



Carulla express
Olaya Herrera
in Medellín

Almacenes Éxito S.A.

Consolidated Financial Results

For the Second Quarter and six-month period
ended June 30, 2015

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

Medellín, Colombia – July 29,
2015 – Almacenes Éxito S.A.
("Éxito" or "the Company"), the
largest retail company in
Colombia today announced its
consolidated financial results for
the period ended June 30, 2015.
All figures are expressed in COP
-Colombian pesos.

Exchange rate: 1 USD =
COP\$2.585,11 at June 30, 2015



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

Date: Thursday, July 30, 2015 at 10:00 a.m. Eastern time
9:00 a.m. Colombian time

To participate, please dial:

U.S. Toll Free: 877 809 8690

UK Toll Free: 0800 028 8438

France Toll Free: 0800 909 322

Colombia Toll Free: 01800 518 0165

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

Conference ID Number: 83373602

Almacenes Éxito S.A. will report its Second Quarter 2015 Earnings on Wednesday, July 29, 2015 after market close. 2Q15 results will be accompanied by a webcast presentation and audio webcast that will be available on the company's website at www.grupoexito.com.co under "Investors" or <http://services.choruscall.com/links/exito150730>

Second Quarter 2015 Financial & Operating Highlights

2015

Second Quarter 2015 Financial Highlights

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

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

- **Net Revenues** increased 16.4% to COP\$2,953,483 million in the second quarter 2015.
- **Selling and Administrative Expenses** increased 27.3% to COP\$607,588 million. As a percentage of Net Revenues, SG&A represented 20.6%
- **Recurring Operating Income (ROI)** increased 24.6% for a total of COP\$154,938 million. As a percentage of Net Revenues, Recurring Operating Income margin reached 5.2%.
- **Recurring Ebitda (ROI +D&A)** grew 22.2% for a total of COP\$210,373 million to recurring EBITDA margin of 7.1%.
- **Net Income** increased 71.3% to COP\$159,739 million to a Net Income margin of 5.4%.

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

Expansion in Colombia

Grupo Exito achieved a total of 9 stores opened in the second quarter:

7 in Colombia

1 Exito store in Risaralda and 2 Exito express located in Bogotá and Envigado, 1 Carulla supermarket in Manizales, 1 Carulla express in Medellín and 2 Super Inter stores in Pereira and Cali.

In addition, 4 Exito stores were converted to 3 Super Inter stores in the coffee region and 1 Super Inter store in Cali, while 1 Super Inter store was converted to a Carulla supermarket in Cali.

2 in Uruguay

The first two convenience express stores opened last June 8, 2015 in Montevideo under the Devoto brand.

With these stores, the Company's store count was 544 stores in Colombia and 56 in Uruguay to a total of 600 stores with approx. 897,000 sqm of selling area.

New Exito Stores:

express: Colina in Bogotá and Trianón in Envigado. **Outlet:** Dosquebradas in Dosquebradas

New Carulla Stores:

San Marcel in Manizales
express: Olaya Herrera in Medellín

New Super Inter Stores:

Super Inter: Villa Verde in Pereira and Buenos Aires in Cali

Uruguay:

Devoto express: 21 de septiembre and Avenida Rivera in Montevideo

The Company
completed a total of **600**
stores

Promotional Activity:

Pasta Fair in Bogotá and Carulla es Café in Medellín events

These two commercial events organized by Carulla surpassed the expectations in term of visitors in each event.

Jueves Online and Cyber Lunes

The two e-commerce channels éxito.com and carulla.com held these two events in April and June where orders and sales increased 83% compared to 2014.

Capital Investment in companies

Last June 30th, Grupo Éxito and Bancolombia signed a share purchase agreement, whereby Éxito will acquire 50% of the outstanding shares of Tuya, the company through which we have developed the promotion of consumer credit products for the past decade. The contract is subject to certain precedent conditions, among which are obtaining authorizations required by the Financial Superintendence of Colombia.

Extraordinary Shareholders' Meeting

An Extraordinary Shareholders' Meeting took place on June 11th, 2015. In this meeting, the Board of Directors was designated for the 2015-2016 period in which Mr. Luis Fernando Alarcón, independent member, was appointed as Chairman and the other 8 members elected in the latest General Shareholders Meeting, were ratified.

Commercial Events



E-commerce event



Pasta fair event



Carulla es Café event first time in Medellín

Consolidated Financial Statements for the second quarter and six-month period ended June 30, 2015 under IFRS

Consolidated Income Statement for the Second Quarter, 2015

	Second Quarter 2015		Second Quarter 2014		
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	% Var
Sales	2,874,863	97.3	2,460,750	97.0	16.8
Other Revenues	78,620	2.7	75,931	3.0	3.5
Total Net Revenues	2,953,483	100.0	2,536,681	100.0	16.4
Cost of Sales	(2,190,957)	-74.2	(1,935,110)	-76.3	13.2
Gross Profit	762,526	25.8	601,571	23.7	26.8
SG&A	(552,153)	-18.7	(429,448)	-16.9	28.6
Depreciation & Amortization	(55,435)	-1.9	(47,816)	-1.9	15.9
Total SG&A	(607,588)	-20.6	(477,264)	-18.8	27.3
Recurring Operating Income (ROI)	154,938	5.2	124,307	4.9	24.6
Non-Recurring Income and Expenses	60,219	2.0	3,826	0.2	N/A
Operating Income (EBIT)	215,157	7.3	128,133	5.1	67.9
Net Financial Income	21,898	0.7	12,370	0.5	77.0
Income from Associates & Joint Venture	(4,530)	-0.2	8,054	0.3	N/A
Profit Before Tax (EBT)	232,525	7.9	148,557	5.9	56.5
Income Tax	(61,687)	-2.1	(52,552)	-2.1	17.4
Net Income	170,838	5.8	96,005	3.8	77.9
Non-Controlling Interests (Minority Interest)	11,099	0.4	2,765	0.1	N/A
Net Income Attributable to Grupo Éxito	159,739	5.4	93,240	3.7	71.3
Recurring EBITDA (ROI+D&A)	210,373	7.1	172,123	6.8	22.2
EBITDA (EBIT+D&A)	270,592	9.2	175,949	6.9	53.8

Consolidated Income Statement for the Six-month period ended June 30, 2015 under IFRS

	For six months ended June 30, 2015		For six months ended June 30, 2014		
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	% Var
Sales	5,875,331	97.2	4,795,498	97.0	22.5
Other Revenues	169,552	2.8	149,616	3.0	13.3
Total Net Revenues	6,044,883	100.0	4,945,114	100.0	22.2
Cost of Sales	(4,500,555)	-74.5	(3,729,666)	-75.4	20.7
Gross Profit	1,544,328	25.5	1,215,448	24.6	27.1
SG&A	(1,155,096)	-19.1	(874,378)	-17.7	32.1
Depreciation & Amortization	(114,675)	-1.9	(103,891)	-2.1	10.4
Total SG&A	(1,269,771)	-21.0	(978,269)	-19.8	29.8
Recurring Operating Income (ROI)	274,557	4.5	237,179	4.8	15.8
Non-Recurring Income and Expenses	29,419	0.5	6,304	0.1	N/A
Operating Income (EBIT)	303,976	5.0	243,483	4.9	24.8
Net Financial Income	46,626	0.8	32,361	0.7	44.1
Income from Associates & Joint Venture	(7,624)	-0.1	21,183	0.4	N/A
Profit Before Tax (EBT)	342,978	5.7	297,027	6.0	15.5
Income Tax	(87,430)	-1.4	(99,743)	-2.0	-12.3
Net Income	255,548	4.2	197,284	4.0	29.5
Non-Controlling Interests (Minority Interest)	25,847	0.4	5,280	0.1	N/A
Net Income Attributable to Grupo Éxito	229,701	3.8	192,004	3.9	19.6
Recurring EBITDA (ROI+D&A)	389,232	6.4	341,070	6.9	14.1
EBITDA (EBIT+D&A)	418,651	6.9	347,374	7.0	20.5

Consolidated Balance Sheet

(In Millions of Colombian Pesos)

	June 30, 2015	December 31, 2014	% Var
Assets	11,479,436	11,298,832	1.6
Current Assets	3,918,772	4,606,087	-14.9
Cash & Cash Equivalents	1,931,075	2,953,937	-34.6
Inventories	1,319,642	1,244,231	6.1
Others	668,055	407,919	63.8
Non-current Assets	7,560,664	6,692,745	13.0
Goodwill and other intangible assets	3,285,492	1,674,203	96.2
Property, plant and equipment	3,289,315	3,112,876	5.7
Investment Properties	743,953	647,691	14.9
Investments in associates and joint ventures	7,827	1,052,157	-99.3
Others	234,077	205,818	13.7
LIABILITIES	3,384,062	3,317,444	2.0
Current Liabilities	3,195,254	3,119,641	2.4
Trade Payables	2,449,606	2,710,239	-9.6
Borrowing-Short Term	254,535	7,917	N/A
Other financial liabilities	723	158,085	N/A
Others	490,390	243,400	N/A
Non-current Liabilities	188,808	197,803	-4.3
Trade Payables	-	573	-100.0
Borrowing-Long Term	17,610	36,416	-51.6
Others	171,198	160,814	6.5
Shareholder's Equity, Group Share	8,095,374	7,981,388	1.4
Non-controlling interests	467,924	274,759	70.3
Shareholder's Equity	7,627,450	7,706,629	-1.0

ROA and ROE

June 2015

ROA	4.7%
ROE	7.1%

Summary Consolidated Cash Flow Statement

	1H 2015	1H 2014	%Var 1H15 / 1H14
Profit (loss)	255,548	197,284	29.5
Adjustment to Reconciliate Profit (loss)*	(456,708)	(119,081)	283.5
Income Taxes Refunded (paid)	(137,050)	(110,609)	23.9
Cash Net provided (used) in Operating Activities	(338,210)	(32,406)	943.7
Cash Net provided (used) in Investment Activities	(362,828)	(124,266)	192.0
Cash Net provided (used) in Financing Activities	(284,157)	(222,158)	27.9
Increase (decrease) Net of Cash and Cash Equivalents before the FX Rate Changes	(985,195)	(378,830)	160.1
Effects on FX changes on Cash and Cash Equivalents	(2,407)	(4,931)	-51.2
Adjustment Minority Interest	(35,260)	28,054	-225.7
Increase (decrease) Net of cash and Cash Equivalents	(1,022,862)	(355,707)	187.6
Opening Balance of Cash and Cash Equivalents	2,953,937	2,717,162	8.7
Ending Balance of Cash and Cash Equivalents	1,931,075	2,361,455	-18.2

*This line corresponds to: i) items that do not generate cash flow, ii) reclassification of items associated with cash flows of transactions classified as investment or financing, and iii) changes arising during the period of accounts associated with working capital.

Second Quarter 2015 Financial Highlights on Consolidated Results

2015

- **Net Revenues** increased 16.4% during the second quarter 2015 to a total of COP\$2,953,483 million compared to COP\$2,536,681 million reported in the same quarter 2014 under IFRS.

The revenue outcome included the effect of a few non-comparable items versus 2Q14 results, such as the consolidation of Disco Group sales, which were not included for the 2014 period, as Grupo Éxito did not have sole control over this unit at that time. In addition, included Super Inter's sales of nearly 7%, which made the base non-comparable versus the same period last year, as Grupo Éxito acquired the operation in 3Q14. Sales were impacted by a negative calendar effect of 4.9% derived from moving the promotion event versus last year's dates.

Sales in Colombia during 2Q15 represented nearly 85% of total sales and posted 5.1% growth versus the same period of last year. Sales included a net overall same store sales decrease of -1.0% mainly derived from a negative calendar effect of 4.9% from moving the Éxito promotion. Accumulated same-store-sales in Colombia at 1H15 posted a -1.4% growth.

The Uruguay operation grew by 205% versus the same period last year, and represented nearly 15% of consolidated results and included the consolidation of Disco Group's sales in 2015 which was not included in the 2014 base. Sales in Uruguay posted an overall same store sales increase of 10.8% in terms of local currency. Same-store-sales for the first half of 2015 grew 11.2%.

- **Gross Profit** grew by 26.8% in the second quarter 2015 to COP\$762,526 million versus COP\$601,571 million of the same period last year. As a percentage of Net Revenues, the Gross Margin increased by 210 basis points to 25.8% during the second quarter of 2015 versus the same period last year. On top of the positive calendar effect and the Uruguay consolidation impact, which explained the 90 bps improvement, compared to 2014, the margin has increased due to the greater contribution by the Real Estate and Credit Card businesses, which have registered excellent results in 2015. During the first half, **Gross Profit** grew by 27.1% and the margin increased 90 basis points to 25.5%.
- **Selling and Administrative Expenses** reached COP\$607,588 million in second quarter 2015 compared to COP\$477,264 million in the same period 2014. As a percentage of Net Revenues, they represented 20.6%. In 2Q15, at the SG&A level, the dilutive effect of the "Anniversary" promotion on expenses, the Disco consolidation and Super Inter had a negative impact of 120 bps. Excluding these elements, our efficiency and productivity programs are clearly delivering positive results mainly due to energy savings, back office operations among other savings.

- **Recurring Operating Income** increased 24.6% in the second quarter of 2015 to COP\$154,938 million compared to the COP\$124,307 million in the same period of last year and was 5.2% as a percentage of Net Revenues.

The Recurring Operating in Colombia registered an increase of 7.2% to a margin of 5.1%. The Uruguay operation also posted a margin that rose from 4.1% to 6.3% as a percentage of Net Revenues.

In the first half of 2015 the Recurring Operating Income increased by 15.8% compared to first half of 2014 and was 4.5% as a percentage of Net Revenues. This, even though it included the negative effect of the loyalty program and the valorization tax accrued during the first quarter of this year, both nearly COP\$19.200 million.

- **Recurring Ebitda** grew 22.2% to COP\$210,373 million during the second quarter 2015 from COP\$172,123 million of the same period, 2014. The recurring EBITDA margin rose to 7.1% from 6.8%. In the first half of 2015, Recurring Ebitda grew 14.1% compared to the same period in 2014 to COP\$389,232 million with a margin of 6.4%.

The non-Recurrent **EBITDA** margin was 9.2% during the second quarter and was benefited by a positive non-recurrent income of COP\$60.200 derived from the sale of our pharmacies to Cafam both under the Carulla as well as under the Éxito brands.

Non-Recurrent Ebitda margin was 6.9% in the first half of 2015 compared to the same period of last year and included the negative effect of the annual wealth tax that was completely accrued in 1Q15. This materially affected Operating Income by nearly COP\$60.000 offset by the income from the revaluation of the Grupo Disco investment of nearly COP\$30.000 and the aforementioned deal with Cafam.

- **Net Financial result** in the second quarter of 2015 shows a Net Financial Income of COP\$21,898 million compared to a Net Financial Income of COP\$12,370 million reported in the second quarter last year, derived from increased revenues from short-term investments.
- **Income Tax:** increased 17.4% in second quarter 2015 to COP\$61,687 million due to higher provisions derived from deferred tax in Colombia and capital gains taxes from the sale of pharmacies to Cafam.
- **Net Income** attributable to Grupo Éxito increased 71.3% when compared to the same period 2014 to COP\$159,739 million from COP\$93,240 million. The Net Income margin went from 3.7% to 5.4% as a percentage of Net Revenues. The result was benefited by the operational efficiencies and the non-recurrent income of COP\$60,200 million from the selling of the Éxito and Carulla pharmacies to Cafam.

Net Income also increased by 19.6% in the first half of 2015 compared to the same period 2014 and experienced a margin of 3.8% as a percentage of Net Revenues.

Number of Stores and Selling Area

Brand	Stores	Selling Area (sq m)
Éxito	245	602,235
Carulla	93	77,372
Surtimax	149	79,000
Super Inter	57	57,965
Total Colombia	544	816,572
Devoto	26	33,575
Disco	28	30,828
Geant	2	16,021
Total Uruguay	56	80,424
TOTAL	600	896,996

 Openings, closings and conversions
 for six-month period ended June 30, 2015

Brand	Opened	Converted	Closed
Éxito	4		3
Carulla	2	+1	
Surtimax			5
Super Inter	8	+4	
Disco			
Devoto	2		
Geant			
Total	16	5	8

Reporting by Segment 2Q15

	Sales			Recurring Operating Income
	COP million	%Var	%Var sss	COP million
COLOMBIA	2,435,452	5.1	-5.9	126,686
Éxito	1,623,341	-7.8	-8.1	
Carulla	362,853	2.3	0.8	
Discount	385,506	129.4	2.8	
Others	63,752	90	-7.5	
	Sales			Recurring Operating Income
	COP million	%Var	%Var sss in local currency	COP million
URUGUAY	439,411	205.3	10.8	28,252

Sales Mix Evolution

	Colombia		Uruguay		Grupo Éxito	
	2Q15	6M15	2Q15	6M15	2Q15	6M15
Food	75%	74%	85%	81%	76%	75%
Non Food	25%	26%	15%	19%	24%	25%

 Other Operating Information
 as of June 30, 2015

Number of Stores, Selling Area (Owned/Leased)

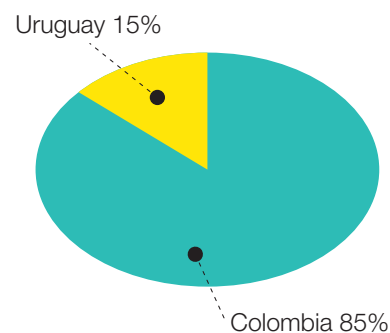
COLOMBIA	Stores		Area	
	Stores	%	Area (sq m)	%
Own	144	26	399,603	49
Leased	400	74	416,969	51
Total	544	100	817,694	100
URUGUAY	Stores		Area	
	Stores	%	Area (sq m)	%
Own	14	25	26,575	34
Leased	42	75	53,849	66
Total	56	100	80,424	100

Same Store Sales Growth

In local currency. Sales under IFRS

Colombia	2015	2014
1Q	3.4%	-3.3%
2Q	-5.9%	7.8%
6M	-1.4%	2.2%
Uruguay	2015	2014
1Q	11.5%	6.4%
2Q	10.8%	9.8%
6M	11.2%	8.1%

Sales by Country



More than 1,000
Surtimax and
Super Inter
allies



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Note on Forward Looking Statements

This press release may contain forward-looking statements regarding expected developments and expectations about future events. These statements are subject to economic, political, governmental and market conditions, risks and uncertainties, both domestically and globally, which may affect the performance of the economy, the retail industry and the Company overall. Factors such as variations in interest rates, inflation rates, exchange rate volatility and tax rates, among others, may cause actual results, performance and achievements of the Company to differ from the estimates provided at any time. For that reason, the Company does not accept responsibility for any variations or for the information provided by official sources.

