant.

Accounting policies of segments being reported are the same as the Parent's accounting policies described in Note 4.

The Parent discloses information by segment pursuant to IFRS 8 – Operating segments, which are defined as a component of an entity with separate financial information assessed by senior management on an ongoing basis.

The sales of each segment for the three-month periods ended March 31, 2019 and March 31, 2018 are as follows:

Geographic segment	Operating segment	January 1 to March 31, 2019	January 1 to March 31, 2018
Colombia	Éxito	1,837,302	1,763,561
	Carulla	366,262	361,844
	Surtimax-Súper Inter	301,810	340,398
	B2B	138,832	110,014
Brazil	*Food*	10,503,593	9,919,837
Argentina		219,879	314,809
Uruguay		668,321	709,305
Total sales		14,035,999	13,519,768
Eliminations		-	(698)
Consolidated total (Note 28)		14,035,999	13,519,070

Below is additional information by geographic segment:

	At March 31, 2019						
	Colombia	Brazil (1)	Argentina (1)	Uruguay (1)	Total	Eliminations (2)	Total
Retail sales	2,644,206	10,503,593	219,879	668,321	14,035,999	-	14,035,999
Trade margin	674,223	2,326,114	74,460	233,128	3,307,925	(672)	3,307,253
Total recurring expenses	(602,064)	(1,896,107)	(82,732)	(172,941)	(2,753,844)	672	(2,753,172)
ROI	72,159	430,007	(8,272)	60,187	554,081	-	554,081
Recurring Ebitda	182,650	753,170	1,632	72,773	1,010,225	-	1,010,225

At March 31, 2018

	Colombia	Brazil (1)	Argentina (1)	Uruguay (1)	Total	Eliminations (2)	Total
Retail sales	2,575,817	9,919,837	314,809	709,305	13,519,768	(698)	13,519,070
Trade margin (3)	659,037	2,253,914	113,132	248,778	3,274,861	(766)	3,274,095
Total recurring expenses (3)	(589,141)	(1,867,590)	(108,109)	(175,941)	(2,740,781)	766	(2,740,015)
ROI (3)	69,896	386,324	5,023	72,837	534,080	-	534,080
Recurring Ebitda (3)	175,057	700,498	8,852	85,070	969,477	(2,385)	967,092

(1) For information reporting purposes, non-operating companies (holding companies that hold interests in the operating companies) are allocated by segments to the geographic area to which the operating companies belong. Should a holding company hold interests in various operating companies, it is allocated to the most significant operating company.

(2) Relates to the balances of transactions carried out between segments, which are eliminated in the process of consolidation of financial statements.

(3) Estimation of figures based on restated amounts that include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

Note 42. Financial risk management policy

During the three-month period ended 31 March 2019, there have not been significant changes to the Parent's and its subsidiaries' risk management policies as applied at December 31, 2018, nor changes in the analysis of risk factors that might have an effect on them, such as the general risk management framework, financial risk management, credit risk, market risk, interest rate risk, currency risk, stock pricing risk and liquidity risk.

At December 31, 2018, the Parent submitted a detail of its risk management policies, which are duly supported in the financial statements at the closing of such year.

Note 43. Non-current assets held for trading and discontinued operations

As of June 2018, Parent management started a plan to sell certain property to structure projects that allow using such real estate property, increase the potential future selling price and generate resources to the Parent. Consequently, certain property, plant and equipment and certain investment property were classified as non-current assets held for trading.

The balance of non-current assets held for trading, included in the statement of financial position is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Assets of Via Varejo S.A. (Note 43.1) (1)	21,162,505	24,096,218	20,227,416
Property, plant and equipment (2)	49,797	51,577	51,577
Investment property (3)	10,119	10,119	10,119
Total	21,222,421	24,157,914	20,289,112

(1) Restated amounts that include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) Represents the following real estate property:

	March 31, 2019	December 31, 2018
Lote NAR	19,598	20,546
Hotel Cota plot of land and project	16,489	16,489
Lote Paraná	8,710	9,301
Lote John Boyd	5,000	5,241
Total	49,797	51,577

(3) Represents the following real estate property:

	March 31, 2019	December 31, 2018
Lote La Secreta (land)	5,960	5,960
Kennedy trade premises (building)	1,640	1,640
Kennedy trade premises (land)	1,229	1,229
Lote Casa Vizcaya (land)	595	595
Pereira Plaza trade premises (building)	556	556
Lote La Secreta (construction in progress)	139	139
Total	10,119	10,119

Parent and its subsidiaries believe that these assets will be sold in 2019.

No revenue or expense have been recognized in income or in other comprehensive income related with the group of assets for disposal.

The balance of non-current liabilities held for trading, included in the statement of financial position is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Liabilities of Via Varejo S.A. (Note 43.1)	17,346,509	20,194,736	16,458,772
Total	17,346,509	20,194,736	16,458,772

The effect of non-current assets held for trading on the statement of income is as follows:

	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Via Varejo S.A. net gain (loss) (Note 46.1)	73,607	96,830	103,872
Net (loss) gain from discontinued operations	73,607	96,830	103,872

(1) Restated amounts that include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

Note 43.1. Via Varejo S.A.

On November 23, 2016, the Board of Directors of Companhia Brasileira de Distribuição – CBD approved that the Administration Board started the process to sell the interest in Via Varejo S.A. in line with its long-term strategy of focusing on the development of the food segment.

Pursuant to IFRS 5 - Non-Current Assets Held for Trading and Discontinued Operations, the Parent is of the opinion that given the effort applied, the sale is highly likely, which involves the presentation of Via Varejo S.A.'s (and its subsidiary Cnova Comercio Electronico S.A.'s) net results after taxes in one single line in the statement of income and the balances of assets and liabilities as held for trading and discontinued operations.

The assets and liabilities of Via Varejo S.A. available for trading at March 31, 2019 amount to $21,162,505 (December 31, 2018 - $20,227,416) and $17,346,509 (December 31, 2018 - $16,458,772), respectively. The net result of the discontinued operation of Via Varejo S.A. during the period ended March 31, 2019 is profit in amount of $73,607 (March 31, 2018 - profit of $103,872).

The shares of subsidiary Via Varejo S.A. are listed on the BM&FBovespa, with code “VVAR11” and “VVAR3”.

Below is the financial position of Via Varejo S.A.'s discontinued operation, including the effects of the placement of purchase price in the acquisitions of Globex and Casa Bahía Ltda. and expenses directly related with discontinued operations:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Assets			
Current assets			
Cash and cash equivalents	1,036,954	3,112,614	3,112,614
Trade receivables and other accounts receivable	3,877,923	4,048,982	4,048,982
Inventories	3,756,556	4,003,370	4,003,370
Other assets	144,821	83,875	83,875
Total current assets	8,816,254	11,248,841	11,248,841
Non-current assets			
Trade receivables and other accounts receivable	3,027,648	3,120,162	3,120,162
Deferred tax assets	238,435	323,759	373,245
Accounts receivable from related parties	138,420	140,911	149,298
Investments accounted for using the equity method	91,214	90,585	90,585
Property, plant and equipment and use rights	5,352,682	5,541,275	1,614,600
Intangible assets	3,497,852	3,630,685	3,630,685
Total non-current assets	12,346,251	12,847,377	8,978,575
Total assets	21,162,505	24,096,218	20,227,416
Liabilities			
Current liabilities			
Trade payables and other accounts payable	7,361,510	9,440,140	9,495,341
Financial liabilities	3,180,471	2,815,695	2,833,309
Accounts payable to related parties	79,212	85,553	117,425
Other provisions	2,730	2,862	2,862
Lease liabilities	746,511	798,493	-
Total current liabilities	11,370,434	13,142,743	12,448,937
Non-current liabilities			
Financial liabilities	274,441	810,235	855,528
Deferred tax liabilities	802,020	841,361	841,361
Trade payables and other accounts payable	2,005,096	2,275,538	2,275,538
Other provisions	19,692	37,408	37,408
Lease liabilities	2,874,826	3,087,451	-
Total non-current liabilities	5,976,075	7,051,993	4,009,835
Total liabilities	17,346,509	20,194,736	16,458,772

Below is the result of Via Varejo S.A.'s discontinued operation:

	January to March 31 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Revenue from ordinary activities	5,260,269	5,882,037	5,882,037
Cost of sales	(3,795,016)	(3,921,946)	(3,961,605)
Gross profit	1,465,253	1,960,091	1,920,432
Distribution, administration and sales expenses	(1,053,009)	(1,518,423)	(1,575,135)
Gain from investments accounted for using the equity method	8,321	5,288	5,288
Other (expenses), net	(63,003)	(13,220)	(28,787)
Profit before financial results	357,562	433,736	321,798
Net financial result	(213,007)	(222,978)	(136,607)
Earnings before taxes	144,555	210,758	185,191
Tax (expense)	(70,948)	(113,928)	(81,319)
Net earnings	73,607	96,830	103,872
Profit is attributable to:			
owners of the controlling entity	1,968	6,329	6,850
Non-controlling interests	71,639	90,501	97,022

Below is a summary cash flows of the discounted operation of Via Varejo S.A.:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Net cash flows (used in) operating activities	(1,610,032)	(2,241,237)	(2,446,589)
Net cash flows (used in) investment activities	(138,954)	(103,116)	(86,371)
Net cash flows (used in) provided by financing activities	(260,434)	(259,994)	(71,388)
Translation difference	(66,241)	(35,340)	(101,322)
Net development of cash and cash equivalents	(2,075,661)	(2,639,687)	(2,705,670)

(1) Restated amounts that include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

Note 44. Facts and circumstances that extend the selling period of the discontinued operation to more than one year

Progress in the process to sell Via Varejo S.A.

Since November 23, 2016 subsidiary Companhia Brasileira de Distribuição – CBD started the process to sell its interest in Via Varejo S.A.

At December 31, 2018 certain external events related with the market, beyond the control of subsidiary Companhia Brasileira de Distribuição – CBD, made management review the original schedule foreseen for the sale of Via Varejo S.A., where the transaction was expected to be completed on November 23, 2017 at the latest.

Some of the external factors that influenced the sale transaction schedule at December 31, 2018 were, among other:

- Lack of visibility, specially by the general market, of a recovery of the electric devices and household appliances market,
- Political unrest in Brazil at December 31, 2018.

Some significant events that affected the estimation of the selling price of Via Varejo S.A. at the closing of December31, 2018 included, among other:

- A significant volatility of stock prices along 2017;
- An increase in the price of the share of more than 100%, going from R$10.75 at December 31, 2016 to R$23 on December 8, 2017, and
- An increase in consumer confidence index, from 78.9% at the beginning of 2017 to 92.4% in November 2017.

Such external factors had an influence on the significant increase in the price of the stock of Via Varejo S.A. and consequently made management to adopt a more careful position regarding the selling process, to preserve the best interest of shareholders.

Despite management trust in general corporate recovery of the Brazil market, initial discussions with potential buyers showed that the interested parties had material concerns regarding the macroeconomic environment and were skeptic about the improved performance of Via Varejo S.A. in the short and medium term. Such lack of confidence had a negative impact on investor's ability to assess the real underlying value of Via Varejo S.A. in the long term.

Progressive and sustained improvement of performance along 2017 should provide greater visibility of the asset in future and help potential buyers to consolidate their purchase analyses.

Despite the challenges to complete a successful transaction during 2017, the management of subsidiary Companhia Brasileira de Distribuição – CBD has publicly reiterated the strategic decision to continue trying to sell Via Varejo S.A. discontinued operation. The management of subsidiary Companhia Brasileira de Distribuição – CBD has reaffirmed the strategic sale in all press releases since the sale announcement, in November 2016, to the closing of the year ended December 31, 2017.

Management of subsidiary Companhia Brasileira de Distribuição – CBD were confident that during 2018 there would be:

- A steadier macroeconomic scenario;
- Greater visibility of Via Varejo S.A.'s financial and operating performance, and
- Lower volatility in the price of the stock of Via Varejo S.A. Market price is an important valuation reference and as such a sustained price level will help potential buyers to consolidate their points of view on the valuation.

These situations would attract other interested parties to the process, thus improving the selling dynamic.

On December 7, 2017 during the celebration of the "GPA Investor Day", the management of subsidiary Companhia Brasileira de Distribuição – CBD reiterated the intention of selling Via Varejo S.A. discontinued operation and including such sale as part of the company's strategic plan; such plan was submitted to the meeting of the Board of Directors on December 15, 2017 and approved on that same date.

Financial advisors HSBC Ltd., Rothschild Global Advisory and Bank Société Générale S.A. remained fully committed as the selling strategy advisors for subsidiary Companhia Brasileira de Distribuição – CBD and Casino Guichard Perrachon S.A.

Financial and operating information for the full year 2017 should reassure investors of a successful integration process; this situation was a concern of investors at the beginning of 2018.

Given the important financial and operating improvement in Via Varejo S.A. during 2017, financial advisors had recommended to update marketing materials to include information for the entire year. This should mitigate the concerns of potential buyers regarding the business integration process and reassure the parties interested regarding the recovery of the technology and household appliance sector.

During a meeting of the Board of Directors held on December 21, 2018, subsidiary Companhia Brasileira de Distribuição - CBD was authorized to dispose of 50,000,000 common shares of Vía Varejo S.A., representing 3.86% of its interest in equity, through a total-return swap (TRS) transaction.

Authorization was given on February 20, 2019 to dispose of additional shares through another TRS (Total-Return Swap) transaction, covering 3.09% of the interest in the equity of Vía Varejo S.A.

These two TRS transactions concretize the first stage of the process and the disinvestment strategy at Vía Varejo S.A. The Board of Directors directed the management of subsidiary Companhia Brasileira de Distribuição - CBD to work actively on selling the remaining share interest in Vía Varejo S.A. Company Management are of the opinion that the goal may be achieved in 2019 through transactions available in the equity market.

Note 45. Relevant facts

At March 31, 2019

General Meeting of Shareholders

The Company's General Meeting of Shareholders was held on March 28, 2019, to resolve, among other topics, on the approval of the Management Report, approval of separate and consolidated financial statements at December 31, 2018 and approval of dividend distribution to shareholders.

At December 31, 2018

Contribution to Patrimonio Autónomo Viva Malls

On December 28, 2018 the Parent made an additional contribution of the following assets to Patrimonio Autónomo Viva Malls, as part of the memorandum of understanding executed on December 23, 2016 with Fondo Inmobiliario Colombia:

Fiduciary interests:
- Patrimonio Autónomo Viva Villavicencio,
- Patrimonio Autónomo Centro Comercial,
- Patrimonio Autónomo Viva Sincelejo, and
- Patrimonio Autónomo San Pedro Etapa I.

Real estate property:
- Lote Sincelejo, and
- Lote Fontibón.

With the mentioned contributions, the Parent remains the trustor with 51% of interest in Patrimonio Autónomo Viva Malls, but changed its interest in contributed Patrimonios from 51% to 26.01%

Sale of interest in the equity of Vía Varejo S.A.

An agreement was reached on December 21, 2018 to sell 3.86% of the interest in the equity of Vía Varejo S.A. through a total-return swap (TRS) transaction. Through this transaction, amounts received are subject to further adjustment from the subsequent resale of the shares in the market during the contract term.

General Meeting of Shareholders

The Company's General Meeting of Shareholders was held on March 23, 2018, to resolve, among other topics, on the approval of the Management Report, approval of separate and consolidated financial statements at December 31, 2017 and approval of dividend distribution to shareholders.

Note 46. Events after the reporting period

No events have occurred after the reporting period that entail significant changes in the Company.

Note 47. Information regarding the adoption of IFRS 16

The Parent and its subsidiaries started to apply IFRS 16 - Leases as of January 1, 2019. This standard requires recognizing a use right asset and a lease liability.

Use rights assets are assets representing the right of the Parent and its subsidiaries as lessees to use an underlying asset during the term of a lease agreement. The liability represents future payments under the lease agreement.

The Parent and its subsidiaries elected to apply the standard retrospectively, as if it had been applied from the start date of all lease agreements. For comparison purposes, the Parent and its subsidiaries have prepared the financial statements of prior periods including the effects of adopting IFRS 16.

As a result of adoption:

- Use right assets were recognized;
- Lease liabilities were recognized;
- Lease expenses were eliminated (fixed payments under lease agreements);
- Depreciation of use rights was recognized;
- Interest expense was recognized upon measurement of lease liabilities using the effective interest method.
- Fixed payments made and new amendments to the lease agreement were recognized under lease liabilities.
- The effects on deferred tax arising from temporary differences resulting upon recognition of use rights and lease liabilities were recognized.

The effects shown in the statement of financial position at December 31, 2018 are:

	December 31, 2018 with IFRS 16	December 31, 2018 without IFRS 16	IFRS 16 adjustment	
Current assets				
Cash and cash equivalents	5,973,764	5,973,764	0	
Trade receivables and other accounts receivable	1,000,267	1,000,298	(31)	(1)
Prepaid expenses	137,346	156,829	(19,483)	(2)
Accounts receivable from related parties	131,720	131,720		
Inventories	6,720,396	6,720,396		
Other financial assets	141,214	141,214		
Tax assets	724,290	724,290		
Non-current assets held for trading	24,157,914	20,289,112	3,868,802	(3)
Total current assets	38,986,911	35,137,623	3,849,288	
Non-current assets				
Trade receivables and other accounts receivable	135,284	135,284		
Prepaid expenses	24,308	59,912	(35,604)	(2)
Accounts receivable from related parties	28,316	28,316		
Other financial assets	754,065	754,065		
Property, plant and equipment, net	12,317,515	12,334,581	(17,066)	(4)
Investment property, net	1,633,625	1,633,625		
Use rights, net	4,703,501	-	4,703,501	(5)
Goodwill	5,436,868	5,436,868		
Intangible assets other than goodwill, net	5,767,176	5,767,176		
Investments accounted for using the equity method	792,618	814,039	(21,421)	(6)
Tax assets	2,302,451	2,302,451		
Deferred tax assets	851,859	703,763	148,096	(7)
Other non-financial assets	398	398		
Total non-current assets	34,747,984	29,970,478	4,777,506	
Total assets	73,734,895	65,108,101	8,626,794	
Current liabilities				
Accounts payable to related parties	236,698	236,698		
Financial liabilities	2,319,197	2,320,284	(1,087)	(8)
Employee benefits	3,657	3,657		
Other provisions	36,997	36,997		
Trade payables and other accounts payable	13,115,802	13,226,708	(110,906)	(9)
Lease liabilities	767,706	-	767,706	(10)
Tax liabilities	298,699	298,699		
Other financial liabilities	1,037,191	1,037,191		
Other non-financial liabilities	338,735	338,735		
Non-current liabilities held for trading	20,194,736	16,458,772	3,735,964	(3)
Total current liabilities	38,349,418	33,957,741	4,391,677	
Non-current liabilities				
Financial liabilities	4,704,688	4,732,106	(27,418)	
Employee benefits	27,680	27,680		
Other provisions	2,330,648	2,330,648		
Trade payables and other accounts payable	40,720	40,720		
Lease liabilities	4,730,446	-	4,730,446	(10)
Deferred tax liabilities	2,082,157	2,069,442	12,715	(7)
Tax liabilities	397,014	397,014		
Other financial liabilities	2,583,089	2,583,089		
Other non-financial liabilities	11,963	11,963		
Total non-current liabilities	16,908,405	12,192,662	4,715,743	
Total liabilities	55,257,823	46,150,403	9,107,420	
Shareholders' equity	18,477,072	18,957,698	(480,626)	
Total liabilities and shareholders' equity	73,734,895	65,108,101	8,626,794	

(1) The adjustment represents the derecognition of the balance receivable of subsidiaries Grupo Disco del Uruguay S.A., Mercados Devoto S.A. and Devoto Hermanos S.A. for the commission to gain lease agreements, which was taken into consideration when measuring the use right.

(2) The adjustment represents the derecognition of advance payment by subsidiary Companhia Brasileira de Distribuição - CBD for the commission to gain lease agreements, which was taken into consideration when measuring the use right.

(3) The adjustment represents the recognition of adjustments arising from the retrospective application of IFRS 16 - Leases by Via Varejo S.A.

(4) The adjustment represents the reclassification to use rights of certain assets and accumulated depreciation thereof that used to be properly recognized as property, plant and equipment and were related to finance leases.

(5) The adjustment represents the recognition of use rights.

(6) The adjustment represents the recognition of the effects of application of this standard on the equity of investments accounted for using the equity method.

(7) The adjustment represents the effects on deferred tax from the temporary difference resulting upon recognition of use rights and lease liabilities.

(8) The adjustment represents the reclassification of finance leases to lease liabilities regarding certain contracts on assets that were properly recorded as finance leases.

(9) Adjustment to these accounts arises from the reclassification of fixed-payment liabilities under lease agreements to lease liabilities.

(10) The adjustment represents the recognition of lease liabilities.

The effects shown in the statement of income at March 31, 2018 are:

	March 31, 2018 with IFRS 16	March 31, 2018 without IFRS 16	IFRS 16 adjustment	
Continuing operations				
Revenue from ordinary activities under contracts with customers	13,743,788	13,743,788		
Cost of sales	(10,469,693)	(10,482,565)	12,872	(11)
Gross profit	3,274,095	3,261,223	12,872	
Distribution expenses	(1,354,535)	(1,437,754)	83,219	(11)
Administration and sales expenses	(212,528)	(212,962)	434	(11)
Employee benefit expenses	(1,175,863)	(1,175,863)		
Other operating revenue	2,911	2,911		
Other operating expenses	(66,310)	(66,310)		
Other net (losses)	(6,113)	(6,834)	721	(12)
Profit from operating activities	461,657	364,411	97,246	
Financial revenue	165,052	164,544	508	
Financial expenses	(535,269)	(381,055)	(154,214)	(13)
Share of profits in associates and joint ventures accounted for using the equity method.	(20,033)	(17,634)	(2,399)	(14)
Profit from continuing operations before income tax	71,407	130,366	(58,959)	
Tax expense	(17,482)	(31,469)	13,987	(15)
Net period profit from continuing operations	53,925	98,797	(44,872)	
Net period profit from discontinued operations	96,830	103,872	(7,042)	
Net period profit	150,755	202,669	(51,914)	
(Loss) profit attributable to the shareholders of the controlling entity	(2,338)	9,984	(12,322)	

(11) The adjustment relates to the derecognition of fixed payments under lease agreements and the recognition of the depreciation of use rights.

(12) The adjustment represents the recognition of revenue arising from the derecognition of use rights and liabilities from the early termination of lease agreements.

(13) The adjustment represents the recognition of interest expense upon measurement of lease liabilities using the effective interest method.

(14) The adjustment represents the recognition of the effects of application of this standard on the income of subsidiaries that are accounted for using the equity method.

(15) The adjustment represents the recognition of the effects of application of this IFRS on deferred tax revenue.

Almacenes Éxito S.A.

Interim separate financial statements

At March 31, 2019 and at December 31, 2018

Almacenes Éxito S.A.
Certification by the Company's Legal Representative and Head Accountant

Envigado, May 15, 2019

We, the undersigned Legal Representative and Head Accountant of Almacenes Éxito S.A., each of us duly empowered and under whose responsibility the attached financial statements have been prepared, do hereby certify that the separate financial statements of the Company at March 31, 2019 and at December 31, 2018 have been fairly taken from the books of accounts, and that the following assertions therein contained have been verified prior to making them available to you and to third parties:

1. All assets and liabilities included in the interim separate financial statements do exist, and all transactions included in said interim consolidated financial statements have been carried out during the three-month period ended March 31, 2019 and during the annual period ended December 31, 2018.

2. All economic events achieved by the Company during the three-month period ended March 31, 2019 and during the annual period ended December 31, 2018, have been recognized in the financial statements.

3. Assets represent likely future economic benefits (rights) and liabilities represent likely future economic sacrifice (obligations) obtained by or in charge of the Company at March 31, 2019 and at December 31, 2018.

4. All items have been recognized at proper values.

5. All economic events influencing the Company have been properly classified, described and disclosed in the interim separate financial statements.

We do certify the above assertions pursuant to section 37 of Law 222 of 1995.

Further, the undersigned Legal Representative of Almacenes Éxito S.A., does hereby certify that the interim separate financial statements and the operations of the Company at March 31, 2019 and at December 31, 2018, are free from fault, inaccuracy or misstatement that prevent users from having a true view of its financial position.

I do certify the above assertion pursuant to section 46 of Law 964 of 2005.

Carlos Mario Giraldo Moreno
Legal Representative

Jorge Nelson Ortiz Chica
Head Accountant
Professional Card 67018-T

Almacenes Éxito S.A.
Interim separate statements of financial position
At March 31, 2019 and at December 31, 2018
(Amounts expressed in millions of Colombian pesos)

	Notes	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Current assets				
Cash and cash equivalents	6	494,351	1,885,868	1,885,868
Trade receivables and other accounts receivable	7	165,504	218,109	218,109
Prepaid expenses	8	16,806	18,539	18,539
Accounts receivable from related parties	9	101,947	108,951	108,951
Inventories, net	10	1,407,944	1,398,724	1,398,724
Other financial assets	11	47,716	89,022	89,022
Tax assets	22	227,018	168,907	168,907
Non-current assets held for trading	41	26,608	26,608	26,608
Total current assets		2,487,894	3,914,728	3,914,728
Non-current assets				
Trade receivables and other accounts receivable	7	32,549	23,177	23,177
Prepaid expenses	8	10,156	10,231	10,231
Accounts receivable from related parties	9	3,806	3,807	3,807
Other financial assets	11	63,920	66,729	66,729
Property, plant and equipment, net	12	2,044,919	2,055,879	2,055,879
Investment property, net	13	98,847	97,680	97,680
Use rights, net	14	1,319,305	1,302,847	-
Goodwill	15	1,453,077	1,453,077	1,453,077
Intangible assets other than goodwill, net	16	143,997	144,245	144,245
Investments accounted for using the equity method, net	17	7,450,986	7,766,368	7,851,746
Deferred tax assets, net	22	59,433	41,717	41,652
Other non-financial assets		398	398	398
Total non-current assets		12,681,393	12,966,155	11,748,621
Total assets		15,169,287	16,880,883	15,663,349
Current liabilities				
Accounts payable to related parties	9	179,639	120,972	120,972
Financial liabilities	18	1,098,810	1,042,781	1,042,781
Employee benefits	19	4,290	3,648	3,648
Other provisions	20	24,271	12,292	12,292
Trade payables and other accounts payable	21	2,354,170	3,567,527	3,567,527
Lease liabilities	21	181,525	181,394	-
Tax liabilities	22	40,208	50,458	50,458
Other financial liabilities	23	105,767	111,269	111,269
Other non-financial liabilities	24	153,956	197,708	197,708
Total current liabilities		4,142,636	5,288,049	5,106,655
Non-current liabilities				
Financial liabilities	18	2,719,289	2,838,433	2,838,433
Employee benefits	19	27,560	27,560	27,560
Other provisions	20	41,080	38,793	38,783
Lease liabilities	21	1,348,293	1,328,049	-
Other financial liabilities	23	2,005	1,451	1,451
Other non-financial liabilities	24	712	727	727
Total non-current liabilities		4,138,939	4,235,013	2,906,954
Total liabilities		8,281,575	9,523,062	8,013,609
Shareholders' equity, see accompanying statement		6,887,712	7,357,821	7,649,740
Total liabilities and shareholders' equity		15,169,287	16,880,883	15,663,349

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

The accompanying notes are an integral part of the separate financial statements.

Carlos Mario Giraldo Moreno
Legal Representative
(See accompanying certificate)

Jorge Nelson Ortiz Chica
Head Accountant
Professional Card 67018-T
(See accompanying certificate)

Ángela Jaimes Delgado
Statutory Auditor
Professional Card 62183-T
Appointed by Ernst and Young Audit S.A.S. TR-530
(See accompanying report dated May 15, 2019)

Almacenes Éxito S.A.
Interim separate statements of income
For the three-month periods ended March 31, 2019 and March 31, 2018
(Amounts expressed in millions of Colombian pesos)

	Notes	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Continuing operations				
Revenue from ordinary activities under contracts with customers	27	2,730,830	2,651,335	2,651,335
Cost of sales	10	(2,118,376)	(2,033,052)	(2,037,032)
Gross profit		612,454	618,283	614,303
Distribution expenses	28	(332,081)	(325,007)	(347,224)
Administration and sales expenses	28	(42,252)	(44,767)	(44,798)
Employee benefit expenses	29	(190,602)	(189,467)	(189,467)
Other operating revenue	30	15,566	2,896	2,896
Other operating expenses	30	(19,478)	(35,997)	(35,997)
Other (losses), net	30	(13)	(1,509)	(1,925)
Profit (loss) from operating activities		43,594	24,432	(2,212)
Financial revenue	31	166,208	124,448	124,448
Financial expenses	31	(271,126)	(243,595)	(210,996)
Share of profits in subsidiaries, associates and joint ventures that are accounted for using the equity method.	32	34,925	68,365	74,734
(Loss) from continuing operations before income tax		(26,399)	(26,350)	(14,026)
Tax revenue	22	12,825	24,012	24,010
Net period profit (loss) from continuing operations		(13,574)	(2,338)	9,984
Earnings per share (*)				
Earnings per basic share (*)				
(Loss) earnings per basic share from continuing operations	33	(30.33)	(5.22)	22.31
Earnings per diluted share (*)				
(Loss) earnings per diluted share from continuing operations	33	(30.33)	(5.22)	22.31

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(*) Amounts expressed in Colombian pesos.

The accompanying notes are an integral part of the interim separate financial statements.

Carlos Mario Giraldo Moreno
Legal Representative
(See accompanying certificate)

Jorge Nelson Ortiz Chica
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Professional Card 67018-T
(See accompanying certificate)

Ángela Jaimes Delgado
Statutory Auditor
Professional Card 62183-T
Appointed by Ernst and Young Audit S.A.S. TR-530
(See accompanying report dated May 15, 2019)

Almacenes Éxito S.A.
Interim separate statements of comprehensive income
For the three-month periods ended March 31, 2019 and March 31, 2018
(Amounts expressed in millions of Colombian pesos)

	Notes	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Net period (loss) profit		(13,574)	(2,338)	9,984
Other comprehensive income for the period				
Components of other comprehensive income that will not be reclassified to period results, net of taxes				
(Loss) from investments in equity instruments		(909)	(5,666)	(5,666)
Total other comprehensive income that will not be reclassified to period results, net of taxes		(909)	(5,666)	(5,666)
Components of other comprehensive income that will be reclassified to period results, net of taxes				
(Loss) from translation exchange differences	26	(263,870)	(470,525)	(478,852)
Gain from the hedging of cash flows	26	360	2,203	2,203
Share of other comprehensive income of associates and joint ventures accounted for using the equity method that will be reclassified to period results	26	(18,328)	(30,333)	(30,333)
Total other comprehensive income that will be reclassified to period results, net of taxes		(281,838)	(498,655)	(506,982)
Total other comprehensive income		(282,747)	(504,321)	(512,648)
Total comprehensive income		(296,321)	(506,659)	(502,664)
Earnings per share (*)				
Earnings per basic share (*)				
(Loss) per basic share from continuing operations	33	(662.01)	(1,131.94)	(1,123.01)
Earnings per diluted share (*):				
(Loss) per diluted share from continuing operations	33	(662.01)	(1,131.94)	(1,123.01)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(*) Amounts expressed in Colombian pesos.

Carlos Mario Giraldo Moreno
Legal Representative
(See accompanying certificate)

Jorge Nelson Ortiz Chica
Head Accountant
Professional Card 67018-T
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Ángela Jaimes Delgado
Statutory Auditor
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Appointed by Ernst and Young Audit S.A.S. TR-530
(See accompanying report dated May 15, 2019)

Almacenes Éxito S.A.
Interim separate statements of cash flows
For the three-month periods ended March 31, 2019 and March 31, 2018
(Amounts expressed in millions of Colombian pesos)

	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Cash flows provided by operating activities			
Net period (loss) profit	(13,574)	(2,338)	9,984
Adjustments to reconcile period profit			
Current income tax	5,076	14,976	14,976
Deferred income tax	(17,901)	(38,988)	(38,986)
Financial costs	197,904	188,031	188,031
Impairment of receivables	10,020	866	866
Reversal of receivable impairment	(10,012)	(1,709)	(1,709)
Reversal of inventory impairment	(1,463)	(3,880)	(3,880)
Employee benefit provisions	642	644	644
Other provisions	21,449	39,106	39,106
Reversal of other provisions	(1,985)	(1,676)	(1,676)
Expense from depreciation of property, plant and equipment, use rights and investment property	98,031	98,494	50,323
Amortization of intangible assets expense	4,423	4,826	4,826
(Gain) from the application of the equity method	(34,925)	(68,365)	(74,734)
Loss from the disposal of non-current assets	742	1,509	1,925
Other cash (outflows)	(1,606)	(1,498)	(1,498)
Other adjustments for which the effects on cash are cash flows provided by investment or financing activities	(130,699)	(103,321)	(103,321)
Operating income before changes in working capital	126,122	126,677	84,877
Decrease in trade receivables and other accounts receivable	43,225	38,417	38,417
Decrease in prepaid expenses	1,809	10,169	10,169
Decrease in receivables from related parties	4,961	21,524	21,524
(Increase) in inventories	(7,757)	(69,577)	(69,577)
(Increase) in tax assets	(63,188)	(41,656)	(41,656)
(Decrease) in other provisions	(5,198)	(21,618)	(21,618)
(Decrease) in trade payables and other accounts payable and lease liabilities	(1,310,319)	(1,164,826)	(1,123,026)
(Decrease) in accounts payable to related parties	(3,545)	(45,648)	(45,648)
(Decrease) in tax liabilities	(10,250)	(11,710)	(11,710)
(Decrease) in other non-financial liabilities	(43,767)	(62,607)	(62,607)
Net cash flows (used in) operating activities	(1,267,907)	(1,220,855)	(1,220,855)
Cash flows provided by investment activities			
Cash flows used to maintain control over subsidiaries	(1,697)	-	-
Cash flows provided by reimbursement of contributions in subsidiaries or other businesses	-	370	370
(Increase) in other non-financial assets	-	(5,000)	(5,000)
Acquisition of property, plant and equipment	(38,514)	(22,190)	(22,190)
Acquisition of investment property	(1,415)	(546)	(546)
Acquisition of intangible assets	(4,175)	(569)	(569)
Dividends received	29,509	8,024	8,024
Other cash inflows	-	6	6
Net cash flows (used in) investment activities	(16,292)	(19,905)	(19,905)
Cash flows provided by financing activities			
Cash flows provided by changes in the share of interest in subsidiaries that do not result in loss of control	10,498	-	-
Decrease in other financial assets	44,137	9,966	9,966
(Decrease) increase in other financial liabilities	(4,427)	47,572	47,572
(Decrease) increase in financial liabilities	(61,989)	286,449	286,449
(Decrease) in financial liabilities under lease agreements	(1,125)	(1,783)	(1,783)
Dividends paid	(27,207)	(5,453)	(5,453)
Financial yields	130,699	103,322	103,322
Interest paid	(197,904)	(188,031)	(188,031)
Net cash flows (used in) provided by financing activities	(107,318)	252,042	252,042
Net (decrease) in cash and cash equivalents	(1,391,517)	(988,718)	(988,718)
Cash and cash equivalents at the beginning of period	1,885,868	1,619,695	1,619,695
Cash and cash equivalents at the end of period	494,351	630,977	630,977

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

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Almacenes Éxito S.A.
Interim separate statements of changes in shareholders' equity
For the three-month periods ended March 31, 2019 and March 31, 2018
(Amounts expressed in millions of Colombian pesos)

	Issued share capital	Premium on the issue of shares	Treasury shares repurchased	Legal reserve	Occasional reserve	Reserve for the reacquisition of shares	Reserve for future dividends	Other reserves	Total reserves	Other accumulated comprehensive income	Retained earnings	Other equity components	Total Shareholders' equity
	(Note 25)	(Note 25)	(Note 25)	(Note 26)	(Note 26)	(Note 26)	(Note 26)	(Note 26)	(Note 26)	(Note 26)	(Note 25)		
Balance at December 31, 2017	4,482	4,843,466	(2,734)	7,857	1,665,209	22,000	15,710	9,662	1,720,438	(49,694)	1,312,737	10,873	7,839,568
Cash dividend declared (Note 38)	-	-	-	-	-	-	-	-	-	-	(108,857)	-	(108,857)
Net period results	-	-	-	-	-	-	-	-	-	-	9,984	-	9,984
Other comprehensive income	-	-	-	-	-	-	-	-	-	(512,648)	-	-	(512,648)
Appropriation for reserves	-	-	-	-	108,856	-	-	-	108,856	-	(108,856)	-	-
Other net increase (decrease) in shareholders' equity	-	-	-	-	(1,494)	-	-	3,911	2,417	-	(16,415)	2,386	(11,612)
Balance at March 31, 2018	4,482	4,843,466	(2,734)	7,857	1,772,571	22,000	15,710	13,573	1,831,711	(562,342)	1,088,593	13,259	7,216,435
Balance at December 31, 2017 (1)	4,482	4,843,466	(2,734)	7,857	1,665,209	22,000	15,710	9,662	1,720,438	(49,694)	1,012,273	10,873	7,539,104
Cash dividend declared (Note 38)	-	-	-	-	-	-	-	-	-	-	(108,857)	-	(108,857)
Net period results	-	-	-	-	-	-	-	-	-	-	(2,338)	-	(2,338)
Other comprehensive income	-	-	-	-	-	-	-	-	-	(504,321)	-	-	(504,321)
Appropriation for reserves	-	-	-	-	108,856	-	-	-	108,856	-	(108,856)	-	-
Other net increase (decrease) in shareholders' equity	-	-	-	-	(1,494)	-	-	3,911	2,417	-	(15,706)	2,386	(10,903)
Balance at March 31, 2018 (1)	4,482	4,843,466	(2,734)	7,857	1,772,571	22,000	15,710	13,573	1,831,711	(554,015)	776,516	13,259	6,912,685
Balance at December 31, 2018	4,482	4,843,466	(2,734)	7,857	1,772,571	22,000	15,710	27,241	1,845,379	(700,799)	943,688	424,339	7,357,821
Cash dividend declared (Note 38)	-	-	-	-	(139,706)	-	-	-	(139,706)	-	-	-	(139,706)
Net period results	-	-	-	-	-	-	-	-	-	-	(13,574)	-	(13,574)
Other comprehensive income	-	-	-	-	-	-	-	-	-	(282,747)	-	-	(282,747)
Appropriation for reserves	-	-	-	-	139,701	-	139,702	-	279,403	-	(279,403)	-	-
(Decrease) from changes in the ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	2,245	2,245
Other net increase (decrease) in shareholders' equity	-	-	-	-	(1,544)	-	-	11,954	10,410	-	12,101-	(58,838)	(36,327)
Balance at March 31, 2019	4,482	4,843,466	(2,734)	7,857	1,771,022	22,000	155,412	39,195	1,995,486	(983,546)	662,812	367,746	6,887,712

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

The accompanying notes are an integral part of the interim separate financial statements.

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Note 1. General information

Almacenes Éxito S.A., (hereinafter the Company), was incorporated pursuant to Colombian laws on March 24, 1950; its main place of business is at Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The life span of the Company goes to December 31, 2050.

The Company is listed on the Colombia Stock Exchange (BVC) since 1994 and is under the surveillance of the Colombian Financial Superintendence.

The Company's main corporate purpose is:

- Acquire, store, transform and, in general, distribute and sell under any trading figure, including funding thereof, all kinds of goods and products, produced either locally or abroad, on a wholesale or retail basis, physically or online.
- Provide supplementary services, namely grant credit facilities for the acquisition of goods, grant insurance coverage, carry out money transfers and remittances, provide mobile phone services, trade tourist package trips and tickets, repair and maintain furnishings, complete paperwork.
- Give or receive in lease trade premises, receive or give, in lease or under occupancy, spaces or points of sale or commerce within its trade establishments intended for the exploitation of businesses of distribution of goods or products, and the provision of ancillary services.
- Incorporate, fund or promote with other individuals or legal entities, enterprises or businesses intended for the manufacturing of objects, goods, articles or the provision of services related with the exploitation of trade establishments.
- Acquire property, build commercial premises intended for establishing stores, malls or other locations suitable for the distribution of goods, without prejudice to the possibility of disposing of entire floors or commercial premises, give them in lease or use them in any convenient manner with a rational exploitation of land approach, as well as invest in property, promote and develop all kinds of real estate projects.
- Invest resources to acquire shares, bonds, trade papers and other securities of free movement in the market to take advantage of tax incentives established by law, as well as make temporary investments in highly liquid securities with a purpose of short-term productive exploitation; enter into firm *factoring* agreements using its own resources; encumber its chattels or property and enter into financial transactions that enable it to acquire funds or other assets.
- In the capacity as wholesaler and retailer, distribute oil-based liquid fuels through service stations, alcohols, biofuels, natural gas for vehicles and any other fuels used in the automotive, industrial, fluvial, maritime and air transport sectors, of all kinds.

The Company's ultimate controlling entity is Casino Guichard Perrachon S.A.(France). The control situation has been registered with the Aburrá Sur Chamber of Commerce. At March 31, 2019, the controlling entity had a 55.30% interest (December 31, 2018 - 55.30%) in the share capital of the Company.

Almacenes Éxito S.A., registered before the Aburrá Sur Chamber of Commerce a situation of entrepreneurial Group regarding its subsidiaries.

Note 2. Basis for preparation

The interim separate financial statements for the three-month periods ended March 31, 2019 and March 31, 2018, and for the year ended December 31, 2018 have been prepared in accordance with accounting and financial reporting standards accepted in Colombia, set out in Law 1314 of 2009 as an official translation of the International Financial Reporting Standards (IFRS) authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015 by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28, 2018 by Regulatory Decree 2483. The Company did not apply any of the exceptions to the IFRS contained in such decrees.

Financial statements herein presented

These interim separate financial statements of the Company are made of the statements of financial position at March 31, 2019 and at December 31, 2018, and the statements of income, statements of comprehensive income, statements of cash flows and statements of changes in shareholders' equity for the three-month periods ended March 31, 2019 and March 31, 2018.

These interim separate financial statements are based on interim information as required by IAS 34 and do not include all financial reporting disclosures required for annual financial statements under IAS 1. All disclosures required for annual financial statements were properly included in the financial statements at December 31, 2018.

Statement of accountability

Company Management is responsible for the information contained in these interim separate financial statements. Preparing such financial statements pursuant to accounting and financial reporting standards accepted in Colombia, set out by Law 1314 of 2009 in line with the International Financial Reporting Standards (IFRS) officially translated and authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015, by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28, 2018 by Regulatory Decree 2483 without applying any of the exceptions to the IFRS therein contained, requires management judgment to apply the accounting policies.

Estimates and accounting judgments

Estimations made by the Company to quantify some of the assets, liabilities, revenue, expenses and commitments therein contained have been used to prepare the accompanying interim separate financial statements. Basically, such estimations refer to:

- The hypotheses used to estimate the fair value of financial instruments,
- The appraisal of financial assets to identify actual impairment losses,
- The useful lives of property, plant and equipment and of intangible assets,
- Variables used and hypotheses used to assess and determine the impairment of non-financial assets,
- Variables used to assess and determine inventory losses and obsolescence,
- Actuarial assumptions used to estimate retirement benefits and long-term employee benefit liabilities, such as inflation rate, death rate, discount rate, and the possibility of future salary increases,
- The probability of occurrence and the value of liabilities that serve as a basis to recognize provisions related to lawsuits and business reorganizations,
- The assumptions used to recognize liabilities arising from the customer loyalty program,
- The probability of making future profits to recognize deferred tax assets,
- The valuation technique applied to determine the fair values of elements in business combinations.

Such estimations are based on the best information available regarding the facts analyzed at the date of preparation of the accompanying interim separate financial statements, which may give rise to future changes by virtue of potential situations that may occur and would result in prospective recognition thereof; this situation would be treated as a change in accounting estimates in future financial statements.

Distinction between current and non-current items

The Company presents its current and non-current assets, as well as its current and non-current liabilities, as separate categories in its statement of financial position. For this purpose, those amounts that will be realized or will become available in a term not to exceed one year are classified as current assets, and those amounts that will be enforceable or payable also in a term not to exceed one year are classified as current liabilities. All other assets and liabilities are classified as non-current.

Functional currency

The interim separate financial statements are presented in Colombian pesos, which is the Company's functional currency. Figures shown have been stated in millions of Colombian pesos.

The functional currency used by the Company is not part of a highly inflationary economy, and consequently these interim separate financial statements are not adjusted for inflation.

Foreign currency transactions

Transactions in foreign currency are defined as those denominated in a currency other than the functional currency. During the reporting periods, exchange differences arising from the settlement of such transactions, between the historical exchange rate when recognized and the exchange rate in force on the date of collection or payment, are accounted for as exchange gains or losses and shown as part of the net financial result in the net statement of income.

Monetary balances at period closing expressed in a currency other than the functional currency are updated based on the exchange rate at the closing of the reporting period, and the resulting exchange differences are recognized as part of the net financial results in the statement of income. For this purpose, monetary balances are translated into the functional currency using the market representative exchange rate (*).

Non-monetary items are not translated at period closing exchange rate but are measured at historical cost (at the exchange rates in force on the date of each transaction), except for non-monetary items measured at fair value such as forward and swap financial instruments, which are translated using the exchange rates in force on the date of measurement of the fair value thereof.

(*) Market Representative Exchange Rate means the average of all market rates negotiated during the closing day (closing exchange rate), equivalent to the international "spot rate", as also defined by IAS 21 - Effects of Changes in Foreign Exchange Rates, as the spot exchange rate in force at the closing of the reporting period.

Accounting accrual basis

The interim separate financial statements have been prepared on the accounting accrual basis, except for information on cash flows.

Materiality

Economic events are recognized and presented in accordance with materiality thereof. An economic event is material wherever awareness or unawareness thereof, given its nature or value and considering the circumstances, may have a material effect on the economic decisions to be made by the users of the information.

When preparing the interim separate financial statements, including the notes thereto, the materiality for presentation and disclosure purposes was defined on a 5% basis applied to current and non-current assets, current and non-current liabilities, shareholders' equity, period results and to each individual account at a general ledger level for the reporting period.

Offsetting of balances and transactions

Assets and liabilities are offset in the interim separate financial statements, only if they arise from the same transaction, there is an enforceable legal right on the closing date that makes it mandatory to receive or pay recognized amounts at net value, and wherever there is an intention to offset on a net basis towards realizing assets and settling liabilities simultaneously.

Classification as liability or equity

Debt and equity instruments are classified as financial liabilities or as equity, following the substance of the relevant legal agreement.

Fair value measurement

The fair value is the price to be received upon the sale of an asset, or paid out upon transferring a liability under an orderly transaction carried out by market participants on the date of measurement.

Measurements of the fair value are carried out using a fair value hierarchy that reflects the importance of inputs used to determine the measurements:
- Based on (unadjusted) prices quoted in active markets for identical assets or liabilities (level 1).
- Based on valuation models commonly applied by market participants who use variables other than prices quoted, directly or indirectly perceptible for assets or liabilities (level 2).
- Based on the Company's own valuation models applying non-perceptible estimated variables for assets or liabilities (level 3).

Note 3. Significant accounting policies

The accompanying interim separate financial statements at March 31, 2019 have been prepared using the same accounting policies, measurements and bases used to present the consolidated financial statements for the annual period ended December 31, 2018, except for the standards mentioned in note 4.2 that came into effect as of January 1, 2019, pursuant to accounting and financial reporting standards accepted in Colombia, set out in Law 1314 of 2009 in line with the International Financial Reporting Standards (IFRS), officially translated and authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015 by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28, 2018 by Regulatory Decree 2483, without applying any of the exceptions to the IFRS therein contained.

Adoption of new standards in force as of January 1, 2019 mentioned in Note 5.2 did not entail significant change to these accounting policies as compared to those applied when preparing the financial statements at December 31, 2018 and no significant effects arose from adoption thereof, except for the adoption of IFRS 16 whose effects were properly disclosed in the annual financial statements at December 31, 2018 and have been included in these interim consolidated financial statements.

The most significant policies applied to prepare the accompanying interim separate financial statements were the following, regarding which a summary was included in the separate financial statements for the annual period ended December 31, 2018, except for IFRS 16 - Leases, regarding which a summary is included below in this Note:

- Investments in subsidiaries, associates and joint arrangements
- Related parties
- Business combinations and goodwill
- Put options *granted to the holders of non-controlling interests*
- Intangible assets
- Research and development costs
- Property, plant and equipment
- Investment property
- Non-current assets held for trading
- Finance leases
- Operating leases
- Loan costs
- Impairment of non-financial assets
- Inventories
- Financial assets
- Financial liabilities
- Embedded derivatives
- Derivative financial instruments
- Hedge accounting
- Employee benefits
- Provisions, contingent assets and liabilities
- Taxes

- Share capital
- Revenue from ordinary activities under contracts with customers
- Loyalty programs
- Costs and expenses
- Earnings per basic and diluted share
- Leases and lease liabilities

  Use rights assets are assets representing the right of the Company as lessees to use an underlying asset during the term of a lease agreement.

  They are initially measured at cost, which includes the present value of payments under the lease agreement discounted at the incremental rate of loans of the Company, plus indirect costs incurred under the lease agreement, plus an estimation of the costs required to dismantle the underlying asset upon termination of the lease agreement. Later, they are measured at cost less accumulated depreciation and less accumulated impairment losses, plus adjustments from measurements of lease liabilities relevant to the use right.

  Initially, lease liabilities are comprised of payments for the right to use the underlying asset during the term of the lease agreement, including fixed payments, variable lease payments and the payment of fines arising from termination of the lease agreement. Later, lease liabilities are measured by increasing the book value to reflect interests, reducing the book value to show rental instalment payments made and re-measuring the book value to reflect new amendments to the lease agreement.

  The useful lives of use rights are defined by the irrevocable terms of the lease agreements covering underlying assets together with periods covered by an option to extend the term or an option to terminate the lease agreement.

  The Company does not carry assets regarding use rights under:
  - lease agreements whose underlying assets are low-cost assets such as furniture and fixtures, computers, machinery and equipment and office equipment,
  - lease agreements for underlying assets with a term of less than one year,
  - lease agreements covering intangible assets.

  Use rights and lease liabilities are shown in a separate line item in the statement of financial position.

Note 4. New and modified standards and interpretations

Note 4.1. Standards issued during the three-month period ended March 31, 2019

During the three-month period ended March 31, 2019 the International Accounting Standards Board IASB did not issue new standards or amendments.

No Regulatory Decrees enabling the application of new International Financial Reporting Standards authorized by the International Accounting Standards Board IASB were enacted in Colombia during the three-month period ended March 31, 2019.

Note 4.2. Standards applied as of 2019, issued prior to January 1, 2019

The following standards started to be applied as of January 1, 2019 according to the adoption date set by the IASB:
- Amendment to IAS 19 - Employee Benefits
- IFRS 16 - Leases
- IFRIC 23 - Uncertainties over Income Tax Treatments
- Amendment to IAS 28 - Investments in Associates and Joint Ventures
- Amendment to IFRS 9
- Annual improvement to IFRS Cycle 2015-2017

In Colombia, these standards were enacted by means of Regulatory Decree 2483 of December 28, 2018. No significant effects arose from application of these standards, exception made of IFRS 16 whose effects were properly disclosed in the annual financial statements at December 31, 2018.

Note 4.3. Standards applied earlier during the three-month period ended March 31, 2019

During the three-month period ended March 31, 2019 the Company did not apply the early adoption of Standards.

Note 4.4. Standards not yet in force at March 31, 2019, issued prior to January 1, 2019

During the year ended December 31, 2017 the International Accounting Standards Board IASB issued the following new standards and amendments:
- IFRS 17 - Insurance Contracts, to be applied as of January 2021.
- Amendment to IFRS 3 - Business Combinations, to be applied as of January 2020.
- 2018 Conceptual framework, to be applied as of January 2020.

Note 4.5. Standards issued during the year ended December 31, 2018

Regulatory Decree 2483 of December 28, 2018 was enacted in Colombia during the year ended December 31, 2018. Such decree compiled and updated the technical frameworks ruling the preparation of financial reporting set out in Regulatory Decree 2420 of 2015 amended by Regulatory Decree 2496 of 2016, Regulatory Decree 2130 of 2016 and Regulatory Decree 2170 of 2017, allowing the application of International Financial Reporting Standards authorized by the International Accounting Standards Board in force at December 31, 2018 and those applicable as of January 1, 2019.

During the year ended December 31, 2018 the International Accounting Standards Board IASB issued the following new standards and amendments:
- Amendment to IAS 19, Employee Benefits, to be applied as of January 2019.
- Amendment to IFRS 3 - Business Combinations, to be applied as of January 2020.
- 2018 Conceptual framework, to be applied as of January 2020.

Amendment to IAS 19 "Employee Benefits" (January 2018)

The amendment specifies how a company accounts for a defined-benefits plan. IAS 19 requires a company to update its assumptions and remeasure its net defined benefit-related liabilities or assets upon occurrence of a plan event (e.g. a change, reduction or settlement). The amendment also clarifies that after a plan event, a company would use such updated assumptions to measure the cost of the current service and the net interest for the remaining of the reporting period following the plan event.

No material effects are expected from the application of this amendment.

Amendment to IFRS 3 - Business Combinations (October 2018)

The amendment has a limited scope seeking to improve the definition of business. It clarifies the definition of business as a comprehensive set of activities and assets aimed at and managed to provide goods or services to customers, generating revenue from investments (dividends or interests) or other kinds of ordinary revenue.

No material effects are expected from the application of this amendment.

2018 Conceptual framework (March 2018)

The new conceptual framework, which is not a standard by itself, integrates and improves certain concepts such as: (i) confirms the purpose of delivering financial information and clarifies the role of administration work, (ii) highlights the importance of delivering information regarding financial performance, (iii) improves the concepts to deliver information regarding assets, liabilities, revenue and expenses, (iv) introduces a guidance on measurement, and (v) supports the Council in establishing standards.

No material effects are expected from the application of this conceptual framework.

Note 4.6 Standards applied as of 2018, issued prior to January 1, 2018

The following standards started to be applied as of January 1, 2018 according to the adoption date set by the IASB:
- Amendment to IAS 40. (a)
- Amendments to IFRS 4. (a)
- Amendments to IFRS 2. (a)
- Annual improvements cycle 2014-2016. (a)
- IFRS 15 - Revenue from Ordinary Activities under Contracts with Customers. (b)
- IFRS 9 - Financial Instruments. (c)
- IFRIC 22 - Foreign Currency Transactions and Advance Consideration. (d)

(a) In Colombia, these standards were made part of Regulatory Decree 2420 of December 14, 2015 by means of Regulatory Decree 2170 of December 22, 2017. No material effects resulted from application of these amendments and annual improvements.

(b) In Colombia, this standard was made part of Regulatory Decree 2420 of December 14, 2015 by means of Regulatory Decree 2496 of December 23, 2015. The Company reviewed the changes to this IFRS against the rules contained in the previous standards and which were deleted by it, and no significant effects resulted from application of this IFRS.

(c) The Company started to apply this standard as of January 1, 2014. No material effects resulted from application of this IFRS.

(d) In Colombia, this standard was enacted by means of Regulatory Decree 2483 of December 28, 2018.

Amendment to IAS 40 - Investment property (issued December 2016).

The amendment sets out that an entity shall transfer a property to, or from, investment property, when there is evidence of a change in use, which occurs if the property meets, or ceases to meet, the definition of investment property. A change in management intentions regarding the use of a property is not evidence of a change in use by itself. The listing of situations that evidence a change in use of investment property provided by the standard was defined as a non-exhaustive listing of examples.

The amendments are effective for periods commencing on or after January 1, 2018. Earlier application was permitted. The Company did not consider early application thereof.

Amendment to IFRS 4 - "Insurance Contracts" (issued September 2016).

The amendment allows entities mainly developing insurance activities an option to continue carrying its accounts under current IFRS and delay the application of IFRS 9 - "Financial Instruments" until the earlier of application of the new insurance standard or for periods commencing on or after January 1, 2021. Following full adoption of IFRS 9, the amendment grants all entities having insurance contracts an option to present in other comprehensive income and not in profit or loss the changes in the fair value of qualifying designated financial assets.

The amendments are effective for periods commencing on or after January 1, 2018. This amendment is not applicable to the Company.

Amendment to IFRS 2 - "Share-based Payments" (issued June 2016)

The amendment relates to the following aspects:

- Addresses the effects of vesting and non-vesting consolidation conditions on the measurement of the fair value of liabilities incurred from cash-settled share-based payments.
- Classifies share-based payment transactions that include net settlement features for tax purposes.
- Defines the accounting of share-based payments when the transaction changes from cash-settled to equity-settled.

The amendments are effective for periods commencing on or after January 1, 2018. Earlier application was permitted. The Company did not consider early application thereof.

IFRS 15 - "Revenue from Ordinary Activities under Contracts with Customers" (issued May 2014).

The standard sets out a unique comprehensive accounting model for ordinary revenue arising from contracts with customers. IFRS 15 will supersede the guidelines on recognition of ordinary revenue included in IAS 18 - Revenue, IAS 11 - Construction Contracts and related interpretations, once applicable.

The core principle of IFRS 15 is that an entity recognizes the revenue from ordinary activities to describe the transfer of goods or services promised to customers, in exchange for an amount that reflect the consideration the entity expects to be entitled to in exchange for such goods or services.

An entity recognizes revenue from ordinary activities pursuant to such basic principle, by applying the following stages:

- Stage 1: Identify customer contract.
- Stage 2: Identify performance obligations under the contract.
- Stage 3: Define the transaction price.
- Stage 4: Allocate the transaction price to performance obligations under the contract.
- Stage 5: Recognize ordinary revenue when (or in as much as) the entity fulfills a performance obligation.

Pursuant to IFRS 15, revenue is recognized upon fulfillment of a performance obligation. The standard also includes guidance on specific aspects related with the recognition of revenue, and requires a higher level of disclosure.

The standard is effective for periods commencing on or after January 1, 2018. The Company did not consider early application thereof.

The Company has reviewed the changes in this Standard as compared to what was required by previous standards, which were repealed by the former.

Some of the aspects that have been reviewed include:

- Regarding the performance obligation, retail sales represent the only performance obligation; consequently, the Company does not expect an effect on the recognition of revenue, given that like under prior standards revenue is recognized when control over the asset is transferred to the customer, generally upon delivery thereof;
- The Company recognizes revenue from retail sales measured at the fair value of the consideration received or to be received, including returns and discounts;
- The Company does not grant volume discounts to its customers;
- The Company generally grants minor repair warranties but does not offer extended warranties under contracts with customers. The amount of such warranties is non-material;
- Regarding customer loyalty programs, no material changes are expected since liabilities representing points granted that have not been redeemed or expired are measured at the fair value of points and recognized as deferred revenue;

- The Company concluded that services provided to customers are delivered over time, taking into consideration that customers receive and consume benefits simultaneously. In line with this definition, revenue from such service contracts will continue to be recognized over time;
- Regarding disclosures and presentation requirements, the Company did not change the notes to the financial statements given that there are no changes related with judgments applied in the definition of the transaction price, or in the disaggregation of the revenue recognized from contracts with customers, or in the information on revenue for each reporting segment.

IFRS 9 - "Financial Instruments" (issued July 2014)

IFRS 9 introduced new requirements for the classification, measurement and derecognition of financial assets and liabilities, as well as new requirements for hedge accounting and impairment of financial assets.

IFRIC 22 - Foreign Currency Transactions and Advance Consideration (issued December 2016)

This interpretation clarifies the accounting of transactions including the receipt or payment of advance consideration in foreign currency.

The interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or a non-monetary liability arising from payment or receipt of advance consideration before it recognizes the related asset, expense or revenue. It does not apply when an entity measures the related asset, expense or revenue on initial recognition at fair value or at the fair value of the consideration received or paid out on a date other than the date of initial recognition of a non-monetary asset or a non-monetary liability. In addition, it is not required to apply this interpretation to income taxes, insurance contracts or reinsurance contracts.

The amendments are effective for periods commencing on or after January 1, 2018. Earlier application was permitted. The Company did not consider early application thereof. No material effects resulted from application of this IFRIC.

Note 4.7 Standards adopted earlier during the year ended December 31, 2018

During the year ended December 31, 2018 the Company did not apply any Standards earlier.

Note 4.8 Standards not yet in force at December 31, 2018, issued prior to January 1, 2018

During the year ended December 31, 2016 the International Accounting Standards Board IASB issued the following new standards and amendments:
- IFRS 16 - Leases, to be applied as of January 2019.

During the year ended December 31, 2017 the International Accounting Standards Board IASB issued the following new standards and amendments:
- IFRS 17 - Insurance Contracts, to be applied as of January 2021.
- IFRIC 23 - Uncertainty over Income Tax Treatments, to be applied as of January 2019.
- Amendment to IAS 28, Investments in Associates and Joint Ventures, to be applied as of January 2019.
- Amendment to IFRS 9, to be applied as of January 2019.
- Annual improvements to IFRS standards cycle 2015-2017, to be applied as of January 2019.

During the year ended December 31, 2018 the International Accounting Standards Board IASB issued the following new standards and amendments:
- Amendment to IAS 19, Employee Benefits, to be applied as of January 2019.

IFRS 16 - Leases (issued January 2016)

The standard sets out the principles for recognition, measurement, presentation and disclosure of leases, applicable to lessors and lessees. It deletes the dual accounting model for lessees, which makes a distinction between finance lease agreements that are carried in the balance sheet and operating leases for which recognition of future lease instalments is not required. Instead, a single model is developed, in the balance sheet, like the current finance lease.

IFRS 16 supersedes IAS 17 - Leases and relevant interpretations, and is applicable to periods commencing on or after January 1, 2019; earlier application is permitted, if IFRS 15 - Revenue from Contracts with Customers has been applied. Earlier application was not considered.

IFRS 17 - Insurance Contracts (issued May 2017)

This IFRS sets out the principles for recognition, measurement, presentation and disclosure of insurance contracts, and supersedes IFRS 4 - Insurance Contracts.

This standard requires a company issuing insurance contracts to disclose such contracts in the statement of financial position as the aggregate of: (a) cash flows from compliance less current estimates of the amounts the company expects to collect on premiums, as well as claims, benefits and expense payouts, including an adjustment relevant to the timeliness and risk attached to such amounts; and (b) the contract margin associated with the service less the expected gain from providing the insurance coverage.

The expected gain from the insurance coverage is recognized in income during the term when the insurance coverage is provided.

Additionally, it requires a company to differentiate the groups of contracts from which it expects to obtain a gain and those from which it expects a loss, the latter being recognized in income as soon as the company identifies such expected losses.

On each reporting date, companies are required to update cash flows from compliance, using current estimates of the amount, timeliness and uncertainty of cash flows and discount rates.

Regarding measurement, historic cost changes to current value. This allows including committed cash flows (both rights and liabilities), and updating them on each reporting date.

No material effects are expected from the application of this IFRS.

IFRIC 23 Uncertainties Over Income Tax Treatments (issued June 2017)

This interpretation clarifies how to account for the income tax regarding the effects of uncertainties, pursuant to IAS 12 - Income tax.

The purpose of the interpretation is to limit the diversity of views under which companies recognize and measure a tax liability or a tax asset when tax treatments are uncertain, given that there is no clarity regarding how to apply the tax law to a certain transaction, or whether the tax authority will accept the tax treatment given by a company.

No material effects are expected from the application of this IFRIC.

Amendment to IAS 28 Investments in Associates and Joint Ventures (issued October 2017)

The amendment clarifies that a company applies IFRS 9 - Financial Instruments to long-term interests in an associate or joint venture that is part of the net investment in the associate or joint venture.

No material effects are expected from the application of this amendment.

Amendment to IFRS 9 Financial Instruments (issued October 2017)

This amendment allows companies to measure financial assets terminated early with negative compensation at amortized cost or fair value through other comprehensive income, provided a condition is met, instead of at fair value through income.

No material effects are expected from the application of this amendment.

Annual improvement to IFRS Cycle 2015-2017 (issued December 2017)

Include the following amendments:

- IFRS 3 - Business Combinations. The following paragraph is added: "When a party to a joint arrangement (as defined in IFRS 11 - Joint Arrangements) obtains control of a business that is a joint operation (as defined by IFRS 11), and it had title to the rights and obligations arising from the liabilities related with such joint operation immediately before acquisition date, the transaction is a business combination carried out in stages. Consequently, the acquirer shall apply the requirements relevant to a business combination carried out in stages, including the remeasurement of the interest previously held in the joint operation as described in section 42. In doing so, the acquirer shall remeasure all its interest previously held in the joint operation.

- IFRS 11 - Joint Arrangements. The following paragraph is added: "A party that participates in a joint operation, but does not have joint control, may obtain joint control of the joint venture whose activity is a business, as defined by IFRS 3. In these events, the interests previously held in the joint operation are not remeasured".

- IAS 12 - Income Tax. Modifies the basis for the conclusions regarding the consequences of payments for financial instruments classified as equity in the income tax.

- IAS 23 - Loan Costs. Paragraph 14 is amended as follows: "Where funds are part of a general pool, and they are used to obtain a qualifying asset, such entity will determine the amount of costs eligible for capitalization by applying a capitalization rate to payouts related to that asset. The capitalization rate will be the weighted average of loan costs applicable to all loans received by the entity that are outstanding during the period. Nevertheless, an entity will exclude from this calculation the loan costs applicable to loans specifically obtained to fund a qualifying asset until all activities required to prepare such asset for its foreseen use or sale have been completed. The amount of borrowing costs that an entity is entitled to capitalize during the period will not exceed total loan costs incurred during the same period".

No material effects are expected from the application of these improvements.

Note 5. Business combinations

No business combinations were carried out at March 31, 2019 and December 31, 2018.

Note 6. Cash and cash equivalents

The balance of cash and cash equivalents is as follows:

	March 31, 2019	December 31, 2018
Cash at hand and in banks	490,433	1,869,999
Fiduciary rights (1)	3,918	15,869
Total cash and cash equivalents	494,351	1,885,868

(1) The balance includes:

	March 31, 2019	December 31, 2018
Fiducolombia S.A.	3,221	5,306
Fondo de Inversión Colectiva Abierta Occirenta	562	5,225
Fiduciaria Bogotá S.A.	57	87
Corredores Davivienda S.A.	51	5,105
BBVA Asset S.A.	26	49
Credicorp Capital	1	97
Total fiduciary rights	3,918	15,869

The Company recognized yields from cash and cash equivalents in amount of $2,910 (March 31, 2018 - $1,929), which were recorded as financial revenue, as detailed in Note 31.

At March 31, 2019 and December 31, 2018, cash and cash equivalents were not restricted or levied in any way as to limit availability thereof.

Note 7. Trade receivables and other accounts receivable

The balance of trade receivables and other accounts receivable is as follows:

	March 31, 2019	December 31, 2018
Other accounts receivable (Note 7.1)	112,715	136,080
Trade accounts receivable (Note 7.2)	85,338	105,206
Total trade receivables and other accounts receivable	198,053	241,286
Current (Note 7.3)	165,504	218,109
Non-current (Note 7.3)	32,549	23,177

Note 7.1. Other accounts receivable

The balance of other accounts receivable is as follows:

	March 31, 2019	December 31, 2018
Employee funds and lending	66,470	75,619
Business agreements	25,336	26,877
Money remittances	5,639	6,938
Money transfer services	4,704	572
Tax claims	1,360	1,360
Sale of property, plant and equipment (1)	1,283	11,565
Taxes collected receivable	165	352
Other accounts receivable (2)	7,758	12,797
Total other accounts receivable	112,715	136,080

(1) The balance includes balances receivable from the following third parties:

	March 31, 2019	December 31, 2018
Arquitectura y Comercio S.A.	1,111	10,993
Permoda Ltda.	170	570
Tacmo S.A.S.	2	2
Total	1,283	11,565

(2) The balance is comprised of:

	March 31, 2019	December 31, 2018
Attachment orders receivable	1,916	1,815
Factoring of trade receivables	1,439	5,995
Shortfalls receivable from employees	619	599
Other minor balances	3,784	4,388
Total	7,758	12,797

Note 7.2. Trade accounts receivable

The balance of trade receivables is as follows:

	March 31, 2019	December 31, 2018
Trade accounts	68,096	98,471
Sale of real-estate project inventories (1)	10,863	-
Rental fees and concessions receivable	9,493	8,458
Employee funds and lending	4,960	6,606
Impairment of receivables (2)	(8,074)	(8,329)
Total trade receivables	85,338	105,206

(1) The balance receivable represents the sale of the Copacabana real-estate project.

(2) The impairment of receivables is recognized as expense in period results. However, even if impaired, the Company is of the opinion that these balances are recoverable, given the extensive credit risk analysis conducted on customers, including credit ratings when they are available in credit databases recognized in the market. During the three-month period ended March 31, 2019, the net effect of the impairment of receivables in the statement of income represents a revenue from recoveries of $255 (March 31, 2018 - $1,190).

The development of the impairment of receivables during the period was as follows:

Balance at December 31, 2018	8,329
Impairment loss recognized during the period	10,020
Reversal of impairment losses	(10,012)
Receivables written-off	(263)
Balance at March 31, 2019	8,074

Note 7.3. Trade receivables and other accounts receivable classified as current and non-current

The balance of trade receivables and other accounts receivable classified as current and non-current is as follows:

	March 31, 2019	December 31, 2018
Trade accounts	68,096	98,471
Other employee funds and lending	46,594	55,104
Business agreements	25,336	26,877
Rental fees and concessions receivable	9,493	8,458
Money remittances	5,639	6,938
Employee funds and lending	4,960	6,606
Money transfer services	4,704	572
Tax claims	1,360	1,360
Sale of property, plant and equipment	1,283	11,565
Sale of real-estate project inventories	860	-
Taxes receivable	165	352
Other	5,088	10,135
Impairment of receivables	(8,074)	(8,329)
Total current	165,504	218,109
Other employee funds and lending	19,876	20,515
Sale of real-estate project inventories	10,002	-
Other	2,671	2,662
Total non-current	32,549	23,177

Note 7.4. Trade receivables and other accounts receivable by age

The aging of trade receivables and other receivables, irrespective of impairment, is as follows:

				Overdue		
Period	Total	Not due	Less than 30 days	From 31 to 60 days	From 61 to 90 days	More than 90 days
March 31, 2019	206,127	99,952	84,666	8,452	6,220	6,837
December 31, 2018	249,615	90,278	100,312	50,612	1,502	6,911

Note 8. Prepaid expenses

The balance of prepaid expenses is:

	March 31, 2019	December 31, 2018
Leases (1)	11,133	11,052
Maintenance (2)	9,320	5,415
Insurance (3)	6,207	11,526
Other advance payments	302	777
Total prepaid expenses	26,962	28,770
Current	16,806	18,539
Non-current	10,156	10,231

(1) Includes (a) rental fees paid in advance for the Éxito San Martin store in amount of $5,290 (December 31, 2018 - $5,344), covering the lease contract until 2034, and (b) rental fees paid in advance for the Carulla Castillo Grande store in amount of $5,000 (December 31, 2018 $5,000), covering the lease contract from September 2019 to September 2023.

(2) Represents advance payments on account of software maintenance and support, $6,406 (December 31, 2018 - $5,226); cloud-based service support, $2,699 (December 31, 2018 - $0); and hardware maintenance and support, $215 (December 31, 2018 - $189).

(3) Represents multi-risk insurance policy, $4,448 (December 31, 2018 - $8,873); third-party liability insurance, $522 (December 31, 2018 - $774); life insurance, $458 (December 31, 2018 - $653); transport insurance, $164 (December 31, 2018 - $412) and other insurance, $615 (December 31, 2018 - $814).

Note 9. Accounts receivable from and accounts payable to related parties

The balance of accounts receivable from related parties is as follows:

	Accounts receivable	
	March 31, 2019	December 31, 2018
Joint ventures (1)	51,499	58,311
Subsidiaries (2)	43,790	45,770
Controlling entity (3)	5,579	3,907
Grupo Casino companies (4)	4,885	4,770
Total	105,753	112,758
Current	101,947	108,951
Non-current	3,806	3,807

(1) Represents:
- Involvement in a corporate collaboration agreement $17,503 (December 31, 2018 - $7,019) and reimbursement of shared expenses, collection of coupons and other items $20,680 (December 31, 2018 - $36,078) with Compañía de Financiamiento Tuya S.A.
- Redemption of points in amount of $13,212 (December 31, 2018 - $14,804) and other services in amount of $104 (December 31, 2018 - $410) with Puntos Colombia S.A.S.

(2) Represents:
- Administration services, reimbursement of expenses and loans to Gemex O & W S.A.S. in amount of $23,396 (December 31, 2018 - $22,459);
- Collection of dividends declared, administration services and reimbursement of expenses to Patrimonios Autónomos in amount of $8,020 (December 31, 2018 - $10,991);
- Strategic direction to Libertad S.A. in amount of $3,785 (December 31, 2018 - $3,112);
- Transfer of the put option contract to Spice Investments Mercosur S.A. por $3,782 (December 31, 2018 - $3,856);
- Direct transactions with Almacenes Éxito Inversiones S.A.S. where Almacenes Éxito S.A. acts as the payor to third parties under a mandate agreement, in amount of $3.668 (December 31, 2018 - $3,720);
- Retail sales, administration services and reimbursement of expenses to Logística, Transporte y Servicios Asociados S.A.S. in amount of $408 (December 31, 2018 - $510);

- Purchase of goods, marketing and other services receivable from Éxito Industrias S.A.S. in amount of $287 (December 31, 2018 - $231);
- Request to Éxito Viajes y Turismo S.A.S. for reimbursement of expenses in amount of $217 (December 31, 2018 - $142);
- Recovery of personnel expenses from Companhia Brasileira de Distribuição - CBD in amount of $135 (December 31, 2018 - $135);
- Request to Carulla Vivero Holding Inc, for reimbursement of $92 (December 31, 2018 - $94), and
- Collection of a loan disbursed to Onper Investment 2015 S.L. in amount of $-(December 31, 2018 - $520).

(3) Relates to the balance receivable arising from a Latin America strategic direction service agreement entered with Casino Guichard-Perrachon S.A.

(4) Mainly represents balances receivable from Casino International relevant to expatriate payments in amount of $4,677 (December 31, 2018 - $4,151); from Distribution Casino France $118 (December 31, 2018 - $82) and Casino Services in amount of $7 (December 31, 2018 - $8); for energy efficiency services from Greenyellow Energía de Colombia S.A.S. in amount of $83 (December 31, 2018 - $527); lower vale of procurement commission from International Retail Trade and Services $- (December 31, 2018 - $1), and for discounts relevant to damaged merchandise from Monoprix Exploitation $- (December 31, 2018 - $1).

The balance of accounts payable to related parties and the balance of other financial and non-financial liabilities with related parties is:

	Accounts payable		Other financial liabilities		Other non-financial liabilities	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Controlling entity (1)	82,204	15,285	-	-	-	-
Subsidiaries (2)	78,253	89,505	-	10	95,758	108,597
Joint ventures (3)	14,358	9,909	37,273	44,860	-	-
Grupo Casino companies (4)	4,810	6,260	-	-	-	-
Members of the Board	14	13	-	-	-	-
Total current	179,639	120,972	37,273	44,870	95,758	108,597

(1 Dividends payable in amount of $77,264 (December 31, 2018 - $15,050) and consultancy and technical assistance services provided by Casino Guichard-Perrachon S.A. and Geant International B.V. in amount of $4,940 (December 31, 2018 - $235).

(2) The balance of accounts payable relates to:
- Lease of premises and procurement of inventories and assets to Éxito Industrias S.A.S. in amount of $62,064 (December 31, 2018 - $ 71,280)
- Loan received from Carulla Vivero Holding Inc. in amount of $4,816 (December 31, 2018 - $4,930);
- Transport services received from Logística, Transporte y Servicios Asociados S.A.S. in amount of $4,439 (December 31, 2018 - $4,535);
- Mobile phones refill collection services to Almacenes Éxito Inversiones S.A.S. in amount of $3,731 (December 31, 2018 - $3,997).
- Reimbursement of expenses to Gemex O & W S.A.S. in amount of $2,097 (December 31, 2018 - $1,624);
- Leases and tax withholdings on dividends declared by Patrimonios Autónomos in amount of $1,006 (December 31, 2018 - $2,819);
- Collections, purchase of tourist packages and redemption of points to Éxito Viajes y Turismo S.A.S. in amount of $80 (December 31, 2018 - $106);
- Capital contribution for the incorporation of subsidiary Marketplace Internacional Éxito y Servicios S.A.S. in amount of $20 (December 31, 2018 - $20);
- Reimbursement of expenses to Companhia Brasileira de Distribuição - CBD in amount of $- (December 31, 2018 - $194).

At March 31, 2019 and at December 31, 2018, the balance of other non-financial liabilities represents advance payments received from Patrimonio Autónomo Viva Malls under a mandate agreement whose purpose is the constructions of real estate property (Note 24).

(3) The balance of accounts payable represents:
(-) Balance payable to Puntos Colombia S.A.S. arising from the issue of points (accumulations) in line with the change in the loyalty program implemented by the Company in amount of $14,354 (December 31, 2018 - $9,906);
- Balance payable to Compañía de Financiamiento Tuya S.A. arising from intermediation fees in amount of $4 (December 31, 2018 - $3).

At March 31, 2019 and at December 31, 2018 the balance of other financial liabilities represents collections received from third parties related with the use of Tarjeta Éxito (Éxito Credit Card), owned by Compañía de Financiamiento Tuya S.A. (Note 23).

(4) Mainly relates to services received in relation with energy optimization and intermediation in the import of goods.

Note 10. Inventories, net and Cost of sales
Note 10.1. Inventories, net

The net balance of net inventories is as follows:

	March 31, 2019	December 31, 2018
Inventories available for trading	1,280,238	1,268,067
Inventories of property under construction (1)	96,483	105,461
Inventories in transit	39,777	34,333
Materials, small spares, accessories and consumable packaging.	3,145	3,487
Raw materials	2,150	2,680
Production in process	581	589
Inventory impairment (2)	(14,430)	(15,893)
Total inventories, net	1,407,944	1,398,724

(1) At March 31, 2019 the balance represents the Montevideo real estate project.

At December 31, 2018 the balance represents Montevideo and Copacabana real estate projects in amount of $96,483 and $8,978, respectively.

(2) The development of the provision during the period reported is as follows:

Balance at December 31, 2018	15,893
Reversal of impairment provisions (10.2)	(1,463)
Balance at March 31, 2019	14,430

At March 31, 2019 and at December 31, 2018, inventories are not subject to limitation or liens that restrict tradability or realization thereof, and have been duly insured against all risks.

Pursuant to Company policies, inventories are valued at cost or at net realizable value (fair value less selling costs), whichever is less. Adjustments to this valuation are included in the costs of sales for the period.

Note 10.2. Cost of sales

The following is the information related with the cost of sales, impairment and reversals of impairment recognized in inventories:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Cost of goods sold (2)	2,334,405	2,227,623	2,227,623
Trade discounts and purchase rebates	(356,261)	(325,430)	(325,430)
Logistics costs (1) (3)	100,816	96,056	100,036
Damage and loss	40,879	38,683	38,683
(Reversal) impairment recognized during the period (4)	(1,463)	(3,880)	(3,880)
Total cost of sales	2,118,376	2,033,052	2,037,032

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this cost of goods sold account relates to the derecognition of fixed payments under lease agreements and the recognition of depreciation of use rights. See detail under section (3) below in this same Note 10.2.

(2) Includes $529 of depreciation and amortization cost (2018 - $713).

(3) The following is a detail of items included in logistics costs:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (a)	January 1 to March 31, 2018
Employee benefits	56,299	53,853	53,853
Public utilities	31,934	29,530	29,530
Leases (a)	2,261	1,823	13,329
Depreciation and amortization (a)	10,322	10,850	3,324
Total	100,816	96,056	100,036

(a) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(4) The circumstances that gave rise to the reversal of impairment mainly relate to logistic adaptations and optimization of the goods storage space at the distribution center, delimiting the exposure of goods at the warehouses. Also, they relate to a change in the management of physical counts (which are now managed through general inventories instead of revolving inventories), increase in post-season critical controls, assessment of critical merchandise and supplementary activities.

Note 11. Other financial assets

The balance of other financial assets is as follows:

	March 31, 2019	December 31, 2018
Derivative financial instruments (1)	68,752	113,541
Financial assets measured at amortized cost (2)	40,725	39,821
Financial assets measured at fair value through income (3)	1,188	1,201
Derivative financial instruments designated as hedge instruments (4)	159	480
Financial assets at fair value through other comprehensive income (5)	812	708
Total other financial assets	111,636	155,751
Current	47,716	89,022
Non-current	63,920	66,729

(1) Derivative financial instruments reflect the fair value of forward and swap contracts to hedge the fluctuation in the exchange rates and interest rates of liabilities in foreign currency. The fair values of these instruments are estimated based on valuation models commonly applied by market participants who use variables other than prices quoted, directly or indirectly perceptible for assets or liabilities. In its statement of financial position, the Company measures derivative financial instruments (forward and swap) at fair value, on each accounting closing date.

The detail of maturities of these instruments at March 31, 2019 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	625	255	4,987	-	-	5,867
Swap	-	18,743	-	19,553	24,589	62,885
	625	18,998	4,987	19,553	24,589	68,752

The detail of maturities of these instruments at December 31, 2018 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	21,145	13,060	4,470	-	-	38,675
Swap	-	-	22,423	24,409	28,034	74,866
	21,145	13,060	26,893	24,409	28,034	113,541

(2) Financial assets measured at amortized cost mainly relate to investments in bonds issued by Compañía de Financiamiento Tuya S.A. which the Company has the intention and capability of maintaining to maturity to obtain contract cash flows. Such investments are part of the Tarjeta Éxito corporate collaboration agreement. At March 31, 2019 the nominal value amounts to $39,500 (December 31, 2018 - $39,500) and maturities go from 5 to 8 years yielding CPI + 6%.

(3) Financial assets measured at fair value through income include investments in equity securities of Fondo Valorar Futuro to manage liquidity, which are measured at fair value based on the Fondo's unit value. Changes in fair value are recognized as revenue or expense in the statement of income.

(4) Derivative instruments designated as hedge instrument reflect swap transactions carried out by the Company under contracts executed with financial entities whose purpose is the exchange, at specific intervals, of the difference between the amounts of fixed and variable interest rates calculated in relation with an agreed-upon nominal principal amount, which turns variable rates into fixed rates and cash flows then may be determined in local currency. The fair values of these instruments are determined based on valuation models commonly used by market participants.

At March 31, 2019 relates to the following transactions:

	Nature of risk insured	Hedged item	Range of rates for the item hedged	Range of rates for hedging instruments	Fair value
Swap	Interest rate	Financial liabilities	Libor USD 1M + 2.22%	9.06%	159

The detail of maturities of these hedging instruments at March 31, 2019 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	-	-	-	159	159

At December 31, 2018, relates to the following transactions:

	Nature of risk insured	Hedged item	Range of rates for the item hedged	Range of rates for hedging instruments	Fair value
Swap	Interest rate	Financial liabilities	IBR 3M	4.4% - 6.0%	480

The detail of maturities of these hedging instruments at December 31, 2018 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	-	-	-	480	480

(5) Financial assets measured at fair value through other comprehensive income are equity investments not held for trading. The detail of these investments is as follows:

	March 31, 2019	December 31, 2018
Fideicomiso El Tesoro stages 4A and 4C 448	564	448
Associated Grocers of Florida, Inc.	113	113
Central de Abastos del Caribe S.A	71	71
La Promotora S.A.	50	50
Sociedad de Acueducto, Alcantarillado y Aseo de Barranquilla S.A. E.S.P.	14	14
Carnes y Derivados de Occidente S.A.S.	-	12
Total	812	708

The balance of other financial assets classified as current and non-current is as follows:

	March 31, 2019	December 31, 2018
Financial assets measured at amortized cost	3,553	3,515
Derivative financial instruments	44,163	85,507
Total current	47,716	89,022
Financial assets measured at amortized cost	37,172	36,306
Derivative financial instruments	24,589	28,034
Derivative financial instruments designated as hedge instruments	159	480
Financial assets measured at fair value through income	1,188	1,201
Financial assets measured at fair value through other comprehensive income	812	708
Total non-current	63,920	66,729

At March 31, 2019 and at December 31, 2018, there are no restrictions or liens on other financial assets that restrict the tradability or realization thereof, exception made of the Company's investment in Tuya S.A.'s bonds, which were issued as part of Tarjeta Éxito's business collaboration agreement.

None of the assets was impaired at March 31, 2019 and December 31, 2018.

Note 12. Property, plant and equipment, net

The net balance of net property, plant and equipment is as follows:

	March 31, 2019	December 31, 2018
Land	436,670	436,670
Buildings	868,726	868,735
Machinery and equipment	698,552	712,647
Furniture and fixtures	408,028	401,251
Assets under construction	66,454	27,551
Improvements to third party properties	287,947	286,352
Vehicles and transportation equipment	6,360	4,983
Computers	154,558	154,457
Other property, plant and equipment	16,050	16,050
Total cost of property, plant and equipment	2,943,345	2,908,696
Accumulated depreciation	(898,426)	(852,817)
Total net property, plant and equipment	2,044,919	2,055,879

The development of the cost of property, plant and equipment, and depreciation thereof, during the reporting period is as follows:

Cost	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Improvements to third party properties	Transportation equipment Transport	Computers	Other	Total
Balance at December 31, 2018	436,670	868,735	712,647	401,251	27,551	286,352	4,983	154,457	16,050	2,908,696
Additions	-	-	-	-	38,504	-	-	10	-	38,514
(Disposal and derecognition) of property, plant and equipment (1)	-	-	(1,028)	(615)	-	(2,258)	(2)	(2)	-	(3,905)
Increase (decrease) from movements between property, plant and equipment accounts	-	(9)	(12,678)	7,393	-	3,853	1,379	62	-	-
Other minor changes	-	-	(389)	(1)	399	-	-	31	-	40
Balance at March 31, 2019	436,670	868,726	698,552	408,028	66,454	287,947	6,360	154,558	16,050	2,943,345
Accumulated depreciation										
Balance at December 31, 2018	-	123,397	296,465	183,138	-	139,263	3,623	103,710	3,221	852,817
Depreciation expense/cost	-	6,501	17,851	11,477	-	7,335	115	5,258	197	48,734
(Disposals and derecognition) of depreciation (1)	-	-	(930)	(460)	-	(1,770)	(1)	(1)	-	(3,162)
Increase (decrease) from movements between property, plant and equipment accounts	-	3	(3,545)	2,837	-	-	667	38	-	-
Other minor changes	-	-	6	-	-	-	-	31	-	37
Balance at March 31, 2019	-	129,901	309,847	196,992	-	144,828	4,404	109,036	3,418	898,426

(1) Includes the closing down of the following stores: Surtimax Andes $334, Surtimax Olarte $136, Surtimax Santo Tomás $96, Éxito Express Simon Bolivar $65, Súper Inter Tequendama $26, Éxito Express Villa Ligia $25, Súper Inter Las Pilas $23, Surtimax Centro $20, Surtimax Calle 48 $12 and Surtimax Chocontá $6.

Assets under construction are represented by those assets not ready for their intended use as expected by Company management and on which costs directly attributable to the construction process continue to be capitalized.

The carrying amounts of property, plant and equipment under finance lease are as follows:

	March 31, 2019	December 31, 2018
Other property, plant and equipment	15,761	15,761
Total cost of property, plant and equipment	15,761	15,761
Accumulated depreciation	(3,414)	(3,218)
Total net property, plant and equipment	12,347	12,543

The cost of property, plant and equipment does not include the balance of estimated dismantling and similar costs, since the assessment and analysis carried out by the Company made it clear that there are no contractual or legal obligations requiring such estimation at the time of acquisition.

Except for the above, at March 31, 2019 and at December 31, 2018, no restrictions or liens have been imposed on items of property, plant and equipment that limit realization or tradability thereof, and there are no commitments to acquire, build or develop property, plant and equipment.

During the three-month period ended March 31, 2019 no compensation payments were received from third parties as compensation related with assets damaged in accidents.

No impairment of property, plant and equipment was recognized at March 31, 2019 and at December 31, 2018.

Note 13. Investment property, net

Investment properties are business premises and plots of land held to generate revenue from operating lease agreements or future appreciation of the price thereof.

The net balance of investment properties is made as follows:

	March 31, 2019	December 31, 2018
Land	55,716	55,716
Buildings	39,341	39,341
Construction in progress	7,886	6,471
Total cost of investment property	102,943	101,528
Accumulated depreciation	(4,096)	(3,848)
Total investment property, net	98,847	97,680

The development of the cost of investment property and depreciation thereof, during the reporting period, is as follows:

Cost	Land	Buildings	Constructions in progress	Total
Balance at December 31, 2018	55,716	39,341	6,471	101,528
Additions	-	-	1,415	1,415
Balance at March 31, 2019	55,716	39,341	7,886	102,943

Accumulated depreciation	Buildings
Balance at December 31, 2018	3,848
Depreciation expense	248
Balance at March 31, 2019	4,096

At March 31, 2019 and at December 31, 2018, there are no limitations or liens imposed on investment property that restrict realization or tradability thereof.

At March 31, 2019 and at December 31, 2018, the Company is not committed to acquire, build or develop investment property or to repair, maintain or improve such property, other than existing constructions. Neither has it received compensations from third parties arising from the damage or loss of investment property.

Investment property was not impaired at March 31, 2019 and at December 31, 2018.

Note 36 discloses the fair values of investment property, based on the appraisal carried out by an independent third party.

Note 14. Use rights, net

The Company started to apply IFRS 16 - Leases as of January 1, 2019. As mentioned in the financial statements at the closing of December 31, 2018, this standard requires recognizing a use right-related asset and a lease liability.

The Company elected to apply the standard retrospectively, as if it had been applied from the start date of all lease agreements, to disclose comparable effects for each reporting period.

The balance of use rights, net, is as follows:

	March 31, 2019	December 31, 2018
Use rights	2,302,784	2,247,979
Total use rights	2,302,784	2,247,979
Accumulated depreciation	(983,479)	(945,132)
Total use rights, net	1,319,305	1,302,847

The development of the cost of use rights and depreciation thereof, during the reporting period, is as follows:

Cost

Balance at December 31, 2018	2,247,979
Increase from creations	19,236
Increase from reappraisals	46,271
Derecognition	(10,702)
Balance at March 31, 2019	2,302,784

Accumulated depreciation

Balance at December 31, 2018	945,132
Depreciation cost and expense	49,049
Derecognition	(10,702)
Balance at March 31, 2019	983,479

Note 15. Goodwill

The balance of goodwill is as follows:

	March 31, 2019	December 31, 2018
Carulla Vivero S.A. (1)	827,420	827,420
Súper Inter (2)	453,649	453,649
Cafam (3)	122,219	122,219
Other (4)	49,789	49,789
Total goodwill	1,453,077	1,453,077

(1) Relates to goodwill from the business combination carried out in 2007 resulting from the merger with Carulla Vivero S.A. The amount was determined in the opening statement of financial position using the deemed cost option, pursuant to the exemption of IFRS 1 of not to restate business combinations.

(2) Includes $179,412 from the acquisition of 19 business establishments carried out in September 2014; $264,027 from the acquisition of 29 business establishment carried out in April 2015; and $10,210 from the acquisition of 7 business establishments carried out between February 23, 2015 and June 24, 2015.

(3) Refers to the agreement executed on February 23, 2015, to acquire Cafam stores that had been operated by the Company since 2010. Business establishments acquired were subsequently turned into Éxito, Carulla and Surtimax stores. For impairment testing purposes, as of December 31, 2015 such goodwill was allocated to Éxito $80,134, to Carulla $29,075 and to Surtimax $13,010.

(4) Minor acquisitions of other business establishments that were subsequently turned into Éxito, Carulla and Surtimax stores. For impairment testing purposes, as of December 31, 2015 such goodwill was allocated to Éxito $10,540, to Surtimax $28,566 and to Súper Inter $10,683.

Goodwill has indefinite useful life on the grounds of the Company's considerations thereon, and consequently it is not amortized.

Goodwill was not impaired at March 31, 2019 and at December 31, 2018.

Note 16. Intangible assets other than goodwill, net

The net balance of intangible assets other than goodwill is made as follows:

	March 31, 2019	December 31, 2018
Computer software	121,890	117,754
Trademarks	81,131	81,131
Rights	26,986	26,986
Other	22	19
Total cost of intangible assets other than goodwill	230,029	225,890
Accumulated amortization	(86,032)	(81,645)
Total intangible assets other than goodwill, net	143,997	144,245

The development of intangible assets other than goodwill during the reporting period is as follows:

Cost	Trademarks (1)	Computer software (2)	Rights (3)	Other	Total
Balance at December 31, 2018	81,131	117,754	26,986	19	225,890
Additions	-	4,175	-	-	4,175
Other changes	-	(39)	-	3	(36)
Balance at March 31, 2019	81,131	121,890	26,986	22	230,029
Accumulated amortization					
Balance at December 31, 2017	-	81,645	-	-	81,645
Amortization expense/cost	-	4,423	-	-	4,423
Other changes	-	(36)	-	-	(36)
Balance at March 31, 2019	-	86,032	-	-	86,032

(1) Represents Surtimax trademark in amount of $17,427 acquired upon the merger with Carulla Vivero S.A., and Super Inter trademark acquired upon the business combination with Comercializadora Giraldo Gómez y Cía. S.A. in amount of $63,704.

Such trademarks have indefinite useful life on the grounds of the Company's considerations thereon, and consequently they are not amortized.

(2) Represents the net value of the following computer software, used by the Company in its business operation:

	March 31, 2019	December 31, 2018
WMS	6,883	6,955
System application and products (SAP)	6,239	7,442
Sistema de información comercial (Sinco)	4,664	5,973
Databases	3,238	3,164
Demand forecasts	2,942	3,228
Direct trade (Éxito app, Carulla app and Mi Descuento app)	1,967	996
Single customer	1,599	1,897
Central equipment virtualizer	1,025	1,098
Market Place Pragma (Seller Center)	1,000	1,000
Logistics System *Order management system (OMS)*	990	-
Rotar	820	865
Pos and pin pads	638	720
Customer service systems	597	-
Information systems PIM	487	-
Sinemax	444	535
Innovation at points of payment	405	250
Slotting	367	432
Other minor items	1,553	1,554
Net total	35,858	36,109

(3) Recognitions of contracts executed in December 2017 in amount of $2,226, December 2016 in amount of $11,552 and September 2016 in amount of $13,238 for the acquisition of rights to exploit commercial premises.

Given the relevant usage considerations that the Company has thereon, such rights have indefinite useful life, and consequently they are not amortized.

At March 31, 2019 and at December 31, 2018, intangible assets other than goodwill are not limited or subject to lien that would restrict realization or tradability thereof. In addition, there are no commitments to acquire or develop intangible assets other than goodwill.

None of the intangible assets other than goodwill were impaired at March 31, 2019 and at December 31, 2018.

Note 17. Investments accounted for using the equity method

The balance of investments accounted for using the equity method is made as follows:

Company	Classification	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Onper Investment 2015 S.L. (1)	Subsidiary	4,324,121	4,559,115	4,620,336
Spice Investment Mercosur S.A. (1)	Subsidiary	1,781,769	1,857,998	1,900,098
Patrimonio Autónomo Viva Malls (1)	Subsidiary	955,584	959,323	940,411
Compañía de Financiamiento Tuya S.A.	Joint venture	202,726	203,679	203,679
Éxito Industrias S.A.S. (1)	Subsidiary	149,743	147,601	148,515
Cnova N.V.	Associate	9,222	9,222	9,222
Logística, Transporte y Servicios Asociados S.A.S. (1)	Subsidiary	8,044	7,448	7,852
Carulla Vivero Holding Inc.	Subsidiary	4,722	4,834	4,834
Puntos Colombia S.A.S.	Joint venture	4,374	5,600	5,600
Fideicomiso Lote Girardot	Subsidiary	3,850	3,850	3,850
Éxito Viajes y Turismo S.A.S. (1)	Subsidiary	3,476	4,163	4,000
Patrimonio Autónomo Iwana (1)	Subsidiary	3,216	3,284	3,098
Almacenes Éxito Inversiones S.A.S.	Subsidiary	119	231	231
Marketplace Internacional Éxito y Servicios S.A.S.	Subsidiary	20	20	20
Total investments accounted for using the equity method		7,450,986	7,766,368	7,851,746

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account relates to the recognition of the effect of applying this IFRS on the investment balance as shown in each subsidiary's shareholders' equity.

Note 18. Financial liabilities

The balance of financial liabilities is as follows:

	March 31, 2019	December 31, 2018
Bank loans (1)	1,095,078	1,038,942
Finance leases	3,732	3,839
Total current financial liabilities	1,098,810	1,042,781
Bank loans (1)	2,710,810	2,828,936
Finance leases	8,479	9,497
Total non-current financial liabilities	2,719,289	2,838,433

(1) In August 2015, the Company entered into credit agreements with local banks in amount of $3.25 trillion and with foreign banks in amount of $1.21 trillion (USD 400 million at the exchange rate of $3,027.20 Colombian pesos) for the acquisition of the operations in Brazil and Argentina through the Spanish company Onper Investment 2015 S.L. Such credits are measured at amortized cost using the effective interest method, where transaction costs are included in amount of $14,332.

Under both agreements, the Company commits to request approval from the banks if it requires to carry out the following transactions: encumber assets, enter into extraordinary agreements with any affiliated company, incur additional liabilities wherever the result is breach of the credit agreement and/or without prior authorization from creditors; creditors will automatically grant authorization if the occurrence index is complied with, measured using the latest financial statements released by the Company, among others.

During January 2016 and April 2016, the Company requested disbursements in amount of $400,000 and $100,000, respectively, against the revolving trench under the credit agreement executed in July 2015. The revolving credit in amount of $500,000 with a term of two years, and the revolving cash credit with a term of one year, were restructured in August 2016.

$97,495 of the balance of non-current bank loans were repaid in August 2016; $55,000 and $500,000 of current bank loans were repaid in November 2016 and December 2016, respectively.

In February 2017 the Company obtained a loan in amount of $530,000; in March 2017, $70,000; in April 2017, $158,380; in May 2017, $79,216; and in September $120,000.

In February 2017 and in August 2017, $194,990 ($97,495 each month) were repaid of the outstanding balance of non-current bank loans; other repayments: in June 2017 $200,000; in August 2017 $50,000; in October 2017 120,000; in November 2017 $100,000 and in December 2017 $150,000 of current bank loans (syndicated revolving credit).

On December 22, 2017 the Company obtained a new syndicated revolving credit in amount of USD 450 million, maturing in December 2020. These resources allowed paying in advance the US Dollar syndicated credit outstanding at that date in the same amount, maturing in December 2018. Also, the peso revolving syndicated credit in amount of $500,000 was restructured to extend maturity from August 2018 to August 2020; all other contract conditions remain unchanged. The Company's debt level after the above two transactions does not vary; however, the average term of the debt goes from 2.2 years to 2.9 years, optimizing the Company's future payment outflows.

The Company requested disbursements in amount of $120,000, $350,000 and $30,000 during January, February and May 2018, respectively, against the syndicated revolving credit.

$97,495, $73,015, $97,495 and $73,015 of the non-current bank loan balance were repaid in February, June, August and December 2018, respectively.

$120,000 and $380,000 of the balance of syndicated revolving loans were repaid in July and August 2018, respectively.

During February and March 2019, the Company requested disbursements in amount of $70,000 and $30,000, respectively, against the revolving trench under the credit agreement executed on December 21, 2018. In February 2019, the Company requested disbursements amounting to $50,000 against the syndicated revolving credit facility.

$97,495 of the non-current bank loan balance and $84,540 of the US Dollar bilateral current loan balance were repaid in February 2019.

Below is a detail of annual maturities of outstanding non-current bank loans and finance leases outstanding at March 31, 2018, discounted at present value:

Year	Total
2020	1,906,614
2021	271,279
2022	185,039
>2023	356,357
	2,719,289

Note 19. Employee benefits

The balance of employee benefits is as follows:

	March 31, 2019	December 31, 2018
Defined benefit plans	29,928	29,335
Long-term benefit plan	1,922	1,873
Total employee benefits	31,850	31,208
Current	4,290	3,648
Non-current	27,560	27,560

Note 20. Other provisions

The balance of other provisions is made as follows:

	March 31, 2019	December 31, 2018 (a)	December 31, 2018
Restructuring (1)	16,348	911	911
Legal proceedings (2)	13,734	13,771	13,771
Taxes other than income tax (3)	8,632	8,632	8,632
Other (4) (a)	26,637	27,771	27,761
Total other provisions	65,351	51,085	51,075
Current Note 20.1	24,271	12,292	12,292
Non-current Note 20.1	41,080	38,793	38,783

(a) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. See the detail of the adjustment to this other provision account under section (4) of this same Note 20 below.

At March 31, 2019 and at December 31, 2018, the Company did not recognize provisions for contracts for consideration.

The detail of provisions is as follows:

(1) The restructuring provision relates to reorganization processes announced to the employees of stores, industry and corporate during the first quarter of 2019 that will affect Company activities. The provision is based on cash outflows required, directly associated with the restructuring plan. The disbursement and plan implementation are expected to be carried out during 2019. The restructuring provision was recognized in period results as other expenses.

(2) Provisions for lawsuits are recognized to cover estimated potential losses arising from labor and civil lawsuits brought against the Company, assessed based on the best estimation of cash outflows required to settle the liability on the date of preparation of the financial statements. The balance is comprised of $9,943 (December 31, 2018 - $10,049) for labor lawsuits and $3,791 (December 31, 2018 - $3,722) for civil lawsuits.

Lawsuits filed against the Company represent cases related with third party liability in amount of $1,212 (December 31, 2018 - $1,145), customer protection $873 (December 31, 2018 - $873), metrology and technical regulations $304 (December 31, 2018 - $112), real estate-related proceedings $289 (December 31, 2018 - $557) and other minor legal proceedings in amount of $1,113 (December 31, 2018 - $1,035).

Lawsuits filed against the Company represent collective issues in amount of $30 (December 31, 2018 - $30), indemnifications in amount of $2,496 (December 31, 2018 - $2,524), salary and mandatory payment adjustments in amount of $159 (December 31, 2018 - $160), health and retirement pension issues in amount of $5,081 (December 31, 2018 - $5,135) and labor relations and solidarity issues in amount of $2,177 (December 31, 2018 - $2,200).

(3) Provisions for taxes other than income tax relate to the industry and trade tax in amount of $2,217 (December 31, 2018 - $2,217), real estate tax in amount of $2,926 (December 31, 2018 - $2,926), value added tax payable in amount of $3,234 (December 31, 2018 - $3,234) and value added on beer in amount of $255 (December 31, 2018 - $255).

(4) The balance of other provisions represents:

	March 31, 2019	December 31, 2018 (a)	December 31, 2018
Gemex O&W S.A.S. (a) (b)	21,707	20,102	20,092
Closure of stores	3,971	5,432	5,432
Reduction for merchandise VMI	959	2,237	2,237
Total other provisions	26,637	27,771	27,761

(a) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account arises from the recognition as provision of the effects of applying this IFRS on the equity of the subsidiary, given that its losses exceed the investment amount.

(b) Represents liabilities carried to recognize additional subsidiary losses exceeding the value of the amount invested in it by the Company. Company Management decided to carry such liabilities to recognize cash outflows likely required to settle the liabilities of this subsidiary.

Balances and development of provisions during the period are as follows:

	Legal proceedings	Taxes other than income tax	Restructuring	Other	Total
Balance at December 31, 2018	13,771	8,632	911	27,771	51,085
Increase	956	-	18,484	2,009	21,449
Uses	(2)	-	-	(53)	(55)
Payments	(220)	-	(3,047)	(1,876)	(5,143)
Reversal of unused amounts	(771)	-	-	(1,214)	(1,985)
Balance at March 31, 2019	13,734	8,632	16,348	26,637	65,351

Note 20.1. Other provisions classified as current and non-current

The balance of other provisions, classified as current and non-current is as follows:

	March 31, 2019	December 31, 2018 (1)	December 31, 2018
Restructuring	16,348	911	911
Legal proceedings	2,738	3,457	3,457
Taxes other than income tax	255	255	255
Other	4,930	7,669	7,669
Total current	24,271	12,292	12,292
Legal proceedings	10,996	10,314	10,314
Taxes other than income tax	8,377	8,377	8,377
Other (1)	21,707	20,102	20,092
Total non-current	41,080	38,793	38,783

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. See explanation of the adjustment to this account under section (4) in Note 20.

Note 20.2. Forecasted payments of other provisions

Forecasted payments of other provisions for which the Company is liable at March 31, 2019 are:

	Legal proceedings	Taxes other than income tax	Restructuring	Other	Total
Less than 12 months	2,738	255	16,348	4,930	24,271
More than one year	10,996	8,377	-	21,707	41,080
Total estimated payments	13,734	8,632	16,348	26,637	65,351

Note 21. Lease liabilities, trade accounts payable and other accounts payable

Note 21.1 Lease liabilities

The Company started to apply IFRS 16 - Leases as of January 1, 2019. As mentioned in the financial statements at the closing of December 31, 2018, this standard requires recognizing a use right-related asset and a lease liability.

The Company elected to apply the standard retrospectively, as if it had been applied from the start date of all lease agreements, to disclose comparable effects for each reporting period.

The balance of lease liabilities is as follows:

	March 31, 2019	December 31, 2018
Lease liabilities	1,529,818	1,509,443
Current	181,525	181,394
Non-current	1,348,293	1,328,049

Note 21.2 Trade payables and other accounts payable

The balance of trade payables and other accounts payable is as follows:

	March 31, 2019	December 31, 2018
Suppliers	1,821,203	2,940,874
Costs and expenses payable	206,270	319,170
Tax withholdings payable	96,385	44,549
Employee benefits	84,876	124,701
Dividends payable	63,824	13,538
Taxes collected payable	34,212	20,918
Purchase of assets	29,430	78,741
Other	17,970	25,036
Total trade payables and other accounts payable	2,354,170	3,567,527

Note 22. Income tax

Tax rules applicable to the Company

a. The income tax rate for legal entities shall be 33% for 2019, 32% for taxable 2020, 31% for taxable 2021 and 30% from taxable 2022 onwards.

   For 2018 the income tax rate applicable was 33%.

   The income tax surcharge levied on domestic companies was eliminated for 2019.

   For 2018, the income tax surcharge for domestic companies was 4% applicable on taxable profits higher than $800.

b. The taxable base to assess the income tax under the presumptive income model shall be 1.5% of the net equity held on the last day of the immediately preceding taxable period for 2019 and 2020, and 0% as of taxable 2021.

   For 2018, the taxable base to assess the income tax under the presumptive income model was 3.5% of the net equity held on the last day of the preceding taxable period.

c. Comprehensive inflation adjustments were eliminated for tax purposes as of 2007, and the tax on occasional gains was reinstated at a current rate of 10%, payable by legal entities on total occasional gains obtained during the taxable year.

d. A tax on dividends paid to individuals resident in Colombia was established as of 2019 at a rate of 15%, triggered when the amount distributed is higher than 300 UVT ($10 for 2019) when such dividends have been taxed upon the distributing companies. For non-resident individuals and foreign companies, the tax rate is 7.5% when such dividends have been taxed upon the distributing companies. When the earnings that give rise to dividends have not been taxed upon the distributing company, the tax rate applicable to shareholders will be 33% for 2019, 32% for 2020, 31% for 2021 and 30% as of 2022.

   During 2018, a tax on dividends paid to individuals resident in Colombia was levied at a rate of 5% triggered when the amount distributed was between 600 UVT ($20 for 2018) and 1000 UVT ($33 for 2018) and 10% on higher amounts when such dividends have been taxed upon the distributing companies. For non-resident individuals and foreign companies, the tax rate is 5% when such dividends have been taxed upon the distributing companies. When the earnings that give rise to dividends have not been taxed upon the distributing company, the tax rate applicable to shareholders will be 35%.

e. As of 2017 the tax base adopted is the accounting system pursuant to the accounting technical rules framework in force in Colombia, set forth by Law 1314 of 2009 in line with the International Financial Reporting Standards (IFRS) officially translated and authorized by the International Accounting Standards Board (IASB), regulated in Colombia by Regulatory Decree 2450 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015 by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170, and updated on December 28, 2018 by Regulatory Decree 2483 with certain exceptions regarding the realization of revenue, recognition of costs and expenses and the accounting effects of the opening balance upon adoption of these standards.

f. The tax on financial transactions is a permanent tax. 50% of this tax is tax-deductible.

g. Taxes, levies and contributions actually paid during the taxable year or period are 100% deductible as of 2019, if they are related with the company's economic activity including fees paid to business associations.

h. 50% of the industry and trade tax can be taken as a tax discount for taxable 2019 to 2021. As of 2022, 100% can be taken as a tax discount.

i. Regarding contributions to employee education, payments meeting the following conditions shall be deductible as of 2019: (a) devoted for scholarships and education forgivable loans to the benefit of employees, (b) payments to programs or care centers for the children of employees and (c) payments to primary, secondary, technical, technological and higher education institutions.

j. VAT on the acquisition, formation, construction or import of productive real fixed assets may be discounted from the income tax as of 2019.

k. As of 2019, the income withholding tax on payments abroad is 20% on consultancy services, technical services, technical assistance, professional fees, royalties, leases, compensations and management or administration services.

l. As of 2019, taxes paid abroad shall be deemed tax discounts during the taxable year of payment, or during any subsequent taxable period.

m. The annual adjustment applicable at December 31, 2018 to the cost of movable assets and real estate deemed fixed assets is 4.07%.

Tax credits

Pursuant to tax regulations in force as of 2017, the time limit to offset tax losses is 12 years following the year in which the loss was incurred.

Excess presumptive income over ordinary income obtained as of taxable 2007 may be offset against ordinary net income assessed within the following five (5) years.

Company losses are not transferrable to shareholders. In no event tax losses arising from revenue other than income and occasional gains, and from costs and deductions not directly related with the generation of taxable income, will be offset against the taxpayer's net income.

Pursuant to sections 188 and 189 of the Tax Code, at March 31, 2019 and at December 31, 2018 the Company assessed its income tax by applying the presumptive income system.

At March 31, 2019 the Company has accrued $461,308 (December 31, 2018 - $445,924) excess presumptive income over net income.

At March 31, 2019 ,the Company has accrued $671,881 (December 31, 2018 - $624,344) tax losses.

Closing of tax returns

As of 2017, the general term to close tax returns is 3 years, and 6 years for taxpayers required to report transfer pricing information. Tax returns where tax losses are assessed will be closed in 12 years and those including offsetting of tax losses will be closed in 6 years.

Given the filing dates established by Colombian tax authorities, 2018 income tax return of the Company has not been filed at March 31, 2019.

The income tax return for 2017 showing tax losses and a balance receivable is open for review during 12 years as of filing of the balance receivable; income tax return for 2016 where tax losses and a balance receivable were assessed is open for review during 5 years as of filing of the balance receivable; income tax for equality CREE return for 2016 is open for review during 5 years as of filing of the balance receivable. Tax advisors and Company management are of the opinion that no additional taxes payable will be assessed, other than those for which a provision has been recorded at March 31, 2019.

Transfer pricing

Company transactions with its parent, subsidiaries and/or foreign related parties have been carried out in accordance with the arm's length principle as if they were independent parties, as required by Transfer Pricing provisions set forth by domestic tax regulations. Independent advisors updated the transfer pricing survey as required by tax regulations, aimed at demonstrating that transactions with foreign related parties were carried out at market values during 2018. For this purpose, the Company will file an information statement and will make the mentioned survey available by mid July 2019.

Foreign controlled entities

Under the special regime applicable to foreign subsidiaries that are investment vehicles, as of 2017 the standard sets out that passive revenue obtained by such vehicles must be included in the year of accrual and not in the year of effective distribution of profits.

Note 22.1. Current tax assets and liabilities

The balances of current tax assets and liabilities recognized in the statement of financial position are:

Current tax assets

	March 31, 2019	December 31, 2018
Total income tax balance receivable (1)	186,789	145,812
Tax discounts	11,949	285
Industry and trade tax advances and withholdings	28,280	22,810
Total current tax assets	227,018	168,907

(1) The balance is comprised of:

	March 31, 2019	December 31, 2018
Income tax withholdings	191,865	204,038
Subtotal	191,865	204,038
Income tax (expense) (Note 22.2)	(5,076)	(58,226)
Total income tax balance receivable	186,789	145,812

Current tax liabilities

	March 31, 2019	December 31, 2018
Industry and trade tax payable	38,379	50,313
Real estate tax	1,829	145
Total current tax liabilities	40,208	50,458

Note 22.2. Income tax

The reconciliation of accounting (loss) income to taxable (loss), and the tax expense estimation are as follows:

	March 31, 2019	March 31, 2018 (1)	March 31, 2018	December 31, 2018
(Loss) earnings before income tax	(26,399)	(26,350)	(14,026)	237,862
Add				
Non-deductible taxes	10,299	17	17	427
Non-deductible expenses	5,628	3,015	3,015	44,309
Tax on financial transactions	2,234	2,592	2,592	7,102
Fines, penalties and litigation	431	499	499	1,532
Taxes taken on and revaluation	296	1,554	1,554	50,220
Reimbursement of deduction from income-generating fixed assets	-	-	-	33,798
Net income - recovery of depreciation of fixed assets sold	-	-	-	27,794
Selling price of fixed assets held less than two years	-	-	-	25,147
Accounting provision and receivables written off	-	-	-	4,832
Non-deductible inventory losses	-	452	452	315
Less				
IFRS adjustments with no tax effects (1) (2)	(34,033)	31,185	18,861	(306,212)
Recovery of provisions	(2,292)	-	-	(193)
Untaxed dividends of subsidiaries	(1,500)	(19,969)	(19,969)	(27,739)
Goodwill tax deduction, in addition to the accounting deduction	(806)	(49,464)	(49,464)	(20,351)
Allowance for doubtful accounts	(544)	(1,014)	(1,014)	-
Deduction additional 30% on salaries paid to apprentices hired at Company will	(435)	-	-	(1,739)
Disabled employee deduction	(416)	(74)	(74)	(445)
Revenue from loss insurance compensation	-	(379)	(379)	-
Selling price of fixed assets held less than two years	-	-	-	(77,138)
Derecognition of gain from the sale of fixed assets reported as occasional gain	-	-	-	(26,585)
Net (loss)	(47,537)	(57,936)	(57,936)	(27,064)
Current period presumptive income	15,383	40,496	40,496	148,666
Net taxable income	15,383	40,496	40,496	148,666
Income tax rate	33%	33%	33%	33%
Subtotal income tax (expense)	(5,076)	(13,364)	(13,364)	(49,060)
Income tax surcharge (expense)	-	(1,612)	(1,612)	(5,914)
Occasional gains tax (expense)	-	-	-	(3,625)
Tax discounts	-	-	-	373
Total income tax (expense)	(5,076)	(14,976)	(14,976)	(58,226)
Revenue from recovery of prior year tax	-	-	-	2,293
Total current income tax (expense)	(5,076)	(14,976)	(14,976)	(55,933)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. Please refer to the explanation regarding adjustment to this account under Note 22.2 (2) below.

(2) IFRS adjustments with no tax effects are:

	March 31, 2019	March 31, 2018 (a)	March 31, 2018	December 31, 2018
Net results from applying the equity method	(34,925)	(74,735)	(74,735)	(396,749)
Exchange difference, net	(13,333)	80,663	80,663	36,959
Higher accounting depreciation over depreciation for tax purposes	(11,243)	(11,609)	(11,609)	(41,229)
Other accounting (not for tax purposes) (revenue), net	(2,957)	6,253	6,253	(26,438)
Excess personnel expenses for tax purposes over accounting personnel expenses	(2,069)	(18,444)	(18,444)	(34,900)
Non-accounting costs for tax purposes	-	-	-	(17,215)
Taxed actuarial estimation	519	510	510	2,274
Taxed dividends of subsidiaries	1,500	19,998	19,998	93,558
Other accounting expenses with no tax effects (a)	3,915	12,324	-	-
Taxed leases	24,560	16,225	16,225	77,528
Total	(34,033)	31,185	18,861	(306,212)

(a) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account results from the tax effect from the non-deductibility of depreciation of use rights and the financial cost of lease liabilities.

The components of the income tax revenue recognized in the statement of income are:

	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Current income tax (expense)	(5,076)	(14,976)	(14,976)
Deferred income tax revenue (Note 22.3) (1)	17,901	38,988	38,986
Total revenue from income tax	12,825	24,012	24,010

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

Presumptive income was determined as follows:

	March 31, 2019	March 31, 2018
Net shareholders' equity	1,046,952	1,179,327
Less net shareholders' equity to be excluded	(21,409)	(22,495)
Net shareholders' equity base	1,025,543	1,156,832
Presumptive income	15,383	40,489
Add: Taxed dividends	-	7
Total presumptive income over net equity	15,383	40,496

Note 22.3. Deferred tax

The Company recognizes deferred taxes receivable or payable, arising from temporary differences representing a lower or higher payment of the current year income tax, estimated at expected payment or recovery rates, provided there is reasonable expectation that such differences will revert in future. Should there be any deferred tax asset, an analysis will be made of whether the Company will generate enough taxable income in future to offset the asset, in full or in part.

Deferred tax carried in the statement of financial position and the breakdown of deferred tax assets and liabilities are as follows:

	March 31, 2019			December 31, 2018 (1)			December 31, 2018		
	Deferred tax assets	Deferred tax liabilities	Deferred income tax (liabilities) Net amount	Deferred tax assets	Deferred tax liabilities	Deferred income tax (liabilities) Net amount	Deferred tax assets	Deferred tax liabilities	Deferred income tax (liabilities) Net amount
Tax losses	211,095	-	211,095	196,376	-	196,376	196,376	-	196,376
Excess presumptive income	144,936	-	144,936	140,258	-	140,258	140,258	-	140,258
Tax credits	57,236	-	57,236	56,282	-	56,282	56,282	-	56,282
Financial liabilities	34,081	-	34,081	46,168	-	46,168	46,168	-	46,168
Other provisions	19,276	-	19,276	14,896	-	14,896	14,896	-	14,896
Other financial liabilities	4,922	-	4,922	2,850	-	2,850	2,850	-	2,850
Trade and other receivables	3,996	-	3,996	4,113	-	4,113	4,113	-	4,113
Employee benefit provisions	3,854	-	3,854	3,642	-	3,642	3,642	-	3,642
Prepaid expenses	3,546	-	3,546	3,681	-	3,681	3,681	-	3,681
Use rights, net (1)	482	-	482	476	-	476	-	-	-
Accounts payable to related parties	88	-	88	8,196	-	8,196	8,196	-	8,196
Other non-financial assets	-	-	-	-	(20)	(20)	-	(20)	(20)
Cash and cash equivalents	-	(4)	(4)	-	-	-	-	-	-
Investments in subsidiaries and joint ventures	-	(90)	(90)	-	(60,657)	(60,657)	-	(60,657)	(60,657)
Accounts receivable from related parties	-	(186)	(186)	-	(523)	(523)	-	(523)	(523)
Lease liabilities (1)	-	(416)	(416)	-	(411)	(411)	-	-	-
Other non-financial liabilities	-	(459)	(459)	3,386	-	3,386	3,386	-	3,386
Non-current assets held for for trading	-	(555)	(555)	-	(555)	(555)	-	(555)	(555)
Inventories	-	(1,205)	(1,205)	5,360	-	5,360	5,360	-	5,360
Construction in progress	-	(4,945)	(4,945)	-	(915)	(915)	-	(915)	(915)
Trade and other payables	-	(5,070)	(5,070)	-	(1,209)	(1,209)	-	(1,209)	(1,209)
Real estate projects	-	(5,691)	(5,691)	-	(12,457)	(12,457)	-	(12,457)	(12,457)
Land	-	(7,085)	(7,085)	-	(9,623)	(9,623)	-	(9,623)	(9,623)
Intangible assets other than goodwill	-	(7,507)	(7,507)	-	(7,654)	(7,654)	-	(7,654)	(7,654)
Other financial assets	-	(22,513)	(22,513)	-	(37,331)	(37,331)	-	(37,331)	(37,331)
Other property, plant and equipment	-	(28,183)	(28,183)	-	(26,512)	(26,512)	-	(26,512)	(26,512)
Investment property	-	(33,292)	(33,292)	-	(8,561)	(8,561)	-	(8,561)	(8,561)
Buildings	-	(120,817)	(120,817)	-	(91,758)	(91,758)	-	(91,758)	(91,758)
Goodwill	-	(186,061)	(186,061)	-	(185,781)	(185,781)	-	(185,781)	(185,781)
Total	483,512	(424,079)	59,433	485,684	(443,967)	41,717	485,208	(443,556)	41,652

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account arises from the effects on deferred tax from the temporary difference resulting upon recognition of use rights and lease liabilities.

The effect of the deferred tax on the statement of income is as follows:

	March 31, 2019	March 31, 2018 (1)	March 31, 2018
Deferred income tax (1)	7,500	41,175	41,173
Deferred occasional gains (loss)	10,401	(2,187)	(2,187)
Total deferred income tax revenue	17,901	38,988	38,986

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

The effect of the deferred tax on the statement of comprehensive income is as follows:

	March 31, 2019	March 31, 2018
Gain from derivative financial instruments designated as hedge instruments (1)	(185)	(1,085)
Total	(185)	(1,085)

The reconciliation of the development of deferred tax to the statement of income and the statement of other comprehensive income between March 31, 2019 and December 31, 2018 is as follows:

	March 31, 2019
Deferred tax recognized in income for the period.	17,901
Deferred tax recognized in other comprehensive income for the period.	(185)
Total increase in net deferred tax (liabilities) between March 31, 2019 and December 31, 2018	17,716

No deferred tax assets generated by certain Colombian and foreign subsidiaries and other minor investments that have shown losses during the current or prior periods have been recognized. The amount of losses is as follows:

	March 31, 2019	December 31, 2018
Other minor investments	(210,028)	(212,032)
Total	(210,028)	(212,032)

Temporary differences related to investments in subsidiaries, associates and joint ventures, for which no deferred taxes have been recognized at March 31, 2019 amounted to $1,437,712 (December 31, 2018 - $1,464,354).

Note 23. Other financial liabilities

The balance of other financial liabilities is as follows:

	March 31, 2019	December 31, 2018
Collections received on behalf of third parties (1)	92,796	104,039
Derivative financial instruments designated as hedge instruments (2)	4,296	5,460
Derivative financial instruments (3)	8,675	1,770
Total current	105,767	111,269
Derivative financial instruments designated as hedge instruments (2)	2,005	1,451
Total non-current	2,005	1,451

(1) The balance of collections received on behalf of third parties is as follows:

	March 31, 2019	December 31, 2018
Éxito Card collections (a)	37,273	44,860
Non-banking correspondent	40,730	47,340
Direct trading (marketplace)	3,923	5,000
Other collections	10,870	6,839
Total	92,796	104,039

(a) Represents collections received from third parties related with Tarjeta Éxito (Éxito Credit Card), owned by Compañía de Financiamiento Tuya S.A. (Note 9).

(2) Derivative instruments designated as hedge instrument reflect swap transactions carried out by the Company under contracts executed with financial entities whose purpose is the exchange, at specific intervals, of the difference between the amounts of fixed and variable interest rates calculated in relation with an agreed-upon nominal principal amount, which turns variable rates into fixed rates and cash flows then may be determined in local currency. The fair values of these instruments are determined based on valuation models commonly used by market participants.

Financial bartering is used to hedge exchange rate and/or interest rate risks of financial liabilities arising from the acquisition of property, plant and equipment, as well as from the business combinations of Companhia Brasileira de Distribuição - CBD and of Libertad S.A. The coverage ratio is 100% of the item hedged, this being the total or a portion of the relevant financial liability.

The Company maintains supporting evidence of accounting hedging relationships and conducts efficacy testing from initial recognition and along the hedging relationship to its derecognition. No inefficacy has been identified during the periods reported.

At March 31, 2019 relates to the following transactions:

Hedging instrument	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Financial liabilities	IBR 3M	5.1% - 6.0%	6,278
Swap	Interest and exchange rates	Financial liabilities	Libor USD 1M + 2.22%	9.06%	23
					6,301

The detail of maturities of these hedging instruments at March 31, 2019 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	562	2,440	1,294	2,005	6,301

At December 31, 2018, relates to the following transactions:

Hedging instrument	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Financial liabilities	IBR 3M	5.1% - 6.0%	6,890
Swap	Interest rate and exchange rate	Financial liabilities	Libor USD 1M + 2.22%	9.06%	21
					6,911

The detail of maturities of these hedging instruments at December 31, 2018 is as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	295	2,752	2,413	1,451	6,911

(3) Derivative financial instruments reflect the fair value of forward and swap contracts to hedge the fluctuation in the exchange rates and interest rates of liabilities in foreign currency. The fair values of these instruments are estimated based on valuation models commonly applied by market participants who use variables other than prices quoted, directly or indirectly perceptible for assets or liabilities. In its statement of financial position, the Company measures derivative financial instruments (forward and swap) at fair value, on each accounting closing date.

The detail of maturities of these instruments at March 31, 2019 is as follows:

	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	1,936	6,596	22	-	8,554
Swap	121	-	-	-	121
					8,675

The detail of maturities of these instruments at December 31, 2018 is as follows:

	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	192	1,506	-	-	1,698
Swap	-	72	-	-	72
					1,770

Note 24. Other non-financial liabilities

The balance of other non-financial liabilities is as follows:

	March 31, 2019	December 31, 2018
Advance payments for real estate projects (1)	95,758	108,597
Revenue received in advance (2)	42,482	68,772
Customer loyalty programs (3)	11,488	18,539
Advance payments under lease agreements and other projects	3,533	977
Instalments received under "plan resérvalo"	691	647
Repurchase coupon	4	176
Total current	153,956	197,708
Advance payments under lease agreements and other projects	712	727
Total non-current	712	727

(1) Relates to advance payments from Patrimonio Autónomo Viva Malls under a mandate agreement whose purpose is the constructions of real estate property (Note 9). At March 31, 2019 and at December 31, 2018, the Company has construction contracts pending legalization for the purpose of finally settling the construction of buildings, which is expected during the last quarter of 2019. The relevant fees will be recognized after legalization.

(2) Mainly relates to revenue received in advance from third parties on the sale of various products through means of payment and strategic alliances.

	March 31, 2019	December 31, 2018
Gift card	30,915	57,199
Cafam comprehensive card	7,399	7,210
Exchange card	3,347	3,492
Fuel card	770	820
Other	51	51
Total	42,482	68,772

(3) Represents customer loyalty programs, namely "Puntos Éxito" and "Supercliente Carulla". At March 31, 2019, the effect of the redemption and expiry of points related with these programs, in Company results, was a higher value in sales revenue in amount of $7,051 (March 31, 2018 - lower value in sales revenue in amount of $804).

Note 25. Share capital, treasury shares repurchased and premium on the issue of shares

At March 31, 2019 and December 31, 2018 the Company's authorized capital is represented in 530,000,000 common shares with a nominal value of $10 (*) each; subscribed and paid-in capital amounts to $4,482; the number of outstanding shares is 447,604,316 and the number of treasury shares reacquired is 635,835 valued at $2,734.

(*) Expressed in Colombian pesos.

The rights attached to the shares are speaking and voting rights per each share. No privileges have been granted on the shares, nor are they restricted in any way. Additionally, there are no option contracts on Company shares.

The premium on placement of shares represents the higher value paid over the par value of the shares, and amounts to $4,843,466 at March 31, 2019 and at December 31, 2018. Pursuant to legal regulations, this balance may be distributed as profits upon winding-up of the company, or upon capitalization of this value. Capitalization means the transferring of a portion of such premium to a capital account as result of the issue of a share-based dividend.

Note 26. Reserves, Retained earnings and Other comprehensive income

Reserves

Reserves are appropriations of prior period results by the General Meeting of Shareholders. In addition to the legal reserve, there is an occasional reserve, a reserve for the reacquisition of shares and a reserve for payment of future dividends.

Retained earnings

Retained earnings include the effect on shareholders' equity of the convergence to IFRS in amount of $1,070,092 resulting from the opening financial statement prepared in 2014 under IFRS 1, included in the accounting and financial reporting standards accepted in Colombia, set out in Law 1314 of 2009 in line with International Financial Reporting Standards (IFRS) officially translated and authorized by the International Accounting Standards Board (IASB) at December 31, 2014, regulated in Colombia by Regulatory Decree 2420 of 2015, "Single Regulatory Decree on accounting, financial reporting and information assurance standards", amended on December 23, 2015 by Regulatory Decree 2496, on December 22, 2016 by Regulatory Decree 2131 and on December 22, 2017 by Regulatory Decree 2170 and updated on December 28,m 2018 by Regulatory Decree 2483.

Other accumulated comprehensive income

The balance of each component of other comprehensive income in the statement of financial position is as follows:

	March 31, 2019			March 31, 2018 (1)			December 31, 2018		
	Net amount	Tax effect	Gross amount	Net amount	Tax effect	Gross amount	Net amount	Tax effect	Net amount
Measurement of financial statements at fair value through other comprehensive income (2)	(8,109)	-	(8,109)	(8,642)	-	(8,642)	(7,200)	-	(7,200)
Measurement of defined benefit plans (3)	(4,760)	1,432	(3,328)	(4,449)	1,472	(2,977)	(4,760)	1,432	(3,328)
Translation exchange differences (4)	(916,525)	-	(916,525)	(489,429)	-	(489,429)	(652,655)	-	(652,655)
(Loss) from the hedging of cash flows (5)	(5,433)	1,769	(3,664)	(16,228)	5,355	(10,873)	(5,978)	1,954	(4,024)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method (6)	(59,813)	-	(59,813)	(42,094)	-	(42,094)	(41,485)	-	(41,485)
Total other accumulated comprehensive income	(994,640)	3,201	(991,439)	(560,842)	6,827	(554,015)	(712,078)	3,386	(708,692)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) Relates to accumulated gains or losses arising from the valuation at fair value of investments in financial instruments through equity, less amounts transferred to retained earnings upon sale of such investments. Changes in fair value are not reclassified to income for the period.

(3) Represents the accumulated value of actuarial gains or losses arising from the Company's defined benefit plans under the equity method. The net value of the new measurements is transferred to retained earnings and is not reclassified to income for the period.

(4) Represents the accumulated value of exchange differences arising from the translation to the Company's presentation currency of assets, liabilities, equity and results of operations abroad under the equity method. Accumulated translation differences are reclassified to period results upon disposition of the foreign operation.

(5) Represents the accumulated value of the effective portion of gains or losses arising from changes in the fair value of hedging instruments in a cash flow hedging. The accumulated value of gains or losses is reclassified to period results only when the hedged transaction influences period results or a highly likely transaction is not foreseen to occur, or is included, as part of the carrying value, in a non-financial hedged item.

(6) Value of the other comprehensive income allocated to the Company from its investments in associates and joint ventures through direct investment or through subsidiaries.

Note 27. Revenue from ordinary activities under contracts with customers

The balance of revenue from ordinary activities under contracts with customers is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Total retail sales (1)	2,644,631	2,570,517
Service revenue (2)	58,671	63,302
Other ordinary revenue (3)	27,528	17,516
Total revenue from ordinary activities	2,730,830	2,651,335

(1) The balance of retail sales represents the sale of goods and real estate projects net of returns and rebates. The balance in this account is comprised of:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Sale of goods, net of sales returns and rebates	2,633,631	2,570,517
Sale of real-estate project inventories (a)	11,000	-
Total retail sales	2,644,631	2,570,517

(a) In 2019 represents the sale of the Copacabana real estate project.

(2) The balance of service revenue relates to:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Distributors	24,693	24,051
Advertising	10,983	10,186
Commissions	5,767	5,500
Non-banking correspondent	5,006	4,063
Lease of real estate	3,818	14,740
Administration of real estate	3,051	1,198
Payments	1,669	1,896
Lease of physical space	1,093	423
Other services	2,591	1,245
Total service revenue	58,671	63,302

(3) The balance of other ordinary revenue relates to:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Involvement in collaboration agreement (a)	14,503	6,076
Royalties	3,760	2,546
Marketing events	3,410	2,261
Latam strategic direction (Note 34)	2,574	2,325
Exploitation of assets	1,252	2,267
Financial services	848	1,001
Use of parking spaces	452	323
Technical assistance	253	285
Other	476	432
Total other ordinary revenue	27,528	17,516

(a) Relates to the involvement in the corporate collaboration agreement with Compañía de Financiamiento Tuya S.A.

Note 28. Distribution expenses and Administration and sales expenses

The balance of administration and sales expenses is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Depreciation and amortization (1)	82,815	82,141	41,680
Taxes other than income tax	43,152	53,305	53,305
Fuels and power	41,966	41,593	41,593
Repairs and maintenance	23,987	22,388	22,388
Advertising	18,779	25,174	25,174
Security services	16,507	15,639	15,639
Administration of trade premises	10,824	9,856	9,856
Public utilities	10,626	7,725	7,725
Cleaning services	10,188	9,797	9,797
Leases (1)	9,068	7,012	69,695
Commissions on debit and credit cards	7,114	6,761	6,761
Transport (1)	6,393	5,643	5,638
Fees	6,374	6,091	6,091
Impairment expense	5,737	575	575
Insurance	5,132	4,602	4,602
Packaging and marking materials	3,708	3,560	3,560
Outsourced employees	2,562	2,610	2,610
Cleaning and cafeteria	2,211	2,194	2,194
Legal expenses	1,340	1,370	1,370
Travel expenses	1,292	1,303	1,303
Other commissions	1,240	1,543	1,543
Ground transportation	997	983	983
Stationery	846	1,160	1,160
Other provisions expense	404	985	985
Contributions and affiliations	370	316	316
Other	18,449	10,681	10,681
Total distribution expenses	332,081	325,007	347,224

The balance of administration and sales expenses is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Depreciation and amortization (1)	8,788	9,616	9,433
Professional fees	7,523	10,317	10,317
Taxes other than income tax	5,042	5,670	5,670
Impairment expense	4,283	291	291
Leases (1)	3,535	3,449	3,664
Repairs and maintenance	2,831	2,333	2,333
Travel expenses	1,616	1,545	1,545
Public utilities	1,369	6,190	6,190
Outsourced employees	1,108	837	837
Insurance	1,006	840	840
Legal provision expense	962	3	3
Commissions	774	788	788
Fuels and power	541	529	529
Telephone services	323	381	381
Transport	300	299	299
Administration of trade premises	263	2	2
Other commissions	191	254	254
Entertainment	155	61	61
Fines, penalties and litigation	147	139	139
Contributions and affiliations	99	163	163
Packaging and marking materials	70	15	15
Legal expenses	65	201	201
Other	1,261	843	843
Total administration and sales expenses	42,252	44,767	44,798

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to these accounts is due to the recognition of depreciation of use rights and derecognition of fixed expenses under lease agreements.

Note 29. Employee benefit expense

The balance of employee benefit expenses incurred by each significant category is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Wages and salaries	158,199	158,688
Contributions to the social security system	2,604	2,586
Other short-term employee benefits	11,075	11,177
Total short-term employee benefit expense	171,878	172,451
Post-employment benefit expenses, defined contribution plans	14,566	14,249
Post-employment benefit expenses, defined benefit plans	716	723
Total post-employment benefit expenses	15,282	14,972
Termination benefit expenses	519	459
Other long-term employee benefits	103	83
Other personnel expenses	2,820	1,502
Total employee benefit expenses	190,602	189,467

Note 30. Other operating revenue, other operating expenses and other net gains

Other operating revenue, other operating expenses and other net gains include the effects of the most significant events occurred during the period which would distort the analysis of the Company's recurrent profitability; these are defined as unusual revenue and expense significant elements whose occurrence is exceptional and the effects arising from items that given its nature are not included in an assessment of recurring operating performance of the Company, such as impairment losses, disposal of non-current assets and the effects of business combinations, among other.

The balance of other operating revenue, other operating expense and other net gains, is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Other operating revenue			
Recurring			
Recovery of allowance for trade receivables (Note 7.2)	10,012	1,709	1,709
Reimbursement of ICA-related costs and expenses	2,825	138	138
Recovery of other provisions	1,215	-	-
Recovery of other provisions related to civil lawsuits	563	599	599
Compensation from insurance companies	331	379	379
Recovery of other provisions related to labor lawsuits	208	71	71
Reimbursement of tax-related costs and expenses	50	-	-
Other revenue	362	-	-
Total recurring	15,566	2,896	2,896
Total other operating revenue	15,566	2,896	2,896
Other operating expenses			
Restructuring expenses (2)	(18,484)	(35,381)	(35,381)
Other expenses (3)	(994)	(616)	(616)
Total other operating expenses	(19,478)	(35,997)	(35,997)
Other net gains (losses)			
Derecognition of property, plant and equipment (4)	-	(1,918)	(1,918)
Expenses from the disposition of assets	(13)	(7)	(7)
Derecognition of lease agreements (1)	-	416	-
Total other net (losses)	(13)	(1,509)	(1,925)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account is due to the recognition of revenue arising from the derecognition of use rights and liabilities from the early termination of lease agreements.

(2) Refers to expenses from the Company's restructuring plan provision, which include the purchase of the operating excellence plan and corporate retirement plan.

(3) In 2019, represents expenses from the restructuring of stores in amount of $484, IRFS 6 implementation expenses in amount of $447 and Bricks II project expenses in amount of $63. For 2018, relates to expenses arising from the closure of shops and stores in amount of $526, and other minor expenses in amount of $90.

(4) For 2018, the expense from derecognition of property, plant and equipment represents the closure of the following stores: Carulla Express Olaya Herrera $473, Éxito Express Altos de la Carolina $319, Surtimax Los Olivos $309, Éxito Express Barzal $201, Éxito Express Av. 60 $196, Surtimax Ciudad Bolivar $167, Éxito Express Parque de las Cigarras $132, Éxito Express Yerbabuena $120 and Surtimax Santa Lucia $1. Other expenses represent expenses arising from the closure of shops and stores in amount of $526, and other minor expenses in amount of $90.

Note 31. Financial revenue and expenses

The balance of financial revenue and expenses is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Gain from exchange difference	114,338	119,724	119,724
Gain from derivative financial instruments	47,080	241	241
Revenue from interest, cash and cash equivalents (Note 6)	2,910	1,929	1,929
Other financial revenue	1,880	2,554	2,554
Total financial revenue	166,208	124,448	124,448
Loss from derivative financial instruments	(95,885)	(126,816)	(126,816)
Interest, loans and finance lease expenses	(71,372)	(75,457)	(75,457)
Loss from exchange difference	(70,617)	(7,089)	(7,089)
Interest expense from lease liabilities (1)	(31,223)	(32,599)	-
Commission expense	(1,298)	(894)	(894)
Other financial expenses	(731)	(740)	(740)
Total financial expenses	(271,126)	(243,595)	(210,996)

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account arises from the recognition of interest expense upon measurement of lease liabilities using the effective interest method.

Note 32. Share of income in subsidiaries, associates and joint ventures that are accounted for using the equity method

The share of income in subsidiaries, associates and joint ventures that are accounted for using the equity method is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Spice Investments Mercosur S.A. (1)	34,523	45,178	45,499
Patrimonio Autónomo Viva Malls (1)	4,507	2,794	752
Éxito Industrias S.A.S. (1)	2,143	(1,227)	(1,354)
Éxito Viajes y Turismo S.A.S. (1)	813	721	713
Logística, Transportes y Servicios Asociados S.A.S. (1)	593	381	418
Patrimonio Autónomo Iwana (1)	(60)	(81)	(86)
Carullla Vivero Holding Inc.	(111)	(303)	(303)
Almacenes Éxito Inversiones S.A.S.	(112)	(15)	(15)
Compañía de Financiamiento Tuya S.A.	(953)	12,890	12,890
Puntos Colombia S.A.S.	(1,226)	(1,309)	(1,309)
Gemex O & W S.A.S. (1)	(1,605)	(904)	(900)
Onper Investments 2015 S.L. (1)	(3,587)	6,735	14,984
Patrimonio Autónomo Fideicomiso San Pedro Etapa I	-	256	256
Patrimonio Autónomo Viva Sincelejo (1)	-	788	723
Patrimonio Autónomo Centro Comercial (1)	-	736	783
Patrimonio Autónomo Viva Villavicencio (1)	-	1,725	1,683
Total	34,925	68,365	74,734

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019. The adjustment to this account relates to the recognition of the effect of applying this IFRS on the results of the associate.

Note 33. Earnings per share

Earnings per share are classified as basic and diluted. The purpose of basic earnings is to give a measure of the participation of each ordinary share of the controlling entity in the Company's performance during the reporting periods. The purpose of diluted earnings is to give a measure of the participation of each ordinary share in the performance of the Company taking into consideration the dilutive effect (decrease in profits or increase in losses) of outstanding potential ordinary shares during the period.

At March 31, 2019 and December at 31, 2018 the Company has not carried out transactions with potential ordinary shares, or after the closing date or at the date of release of these financial statements.

Below is information regarding earnings and number of shares used in the calculation of basic and diluted earnings per share:

In period results:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Net (loss) gain attributable to the holders of ordinary equity instruments of the controlling entity (basic and diluted)	(13,574)	(2,339)	9,984
Weighted average of the number of ordinary shares attributable to earnings per share (basic and diluted)	447.604.316	447.604.316	447.604.316
(Loss) earnings per basic and diluted share (in Colombian pesos)	(30.33)	(5.22)	22.31

In total period comprehensive results:

	January 1 to March 31, 2019	January 1 to March 31, 2018 (1)	January 1 to March 31, 2018
Net (loss) attributable to the holders of ordinary equity instruments of the controlling entity (basic and diluted)	(296,321)	(506,659)	(502,664)
Weighted average of the number of ordinary shares attributable to earnings per share (basic and diluted)	447.604.316	447.604.316	447.604.316
(Loss) per basic and diluted share (in Colombian pesos)	(662.01)	(1,131.94)	(1,123.01)

(1) Estimation of the net earnings per share based on restated amounts that include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

Note 34. Transactions with related parties

Note 34.1. Key management personnel compensation

Transactions between the Company and key management personnel, including legal representatives and/or administrators, mainly relate to labor agreements entered between the parties.

Compensation of key management personnel is as follows:

	January 1 to March 31, 2019	January 1 to March 31, 2018
Short-term employee benefits (1)	9,207	10,795
Post-employment benefits	413	438
Long-term employee benefits	11	-
Termination benefits	-	892
Total	9,631	12,125

(1) A portion of short-term employee benefits is being reimbursed by Casino Guichard Perrachon S.A. and Libertad S.A. under a Latin American strategic direction service agreement entered with these companies. Revenue from Latam strategic direction was recognized during the period ended March 31, 2019 in amount of $2,574 (March 31, 2018 - $2,325) as described in Note 27.

Note 34.2. Transactions with related parties

Transactions with related parties relate to revenue from the sale of goods and other services, as well as to costs and expenses related to risk management and technical assistance support, and to the purchase of goods and services received. The amount of revenue, costs and expenses arising from transactions with related parties is as follows:

	Revenue		Costs and expenses	
	January 1 to March 31, 2019	January 1 to March 31, 2018	January 1 to March 31, 2019	January 1 to March 31, 2018
Joint ventures (1)	19,606	11,206	17,298	667
Subsidiaries (2)	5,253	5,687	76,482	107,313
Controlling entity (3)	1,834	1,668	4,825	6,721
Grupo Casino companies (4)	975	867	6,458	3,756
Members of the Board	-	-	281	439
Total	27,668	19,428	105,344	118,896

(1) Revenue represents yields on bonds and coupons with Compañía de Financiamiento Tuya S.A. in amount of $3,903 (March 31, 2018 - $4,756); share in the corporate collaboration agreement with Compañía de Financiamiento Tuya S.A. in amount of $14,503 (March 31, 2018 - $6,076); rental of real estate property to Compañía de Financiamiento Tuya S.A. in amount of $1,096 (March 31, 2018 - $374) and services provided to Puntos Colombia S.A.S. in amount of $104 (March 31, 2018 - $0).

Costs and expenses represent the cost of the loyalty program and liability management of Puntos Colombia S.A.S. in amount of $16,610 (March 31, 2018 - $0), and commissions on means of payment with Compañía de Financiamiento Tuya S.A. in amount of $688 (March 31, 2018 - $ 667).

(2) Revenue from subsidiaries relate to the sale of goods to Éxito Industrias S.A.S.; provision of administration services to Almacenes Éxito Inversiones S.A.S., Gemex O & W S.A.S., Logística, Transporte y Servicios Asociados S.A.S. and Patrimonios Autónomos (stand-alone trust funds), and instalments on lease of property to Patrimonios Autonomos and to Éxito Viajes y Turismo S.A.S.

Cost and expenses arising from transactions with subsidiaries mainly refer to the purchase of goods for trading from Éxito Industrias S.A.S.; transportation services provided by Logística, Transporte y Servicios Asociados S.A.S.; leases and real estate management activities with Patrimonios Autónomos; purchase of corporate plans from Almacenes Éxito Inversiones S.A.S.; and services received, purchase of goods and reimbursements with other subsidiaries.

The following is the detail of revenue, cost and expense transactions:

	Revenue		Costs and expenses	
	January 1 to March 31, 2019	January 1 to March 31, 2018	January 1 to March 31, 2019	January 1 to March 31, 2018
Patrimonios Autónomos (Stand-alone trust funds)	3,439	2,510	16,416	11,611
Gemex O & W S.A.S.	641	684	378	33
Libertad S.A.	491	657	-	110
Éxito Viajes y Turismo S.A.S.	264	555	-	52
Éxito Industrias S.A.S.	248	368	21,695	65,792
Logística, Transporte y Servicios Asociados S.A.S.	119	242	33,077	29,656
Almacenes Éxito Inversiones S.A.S.	51	671	4,916	59
Total	5,253	5,687	76,482	107,313

(3) Revenue from the controlling entity relates to a Latin America strategic direction service agreement entered with Casino Guichard-Perrachon S.A.

Costs and expenses accrued with the controlling entity arise from consultancy and technical assistance services provided by Casino Guichard-Perrachon S.A. and Geant International B.V.

(4) Revenue mainly relates to the provision of services and success fees from suppliers. Costs and expenses accrued mainly arise from energy optimization services received and intermediation in the import of goods and procurement of goods. The following is the detail of transactions:

	Revenue		Costs and expenses	
	January 1 to March 31, 2019	January 1 to March 31, 2018	January 1 to March 31, 2019	January 1 to March 31, 2018
Casino International	803	639	-	2,541
Greenyellow Energía de Colombia S.A.S.	172	-	4,600	-
Distribution Casino France	-	-	1,779	777
Casino Services	-	228	79	-
International Retail Trade and Services	-	-	-	438
Total	975	867	6,458	3,756

Note 35. Impairment of assets

Note 35.1. Financial assets

No material losses from the impairment of financial assets were identified at March 31, 2019 and at December 31, 2018.

Note 35.2. Non-financial assets

At December 31, 2018, the Company completed the annual impairment testing by cash-generating units, which is duly supported in the financial statements at the closing of such year.

No indication of impairment of non-financial assets was identified at March 31, 2019.

Note 36. Fair value measurement

Below is a comparison of book values to fair values of financial assets and liabilities and non-financial assets of the Company at March 31, 2019 and at December 31, 2018 on a periodic basis as required or permitted by an accounting policy; financial assets and liabilities whose carrying values are an approximation of fair values are excluded, considering that they mature in the short term (in less than or up to one year), namely: trade receivables and other debtors, trade payables and other creditors, collections on behalf of third parties and short-term financial liabilities.

	March 31, 2019		December 31, 2018	
	Book value	Fair value	Book value	Fair value
Financial assets				
Trade receivables and other accounts receivable at amortized cost	35,844	34,029	36,130	34,064
Investments in private equity funds (Note 11)	1,188	1,188	1,201	1,201
Equity investments (Note 11)	812	812	708	708
Investment in bonds (Note 11)	40,725	39,983	39,821	39,983
Forward contracts measured at fair value through income (Note 11)	5,867	5,867	38,675	38,675
Swap contracts measured at fair value through income (Note 11)	62,885	62,885	74,866	74,866
Swap contracts denominated as hedge instruments (Note 11)	159	159	480	480
Non-financial assets				
Investment property (Note 13)	98,847	165,032	97,680	163,617
Financial liabilities				
Financial liabilities at amortized cost (Note 18)	3,805,888	3,811,792	3,867,878	3,882,015
Finance leases at amortized cost (Note 18)	12,211	12,199	13,336	13,324
Forward contracts measured at fair value through income (Note 23)	8,554	8,554	1,698	1,698
Swap contracts measured at fair value through income (Note 23)	121	121	72	72
Swap contracts denominated as hedge instruments (Note 23)	6,301	6,301	6,911	6,911
Non-financial liabilities				
Customer loyalty liability (Note 24)	11,488	11,488	18,539	18,539

The following methods and assumptions were used to estimate the fair values:

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
Loans at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Commercial rate of banking institutions for consumption receivables without credit card for similar term horizons. Commercial rate for VIS housing loans for similar term horizons.
Investments in private equity funds	Level 1	Unit value	The value of the fund unit is given by the preclosing value for the day, divided by the total number of fund units at the closing of operations for the day. The fund administrator appraises the assets daily.	N/A
Forward contracts measured at fair value through income	Level 2	*Peso-US Dollar forward*	The difference is measured between the forward agreed upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is determined based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the *swap* net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon TES curve. Swap *LIBOR curve.* Treasury Bond curve. CPI 12 months
Equity investments	Level 1	Market quote prices	The fair value of such investments is determined as reference to the prices listed in active markets if companies are listed; in all other cases, the investments are measured at the deemed cost as determined in the opening balance sheet, considering that the effect is immaterial and that carrying out a measurement using a valuation technique commonly used by market participants may generate costs higher than the value of benefits.	N/A
Investment in bonds	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for investments under similar conditions on the date of measurement in accordance with maturity days.	CPI 12 months + Basis points negotiated
Investment property	Level 1	Comparison or market method	This technique involves establishing the fair value of goods from a survey of recent offers or transactions for goods that are similar and comparable to those being appraised.	N/A

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
Investment property	Level 3	Discounted cash flows method	This technique provides the opportunity to identify the increase in revenue over a previously defined period of the investment. Property value is equivalent to the discounted value of future benefits. Such benefits represent annual cash flows (both, positive and negative) over a period, plus the net gain arising from the hypothetical sale of the property at the end of the investment period.	Weighted average cost of capital Growth in lessee sales Vacancy Growth in revenue
Investment property	Level 3	Realizable-value method	This technique is used wherever the property is suitable for urban development, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable value

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Liabilities				
Financial liabilities and finance leases measured at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Reference Banking Index (RBI) + Negotiated basis points. LIBOR rate + Negotiated basis points.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the *swap* net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon TES curve. Swap *LIBOR curve.* Treasury Bond curve. CPI 12 months
Derivative instruments measured at fair value through income	Level 2	*Peso-US Dollar forward*	The difference is measured between the forward agreed upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is determined based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Derivative *swap* contracts denominated as hedge instruments	Level 2	Discounted cash flows method	The fair value is calculated based on forecasted future cash flows of transactions using market curves and discounting them at present value, using *swap* market rates.	Swap curves calculated by Forex Finance Market Representative Exchange Rate (TRM)
Customer loyalty liability (1)	Level 3	Market value	The customer loyalty liability is updated in accordance with the point average market value for the last 12 months and the effect of the expected redemption rate, determined on each customer transaction.	Number of points redeemed, expired and issued. Point value. Expected redemption rate.

(1) The development of the measurement of customer loyalty liability during the period is as follows:

Balance at December 31, 2018	18,539
Issue	-
Maturity	(4,697)
Redemption	(2,354)
Balance at March 31, 2019	11,488

The Company determines whether transfers between fair value hierarchy levels have occurred, through a change in valuation techniques, in such a way that the new measurement is the most accurate picture of the new fair value of the appraised asset or liability.

Changes in hierarchies may occur if new information is available, certain information used for valuation is no longer available, there are changes resulting in the improvement of valuation techniques or changes in market conditions.

There were no transfers between level 1 and level 2 hierarchies during the year.

Note 37. Contingent assets and liabilities

Note 37.1. Contingent assets

The Company has no significant contingent assets at March 31, 2019 and at December 31, 2018.

Note 37.2. Contingent liabilities

Contingent liabilities at March 31, 2019 and at December 31, 2018 are as follows:

a. The following proceedings are underway, seeking that the Company be exempted from paying the amounts claimed by the complainant entity:

  - Administrative discussion with DIAN amounting to $18,483 (December 31, 2018 - $18,483) regarding notice of special requirement 112382018000126 of September 17, 2018 informing of a proposal to amend the income tax return for 2015.

  - Resolutions by means of which the District Tax Direction of Bogotá issued to the Company an official revision settlement of the industry and trade tax for the bimonthly periods 4, 5 and 6 of 2011 on the grounds of alleged inaccuracy in payments, in amount of $11,830 (December 31, 2018 - $11,830).

  - Resolutions issued by the District Finance Direction of Bogotá by means of which the industry and trade tax return of the Company for the bimonthly periods 2, 3, 4, 5 and 6 of 2012 were amended on the grounds of alleged inaccuracy in payments in amount of $5,000 (December 31, 2018 - $5,000).

  - Resolution defining the budget and approving the distribution and individual allocation of the reappraisal of the general benefit contribution for the development of a public works program regarding Company property in amount of $1,163 (December 31, 2018 - $1,163).

  - Resolutions by means of which a penalty was imposed on the grounds of inadequate offsetting of the Carulla Vivero S.A. 2008 income tax in amount of $1,088 (December 31, 2018 - $1,088).

  - Resolution and official assessment imposing penalties on the Company on the grounds of errors in the self-assessment of contributions to the Social Security System in amount of $940 (December 31, 2018 - $940).

  - Termination of lease agreement on the grounds of failure to deliver certain trade premises at the Patrimonio Autónomo Centro Comercial Viva Riohacha, in amount of $602 (December 31, 2018 - $0)

  - Resolution by means of which the DIAN issued official revision assessment regarding sales tax of the first bimonthly period of taxable 2013, on the grounds of alleged inaccuracy in payments in amount of $544 (December 31, 2018 - $544).

b. Other proceedings:

  - Third party liability lawsuit amounting to $1,531 (December 31, 2018 - $1,531) for alleged injuries to a customer at Éxito Santa Marta store premises.

  - Third party liability lawsuit amounting to $700 (December 31, 2018 - $700) for alleged damages to the plaintiff's property during the demolition of Club Campestre Sincelejo and subsequent construction of Almacén Éxito Sincelejo on the same land.

c. Other contingent liabilities:

  - On June 1, 2017 the Company granted a collateral on behalf of Almacenes Éxito Inversiones S.A.S. in amount of $2,631 to cover a potential failure to comply with its obligations with one of its largest suppliers.

These contingent liabilities, whose nature is that of potential liabilities, are not recognized in the statement of financial position; instead, they are disclosed in the notes to the financial statements.

Note 38. Dividends declared and paid

At March 31, 2019

The Company's General Meeting of Shareholders held on March 27, 2019, declared a dividend of $139,706, equivalent to an annual dividend of $312.12 per share (*), payable in four quarterly installments and enforceable between the sixth and tenth working day of April, July and October 2019, and January 2020.

Dividends paid during the three-month period ended March 31, 2019 amounted to $27,207.

(*) Expressed in Colombian pesos.

At December 31, 2018

The Company's General Meeting of Shareholders held on March 23, 2018, declared a dividend of $108,857, equivalent to an annual dividend of $243.20 per share (*), payable in four quarterly installments and enforceable between the sixth and tenth working day of April, July and October 2018, and January 2019.

Dividends paid during the annual period ended December 31, 2018 amounted to $87,072.

(*) Expressed in Colombian pesos.

Note 39. Seasonality of transactions

Company's operating cycles show certain seasonality in operating and financial results, with a concentration during the last quarter of the year, mainly due to Christmas and "Special Price Days", which is the second most important promotional event of the year.

Note 40. Financial risk management policy

During the three-month period ended 31 March 2019, there have not been significant changes to the Company's' risk management policies as applied at December 31, 2018, nor changes in the analysis of risk factors that might have an effect on them, such as the general risk management framework, financial risk management, credit risk, market risk, interest rate risk, currency risk, stock pricing risk and liquidity risk.

At December 31, 2018, the Company submitted a detailed report on its risk management policies, which is well documented in the financial statements at the closing of such year.

Note 41. Non-current assets held for trading

As of June 2018, Company Management started a plan to sell certain property to structure projects that allow using such real estate property, increase the potential future selling price and generate resources to the Company. Consequently, certain property, plant and equipment and certain investment property were classified as non-current assets held for trading.

The balance of non-current assets held for trading at March 31, 2019 and at December 31, 2018 as included in the statement of financial position is as follows:

	March 31, 2019	December 31, 2018
Property, plant and equipment (1)	16,489	16,489
Investment property (2)	10,119	10,119
Total	26,608	26,608

(1) Represents the Lote property and the Hotel Cota project.

(2) Represents the following real estate property:

	March 31, 2019	December 31, 2018
Lote La Secreta (land) (a)	5,960	5,960
Kennedy trade premises (building) (a)	1,640	1,640
Kennedy trade premises (land) (a)	1,229	1,229
Lote Casa Vizcaya (land) (a)	595	595
Pereira Plaza trade premises (building) (a)	556	556
Lote La Secreta (construction in progress)	139	139
Total	10,119	10,119

The Company is of the opinion that such assets will be sold during 2019.

No revenue or expense have been recognized in income or in other comprehensive income related with the group of assets for disposal.

Note 42. Relevant facts

At March 31, 2019

General Meeting of Shareholders

The Company's General Meeting of Shareholders was held on March 23, 2019, to resolve, among other topics, on the approval of the Management Report, approval of separate and consolidated financial statements at December 31, 2018 and approval of dividend distribution to shareholders.

At December 31, 2018

Contribution to Patrimonio Autónomo Viva Malls

On December 28, 2018 the Company made an additional contribution of the following assets to Patrimonio Autónomo Viva Malls, as part of the memorandum of understanding executed on December 23, 2016 with Fondo Inmobiliario Colombia:

Fiduciary interests:
- Patrimonio Autónomo Viva Villavicencio,
- Patrimonio Autónomo Centro Comercial,
- Patrimonio Autónomo Viva Sincelejo, and
- Patrimonio Autónomo San Pedro Etapa I.

Real estate property:
- Lote Sincelejo, and
- Fontibón real estate property

With the mentioned contributions, the Company remains the trustor with 51% of interest in Patrimonio Autónomo Viva Malls, but changed its interest in contributed Patrimonios from 51% to 26.01%

General Meeting of Shareholders

The Company's General Meeting of Shareholders was held on March 23, 2018, to resolve, among other topics, on the approval of the Management Report, approval of separate and consolidated financial statements at December 31, 2017 and approval of dividend distribution to shareholders.

Note 43. Events after the reporting period

No events have occurred after the reporting period that entail significant changes in the Company.

Note 44. Information regarding the adoption of IFRS 16

The Company started to apply IFRS 16 - Leases as of January 1, 2019. This standard requires recognizing a use right asset and a lease liability.

Use rights assets are assets representing the right of the Company as lessee to use an underlying asset during the term of a lease agreement. The liability represents future payments under the lease agreement.

The Company elected to apply the standard retrospectively, as if it had been applied from the start date of all lease agreements. For comparison purposes, the Company prepared the financial statements of prior periods including the effects of adopting IFRS 16.

As a result of adoption:
- Use right assets were recognized;
- Lease liabilities were recognized;
- Lease expenses were eliminated (fixed payments under lease agreements);
- Depreciation of use rights was recognized;
- Interest expense was recognized upon measurement of lease liabilities using the effective interest method.
- Fixed payments made and new amendments to the lease agreement were recognized under lease liabilities.
- The effects on deferred tax arising from temporary differences resulting upon recognition of use rights and lease liabilities were recognized.

The effects shown in the statement of financial position at December 31, 2018 are:

	December 31, 2018 with IFRS 16	December 31, 2018 without IFRS 16	IFRS 16 adjustment	
Total current assets	3,914,728	3,914,728	-	
Non-current assets				
Trade receivables and other accounts receivable	23,177	23,177		
Prepaid expenses	10,231	10,231		
Accounts receivable from related parties	3,807	3,807		
Other financial assets	66,729	66,729		
Property, plant and equipment, net	2,055,879	2,055,879		
Investment property, net	97,680	97,680		
Use rights, net	1,302,847	-	1,302,847	(1)
Goodwill	1,453,077	1,453,077		
Intangible assets other than goodwill, net	144,245	144,245		
Investments accounted for using the equity method, net	7,766,368	7,851,746	(85,378)	(2)
Deferred tax assets, net	41,717	41,652	65	(3)
Other non-financial assets	398	398		
Total non-current assets	12,966,155	11,748,621	1,217,534	
Total assets	16,880,883	15,663,349	1,217,534	
Current liabilities				
Accounts payable to related parties	120,972	120,972		
Financial liabilities	1,042,781	1,042,781		
Employee benefits	3,648	3,648		
Other provisions	12,292	12,292		
Trade payables and other accounts payable	3,567,527	3,567,527		
Lease liabilities	181,394	-	181,394	(4)
Tax liabilities	50,458	50,458		
Other financial liabilities	111,269	111,269		
Other non-financial liabilities	197,708	197,708		
Total current liabilities	5,288,049	5,106,655	181,394	
Non-current liabilities				
Financial liabilities	2,838,433	2,838,433		
Employee benefits	27,560	27,560		
Other provisions	38,793	38,783	10	(4)
Lease liabilities	1,328,049	-	1,328,049	(5)
Other financial liabilities	1,451	1,451		
Other non-financial liabilities	727	727		
Total non-current liabilities	4,235,013	2,906,954	1,328,059	
Total liabilities	9,523,062	8,013,609	1,509,453	
Shareholders' equity	7,357,821	7,649,740	(291,919)	
Total liabilities and shareholders' equity	16,880,883	15,663,349		

(1) The adjustment represents the recognition of use rights.

(2) The adjustment represents the recognition of the effects of application of this standard on the equity of investments accounted for using the equity method.

(3) The adjustment represents the effects on deferred tax from the temporary difference resulting upon recognition of use rights and lease liabilities.

(4) The adjustment represents the recognition of the effects of applying this standard on the equity of subsidiary Gemex O&W S.A.S., which shows negative equity.

(5) The adjustment represents the recognition of lease liabilities.

The effects shown in the statement of income at March 31, 2018 are:

	March 31, 2018 with IFRS 16	March 31, 2018 without IFRS 16	IFRS 16 adjustment	
Continuing operations				
Revenue from ordinary activities under contracts with customers	2,651,335	2,651,335		
Cost of sales	(2,033,052)	(2,037,032)	3,980	(5)
Gross profit	618,283	614,303		
Distribution expenses	(325,007)	(347,224)	22,217	(5)
Administration and sales expenses	(44,767)	(44,798)	31	(5)
Employee benefit expenses	(189,467)	(189,467)		
Other operating revenue	2,896	2,896		
Other operating expenses	(35,997)	(35,997)		
Other (losses), net	(1,509)	(1,925)	416	(6)
Profit (loss) from operating activities	24,432	(2,212)		
Financial revenue	124,448	124,448		
Financial expenses	(243,595)	(210,996)	(32,599)	(7)
Share of profits in subsidiaries, associates and joint ventures that are accounted for using the equity method.	68,365	74,734	(6,369)	(9)
(Loss) from continuing operations before income tax	(26,350)	(14,026)	(12,324)	
Tax revenue	24,012	24,010	2	(10)
Net period profit (loss) from continuing operations	(2,338)	9,984	(12,322)	

(5) The adjustment relates to the derecognition of fixed payments under lease agreements and the recognition of the depreciation of use rights.

(6) The adjustment represents the recognition of revenue arising from the derecognition of use rights and liabilities from the early termination of lease agreements.

(7) The adjustment represents the recognition of interest expense upon measurement of lease liabilities using the effective interest method.

(9) The adjustment represents the recognition of the effects of application of this IFRS on the income of subsidiaries that are accounted for using the equity method.

(10) The adjustment represents the recognition of the effects of application of this IFRS on deferred tax revenue.