

Almacenes Éxito S.A.

(BVC: EXITO)



Consolidated Financial Results

For the third quarter and nine month-period ended September 30, 2015

3Q15

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

Medellín, Colombia – November 27, 2015 - Almacenes Éxito S.A. ("Éxito" or "the Company"), the largest retail company in Colombia today announced its consolidated financial results for the period ended September 30, 2015. All figures are expressed in million of COP -Colombian pesos.

Exchange rate at Sept 30, 2015: 1 USD = COP\$3,121.94 BRL3.97 ARG 9.42 and UYU 29.12

The new Grupo Éxito: consolidation of the recent acquired operations in Brazil and Argentina

Third Quarter 2015 Financial Highlights

CONSOLIDATED

- **Sales totaled** COP \$7.01 billion and grew by 203.1% mainly from the consolidation of the operations of Brazil and Argentina. The 2015 sales figure includes the quarterly outcome of Disco as well as only the figure in September for the operations of Brazil and Argentina.
- **Recurring Operating Income** posted a 4.7% margin in 3Q15 derived mainly from a good expense control in Colombia and a solid profitability in Brazil amidst an unfavorable macroeconomic environment.
- **Group Share Net Income** increased by 29.6% in 3Q15 derived mainly from the strong net financial performance in Colombia and the positive contribution of GPA and Libertad.
- **Net Debt** reached COP\$6.6 billion mainly from the acquisitions of GPA and Libertad which totaled COP 45.5billion. On a pro-forma basis, the consolidated Net Debt/Ebitda ratio is at 1.42x and forecasted at nearly 0.3x by the end of the year.

COLOMBIA

Sales: grew by 11.0% in 3Q15, reached COP\$2.4 billion and represented 34.4% of the consolidated sales. Highlight the 130% total sales growth of the Discount segment and its strong 4.3% same-store sales growth.

ROI: grew by 0.4% and margin was 5.2% in 3Q15. The outcome showed the best performance of the current year and an improvement from the first half figure, derived from a good expense control.

BRAZIL

Sales: reached COP\$3.9 billion in September, which was the best performing month for the quarter in terms of local currency. Sales from Brazil represented 55.8% of Grupo Éxito's consolidated sales. The food segment posted a strong performance mainly from Assaí sales, the renovated Extra stores and the store opening of 124 stores in the last 12 months.

ROI: posted a strong 4.4% margin in September amidst an unfavorable macroeconomic environment.

URUGUAY & ARGENTINA

Sales: In **Uruguay** posted a strong 300% growth derived mainly from the consolidation of Disco and the good performance of Geant and Devoto food sales.

Argentina posted the highest growth of food volume of the year, benefited from non-food sales growing at mid-double digit and by increased productivity in hypermarkets.

ROI registered a margin of 4.3% as percentage of Net Revenues in September derived from the consolidation of Grupo Disco and strong expense control in Uruguay and from the contribution of the real estate business in Argentina.

Consolidated Income Statement

In millions of COP

	Grupo Éxito					
	3Q15*	3Q14**	% Var	9M15	9M14**	% Var
Sales	7,017,358	2,315,558	203.1	12,892,688	7,111,056	81.3
Other Revenues	408,162	81,843	398.7	577,715	231,459	149.6
Total Net Revenues	7,425,520	2,397,401	209.7	13,470,403	7,342,515	83.5
Cost of Sales	(5,512,775)	(1,776,705)	210.3	(10,013,330)	(5,506,371)	81.8
Gross Profit	1,912,745	620,696	208.2	3,457,073	1,836,144	88.3
SG&A	(1,434,360)	(440,361)	225.7	(2,589,455)	(1,314,738)	97.0
Depreciation & Amortization	(130,207)	(45,649)	185.2	(244,882)	(149,540)	63.8
Total SG&A	(1,564,567)	(486,010)	221.9	(2,834,337)	(1,464,278)	93.6
Recurring Operating Income (ROI)	348,178	134,686	158.5	622,736	371,866	67.5
Non-Recurring Income and Expenses	(69,059)	(181)	38054.1	(39,641)	6,123	-747.4
Operating Income (EBIT)	279,119	134,505	107.5	583,095	377,989	54.3
Net Financial Income	75,339	23,245	224.1	121,965	55,606	119.3
Income from associates & joint venture	3,804	2,692	41.3	(3,820)	23,875	-116.0
Profit Before Tax (EBT)	358,262	160,442	123.3	701,240	457,470	53.3
Income Tax	(121,000)	(42,715)	183.3	(208,430)	(142,458)	46.3
Net Income	237,262	117,727	101.5	492,810	315,012	56.4
Non-Controlling Interests (Minority Interest)	89,040	3,355	2553.9	114,887	8,635	1230.5
Net Income attributable to Grupo Éxito	148,222	114,372	29.6	377,923	306,377	23.4
Recurring EBITDA (ROI+D&A)	478,385	180,335	165.3	867,618	521,406	66.4
EBITDA (EBIT+D&A)	409,326	180,154	127.2	827,977	527,529	57.0

* The 2015 figures include the quarterly results of the operations in Colombia and Uruguay and only the financial results of September for the Brazil and Argentina operations.

**The 2014 base is not comparable as excludes the operation of Grupo Disco in Uruguay as well as the financial results in Brazil and Argentina.

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: The financial information shown here is a sum-of-the-parts structure and includes the quarterly results of Grupo Éxito's operations in Colombia and Uruguay and only the financial results of September 2015 for the Brazil and Argentina operations due to the timing of their acquisitions. Thus, information presented hereby will be subject to adjustments at the conclusion of the fiscal as the consolidation process progresses.

Sales by Segment

	3Q15			9M15		
	Total Sales (Bn COP)	% Var. Total Sales	% Var SSS (in local currency)	Total Sales (Bn COP)	% Var. Total Sales	% Var SSS (in local currency)
Grupo Éxito Sales	7,017	203.1		12,893	81.3	
Total Colombia	2,416	11.0	1.8	7,325	10.1	-0.3
Éxito	1,606	0.3	1.9	4,933	-1.2	-1.0
Carulla	368	1.8	-0.3	1,078	1.7	0.0
Discount	390	130.8	4.3	1,145	130.4	4.9
Others*	52	54.3	6.1	169	62.6	N/A
Total Brazil**	3,918	13.8	3.8	3,918	13.8	3.8
Food	2,268	8.0	3.8	2,268	8.0	3.8
Non food	957	-18.8	-20.1	957	-18.8	-20.1
E-commerce	693	74.2	28.9	693	74.2	28.9
Total Others	685			1,651		
Uruguay		300.0	11.5		233.5	11.2
Argentina**		26.2	26.2		26.2	26.2

* The base of 2015 includes the quarterly results of the operations of Colombia and Uruguay and only the month of September for the operations of Brazil and Argentina.

3Q15 Sales Performance

Consolidated Sales grew by 203.1% in the third quarter of 2015 to a total of COP \$7.01 billion versus last year. Consolidated sales grew by 81.3% for the first nine months of the year to a total of COP \$12.8 billion. The 2015 figures include Disco sales, as Grupo Éxito took the control over this unit this year, as well as September sales for Argentina and Brazil. The overall sales mix for the quarter showed a 22% share in non-food categories and 78% in the food category.

Total Sales in Colombia

During the third quarter of 2015, Colombia continued to experience positive but moderate retail sales amidst consumption influenced by the peso devaluation, higher inflation levels and moderate economic growth.

Sales in Colombia reached COP \$2.4 billion in 3Q15 and represented 34.4% of the consolidated sales. Sales in the country posted 11% growth in 3Q15 versus the same period of last year, benefited by approximately 8% from the consolidation of Super Inter. Organic expansion and sales from the B2B business unit also contributed with the overall growth - mainly from the Aliados network expansion which now represents near to 15% of Surtimax sales and began to expand with the Super Inter brand in Valle and Coffee regions.

Same-store sales in Colombia grew 1.8% and included a calendar effect of 1.2% from moving the Éxito promotion. Same-store-sales registered a clear sequential improvement during the third quarter thanks to the Éxito hypermarket rebound related to better performance of the textile and entertainment categories. September accumulated same-store sales in Colombia posted a decrease of 0.3%, a clear improvement versus the performance for the first half of -1.4%.

- **Éxito** sales grew by 0.3% in 3Q15 versus the same period last year and posted a 1.9% same-store-sales increase including a calendar effect of 1.3% from an additional day of the “Días de Precios Especiales” or “Special Price Days” event versus 2014. The performance of the non-food category improved during the third quarter but the overall trend remained negative due to lower consumption levels. Accumulated same-store sales as of September for Éxito brand decreased by 1.0%.
- **Carulla** sales increased by 1.8% in 3Q15 driven by the 110th anniversary of the brand and posted a negative 0.3% same-store sales growth, affected by the shift of the pharmacies to Cafam, which impacts sales growth by 90 basis points. Accumulated same-store sales to September posted a flattish result for Carulla also affected by 30 basis points from the drugstore impact. Consumption in Bogota, the main market for the brand, continues to be challenging affecting Carulla’s sales trend, nevertheless, the brand continued gaining market share despite this difficult context.
- **Discount** sales greatly contributed to the sales performance in Colombia as it grew by 130% during 3Q15. The outcome was the result of improved sales from both the Surtimax and Super Inter brands, the latter included in the base for 2015. The Discount segment posted a positive 4.3% same-store sales growth during 3Q15 and a cumulative 4.9% same-store sales growth as of September. The optimization of the assortment and the transfer of Super Inter’s expertise in managing the fresh category drove this outstanding result

Total Sales in Brazil

Sales in GPA grew by 13.8% and totalled COP\$3.9 billion in September, which was the best performing month for the quarter in terms of local currency. Same-store-sales growth in September posted a strong 3.8% in September. Sales from Brazil represented 55.8% of Grupo Éxito’s consolidated sales.

The Brazilian macroeconomic environment during 2015 has remained adverse to the non-food segment while the food segment demonstrated greater resilience in our recently acquired operation.

- The **Food** segment, which included Multivarejo and Assaí, totalled COP\$2.2 billion sales in September, a growth of 8.0%, mainly driven by the strong performance of the cash and carry format and higher sales growth in the fruit and vegetables category. The overall food segment has certainly benefitted from 124 new stores in the last 12 months as the Company’s organic growth plan focussed on higher-return formats.

Multivarejo sales grew by 2.5% in September versus a total 3Q15 growth of 2.1%, benefited by growth in volume and the average basket, mainly driven by the successful performance of the recently renovated 52 Extra stores. Assaí also posted a strong performance growing sales by 23.9% in September compared to the 22.3% growth posted in the 3Q15.

Same-store-sales levels in the food segment increased by 3.8% in September, driven by the solid growth at Assaí from its price positioning as well as the stronger performance of the recently renovated Extra stores. Although sales continue to grow below inflation, the Company is gaining market share at Pao de Acucar, proximity formats and Assaí. On the hypermarkets, the remodelling of other stores should continue improving both sales and traffic without requiring price competitiveness activities.

- **Non-food** totalled COP\$957.000 million in September, a -18.8% growth of compared to the negative -22.7% sales in 3Q15. Nevertheless, the business unit strengthened in September and posted a negative -20.1% same-store-sales performance in the period versus the -24.6% posted in 3Q15.

September 2015 recorded the lowest consumer confidence levels and mainly affected the consumption of non-food goods in Brazil. Volume levels and the number of clients also experienced lower contraction levels compared to the quarter's trend. Moreover, September compared to the same period last year was driven by a successful strategy that improved sales due to a change in the commercial approach that became more dynamic and aggressive, supported by cost and expense reduction implemented along the second and third quarters. Via Varejo continued the "Crescer Mais" or "Grow More" initiative to deliver better sales results. This included the renovation of the furniture and telephone categories by redesigning areas, lines and improving the buying experience along with a banner conversion of 36 Pontofrio to Casas Bahia stores.

- **E-commerce** which includes CNova, sales totalled COP\$693.000 million in September 2015, with a 28.9% increase in same-store sales levels during the month versus 23.4% in 3Q15. This was the result of the strategic decision of strengthening the margin over growth, which derived on a discreet sales expansion.

3Q15 Recurring Operating Income

Consolidated Recurring Operating Income increased by 158.5% during the third quarter of 2015 compared to the same period of last year and was 4.7% as a percentage of Net Revenues. Recurring Operating Income increased by 67.5% during the first nine months of 2015 compared to the same period of last year and was 4.6% as a percentage of Net Revenues.

In Colombia, ROI grew by 0.4% in 3Q15 and the margin was 5.2% as a percentage of Net Revenues, with the best performance of the current year an improvement from the first half figure. Super Inter integration and a lower performance of the textile category, partially offset by a good expense control negatively affected the ROI in Colombia. Nevertheless, the trend has improved versus first half 2015 figures. ROI decreased by 3.7% year-to-September and margin was 4.5% as a percentage of Net Revenues derived from the negative effect of the loyalty program and the valorization tax during the first quarter of this year.

Brazil posted a ROI margin of 4.4% as a percentage of Net Revenues in September, a solid profitability level amidst an unfavourable macroeconomic environment.

Others, (Argentina and Uruguay) posted a ROI margin of 4.3% as a percentage of Net Revenues in September and 5.8% year-to-September. Uruguay benefited from the Disco consolidation and strong expense controls. Argentina profited from the contribution of the real estate business unit and a clear recovery in retail profitability.

ROI by Segment

	3Q15		9M15	
	MM COP	% Net Rev	MM COP	% Net Rev
Grupo Éxito	348.2	4.7	622.7	4.6
Total Colombia	130.6	5.2	338.0	4.5
Total Brazil	187.5	4.4	187.5	4.4
Total Others*	30.0	4.3	97.2	5.8

*Includes the ROI of Uruguay and Argentina.

3Q15 Group Share Net Income

Group Share Net Income increased 29.6% when compared to the same period 2014, which rose from COP\$114.000 million to COP\$148.000 million thanks to the positive contribution of GPA and Libertad. The Group Share Net Income also increased by 23.4% in the first nine months of 2015 compared to the same period 2014 and rose from COP\$306.000 million to COP\$378.000 million.

The result was benefitted by the Net Financial Income that grew by 224.1% to COP \$75.000 million mainly driven by the positive exchange rate effect linked to the forward strategy implemented for payment of the transaction.

Consolidated Balance Sheet

In millions of COP

	September 2015	December 2014	% Var
ASSETS	46,882,172	11,298,832	314.9
Current Assets	18,815,674	4,606,087	308.5
Cash & Cash Equivalents	4,965,341	2,953,937	68.1
Inventories	8,455,888	1,244,231	579.6
Others(1)	5,394,445	407,919	1222.4
Non-current Assets	28,066,498	6,692,745	319.4
Goodwill and other intangible assets	10,513,129	1,674,203	527.9
Property, plant and equipment	11,519,682	3,112,876	270.1
Investment Properties	841,046	647,691	29.9
Investments in associates and joint ventures	379,214	1,052,157	-64.0
Others	4,813,427	205,818	2238.7
LIABILITIES	30,896,915	3,317,444	831.3
Current Liabilities	19,797,264	3,119,641	534.6
Trade Payables	13,790,316	2,710,239	408.8
Financial obligations- Short Term(2)	3,329,311	7,917	N/A
Other financial Liabilities	1,001,980	158,085	N/A
Others	1,675,657	243,400	588.4
Non-current Liabilities	11,099,651	197,803	5511.5
Trade Payables	11,183	573	1851.7
Financial obligations - Long Term(2)	7,131,606	36,416	19483.7
Others	3,956,862	160,814	2360.5
Shareholder's Equity, Group Share	15,985,257	7,981,388	100.3
Non-controlling interests	8,446,682	274,759	2974.2
Shareholder's Equity	7,538,575	7,706,629	-2.2

(1) Relates to sales financed by Via Varejo granted through a credit vehicle -CDCI – (Direct Consumer Credit for Intervention) in the amount of \$ 1,437,932 in the short-term and \$ 77.469 in the long-term. For account receivables from CDCI operations, Éxito applies the same accounting treatment used by CBD in accordance with accounting regulation in Brazil. Éxito is analyzing this transaction under IFRS Colombia to include it in its financial statements to be reported as of December 31, 2015.

(2) Loans for working capital were signed by Companhia Brasileira de Distribuição - CBD. De of which \$ 1,688,327 (R \$ 2.154 million) are short-term and \$ 95.588 (R \$ 122 million) are long-term and correspond to loans for CDCI operations (Consumer Credit Direto ao Intervenção).

For loans funding the CDCI operations, Grupo Éxito applies the same accounting treatment used by CBD in accordance with accounting regulations in Brazil. Éxito is analyzing this transaction under IFRS Colombia to include it in its financial statements to be reported as of December 31, 2015.

Indebtedness

The increase in debt in 3Q15 stemmed mainly from the acquisitions of GPA and Libertad, which totaled COP\$ 5.5 billion.

The transaction was financed by a mix of Éxito's available non-committed with current expansion cash of COP\$1.0 billion and newly issued debt of COP\$4.46 billion. Major Colombian banks including Bancolombia, Banco de Bogotá and Davivienda and the international bank Citi provided a syndicate loan.

The debt structure consists of a 10-year amortizing loan of COP \$1.850 billion, an 18-month bridge loan of COP \$2.210 billion and a 12-month Revolving Credit Facility of COP \$400 billion. The estimated financing cost is at 7.5% p.a. Grupo Éxito is currently refinancing the bridge loan to optimize the capital structure.

On a pro-forma basis, the consolidated Net debt/Ebitda ratio is at 1.42x and forecasted at nearly 0.3x by the end of the year. At the holding level, the pro-forma Net debt/Ebitda ratio will land at around 3.4x, as expected, leaving the Company with an efficient overall capital structure.

Indebtness	Sep 15
Short term debt (1)	4,146
Long term debt (1)	7,449
Total gross debt	11,595
Cash and equivalents	4,965
Net Debt	6,630
EBITDA Proforma (2)	4,658
Net Debt/EBITDA Proforma	1.4 X

(1)Includes CDCI (Credito direto ao consumidor por intervenencia) loans; Grupo Éxito is currently analyzing this transaction under IFRS Colombia

(2) EBITDA Proforma is calculated based on LTM of Colombia, Brazil, Uruguay and Argentina

Summary Consolidated Cash Flow Statement

	3Q14	3Q15	%Var 15/14
Profit (loss)	315,012	492,810	56.44
Adjustment to reconcile Net Income	(328,571)	1,895,837	-676.99
Cash Net provided (used) in Operating Activities	(89,169)	2,173,338	-2537.32
Cash Net provided (used) in Invesmtent Activities	(225,641)	(4,632,372)	1952.98
Cash Net provided (used) in Financing Activities	(284,678)	4,338,529	-1624.01
Increase (decesase) Net of Cash and Cash equivalents before the FX rate changes	(599,486)	1,879,498	-413.52
Effects on FX changes on cash and Cash equivalents	7,739	131,906	160443
Adjustment Minority interest	-	-	0.00
Increase (decesase) Net of cash and cash equivalents	(591,747)	2,011,404	-439.91
Opening Balance of Cash and Cash Equivalents	2,717,162	2,953,937	8.71
Ending Balance of Cash and Cash Equivalents	2,125,415	4,965,341	133.62

Capital Expenditure (CapEx)

Grupo Éxito invested approximately COP\$561.000 million in 3Q15 across all of its operations for expansion and in maintenance activities. During the quarter, the retail expansion included the opening of 35 stores of which seven stores opened in Colombia among them, 1 Carulla, 3 Éxito, 2 Surtimax and 1 Super Inter. In Brazil we opened 4 Pao de Acucar, 7 Minimercado Extra, 6 Minuto Pao de Acucar, 1 Assaí and 5 Casas Bahia stores. In Uruguay, we also continued opening convenience stores under the Devoto brand of which 4 opened during the quarter along with 1 Disco store.

The Brazilian operation continued with the renovation process in Extra stores and completed 52 renovations year-to-September. The Via Varejo business unit also renovated the furniture category in 56 stores, the mobile category in 100 stores and converted 36 Casas Bahia stores to improve their performance.

As a net result, at September 2015, we reached 548 stores in Colombia, 1.925 in Brazil, 61 in Uruguay and 27 in Argentina for a total of 2.561 stores and nearly 3.8 million square meters of sales areas.

Number of stores and selling area by country

Colombia

Brand	Stores	Selling Area (sq m)
Éxito	246	602,378
Carulla	94	77,963
Surtimax	150	80,137
Super Inter	58	58,301
Total Colombia	548	818,779

Uruguay

Brand	Stores	Selling Area (sq m)
Devoto	30	34,121
Disco	29	31,450
Geant	2	16,439
Total Uruguay	61	82,010

Brazil

Brand	Stores	Selling Area (sq m)
Pao de Acucar	184	236,000
Extra hiper	137	812,000
Extra super	199	227,000
Minimercado Extra	262	66,000
Minuto Pao de Acucar	39	9,000
Assaí	88	338,000
Pontofrio	301	196,000
Casas Bahía	715	903,000
Total Brazil	1,925	2,787,000

Argentina

Brand	Stores	Selling Area (sq m)
Libertad	15	112,634
Mini Libertad	12	1,875
Total Argentina	27	114,509

TOTAL	2,561	3,802,298
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Almacenes Éxito S.A.

(BVC: EXITO)



Cordially invites you to participate in its
Third Quarter 2015 Results Conference Call



Date: Monday, November 30, 2015
Time: 9:30 a.m. Eastern Time
9:30 a.m. Colombia Time

Presenting for Grupo Éxito:

Carlos Mario Giraldo Moreno, Chief Executive Officer
Filipe Da Silva, Chief Financial Officer
María Fernanda Moreno, Investor Relations Manager

To participate, please dial:

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Conference ID Number: 71580106

Almacenes Éxito S.A. will report its Third Quarter 2015 Earnings
on Friday, November 27, 2015 after the market closes.

3Q15 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/exito151130>

For more information please contact: Investor Relations, Almacenes Éxito S.A.
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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.

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