



Éxito Modelia: the first store converted from Cafam brand

For the quarter and twelve-month period ended December 31, 2010

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

Medellín, Colombia - February 23, 2011
Almacenes Éxito S.A. ("Éxito" or "the Company"), the largest retail company in Colombia, today announced its consolidated financial results for the period ended December 31, 2010. All figures are expressed in COP Colombian pesos (US\$1 = \$1,913.98 at December 31, 2010).

- **Working Capital** reached a favorable COP\$ 313,120 million, improving COP\$ 52,541 compared to COP\$ 260,579 million during the same period in 2009.
- **Financial Debt** decreased 20.5%, reaching COP\$ 612,325 million.
- **Net Revenues** increased 12.5% to COP\$ 2,295,038 million for the fourth quarter of 2010.
- **Selling and Administrative Expenses** increased 10.8%. As a percentage of net revenues, SG&A's decreased from 19.6% to 19.3%.
- **Operating Income** increased 15.2% for a total of COP\$ 149,252 million. As a percentage of net revenues, the operating income margin reached 6.5% in the fourth quarter of 2010 from 6.4% in the same period of 2009.
- **EBITDA** increased 15.1% for a total of COP\$ 229,913 million. The EBITDA margin increased from 9.8% in the fourth quarter of 2009 to 10.0% for the same period in 2010.
- **Net Income** increased 57% to COP\$ 162,261 million for the fourth quarter of 2010. As a percentage of the net revenues, the net margin rose to 7.1% from 5.1%.

Fourth quarter 2010 operating highlights

- **An active expansion plan:** Ten (10) stores were added to *Grupo Éxito's* portfolio, completing **14 openings in the year**. The new stores are *Éxito Parque Arboleda* and *Cuba* in the city of Pereira; *Carulla Castillo Grande* in Cartagena; *Bodeguita Surtimax Santa Cecilia* in Bogotá, and *Éxito Express Lourdes*, *Carrera 19*, *Calle 140*, *Carrera 11*, *Galerías* and *Navarra*, also in Bogotá.
- **Advances in the Cafam - Éxito alliance:** During the fourth quarter, the integration of 31 *Cafam* stores to the *Grupo Éxito* IT, suppliers and logistics systems was completed. Of this total number of stores, six (6) were also converted to the *Éxito* and *Surtimax* brands in Bogotá in November and December. These were: *Éxito Modelia*, *Éxito Veinte de Julio*, *Éxito Express Colseguros*, *Bodeguitas Surtimax Centro* and *Casa Blanca* and *Bodega Surtimax Fontibón*. Furthermore, *Cafam* is now operating **59** of the 91 drugstores included in the alliance under its brand name.
- **Accelerated conversion plan:** Thirteen (13) conversions took place in the fourth quarter; 10 were made to the *Éxito* brand, of which one was to the *Éxito Express* format, the three (3) remaining conversions were to the *Bodega Surtimax* format in Bogotá. The Company completed a total of 38 conversions during 2010.

With the addition of the 31 *Cafam* stores, *Grupo Éxito* ended the year with **299 stores** in Colombia.

- **Innovation with world - class validators:** *Éxito* continues offering **exclusive** products to capture different sectors of the Colombian market. Our stores were the only ones to sell *Sale el sol*, **Shakira's** new album beginning on the day of its world - wide release, reaching sales of more than 100,000 in 2010. On the other hand, fashion was also a protagonist with the marketing of the second collection by Colombian designer **Esteban Cortázar** and girls' clothing by Spanish designer **Ágatha Ruiz de la Prada**.



Colombians enjoyed our promo event "Special Discount Days"

- **Leading with e-commerce www.exito.com:** With an investment of more than COP \$3,000 million, the Company modernized its Internet sales site www.exito.com, improving the design, functionality and navigation; likewise, it increased its portfolio and became the first hypermarket in Colombia to sell clothing via the Internet. Just five days after its re-launch, the site increased sales by 75%.
- **Winning commercial activities:** This quarter was highlighted by the promotional activities across all of the company channels. We carried out in 120 *Éxito* and *Ley* stores nationwide the promotional event **Special Discount Days (Días de Precios Especiales)**, with more than 20 million products with special prices.



CEO Report for the fourth quarter 2010

Dear Investors and Shareholders,

It is with great pleasure that we present solid fourth quarter and full-year 2010 results. During the fourth quarter, consumption was driven by the overall momentum of the Colombian economy, highlighted by controlled inflation and low interest rates. These factors directly impacted the retail sector and complemented the Company's strategy.

Commercial dynamism tied to innovation, an expansion plan and strong store conversions, in addition to the Cafam alliance, were essential pillars that supported the Company's various opportunities in 2010.

The 2010 economic indicators, as well as the Company's ability to reduce debt demonstrate that Grupo Éxito is ready to undertake new projects within the market and deploy powerful initiatives.

In 2011 the Company will continue to offer brands tailored to consumer needs, while increasing its presence in various formats. For this reason, Grupo Éxito is undertaking an expansion plan where the Express format will be significantly featured. We believe in the real estate business's potential and, therefore, seek to leverage the expertise and assets that the Company currently possesses.

Exceeding our customers' demands will continue to be our mission. It is in this aspect that the Company faces a big challenge, not only in terms of creativity, but also in terms of adding value and increasing customer loyalty. Since 2010, we have partnered with Dunhumby, a renowned English institution and global expert in consumer behavior to know our customers better, while providing them with the service and products they desire.

It is worth noting that Grupo Éxito has undertaken a firm path with Fundación Éxito: 27,000 children with improved nutrition through the delivery of COP\$11,330 million in 2010. In 2011, we will continue to create favorable conditions for Colombia's early childhood.

In conclusion, Grupo Éxito has extremely worked hard to deliver strong and historic fourth quarter results, marking milestones in terms of revenues, EBITDA and profitability. We face enormous challenges in 2011, and seek to improve even further, reinforcing our commitment to clients, as well as investors. I assure you that we will continue to work with enthusiasm and conviction to leverage this unique moment and provide Colombia and its people the best platform to continue in its development.

Gonzalo Restrepo López
Chief Executive Officer



Gonzalo Restrepo López, CEO

Consolidated Financial Statements as of December 31, 2010

Consolidated Income Statement for the Fourth Quarter 2010

	Fourth quarter, 2010		Fourth quarter, 2009		% Var
	Million of COP	% Net Revenues	Million of COP	% Net Revenues	
NET REVENUES	2,295,038	100.0	2,039,778	100.0	12.5
Cost of sales	-1,702,933	-74.2	-1,510,717	-74.1	12.7
GROSS PROFIT	592,105	25.8	529,061	25.9	11.9
Selling and administrative expense	-442,853	-19.3	-399,514	-19.6	10.8
OPERATING INCOME	149,252	6.5	129,547	6.4	15.2
Financial income	39,739	1.7	14,998	0.7	165.0
Financial expense	-46,570	-2.0	-36,361	-1.8	28.1
Other non-operating income and expense	27,755	1.2	1,604	0.1	N/A
Minority interest	-95	0.0	13,908	0.7	-100.7
Income before taxes	170,081	7.4	123,696	6.1	37.5
Income taxes	-7,820	-0.3	-20,363	-1.0	-61.6
NET INCOME	162,261	7.1	103,333	5.1	57.0
EBITDA	229,913	10.0	199,725	9.8	15.1

Consolidated Income Statement for the twelve-month period ended December 31, 2010

	Twelve months ended December 31, 2010		Twelve months ended December 31, 2009		% Var
	Million of COP	% Net Revenues	Million of COP	% Net Revenues	
NET REVENUES	7,510,079	100.0	6,981,903	100.0	7.6
Cost of sales	-5,646,083	-75.2	-5,243,066	-75.1	7.7
GROSS PROFIT	1,863,996	24.8	1,738,837	24.9	7.2
Selling and administrative expense	-1,545,532	-20.6	-1,483,959	-21.3	4.1
OPERATING INCOME	318,464	4.2	254,878	3.7	24.9
Financial income	83,204	1.1	49,303	0.7	68.8
Financial expense	-124,913	-1.7	-161,776	-2.3	-22.8
Other non-operating income and expense	10,048	0.1	51,889	0.7	-80.6
Minority interest	-81	0.0	-182	0.0	-55.5
Income before taxes	286,722	3.8	194,112	2.8	47.7
Income taxes	-31,888	-0.4	-46,810	-0.7	-31.9
NET INCOME	254,834	3.4	147,302	2.1	73.0
EBITDA	610,396	8.1	538,486	7.7	13.4



Consolidated balance sheet

(in million of Colombian pesos)

	Dec. 2010	Dec. 2009	% Var
ASSETS	6,640,448	6,325,051	5.0
Current assets	2,021,255	1,709,241	18.3
Cash	516,325	396,110	30.3
Marketable securities	280,733	246,464	13.9
Inventories	840,909	806,283	4.3
Others	383,288	260,384	47.2
Non-current assets	4,619,193	4,615,810	0.1
LIABILITIES	2,225,024	2,162,759	2.9
Current liabilities	1,924,992	1,559,192	23.5
Financial obligations short term	387,675	231,946	67.1
Suppliers	1,089,877	972,810	12.0
Others	447,440	354,436	26.2
Non-current liabilities	300,032	603,567	-50.3
Financial obligations long term	224,650	538,644	-58.3
Others	75,382	64,903	16.1
Minority interest	2,576	3,465	-25.7
SHAREHOLDERS' EQUITY	4,412,848	4,158,827	6.1

ROA and ROE

	2007	2008	2009	2010
ROA	2.1%	2.5%	2.3%	3.8%
ROE	3.9%	4.5%	3.5%	5.8%
Historic Value*	2007	2008	2009	2010
ROA	4.3%	4.2%	5.0%	5.4%
ROE	10.7%	10.2%	8.8%	9.4%

* Historic value does not include valuations and inflation adjustments



Éxito sold exclusively the fashion collection for girls created for the well known Spanish designer Agatha Ruiz de la Prada

Fourth quarter 2010 financial highlights

- **Working Capital** reached a favorable COP\$313,120 million, improving COP\$ 52,541 compared to COP\$ 260,579 million during the same period in 2009, mainly due to a 12,0% increase in accounts payable to suppliers, in comparison with the same period in 2009.
- **Financial Debt** decreased 20.5%, reaching COP\$ 612,325 million compared to COP\$770,610 million from the same period in 2009. When compared to the same period last year, there was an improvement in the interest expense coverage ratio and the leverage ratio, reaching 18.86 versus 8.81 and 0.99 versus 1.31, respectively.
- **Net Revenues** increased 12.5% to COP\$2,295,038 million for the fourth quarter of 2010, compared to COP\$ 2,039,778 million for the same period in 2009, which reflected an 8.9% increase in same store sales, as well as a 3.6% increase obtained from the Company's expansion plan.
- **Gross Profit** increased 11.9%, reaching COP\$ 592,105 million, compared to COP \$529,061 million in the same period in 2009. As a percentage of Net Revenues, gross margin remained stable at 25.8%, showing good dynamics both in food and non food sales.
- **Selling and Administrative Expenses** increased 10.8% to COP\$ 442,853 million, compared to COP\$ 399,514 million from the same period in 2009. As a percentage of net revenues, SG&A's decreased from 19.6% to 19.3%, principally due to the dilution of expenditures given the increase in net revenues. However, during the last quarter of 2010, four percentage points of the increase in SG&A's are explained by the integration process of 31 stores coming from *Cafam*.
- **Operating Income** increased 15.2% for a total of COP\$ 149,252 million, compared to COP\$ 129,547 million obtained in the same period of 2009. As a percentage of net revenues, the operating income reached 6.5% in the fourth quarter of 2010, from 6.4% in the same period of 2009, mainly due to lower expenses as a percentage of net revenues.
- **EBITDA** increased 15.1% for a total of COP\$ 229,913 million, compared to COP\$ 199,725 million in the same period of 2009. As a percentage of the net revenues, the EBITDA margin increased from 9.8% in the fourth quarter of 2009 to 10.0% for the same period in 2010 mainly due to lower expenses as a percentage of net revenues.
- **Net Financial Expenses** decreased 68.0% to COP\$ 6,831 million from COP \$21,363 million for the same period in 2009. As a percentage of net revenues, they went from 1.05% to 0.3%, principally explained because of a lower financial debt.
- **Other Non - Operating Income and Expenses** reached an income of COP \$27,755 million, compared to COP\$ 1,604 million in the fourth quarter of 2009. This was principally due to the earnings obtained in the fourth quarter as a result of the sale of the stake in *Cativen*.
- **Income Tax** declined to COP\$ 7,820 million in the fourth quarter of 2010, compared to COP\$ 20,363 million in the same period last year. As a percentage of net revenues, taxes represented 0.3%, reflecting some of the tax synergies following the final approval of the merger between *Almacenes Éxito* and *Carulla - Vivero*.
- **NET INCOME** reached COP\$ 162,261 million for the fourth quarter of 2010, compared to COP\$ 103,333 million for the same period from last year. As a percentage of the net revenues, the net margin rose to 7.1% in 2010, from 5.1% in the fourth quarter of 2009.

Other operating information as of December 31, 2010

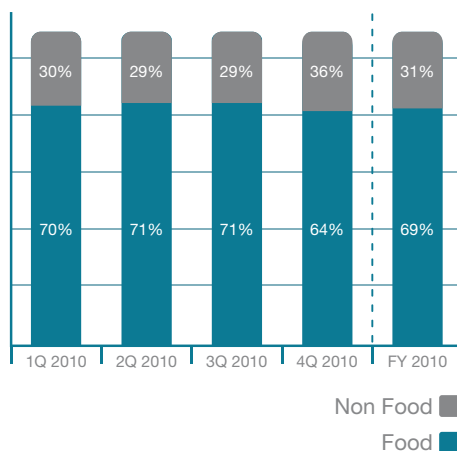
Same store sales growth

	2010	2009
First quarter	2.6%	-6.6%
Second quarter	4.6%	-3.6%
Third quarter	6.0%	-5.8%
Fourth quarter	8.9%	-0.8%
As of December	5.7%	-4.1%

Capex

	% Capex
Expansion	18
Conversions and Remodeling	48
Logistics and IT	12
Other	22
Total CAPEX COP 272,073 million	100

Sales Mix Evolution



Sales by brand, number of stores and selling area

Brands	Stores	Selling area (sq m)	% Sales
Éxito	128	500,686	75.1
Carulla, Pomona	79	75,328	16.9
Bodega & Bodeguita Surtimax	54	42,585	4.1
Other: Ley, Homemart, Cafam	38	57,148	3.9
TOTAL	299	675,747	100.0

Openings, closings and conversions in 2010

Brands	Opened	Closed	Converted	
			From Ley, Vivero, Carulla and Cafam	From Ley, Carulla and Cafam
Éxito	12	1 (Vivero)	30	
Carulla, Pomona	1	2	0	
Bodega & Bodeguita Surtimax	1	2	8	
Other: Ley, Homemart, Cafam	31*	1 (Ley)	0	
TOTAL	45	6	38	

* Corresponds to 31 Cafam stores integrated to Éxito's operations

Own/Leased by store and selling area

Owned / Leased	Stores		Area	
	Stores %		Area (sq m)	%
Leased	156	52%	251,132	37%
Owned	143	48%	424,615	63%
TOTAL	299	100%	675,747	100%

grupo éxito®

The new bodega Surtimax Santa Cecilia in Bogotá



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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.