

Super Inter
Guadalupe store



Almacenes Éxito S.A.

Consolidated Financial Results

For the Third Quarter and nine-month period
ended September 30, **2014**

BVC (The Colombian Stock Exchange): "ÉXITO"
ADR Program: "ALAXL"
Medellín, Colombia - October 29, 2014 - 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, 2014. All figures are expressed in COP - Colombian pesos.

Exchange rate:
US\$1 = COP\$2,028.48 at
September 30, 2014.

Almacenes Éxito S.A.
Cordially invites you to participate in its
Third Quarter 2014 Results Conference Call

Date: Thursday, October 30 at 8:00 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: 18414706



3Q14 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/exito141030.html>

Third Quarter 2014 Financial & Operating Highlights

2014

Note: Consolidated figures include both Grupo Éxito'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 4.1% to COP\$2,616,005 million for the third quarter 2014.
- **Selling and Administrative Expense** increased 5.0% to COP\$591,401 million.
- **Operating Income** increased 8.5% to COP\$ 112,371 million, for an operating margin of 4.3%.
- **EBITDA** increased 2.4% to COP\$ 205,365 million with an EBITDA margin of 7.9%.
- **Net Income** increased 16.4% to COP\$100,388 million for a Net income margin of 3.8%.
- **Working Capital** decreased COP\$43,386 million, reaching COP\$403,902 million compared to COP\$447,288 million in September 2013.

Super Inter Acquisition

Last September, the transaction signed back in February to acquire Super Inter, was authorized by the Colombian Superintendence of Industry and Commerce. The acquisition of Super Inter is one of the most important activities developed this year by the Company.

Accordingly, Éxito will (i) acquire 19 commercial establishments, valued at COP\$200,000 million, (ii) operate 31 commercial establishments, over a 5-year period, (iii) use the Super Inter's registered brands, and (iv) have a Call Option Agreement whereby Super Inter grants Éxito the option to acquire in 2015, the pending 31 commercial establishments as well as the above-mentioned brands.

In order to guarantee a fair competitive environment and to maintain a fair trade with suppliers, the non-objection of the Superintendence of Industry and Commerce, required the fulfilment by Éxito of the following conditions: (i) The sale to a competitor of 4 stores and (ii) A proper execution of fair trade with Super Inter's suppliers.



Openings

Grupo Éxito opened a total of 13 new stores in third quarter 2014. 8 stores opened under the Éxito brand, mostly convenience stores and 5 Surtimax stores in popular neighborhoods in mid-size cities.

With the expansion through organic growth and excluding Super Inter's acquisition, the Company reached a total of 538 stores as of the third quarter 2014, broken down geographically with 484 stores in Colombia and 54 stores in Uruguay, for a total selling area of nearly 845.000 sqm.

"Viva" Shopping Malls

In partnership with Grupo Argos, Viva Villavicencio shopping center opened last 28th of August. This project became the biggest floor shopping center in Colombia with an occupancy rate near to 100%. The Shopping Mall has 130,000 sqm of constructed areas and 51,000 sqm of Gross Leasable Areas, including an Éxito hypermarket store of near 7,000 sqm, 145 commercial sites, 1,500 parking spaces, 8 cinemas and a huge food court as well as open areas for citizens to enjoy.

With the opening of Viva Villavicencio, Grupo Éxito totaled 10 shopping centers in Colombia and near to 270,000 sqm of GLA.

New Éxito Stores:

Cigarras in Bucaramanga, Embajada in Bogotá, Yerbabuena and El Barzal in Villavicencio, Único and Portal Plaza in Cali, Palanquero in Puerto Salgar and Avenida Simón Bolívar in Valledupar.

New Surtimax Stores:

Cereté, Barbosa, Montería Mercadito, Rionegro and Planeta Rica.

The Company
completed
a total of **538**
stores

Commercial Events

Thematic Exhibitions

From August 22nd to the 24th, the Company hosted the 4th annual “*Carulla es Café*”, with over 8 thousand visitors. Moreover, from September 18th to the 21st, the Company hosted the 4th annual “*Salón del Queso*” in Bogotá, with over 40 thousand visitors, whom enjoyed more than 3 tons of cheese.

New Features

Our private label Brozini, launched an exclusive collection with the renowned Colombian football player James Rodríguez. The collection J10 James-Bronzini Black, arrived at Éxito and Carulla stores, with 54 references of more than 250.000 items such as t-shirts, underwear and pyjamas all manufactured by our textile Company Didetexco.

Additionally, through relational marketing and supported by the Company’s data base, Grupo Éxito successfully launched “*Cuponmanía*” and distributed for the first time 2 million of coupons among its clients, with discounted prices in targeted categories, completely personalized to their needs.

Recognitions

The business magazine “*Gerente*” recognized Éxito, Carulla and Surtimax in that order, as the most regarded brands in the Supermarket category in Colombia. In addition, top-of-mind brands Éxito and Surtimax ranked first and second as top-of-hearth brands. The Spanish firm “*Merco*” also ranked our employees as the most qualified professionals among companies of the retail sector in Colombia and a survey made by “*Invamer Gallup*” recognized Éxito as the second most admired Company in Colombia.

Corporate Responsibility

Grupo Éxito was also ratified as the only Colombian retail company included in the Dow Jones Sustainability Index Survey for Emerging Markets, a recognition given for its efforts in improving Corporate Responsibility. Besides, the Colombian Stock Exchanged ratified Grupo Éxito’s Investor Relations and granted a recognition for voluntarily adopting best practices regarding disclosure of relevant information and investor relations management.



J10 collection by Bronzini



Salón del queso event



Cuponmanía event



Consolidated Financial Statements as of September 30, 2014

Consolidated Income Statement for the Third Quarter 2014

2014

	Third Quarter 2014		Third Quarter 2013		% Var
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	
Net revenues	2,616,005	100	2,512,150	100	4.1
Cost of sales	-1,912,233	-73.1	-1,845,574	-73.5	3.6
Gross profit	703,772	26.9	666,576	26.5	5.6
Selling, general and administrative expense	-591,401	-22.6	-563,053	-22.4	5.0
Operating income	112,371	4.3	103,523	4.1	8.5
Financial income	51,700	2.0	39,573	1.6	30.6
Financial expense	-28,945	-1.1	-13,129	-0.5	N/A
Other non-operating income and expense	-7,676	-0.3	-17,366	-0.7	-55.8
Minority interest	-67	0.0	-216	0.0	-69.0
Income before taxes	127,383	4.9	112,385	4.5	13.3
Income taxes	-26,995	-1.0	-26,156	-1.0	3.2
Net income	100,388	3.8	86,229	3.4	16.4
EBITDA	205,365	7.9	200,462	8.0	2.4

Consolidated Income Statement for the nine-month period ended September 30, 2014

	Nine months ended September 30, 2014		Nine months ended September 30, 2013		% Var
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	
Net revenues	8,008,517	100.0	7,627,076	100.0	5.0
Cost of sales	-5,924,296	-74.0	-5,639,203	-73.9	5.1
Gross profit	2,084,221	26.0	1,987,873	26.1	4.8
Selling, general and administrative expense	-1,759,999	-22.0	-1,688,540	-22.1	4.2
Operating income	324,222	4.0	299,333	3.9	8.3
Financial income	133,014	1.7	135,377	1.8	-1.7
Financial expense	-63,517	-0.8	-64,660	-0.8	-1.8
Other non-operating income and expense	-35,013	-0.4	-31,610	-0.4	10.8
Minority interest	-506	0.0	-786	0.0	-35.6
Income before taxes	358,200	4.5	337,654	4.4	6.1
Income taxes	-77,483	-1.0	-82,178	-1.1	-5.7
Net income	280,717	3.5	255,476	3.3	9.9
EBITDA	614,741	7.7	591,240	7.8	4.0

Consolidated Balance Sheet

(In Millions of Colombian Pesos)

	September 2014	September 2013	% Var
Assets	10,347,512	9,826,121	5.3
Current Assets	4,005,638	3,594,770	11.4
Cash	919,539	836,300	10.0
Marketable Securities	1,212,962	1,221,784	-0.7
Inventories	1,374,291	1,107,306	24.1
Others	498,846	429,380	16.2
Non-current assets	6,341,874	6,231,351	1.8
Liabilities	2,513,535	2,226,854	12.9
Current Liabilities	2,437,778	1,990,357	22.5
Financial Obligations short term	160,739	6,383	N/A
Suppliers	1,516,216	1,242,821	22.0
Others	760,823	741,153	2.7
Non-current liabilities	75,757	236,497	-68.0
Financial Obligations long term	0	150,000	-100.0
Others	75,757	86,497	-12.4
Minority interest	13,072	13,300	-1.7
Shareholders' equity	7,820,905	7,585,967	3.1



Carulla es Café event

ROA and ROE

	March 2014	June 2014	September 2014
ROA	4.6%	4.3%	4.5%
ROE	6.2%	5.8%	5.9%

Historic Value*	March 2014	June 2014	September 2014
ROA	5.6%	5.3%	5.5%
ROE	7.8%	7.6%	7.7%

*Historic value does not include valuations and inflation adjustments.



Salón del Queso event

Third Quarter 2014 Financial Highlights

2014

- **Net Revenues** rose 4.1% in the third quarter 2014 to COP\$2,616,005 million compared to COP\$2,512,150 million in the same quarter 2013. This growth included a same store sales increase of 11.2% in Uruguay in local currency and a decreased in Colombia of 0.1%, for a consolidated LFL growth of 0.2%. Excluding the exchange rate effect, same store sales growth would have been 1.2%.

For the nine-month period, Net Revenues rose 5.0%, which represented 9.1% same store sales growth in Uruguay in local currency and an increase in Colombia of 1.5% for a consolidated like-for-like growth of 1.3%.

- **Gross Profit** grew 5.6% to COP\$703,772 million in third quarter 2014 compared to COP\$ 666,576 million in the same period 2013 and was 26.9% as a percentage of Net Revenues. Gross profit grew as a result of the increased share of complementary businesses in Net Revenues.
- **Selling, General and Administrative Expenses** increased 5.0% in third quarter 2014 to COP\$591,401 million from the COP\$563,053 million of the same period last year. As a percentage of Net Revenues the SG&A went to 22.6% from 22.4%. The result included slightly higher expenses related to investments in omni-channel activities and the execution of the Company's expansion plan. Grupo Éxito is investing strongly in e-commerce, in shopping centers and retail expansion, in Aliados Surtimax, and in other activities regarding the integration of Super Inter.
- **Operating Income** increased 8.5% in the third quarter 2014 to COP\$112,371 million compared to COP\$ 103,523 million in the third quarter 2013. Operating Margin increased 20 basis points to 4.3% as a percentage of Net Revenues, driven by the Company focus on on-going improvement of its productivity and efficiency in retail like-for-like activities in order to maintain adequate margin profitability and the contribution from complementary businesses.
- **EBITDA** grew 2.4% in the third quarter 2014 compared to the same period 2013, to COP\$205,365 million from COP\$200,462 million. As a percentage of Net Revenues, EBITDA margin was 7.9% in the third quarter 2014. For the nine-month period Ebitda grew 4.0% and margin remained at 7.7% as a percentage of Net Revenues.
- **Net Financial Result** in third quarter 2014 derived from a Net Financial income of COP \$22,755 million compared to a Net Financial income of COP \$26,444 million reported in the same period last year. The Company's conservative cash management strategy for resources available continued with short-term investments in the local market, at no longer than 120 days, and ratings above AA+ to ensure the lowest level of capital risk.
- **Other Non-Operating Income and Expense** went to an expense of COP\$7,676 million in the third quarter of 2014 from an expense of COP\$17,366 million in third quarter of 2013 which reflects a reduction derived from the income of the decreased stake in the Grupo Éxito's Cdiscount unit from 70% to 49%.
- **Income Tax** remained stable in third quarter 2014 reaching COP\$26,995 million from COP\$26,291 million in third quarter 2013. The effective tax rate in third quarter 2014 decreased to 21.2% compared to the 23.3% reported in the same period last year due to the effect of the 2012 tax reform.
- **Net Income** grew 16.4% in third quarter 2014 compared to the same period 2013, to COP\$100,388 million from COP\$86,229 million. As a percentage of Net Revenues, Net Income margin increased 40 basis points from 3.4% to 3.8% when compared to the third quarter 2013. For the nine months, Net Income increased by 9.9% to COP\$280,717 million and reached a 3.5% margin. Net Income levels derived from operational efficiency and an extraordinary non-operational income from the decrease of Grupo Éxito stake in Cdiscount Colombia.

Other Operating Information as of September 30, 2014

Number of Stores and Selling Area

Brand	Stores	Selling area (sq m)
Éxito	242	607,183
Carulla	86	74,222
Surtimax	154	80,634
Others	2	3,242
Total Colombia	484	765,281
Devoto	24	33,183
Disco	28	30,400
Geant	2	16,021
Total Uruguay	54	79,604
Total Grupo Éxito	538	844,885

Number of Stores, Selling Area (Owned/Leased)

COLOMBIA	Stores		Area	
	Stores	%	Area (sq m)	%
Own	146	30	402,122	53
Leased	338	70	363,159	47
Total	484	100	765,281	100
URUGUAY	Stores		Area	
	Stores	%	Area (sq m)	%
Own	14	25	26,575	34
Leased	40	75	53,029	66
Total	54	100	79,604	100

Openings, Closings and Conversions for the nine-month period ended September 30, 2014

Brand	Openings	Closings
Éxito	10	5
Carulla	2	1
Surtimax	12	4
Other: Homemart		
Disco		
Devoto		
Geant		
Total	24	10

Same Store Sales Growth

Colombia

	% 2014	% 2013
1Q	-3.2	+0.4
2Q	+7.8	-1.0
3Q	-0.10	-2.4
9M	+1.50	-1.0

Uruguay (in local currency)

	% 2014	% 2013
1Q	+5.9	+9.6
2Q	+10.4	+7.4
3Q	+11.20	+6.1
9M	+9.10	+7.7

Sales Mix Evolution

3Q14

	Colombia 3Q14	Uruguay 3Q14	Grupo Éxito	
			3Q14	9M14
Food	72%	87%	74%	72%
Non Food	28%	13%	26%	28%



Viva
Centro Comercial

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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.

