

Enviado, November 27, 2019

SIMPLIFICATION PROJECT OF CASINO GROUP STRUCTURE IN LATIN AMERICA

Giving continuity to the release of relevant information published on November 22nd, 2019, Almacenes Éxito S.A. (the “Company”), informs its shareholders and the market that today, after verifying the compliance with all the precedent conditions for the closing, was closed the transaction of sale to Casino, Guichard-Perrachon S.A. (“Casino”) of the shares of stock owned indirectly by Éxito through the French company Segisor S.A.S. (the “Transaction”).

In virtue of the above, the shares of Segisor indirectly owned by Éxito were transferred to Casino, Éxito received the price, the shareholder agreements of Segisor, Wilkes Participações S.A. (“Wilkes”) and Companhia Brasileira de Distribuição (“GPA”) were terminated and Éxito’s executives who were part of Segisor, Wilkes and GPA, submitted their resignation to said boards.

The price was determined based on the number of shares of GPA directly and indirectly owned by Segisor (99, 6 million), multiplied by 113 reais, and for 50% (USD 1,376 million) minus the net financial debt of Segisor and Wilkes, reported at the closing date for the 50% (USD 215 million), and considering the exchange rates conversion agreed on the share purchase agreement and previously informed to the market. Thus, the price paid by Casino to Éxito was USD 1,161 million.

These funds would allow, as has been reported, among other aspects:

- Bring debt financial debt to zero,
- Accelerate the digital transformation process and the renewal of innovative formats, as Éxito Wow y Carulla Freshmarket, as well as strengthening the expansion of the Cash & Carry format (wholesaler),
- Accelerate the expansion in profitable formats,
- Strengthen the development of the real estate business,
- Allow to allocate additional funds to projects and investments that positively impact service levels and the quality of the offer to customers,
- Improve the financial capacity of Éxito, allowing greater flexibility and expanding the reaction capacity to the profitable investment opportunities existing in the business, such as retail and real estate.

From an accounting point of view, the general effects of the Transaction are:

- Removal from the financial statements of the existing investment by virtue of the indirect participation in Segisor, Wilkes and GPA, which was valued by participation method until September 30, 2019,
- As a result of the sale, the balance that is recorded in equity (in Other Comprehensive Income - ORI) due to the effect of the exchange difference in the conversion of that investment to Colombian pesos, is made against the income statement,
- The operating segments of Éxito will be grouped into three geographic segments (Colombia, Uruguay and Argentina) and Brazilian geographic segment will not exist.

The accounting recognition of the Transaction is in measurement and preparation process as an integral part of the preparation of the Financial Statements as of November 30, 2019, and will be informed to the market once it has been finally determined and registered.

The Transaction complied with the standards, principles and criteria set forth in Éxito's Policy on Related Party Transactions, as well as in the other corporate governance documents and the law.