

Almacenes Éxito S.A. Consolidated Financial Results 2011

For the second quarter and six-month period ended June 30, 2011



Expansion in intermediate cities: Éxito Yopal store

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

Medellín, Colombia – July 25, 2011 – Almacenes Éxito S.A. ("ÉXITO" or "the Company"), the largest retail Company in Colombia today announced its consolidated financial results for second quarter and six-month period ended June 30, 2011. All figures are expressed in COP -Colombian pesos- (US\$1 = COP\$ 1,780.16 at June 30, 2011).

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éxito[®]

>**Net Revenues** reached a favourable increase of 21.0% to \$2,101,829 million in the second quarter 2011.

>**Selling and Administrative Expenses** went up 15.2% to COP\$425,211 million. Nevertheless, as a percentage of Net Revenues they decreased from 21.3% to 20.2%.

>**Operating Income** increased 54.5% to COP\$89,957 million and went up to 4.3% from 3.4% as a percentage of Net Revenues.

>**EBITDA** rose 28.7% to COP\$164,385 million during the quarter, representing an EBITDA margin increase from 7.4. % to 7.8%.

>**Net Income** reached 95.6% to COP\$65,645 million. Net income margin increased to 3.1% from 1.9%.

>**Working Capital** improved by COP\$259,985 million reaching a level of COP\$540,332 million (equity tax included).

>**Financial debt** dropped by 47.4% for a total of COP\$344,485 million.

The Cafam conversion plan continues successfully



Second quarter 2011 operating highlights

Successful Expansion Plan: The Company remains steadfast in its expansion and conversion plan. **14 new stores** opened their doors during this quarter to saturate large cities and penetrate intermediate with over 60 thousand inhabitants. In large cities we opened 7 Éxito Express stores in Bogotá: Avenida Jiménez, Av. 19 with 106, Colina Campestre, Carrera 7 with 45, Carrera 7 with 17, Carrera 15 with 100, and Carrera 7 with 26. Carulla supermarkets: City Plaza in Medellín and Ramblas in Cartagena, also the Bodegas Surtimax Patio Bonito and Villa Gladys in Bogotá and Bodeguita in Parque de Belén in Medellín. In intermediate cities we opened Éxito Cristal in Armenia at the coffee region and Éxito Yopal, at the oil region in Colombia.

Likewise, **16 stores were converted** into Éxito brand in Bogotá, formerly Cafam and Carulla stores: Ciudad Jardín, Zarzamora, Carrera 10, Express Colina Campestre, Express la Carolina, San Rafael, Esperanza, Restrepo, Castillo, Tintal, Ciudad Montes and Avenida Chile. Into Éxito brand, in Ibagué, formerly Carulla stores: Éxito Calle 37 and Calle 28; and two stores in Manizales: Éxito San Cancio and Centro, formerly Almacenes Ley.

Shares Issuance - Aggressive Growth and International Expansion: In the last General Shareholders Meeting it was ratified the execution of the agreement to endorse the company to carry out a Public Stock Offering for up to USD \$1,400 million. Casino Group will subscribe shares in proportion to its current holding, around USD \$750 million, leaving a stock offering of about US\$ 650 million for the local and international markets. The terms of the issuance will be predetermined and made public after further approvals by the Board and relevant authorities.

Resources raised will be destined to attain international growth and accelerate the expansion strategy. Locally, money will boost strategies for market saturation, penetration in intermediate cities and develop major real estate projects along with investments on non-food retail, complementary businesses and upgrade of current logistics and technology platforms.

Éxito goes global to acquire the market retail leaders in Uruguay, Disco and Devoto for a total of USD \$746 million.

Promotional activities: 142 Éxito brand stores had two of its most important promotional activities. From April 1st to the 17th, **Aniversario Éxito** allowed customers to enjoy over 22 million items on sale. On the other hand, from June 24th to July 6th, **Mega Prima**, made for Colombians over 16 million items available on sale.

Exclusive Novelties: Among the new features exclusively offered to our customers during this quarter, we introduced in our stores the new production of two of the most renowned artists worldwide. This is Lady Gaga's production *Born this way*, exclusively sold in Carulla and Éxito thanks to a partnership with Universal Music. Additionally, in joint with Sony Music, the album *Número Uno*, by the Spanish singer Julio Iglesias.

Expovinos and Colombia es Café: We offered unique fairs such as *Expovinos* and *Colombia es Cafe*, to attract the Colombians' attention which gave us the opportunity to position our chains as leaders in their categories. From June 16th to the 18th, Expovinos, in its sixth annual, hosted in the capital over 24,000 visitors who enjoyed conferences from experts and from other innovative activities related to Enology. Moreover, about 4,000 people attended the first edition of Colombia es Cafe - Carulla, held from May 13th to the 15th in Bogota with the objective of promoting the consumption of our national drink: coffee.

Grupo Éxito is News Inside and Outside the Country: The organization classified into the eight categories of the *Business Elite Survey 2011*, conducted by Datexco and published in May by *Portafolio newspaper*. Grupo Éxito ranked first in corporate social responsibility and reached leading positions in categories such as best image, management and customer service. Colombia and Grupo Éxito also became headlines in major local and French newspapers such as Le Monde and Le Figaro.

Consolidated Financial Statements as of June 30, 2011

Consolidated Income Statement for the Second Quarter 2011

	Second quarter, 2011		Second quarter, 2010		% Var
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	
Net Revenues	2,101,829	100.0%	1,736,895	100.0%	21.0%
Cost of sales	-1,586,661	-75.5%	-1,309,480	-75.4%	21.2%
Gross Profit	515,168	24.5%	427,415	24.6%	20.5%
Selling and administrative expense	-425,211	-20.2%	-369,207	-21.3%	15.2%
Operating Income	89,957	4.3%	58,208	3.4%	54.5%
Financial income	39,253	1.9%	14,039	0.8%	N/A
Financial expense	-45,665	-2.2%	-27,480	-1.6%	66.2%
Other non-operating income and expense	-8,837	-0.4%	-5,239	-0.3%	68.7%
Minority interest	-34	0.0%	-15	0.0%	N/A
Income before taxes	74,674	3.6%	39,513	2.3%	89.0%
Income taxes	-9,029	-0.4%	-5,955	-0.3%	51.6%
Net Income	65,645	3.1%	33,558	1.9%	95.6%
EBITDA	164,385	7.8%	127,756	7.4%	28.7%

Consolidated Income Statement for the six-month period ended June 30, 2011

	For six months ended June 30, 2011		For six months ended June 30, 2010		% Var
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	
Net Revenues	3,965,682	100.0%	3,461,717	100.0%	14.6%
Cost of sales	-2,992,680	-75.5%	-2,626,400	-75.9%	13.9%
Gross Profit	973,002	24.5%	835,317	24.1%	16.5%
Selling and administrative expense	-824,897	-20.8%	-728,872	-21.1%	13.2%
Operating Income	148,105	3.7%	106,445	3.1%	39.1%
Financial income	72,202	1.8%	25,794	0.7%	N/A
Financial expense	-80,863	-2.0%	-51,040	-1.5%	58.4%
Other non-operating income and expense	-14,500	-0.4%	-8,730	-0.3%	66.1%
Minority interest	-39	0.0%	-61	0.0%	-36.1%
Income before taxes	124,905	3.1%	72,408	2.1%	72.5%
Income taxes	-16,298	-0.4%	-16,779	-0.5%	-2.9%
Net Income	108,607	2.7%	55,629	1.6%	95.2%
EBITDA	296,347	7.5%	247,854	7.2%	19.6%

Consolidated Balance Sheet

(in millions of Colombian pesos)

	June 2011	June 2010	% Var
Assets	6,383,270	6,188,994	3.1
Current assets	1,815,258	1,640,087	10.7
Cash	345,987	227,116	52.3
Marketable securities	296,275	355,153	-16.6
Inventories	808,312	760,553	6.3
Others	364,684	297,265	22.7
Non-current assets	4,568,012	4,548,907	0.4
Liabilities	2,133,366	2,056,376	3.7
Current liabilities	1,833,163	1,602,769	14.4
Financial obligations short term	119,835	264,604	-54.7
Suppliers	1,058,350	891,177	18.8
Others	654,978	446,988	46.5
Non-current liabilities	300,203	453,607	-33.8
Financial obligations long term	224,650	390,526	-42.5
Others	75,553	63,081	19.8
Minority interest	2,750	3,473	-20.8
Shareholders' equity	4,247,154	4,129,145	2.9

ROA and ROE

	2010	2010 June	2011 June
ROA	3.8%	2.8%	4.8%
ROE	5.8%	4.3%	7.2%

Historic Value*	2010	2010 June	2011 June
ROA	5.4%	4.4%	6.6%
ROE	9.4%	7.6%	11.5%

* Historic value does not include valuations and inflation adjustments

Second quarter 2011 Financial highlights

>>**Net Revenues** reached a favourable increase of 21.0% during the second quarter of 2011 for a total of COP\$2,101,829 million versus COP\$1,736,895 million obtained during the same quarter last year. This growth was recorded through a 14.8% increase in same store sales and 6.2% thanks to the company's expansion plan.

>>**Gross Profit** rose 20.5% to COP\$ 515,168 million compared to COP\$427,415 million on the same quarter of 2010. As a percentage of Net Revenues, gross margin remained at 24.5%, reflecting good performance on both food and non food items.

>>**Selling and Administrative Expenses** went up 15.2% to COP\$425,211 million compared to COP\$369,207 million for the same period last year. However as percentage of Net Revenues, SG&A's decreased from 21.3% to 20.2% attributable to the ongoing operational excellence program as well as per dilution of expenditures given the increase in Net Revenues.

>>**Operating Income** increased 54.5% to COP\$89,957 million if compared to COP\$58,208 million obtained during the same period 2010. As a percentage of Net Revenues, Operating Margin went up from 3.4% on the second quarter of 2010 to 4.3% for the same period in 2011.

>>**EBITDA** rose 28.7% stepping from COP\$127,756 million to COP\$164,385 million if compared to the same quarter last year. As a percentage of net revenues, EBITDA margin was 7.8% versus 7.4% during the second quarter of 2010.

>>**Net Financial Expenses** declined 52.3% from COP\$13,441 million to COP\$6,412 million for the same period last year. As a percentage of Net Revenues they dropped from 0.8% to 0.3% in 2010, explained by lower financial debt.

>>**Other Non-Operating Income and Expenses** went up to COP\$8,837 million during the second quarter of 2011 if compared to COP\$5,239 million obtained from last year. As a percentage of Net Revenues they went from 0.3% in 2010 to 0.4% in 2011.

>>**Net Income** achieved a 95.6% increase to COP\$65,645 million for the second quarter of 2011 versus COP\$33,558 million 2010 results for the same period. As a percentage of Net Revenues, Net Income margin rose from 1.9% to 3.1% in Q2 2011.

>>**Working Capital** reached a favourable position of COP\$259,985 million, improving COP\$540,332 million compared to COP\$280,347 million during the same quarter last year, explained by an important increase in accounts payable to suppliers and the equity tax.

>>**Financial Debt** dropped by 47.4% for a total of COP\$344,485 million versus COP\$655,130 million same quarter 2010. The interest expense coverage ratio, as well as the leverage ratio, improved when compared with the same period last year, reaching 19.80 versus 14.28 and 0.52 versus 1.13, respectively.

The new Surtimax Patio Bonito in Bogotá



Other operating information as of June 30, 2011

Number of Stores, Selling Area (owned/leased)

Owned/Leased	Stores		Area	
	Stores	%	Area (sq m ²)	%
Leased	140	44.7	412,519	60.8
Owned	173	55.3	266,213	39.2
Total	313	100	678,731	100

Number of stores and selling area

Brands	Stores	Selling area (sq m ²)
Éxito	163	528,332
Carulla	75	70,964
Bodega & Bodeguita Surtimax	59	44,093
Others: Ley, Homemart, Cafam	16	35,342
Total	313	678,731

Same store sales growth

(excluding the drugstore sales from 2010 base)

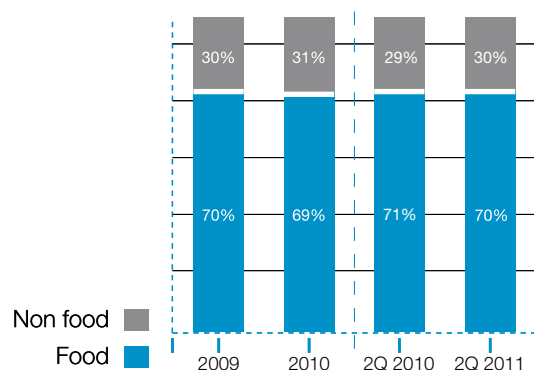
	2011	2010
First quarter	1.9%	2.6%
Second quarter	14.8%	4.6%
As of June 2011	8.4%	3.6%

Openings, closings and conversions for the six-month period ended June, 2011

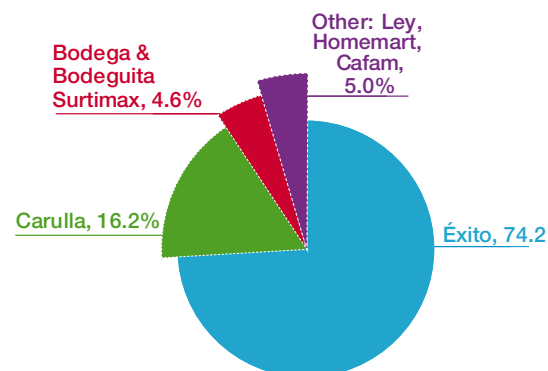
Brands	Opened	Closed	Converted
Éxito	19		16 From Ley, Carulla and Cafam brands
Carulla	2	5 (Carulla)	6 From Cafam brand
Bodega & Bodeguita Surtimax	3	4	6 From Carulla and Cafam brands
Others-Ley, Homemart, Cafam		1 (Cafam)	0
Total	24	10	28

Note: Closings include 2 Carulla and 1 Bodega Surtimax sold as per SIC

Sales mix



% Sales by brand



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Carulla launched the first version of “Colombia es Café” fair

Note on Forward Looking Statements

This press release contains forward-looking statements of expected future developments. This information as well as statements regarding future events and expectations is subject to risks and uncertainties, as well as factors that could cause the results, performance and achievements of the Company to differ at any time. Such factors include changes in the general retail industry, economic, political, governmental and commercial conditions both domestically and globally, as well as variations in interest rates, inflation rates, exchange rate volatility and tax rates. As a result of these risks and factors, actual results could materially differ from the estimates provided; therefore, the Company does not accept responsibility for any variations or for the information provided by official sources.