

Almacenes Éxito S.A. Consolidated Financial Results 2011

For the quarter and twelve-month period ended December 31, 2011



The New Surtimax La Paz Bosa store.

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

Medellín, Colombia – February 21, 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, 2011. All figures are expressed in COP -Colombian pesos.

Exchange rate: 1 USD = COP\$1,942,70 at December 31, 2011

Note: Consolidated figures include the full year outcome of Grupo Exito in Colombia and the financial results of Spice Investment as of October 1 to December 31, 2011.

- > **Net revenues** reached a favourable position of 24.3% to COP\$ 2,852,558 million in fourth quarter 2011.
- > **Selling and administrative expenses** reached COP\$558,130 million. As a percentage of Net Revenues, SG&A went from 19.3% to 19.6% in fourth quarter 2011
- > **Operating income** increased 34.5% for a total of COP\$200,688 million. As a percentage of Net Revenues, Operating Income margin reached 7.0% in fourth quarter 2011 from 6.5% in fourth quarter 2010.
- > **EBITDA** grew 28.4% for a total of COP\$ 295,229 million. The EBITDA margin increased from 10.0% in fourth quarter 2010 to 10.3% in fourth quarter 2011.
- > **Net income** increased 36.9% to COP\$222,091 million. As a percentage of Net Revenues, Net Income margin rose 7.8% in fourth quarter 2011 from 7.1% the same period in 2010.
- > **Working capital** freed up COP\$ 377,411 in fourth quarter 2011.
- > **Financial debt** decreased 51.4% compared to fourth quarter 2010 to a total consolidated debt of COP\$ 297,680 million.

Éxito Magangué store



Fourth Quarter 2011 Operating highlights

Expansion

28 stores were openings in Colombia

14 Éxito stores: 4 stores opened in mid-sized cities where the Company started operations for the first time: Calarcá, Magangué, Ocaña and Pitalito; and 1 store in Medellín. In addition, the Company opened 9 Éxito Express stores in Bogotá and Medellín.

13 Bodega Surtimax stores: 5 in mid-sized cities where the Company arrives for the first time: Tocancipá, Cajicá, Gachancipá, Sopó and Carmen de Viboral. 5 stores opened in Bogotá, 2 in Medellín and 1 in Barranquilla.

1 Carulla store: Villa Campestre in Barranquilla with a renewed brand concept.

With these stores the Company completed **64** openings in 2011, for a total of **351** stores, making Grupo Éxito the only retailer with a true nation-wide presence. The Company has now operations in **64** cities in Colombia, of which **10** are mid-sized cities where Grupo Éxito initiated operations for the first time in line with the Company's strategy of penetrating intermediate cities.

In summary, the Company finalized 2011 with a total of **190** Éxito, **75** Carulla, **78** Surtimax, **5** Home Mart, **2** Cafam and **1** Ley stores, the latter two brands still to be converted.

2 stores conversions: Plaza Bolivar and Calle 51 converted from Ley and Cafam in Bogotá. In 2011 Grupo Éxito totalled 36 conversions into Éxito, Carulla and Surtimax brands.

The Company also refurbished the facilities of two main stores – Éxito Country in Bogotá and Éxito San Fernando in Cali.

In addition to the expansion in Colombia, Grupo Éxito added **52** stores from its Uruguayan acquisition, 24 Devoto, 27 Disco and 1 Geant stores for an overall total of **403** stores. In line with the forecasted expansion strategy, growth in Colombia represented an additional 29.000 square meters and 73.000 square meters from the Uruguayan acquisition. The Company's total sales area in 2011 reached **767.648** square meters.

Commercial events and innovative alliances

Dias de Precios especiales promo event : With more than 20 million products on sale at 148 Éxito stores across the country.

Alliance with Coca-Cola: The Company partnered with Coca-Cola and is the exclusive seller of more than 100 different home and textile products licensed with this prestigious brand.

Paola Dominguín: Grupo Éxito presented the exclusive collection of home products designed by Spanish artist and designer Paola Dominguín.

Respect for the Environment

Grupo Éxito launched an awareness campaign to inform and involve customers regarding how to correctly dispose of waste. The Company changed the design, colours and included information related to the campaign on its bags with a goal of reducing its use by 5% in 2012. This project complies with 2011 Resolution 829 from the Bogotá Environment Secretary and goes much further as it was implemented not only in Bogotá but in all our stores across Colombia.

Innovation in technology

Grupo Éxito continued in the forefront of technology by implementing innovative on-line purchasing strategies in Colombia. The Company launched in its website the first phase of a system for clients to buy on-line through Smartphones while waiting in public places such as bus stations, airports, etc.

During the fourth quarter 2011, Grupo Éxito launched a new service in partnership with MóvilRed, people can send and receive money transfers in a safe and fast way at each of the Company's stores.

For the travel business, Grupo Éxito launched www.viajesexito.com platform in the fourth quarter for clients to purchase airline tickets on-line. This development seeks to ease customers purchasing experiences as well as offer the benefits of on-line access.

Consolidated Financial Statements as of December 31, 2011

Consolidated Income Statement for the Fourth Quarter 2011

	Fourth quarter, 2011		Fourth quarter, 2010		
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	% Var
Net Revenues	2,852,558	100	2,295,038	100	24.3
Cost of sales	-2,093,740	-73.4	-1,702,933	-74.2	22.9
Gross Profit	758,818	26.6	592,105	25.8	28.2
Selling and administrative expense	-558,130	-19.6	-442,853	-19.3	26.0
Operating Income	200,688	7.0	149,252	6.5	34.5
Financial income	53,295	1.9	39,739	1.7	34.1
Financial expense	-37,912	-1.3	-46,570	-2.0	-18.6
Other non-operating income and expense	14,929	0.5	27,755	1.2	-46.2
Minority interest	-502	0.0	-95	0.0	N/A
Income before taxes	230,498	8.1	170,081	7.4	35.5
Income taxes	-8,407	-0.3	-7,820	-0.3	7.5
Net Income	222,091	7.8	162,261	7.1	36.9
EBITDA	295,229	10.3	229,913	10.0	28.4

Consolidated Income Statement for the twelve-month period ended December 31, 2011

	Twelve months ended December 31, 2011		Twelve months ended December 31, 2010		
	Millions of COP	% Net Revenues	Millions of COP	% Net Revenues	% Var
Net Revenues	8,844,710	100	7,510,079	100	17.8
Cost of sales	-6,610,665	-74.7	-5,646,083	-75.2	17.1
Gross Profit	2,234,045	25.3	1,863,996	24.8	19.9
Selling and administrative expense	-1,810,723	-20.5	-1,545,532	-20.6	17.2
Operating Income	423,322	4.8	318,464	4.2	32.9
Financial income	164,537	1.9	83,204	1.1	97.8
Financial expense	-157,771	-1.8	-124,913	-1.7	26.3
Other non-operating income and expense	-6,620	-0.1	10,048	0.1	N/A
Minority interest	-566	0.0	-81	0.0	N/A
Income before taxes	422,902	4.8	286,722	3.8	47.5
Income taxes	-33,447	-0.4	-31,888	-0.4	4.9
Net Income	389,455	4.4	254,834	3.4	52.8
EBITDA	742,984	8.4	610,396	8.1	21.7

Consolidated Financial Statements as of **December 31, 2011**Consolidated **Balance Sheet**

(in millions of Colombian pesos)

	December 2011	December 2010	% Var
Assets	9,808,395	6,640,448	47.7%
Current assets	3,647,284	2,021,255	80.4%
Cash	1,487,540	516,325	N/A
Marketable securities	786,142	280,733	N/A
Inventories	994,501	840,909	18.3%
Others	379,101	383,288	-1.1%
Non-current assets	6,161,111	4,619,193	33.4%
Liabilities	2,561,154	2,225,024	15.1%
Current liabilities	2,137,163	1,924,992	11.0%
Financial obligations short term	73,030	387,675	-81.2%
Suppliers	1,443,809	1,089,877	32.5%
Others	620,324	447,440	38.6%
Non-current liabilities	423,991	300,032	41.3%
Financial obligations long term	224,650	224,650	0.0%
Others	199,341	75,382	N/A
Minority interest	9,517	2,576	N/A
Shareholders' equity	7,237,724	4,412,848	64.0%

ROA and ROE

	2009	2010	2011
ROA	2.3%	3.8%	4.0%
ROE	3.5%	5.8%	5.4%

Historic Value*	2009	2010	2011
ROA	5.0%	5.4%	5.0%
ROE	8.8%	9.4%	7.2%

* Historic value does not include valuations and inflation adjustment

Fourth quarter 2011 **Financial highlights**

>>**Net revenues** registered an increase of 24.3% in the fourth quarter 2011 to a total COP\$2,852,558 million versus the COP\$2,295,038 million in the same quarter 2010. This growth reflects a 7.8% rise in same store sales – excluding sales from Cafam - and a 16.5% increase in sales attributable to the Company's local and international expansion plan.

>>**Gross profit** grew 28.2% in fourth quarter 2011 to COP\$ 758,818 million compared to COP\$592,105 million obtained in the same period in 2010. As a percentage of Net Revenues, gross margin rose from 25.8% to 26.6% in fourth quarter 2011, reflecting solid sales mix performance and the effect of food categories from Uruguay's operations.

>>**Selling, general and administrative expenses** went to COP\$558,130 million in fourth quarter 2011 from COP\$442,853 million the same period 2010. As percentage of Net Revenues, SG&A increased from 19.3% to 19.6% which includes the amortization of goodwill and higher operational expenses related to the integration of the Uruguayan operation. Nevertheless, full year SG&A from Colombian operations declined 30 basis points versus 2010 as a result of the effectiveness of the operational excellence program. As a whole, in 2011 SG&A for Grupo Éxito including both the Colombian and the Uruguayan operation decreased 10 basis points year over year.

>>**Operating Income** rose 34.5% in fourth quarter 2011 to COP\$200,688 million compared to COP\$149,252 million the same period in 2010. As a percentage of Net Revenues, Operating Income margin increased 50 bps from 6.5% in the fourth quarter 2010 to 7.0% the same period 2011. The result was driven by improved Gross Margin levels and lower expenses as percentage of Net Revenues.

>>**EBITDA** grew 28.4% in the fourth quarter 2011 compared to the same period in 2010, rising from COP\$229,913 million to COP\$295,229 million.

As a percentage of Net Revenues, EBITDA margin increased from 10.0% in fourth quarter 2010 to 10.3% in fourth quarter 2011 mainly explained by the favourable performance of sales mix at both companies.

>>**Net financial result** in fourth quarter 2011 totalled a Net Financial income of COP \$15,383 million compared to a Net Financial Expense of COP \$6,831 million reported in the same period last year. As a result, a Net Financial Income of COP \$22,214 million was the result of increased revenues from financial short-term investments.

>>**Other non-operating income and expenses** decreased 46.2% from an income of COP\$27,755 million in fourth quarter 2010 to COP\$14,929 million obtained the same period in 2011. This is mainly explained by the fourth installment received from Cativen and its reversed provision.

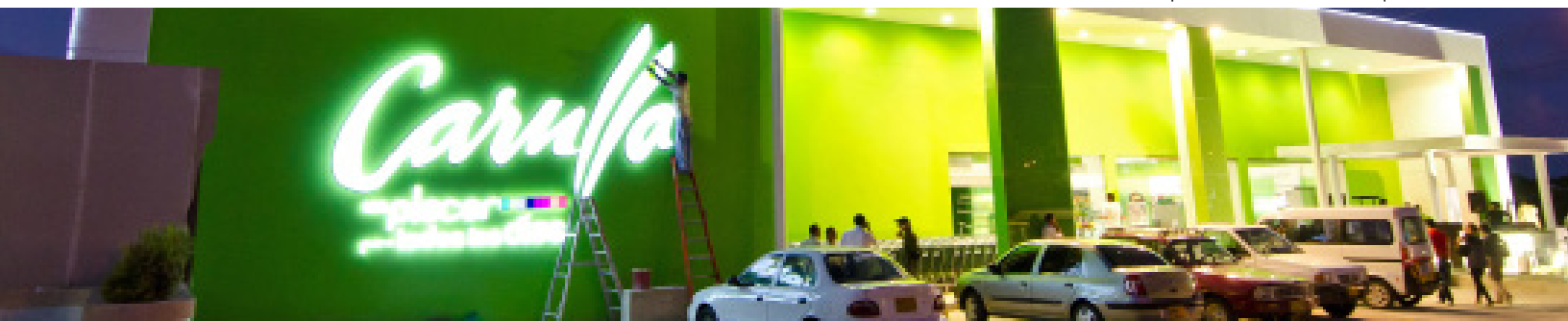
>>**Minority interest** increased from COP\$95 million in fourth quarter 2010 to COP\$502 million in the same quarter 2011 explained by the consolidation of Uruguay's operations.

>>**Net income** shows a growth of 36.9% from COP\$162,261 million in fourth quarter 2010 to COP\$222,091 million in the same period in 2011. As a percentage of Net Revenues, Net Income margin increased from 7.1% to 7.8% in the fourth quarter 2011 as a result of operational efficiency, higher financial income and lesser financial expenses due to lower debt levels.

>>**Working capital** freed up COP\$377,411 million. Working capital went to COP\$690,531 million in fourth quarter 2011 from COP\$313,120 million the same period 2010 as a result of inventory optimization and increased accounts payable due to higher expected sales where terms of payment to suppliers were not affected.

>>**Financial debt** declined 51.4% compared to fourth quarter 2010 to total consolidated debt of COP \$297.680 million. The lower debt reflects the payment of the last final installment made in

The new Carulla Villa Campestre store in Barranquilla



Other operating information as of December 31, 2011

Own/leased by store and selling area

Colombia

Own/leased	Stores		Area	
	Stores	%	Area (sqm)	%
Own	142	40	414,976	60
Leased	209	60	280,006	40
Total	351	100	694,982	100

Uruguay

Own/leased	Stores		Area	
	Stores	%	Area (sqm)	%
Own	13	25	24,784	34
Leased	39	75	47,812	66
Total	52	100	72,596	100

Number of stores and selling area

Colombia

Brands	Stores	Selling area (sq m)
Éxito	190	551,445
Carulla	75	70,017
Bodega & Bodeguita Surtimax	78	49,243
Others-Ley, Homemart, Cafam	8	24,277
Total	351	694,982

Uruguay

Devoto	24	33,188
Disco	27	28,678
Geant	1	10,800
Total	52	72,666

	Stores	Selling area (sq m)
Total	403	767,648

Same store sales growth

(excluding the drugstore sales from 2010 base)

Colombia

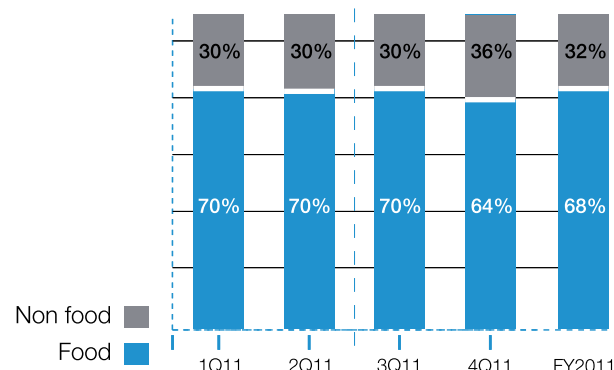
	2011	2010
1Q	1.9%	2.6%
2Q	14.8%	4.6%
3Q	9.3%	6.0%
4Q	7.8%	8.9%
As of December	8.4%	5.7%

Capex

COP million

Capex for expansion in Colombia: 76% openings, conversions and remodelings, 24% IT, logistics and others	308,996
Acquisition of Uruguay	1,440,439
Capex in Uruguay	16,020
Total Capex Grupo Éxito	1,765,455

Sales mix



Openings, closings and conversions for the twelve-month period ended December 31, 2011

Brand	Opened	Closed	Converted
Éxito	39	1	24 From Ley, Carulla and Cafam brands
Carulla, Pomona	3	6 (Carulla)	6 From Cafam brand
Bodega & Bodeguita Surtimax	22	4	6 From Carulla and Cafam brands
Others: Ley, Hommart, Cafam		1 (Cafam)	0
Total Colombia	64	12	36
Uruguay acquisition	52		
TOTAL	116	12	36

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grupo
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Éxito Express Poblado store, Medellín

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.