



Surtimax Azafrán
in Bogotá

Almacenes Éxito S.A.

Consolidated Financial Results

For the Third Quarter and Nine-month period ended September 30, 2013

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

Medellín, Colombia – October 23, 2013 – Almacenes Éxito S.A. ("ÉXITO" or "the Company"), the largest retail Company in Colombia today announced its consolidated financial results for the period ended September 30, 2013. All figures are expressed in COP -Colombian pesos (US\$1 = COP\$1,914,65 at September 30, 2013).

Third Quarter 2013 Financial Highlights

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 consolidation of 62.49% of Disco and 100% of Devoto Companies.

- **Net Revenues** increased 3.0% to \$2,512,150 million for the third quarter 2013.
- **Selling and Administrative Expense** increased 7.1% to COP\$563,053 million. As a percentage of Net Revenues SG&A represented 22.4%.
- **Operating Income** increased 6.5% to COP\$103,523 million and operating margin was 4.1%.
- **EBITDA** increased 8.1% to COP\$200,462 million with an EBITDA margin of 8.0%.
- **Net Income** increased 11.4% to COP\$86,229 million for a Net Income margin of 3.4%.
- **Working Capital** reached a favorable position of COP\$447,288 million with a freed up of COP\$1,155 million.



Third Quarter 2013 Operating Highlights

2013

Expansion in Colombia

A total of 9 stores were opened in third quarter 2013: 3 Éxito express stores, in the cities of Valledupar, Medellín and for first time one Express opened in Bucaramanga. 6 Surtimax stores opened for the first time in La Mesa, Chocontá, Medellín, Barranquilla and Bogotá reaching 130 Surtimax stores as of September 2013.

In summary, in the first nine months of the year, Grupo Éxito reached, 441 stores in Colombia and 53 stores in Uruguay, for a total of 494 stores.

New Design Inside Stores

Grupo Éxito launched the “Carulla 4000”, a concept of new design within the stores to improve their display and assortment. The first stores were Carulla Calle 140 in Bogotá and Carulla Oviedo in the city of Medellín.

The activity was also extended to the Éxito brand and the “E Project” involved the renovation of Villamayor, La Colina, Norte and Unicentro in Bogotá and Envigado store in Antioquia to enhance our customer service and buying experience at stores.

Expansion in Uruguay

Grupo Exito’s second acquisition in Uruguay, “La Cabaña” supermarket, started operations las July. This project added a sales area of 1,000 sqm to the Uruguayan operations.

Omni-channel strategy

In accordance with the Company’s plan to strengthen its omni-channel strategy and accelerate its e-commerce business, the Éxito Tecno Lisboa store in Bogotá was closed to be converted into a specialized distribution center for consumer goods, e-commerce and home delivery. The site will also become the first drive-in store in Colombia, Near 2,300 sqm will be available at the end of 2013 for customers to easy collect their on-line purchases.



Drive-in store



“Viva” Shopping Malls

In third quarter 2013 Grupo Éxito started the construction of the business center “Vizcaya” in Medellín developed in alliance with local construction firms Universa and Umbral inside the “Vizcaya Shopping Center”. The completion of the project is expected by the second quarter 2014.

In October, it also started the construction of Viva Barranquilla. This project will be the biggest mall in Barranquilla and will add to the Company’s gross leasable areas nearly 50,000 sqm by 2016.

New Éxito Express Stores:

Ciudad del Río in Medellín, Aurora in Valledupar and Villa Ligia in Bucaramanga.

New Surtimax Stores:

La Mesa and Chocontá in Cundinamarca; Azafrán and El Socorro in Bogotá; Villa Hermosa in Medellín and Los Olivos in Barranquilla

The Company
completed
a total of **494**
stores

Commercial Events

Promotional Activity

Thematic Exhibition: Carulla and Éxito held the 3rd annual “Salón del Queso” in Bogotá with over 40 thousand visitors. The Company offered cheese-related promotional activities, presentations from experts, samples of over two thousand pounds of more than 400 types of local and imported cheeses.

New features: The Company launched *Arkitekt by Pink Filosofy*, an exclusive collection for its private brand in alliance with the renowned designers Adriana Arboleda and Johanna Ortiz. Through our store networking, the collection arrived at 23 cities in Colombia to fulfill our aim of democratizing fashion across the country. In addition, underwear Bronzini brand items portrayed color and designs of local designer Catalina Estrada.

In alliance with parents and schools, Grupo Éxito launched “Carulla Kids” with the aim of teaching kids about nutrition and environment care. Carulla brand also celebrated its 108 anniversary with its clients and offered exclusive promotional activities.

Grupo Éxito is the first retail company in Colombia to launch an **international money transfer service**, initially from the United States. It started in over 200 Carulla, Éxito and Surtimax stores in more than 50 cities and towns.

Corporate Responsibility

Grupo Éxito was ratified as one of the 10 Colombian companies included in the Dow Jones Sustainability Index Survey for Emerging Markets. Moreover, the Colombian Stock Exchanged granted Grupo Éxito’s Investor Relations recognition for voluntarily adopting best practices regarding disclosure of relevant information and investor relations management.



Arkitekt by Pink Filosofy



Bronzini by Catalina Estrada

International Money Transfer



“Salón del Queso” Event



Consolidated Financial Statements as of September 30, 2013

Consolidated Income Statement for the Third Quarter 2013

2013

	Third Quarter 2013		Third Quarter 2012		% Var
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	
Net revenues	2,512,150	100	2,438,775	100	3.0
Cost of sales	-1,845,574	-73.5	-1,816,143	-74.5	1.6
Gross profit	666,576	26.5	622,632	25.5	7.1
Selling, general and administrative expense	-563,053	-22.4	-525,414	-21.5	7.2
Operating income	103,523	4.1	97,218	4.0	6.5
Financial income	39,573	1.6	52,990	2.2	-25.3
Financial expense	-13,129	-0.5	-36,424	-1.5	-64.0
Other non-operating income and expense	-17,366	-0.7	-9,942	-0.4	74.7
Minority interest	-216	0.0	-165	0.0	30.9
Income before taxes	112,385	4.5	103,677	4.3	8.4
Income taxes	-26,156	-1.0	-26,291	-1.1	-0.5
Net income	86,229	3.4	77,386	3.2	11.4
EBITDA	200,462	8.0	185,364	7.6	8.1

Consolidated Income Statement for the nine-month period ended September 30, 2013

	Nine months ended September 30, 2013		Nine months ended September 30, 2012		% Var
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	
Net revenues	7,627,076	100.0	7,291,000	100.0	4.6
Cost of sales	-5,639,203	-73.9	-5,418,787	-74.3	4.1
Gross profit	1,987,873	26.1	1,872,213	25.7	6.2
Selling, general and administrative expense	-1,688,540	-22.1	-1,583,132	-21.7	6.7
Operating income	299,333	3.9	289,081	4.0	3.5
Financial income	135,377	1.8	186,739	2.6	-27.5
Financial expense	-64,660	-0.8	-113,831	-1.6	-43.2
Other non-operating income and expense	-31,610	-0.4	-30,790	-0.4	2.7
Minority interest	-786	0.0	-609	0.0	29.1
Income before taxes	337,654	4.4	330,590	4.5	2.1
Income taxes	-82,178	-1.1	-75,837	-1.0	8.4
Net income	255,476	3.3	254,753	3.5%	0.3
EBITDA	591,240	7.8	560,958	7.7%	5.4

Consolidated Balance Sheet

(In Millions of Colombian Pesos)

	September 2013	September 2012	% Var
Assets	9,826,121	9,503,043	3.4
Current Assets	3,594,770	3,436,850	4.6
Cash	836,300	615,087	36.0
Marketable Securities	1,221,784	1,400,608	-12.8
Inventories	1,107,306	1,052,783	5.2
Others	429,380	368,372	16.6
Non-current Assets	6,231,351	6,066,193	2.7
Liabilities	2,226,854	2,249,609	-1.0
Current Liabilities	1,990,357	1,950,864	2.0
Financial Obligations Short Term	6,383	81,266	-92.1
Suppliers	1,242,821	1,210,643	2.7
Others	741,153	658,955	12.5
Non-current Liabilities	236,497	298,745	-20.8
Financial Obligations Long Term	150,000	150,000	0.0
Others	86,497	148,745	-41.8
Minority Interest	13,300	8,921	49.1
Shareholders' Equity	7,585,967	7,244,513	4.7

ROA and ROE

	March 2013	June 2013	Sept 2013
ROA	4.7%	4.6%	4.8%
ROE	6.3%	6.2%	6.3%

Historic Value*	March 2013	June 2013	Sept 2013
ROA	5.5%	5.7%	6.0%
ROE	8.3%	8.1%	8.2%

*Historic value does not include valuations and inflation adjustments.



New design inside stores

Third Quarter 2013 Financial Highlights

2013

- **Net Revenues** rose 3.0% in the third quarter 2013 to COP\$2,512,150 million compared to COP\$2,438,775 million in the same quarter 2012. This growth included a same store sales increase of 6.1% in Uruguay in local currency and a decreased in Colombia of 2.4%, with a calendar effect of 0.3%.
- **Gross Profit** grew 7.1% to COP\$666,576 million compared to COP\$622,632 million in the third quarter 2012. As a percentage of Net Revenues, Gross Margin rose from 25.5% in third quarter 2012 to 26.5% in third quarter 2013. Gross profit grew among a tough competitive environment in which Grupo Éxito managed to invest in price in targeted categories as a result of the effectiveness of the overall sales mix performance, the Company's omni-channel strategies and the diversification by increasing the share of complementary businesses in Net Revenues.
- **Selling, General and Administrative Expenses** increased 7.2% in third quarter 2013 to COP\$563,053 million from COP\$525,414 million of the same period last year. As a percentage of Net Revenues the SG&A were to 22.4%. The result included higher expenses related to investments in the omni-channel strategies with the launch of new businesses and activities and the execution of the Company's expansion plan in real estate projects.
- **Operating Income** rose 6.5% in the third quarter 2013 compared to the same period 2012 to COP\$103,523 million from COP\$97,218 million. Operating Margin increased 10 basis points to 4.1% as a percentage of Net Revenues, driven by improved Gross Margin levels and the increased share of Complementary Businesses in the Company's results.
- **EBITDA** grew 8.1% in the third quarter 2013 compared to the same period 2012, from COP\$185,364 million to COP\$200,462 million. As a percentage of Net Revenues, EBITDA margin increased 40 basis points from 7.6% to 8.0% in the third quarter 2013, mainly explained by the favorable performance of the sales mix at both companies, the contribution of complementary activities and the Company's efforts to efficiently operate among an environment of increased competition and a soft trend of retail sales.
- **Net Financial Result** in third quarter 2013 shows Net Financial income of COP \$26,444 million compared to a Net financial Income of COP\$16,566 million reported in the same period 2012. The positive outcome of the Net Financial result derived among the effects of lower inflation and 150 basis points lower interest rates.
- **Other Non-Operating Income and Expense** went to an expense of COP\$17,366 million in the third quarter of 2013 from an expense of COP\$9,942 million in third quarter of 2012 mainly due to preoperational expenses related to the expansion plan.
- **Income Tax** remained stable in third quarter 2013 versus last year as the income tax decreased by only 0.5% from COP\$26,291 million to COP\$26,156 million. The effective tax rate in third quarter 2013 decreased to 23.27% compared to the 25.36% reported in the same period last year related to the changes introduced by the tax reform in Colombia
- **Net Income** grew 11.4% to COP\$86,229 million in third quarter 2013 compared to COP\$77,386 million in the same period 2012. As a percentage of Net Revenues, Net Income margin increased 20 basis points from 3.2% to 3.4% when compared to the third quarter 2012. Net Income levels derived from operational efficiency and strong levels of financial income.

Other Operating Information as of September 30, 2013

Number of Stores and Selling Area

Brand	Stores	Selling area (sq m)
Éxito	227	596,106
Carulla	82	72,143
Surtimax	130	68,916
Otros	2	3,242
Total Colombia	441	740,407
Devoto	24	33,118
Disco*	28	30,285
Geant	1	10,974
Total Uruguay	53	74,377
TOTAL	494	814,784

*Includes 1 "La Cabaña" Store.

Number of Stores, Selling Area (Owned/Leased)

COLOMBIA	Stores		Area	
	Stores	%	Area (sq m)	%
Own	145	33	424,740	57
Leased	296	67	315,667	43
Total	441	100	740,407	100
URUGUAY	Stores		Area	
	Stores	%	Area (sq m)	%
Own	14	25	26,575	34
Leased	39	75	47,802	66
Total	53	100	74,377	100

Openings and Closings

for the nine-month period ended September 30, 2013

Brand	Openings	Closings
Éxito	10	7
Carulla	3	
Surtimax	16	5
Other: Homemart	0	3
Disco	1	
Devoto	0	
Geant	0	
Total	30	15

Same Store Sales Growth

Colombia

	% 2013	% 2012
1Q	0.4	13.0
2Q	-1.0	-1.5
3Q	-2.4	4.3
9M	-1.0	5.0

Uruguay (in local currency)

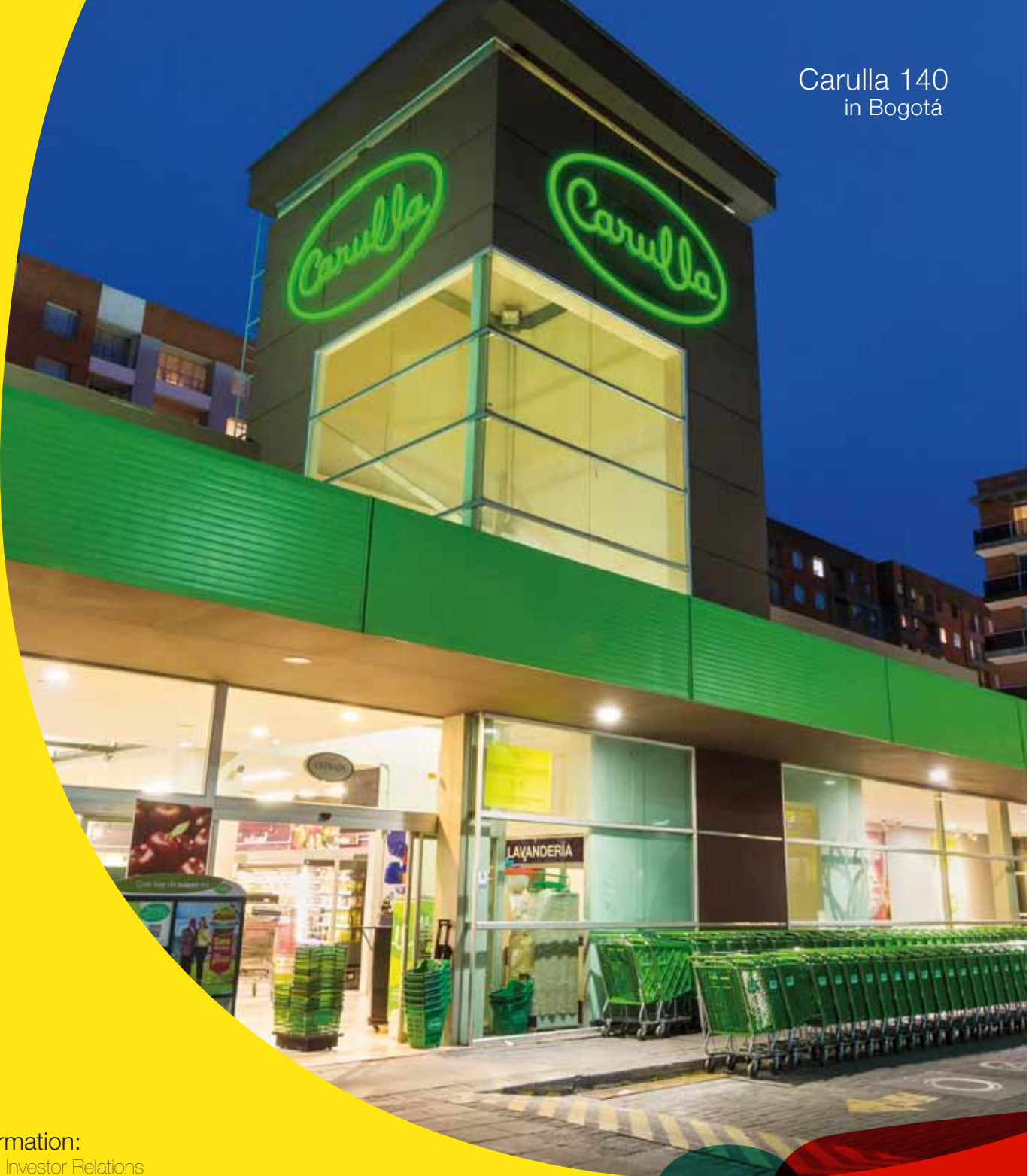
	% 2013
1Q	9.6
2Q	7.4
3Q	6.1
9M	7.7

Sales Mix Evolution

3Q13

	Colombia	Uruguay	Grupo Éxito
Food	72%	85%	73%
Non Food	28%	15%	27%

Carulla 140
in Bogotá



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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.

