

grupo **éxito**<sup>®</sup>

## Corporate Presentation 2014

MEMBER OF  
**Dow Jones**  
**Sustainability Indices**  
In Collaboration with RobecoSAM

éxito

Carulla

SURTIMAX

Géant

Disco

Devoto

Listed  
BVC

IR  
COMMITTED

# Grupo Éxito

Grupo Éxito is the leader retail Company in Colombia and Uruguay with Net Revenues of COP\$10.7 billion in 2013 and 42% share of the formal market with a true nation-wide presence through a total network of 524 stores. Its multi-format and multi-brand strategy includes hypermarkets, supermarkets, convenience and soft-discount stores under top-of-mind brands Éxito, Carulla and Surtimax in Colombia and Disco, Devoto and Geant in Uruguay.

In addition to retail and through alliances and joint ventures with industry specialists, Grupo Éxito offers its clients in Colombia a well positioned portfolio of complementary businesses. The Company has Real Estate portfolio strategically located, is the 3<sup>rd</sup> largest Credit Card issuer, the 2<sup>nd</sup> largest Travel agency and the 1<sup>st</sup> seller of mandatory vehicle insurance in Colombia. Moreover, Grupo Éxito has 21 gas stations in its main hypermarkets and is the first retailer providing virtual Mobile services in the country.

As part of the Company 's omni-channel strategy Grupo Éxito has become the leader in on-line sales in Colombia with its site [www.exito.com.co](http://www.exito.com.co) and [www.carulla.com](http://www.carulla.com). In addition, the Company has a proven track record of Commercial Performance through its Loyalty Program monitoring more than 80% of sales, the strong logistic network of 15 distribution centers and platforms and the complete range of private label products in food and non-food categories.

Grupo Éxito is an organization committed to responsible employment and respect of human rights, the establishment of fair relationships with suppliers and customers, the fight against climate change, actions to reduce the environmental impact of its operations and the development of communities where it operates, with emphasis on the development of early childhood. The Company works to make its activities to contribute with the country's growth within a framework of transparency and respect for government's institutions and law, considering the expectations of its stakeholders and acts in line with Global Compact principles.

**[www.grupoexito.com.co](http://www.grupoexito.com.co)**  
**[exitoinvestor.relations@grupo-exito.com](mailto:exitoinvestor.relations@grupo-exito.com)**



# Agenda

## 1. Colombia and Uruguay: Opportunities for Retail

## 2. Grupo Éxito

- In Figures
- A Story of Growth and Development
- Competitive Advantages
- Complementary Businesses
- Retail Trends
- Financial Results

## 3. Strategy & Social Responsibility

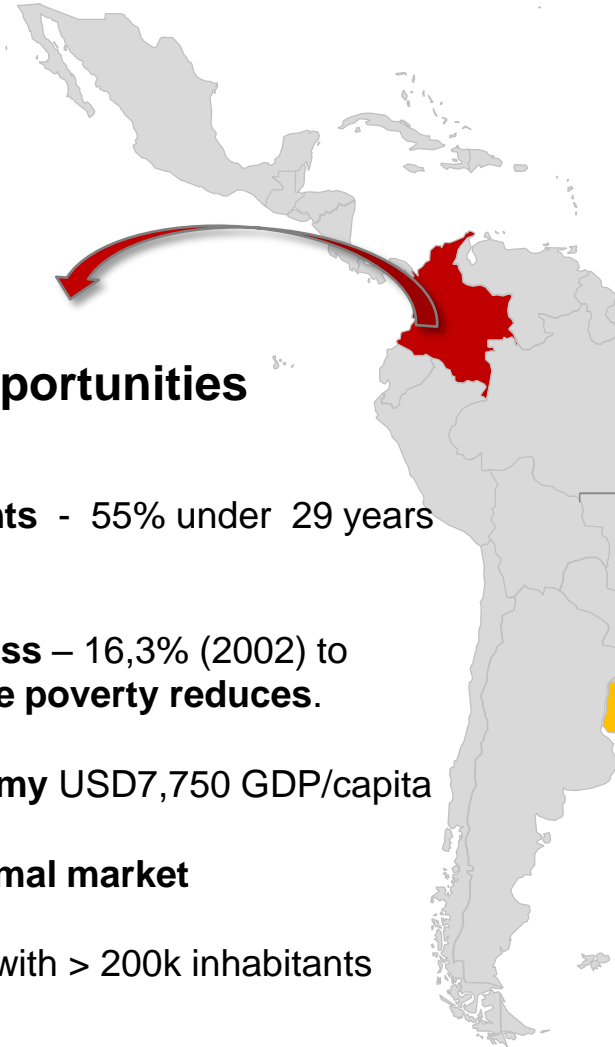
# Opportunities for Retail

## Colombia

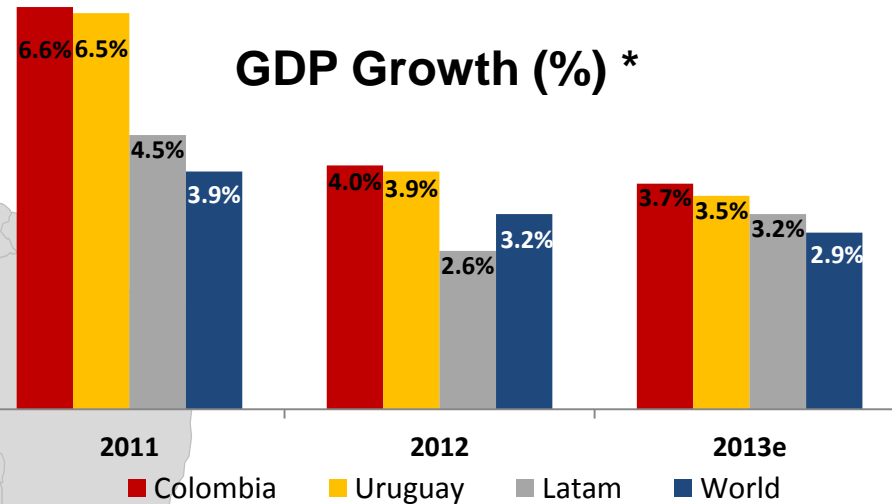
A country of opportunities

- 47 million inhabitants - 55% under 29 years of age
- Growing middle class – 16,3% (2002) to 26,5% (2011) - while poverty reduces.
- 3<sup>rd</sup> Regional Economy USD7,750 GDP/capita
- Potential 52% Informal market
- More than 17 cities with > 200k inhabitants

***Both countries with strong GDP growth and stable politic and economic scenario***



## GDP Growth (%) \*



## Uruguay

A country with high purchasing power

- USD14,450\* GDP/capita - highest in the region
- Wealthy and urbanized population
- Low penetration of formal market

# Grupo Éxito in figures

## Consolidation and expansion in two countries



### Colombia

42%

Market share\*

470 stores

 237

 85

 146

Others 2

### Uruguay

44%

Market share

54 stores

 28

 24

 2

### Strong Results

Grupo Éxito COP\$10.7 billion in Net Revenues in 2013

### Multi-format strategy + Strong brands

Colombia **Éxito - Carulla - Surtimax**

Uruguay **Géant - Disco - Devoto**

### Strong Customer Base

Colombia over **6 million** customers (260 m transactions)

Uruguay around **1 million** customers (41 m transactions)

### Leverage on Customer Traffic

Real Estate, Credit, Insurance, Travel over **35% ROC**

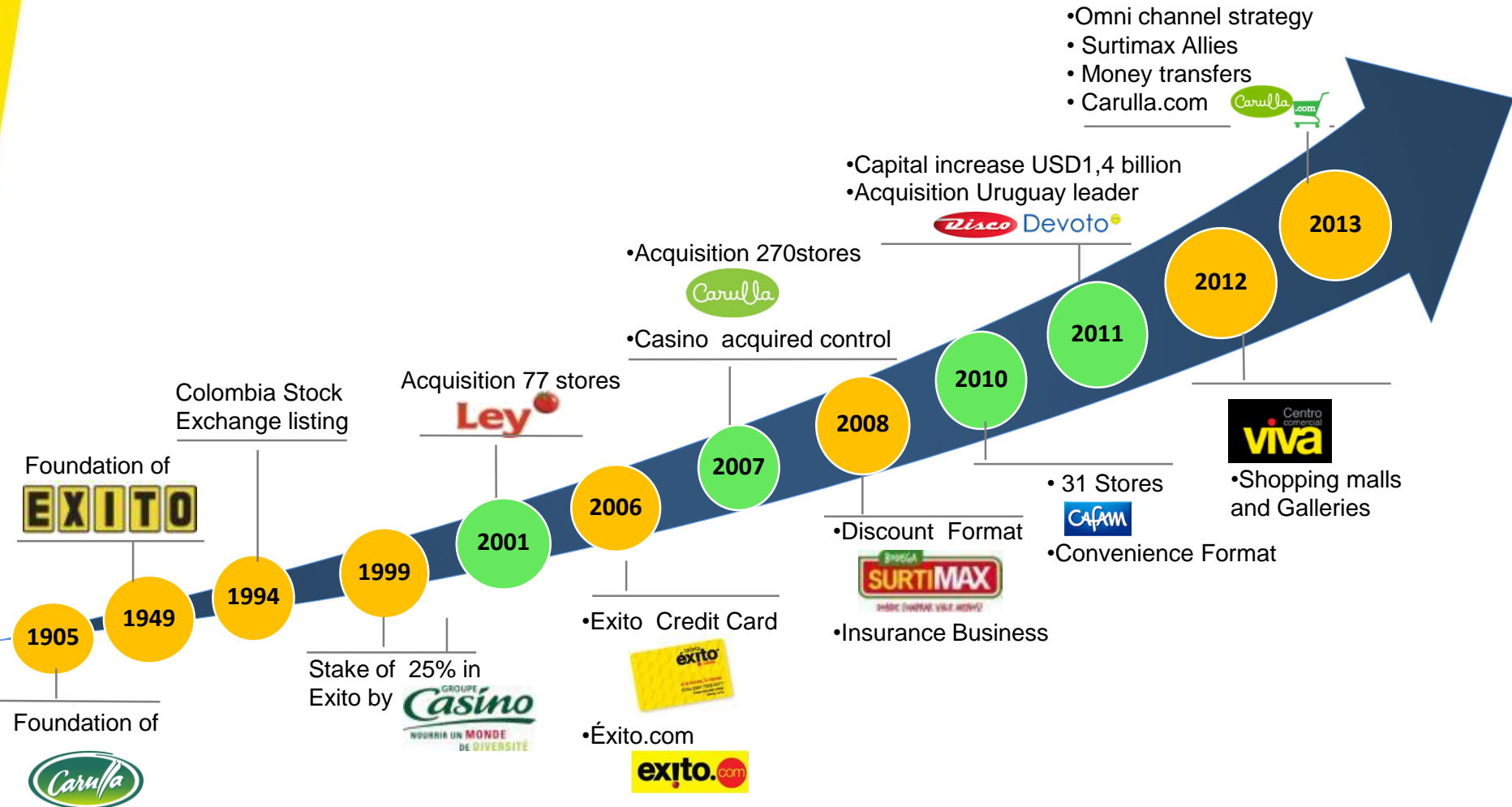
### 838k sqm of retail sales area

### 11 shopping malls and commercial galleries +200k sqm of GLA



\* Source: Nielsen 2012  
\*\* Stores as of December 31, 2013

# A consistent strategy of Growth and Development



# A consistent strategy of Growth and Development

Colombia

Uruguay



## Premium Products & Service

High End

- Best in Fresh + Imported
- Targeted Marketing
- Top Experience



## Value for Money & Services

- "For Everyone, All"
- Value for Money
- Customer Service



## Soft Discount Proposition

- EDLP proposition
- High % of Private Label
- Surtimax "Allies"

Low End



Devoto



Segmented Brands to cover all socioeconomic levels

# Competitive advantages

Strong Loyalty Programs in Colombia & Uruguay



Monitoring of more than 80% of sales



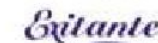
Leading Private Label Development in Food & Non-Food

## Private Labels

### Food



### Textiles



### Entertainment



### Personal Care



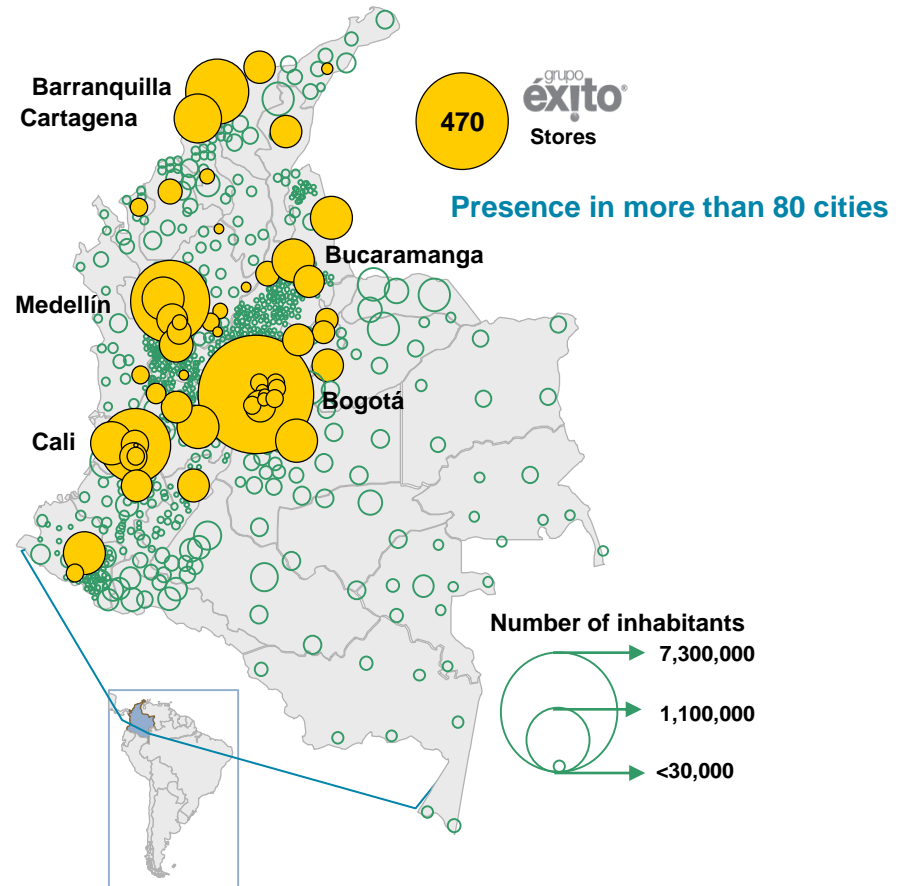


# Competitive advantages (cont)

## Strong logistic network

- That allows Grupo Exito to reach mid sized cities in Colombia
- To respond quickly in a challenging infrastructure in the country
- 15 last generation logistic locations
- Centralization of over 80%

## Geographic footprint



# Complementary Businesses leveraged on traffic



## Travel Business

JV with Avianca  
1.4 million customers  
2nd travel agency in Colombia



## Financial Retail

JV with Bancolombia  
Third credit card issuer in Colombia  
Near 1,7 million cards issued



## Insurance

JV with Grupo Sura  
More than 600 thousand clients



## Mobile Virtual Operator

Over 170k users  
Over 300 million loyalty points redeemed



## Real Estate Developments

11 Shopping Centers  
200k sqm GLA in Shopping centers and commercial galleries



## International Money Transfer Service

Starting from the USA  
2.1 million transactions



# Grupo Éxito Leading Retail Trends

## The Omni-Channel Strategy



## Convenience Format

- Éxito + Carulla Express



- Surtimax

## Sustainability Initiative

- “Aliados Surtimax”



# Grupo Éxito Leading Retail Trends

## “Aliados Surtimax” the Business Model



### Low investment in capex

- A shop sign which identifies the ally
- Outside lights
- Tent
- Signboards

• “Aliados Surtimax”, a commercial alliance with independent stores.

• Portfolio of Grupo Éxito’s private label products mainly

• Grupo Éxito takes care of logistics and distribution.

• Brand recognition for Surtimax at the base of the pyramid

### Sample of an ally



Before

After

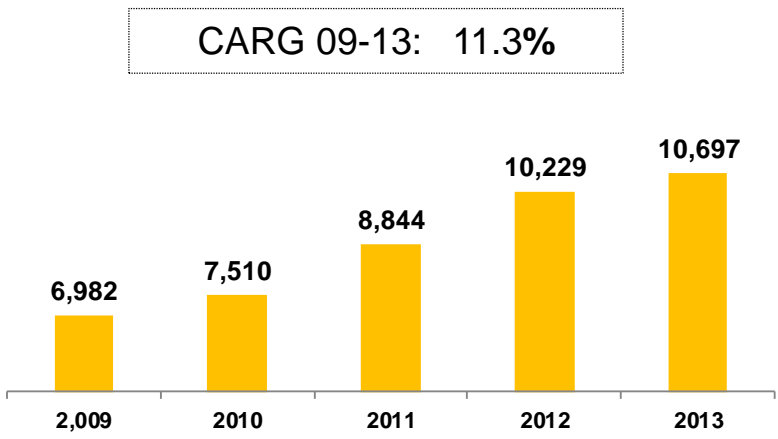
# 4Q13 – FY13 Financial Results

	4Q13 Millions of COP	4Q12 Millions of COP	4Q13/12	FY2013 Millions of COP	FY2012 Millions of COP	FY13/12
<b>Net Revenues</b>	<b>3,069,885</b>	<b>2,938,673</b>	<b>4.5%</b>	<b>10,696,961</b>	<b>10,229,673</b>	<b>4.6%</b>
<b>Gross Profit</b> <i>Gross Margin</i>	<b>854,281</b> <i>27.8%</i>	<b>797,588</b> <i>27.1%</i>	<b>7.1%</b> <i>+70 bp</i>	<b>2,842,154</b> <i>26.6%</i>	<b>2,669,801</b> <i>26.1%</i>	<b>6.5%</b> <i>+50 bp</i>
<b>Operating Income</b> <i>Operating margin</i>	<b>245,255</b> <i>8.0%</i>	<b>205,086</b> <i>7.0%</i>	<b>19.6%</b> <i>+100 bp</i>	<b>544,588</b> <i>5.1%</i>	<b>494,167</b> <i>4.8%</i>	<b>10.2%</b> <i>+30 bp</i>
<b>Net Income</b> <i>Net margin</i>	<b>182,931</b> <i>6.0%</i>	<b>220,552</b> <i>7.5%</i>	<b>-17.1%</b> <i>-150 bp</i>	<b>438,407</b> <i>4.1%</i>	<b>475,305</b> <i>4.6%</i>	<b>-7.8%</b> <i>-50 bp</i>
<b>EBITDA</b> <i>EBITDA margin</i>	<b>340,786</b> <i>11.1%</i>	<b>297,767</b> <i>10.1%</i>	<b>14.4%</b> <i>+100 bp</i>	<b>932,026</b> <i>8.7%</i>	<b>858,725</b> <i>8.4%</i>	<b>8.5%</b> <i>+30 bp</i>

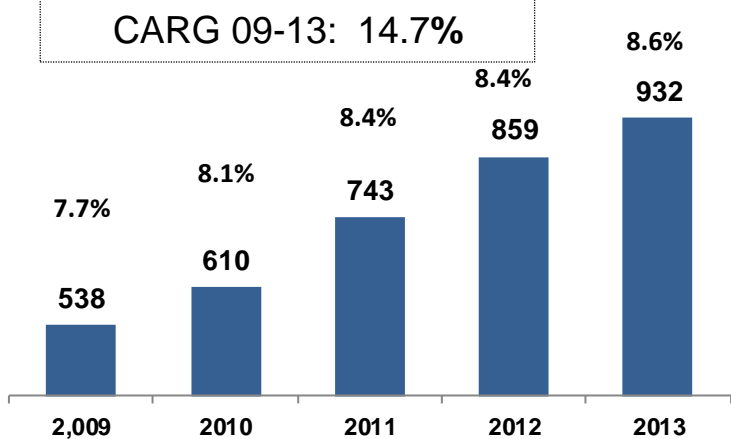
# Financial Results

Consistent Growth and Profitability

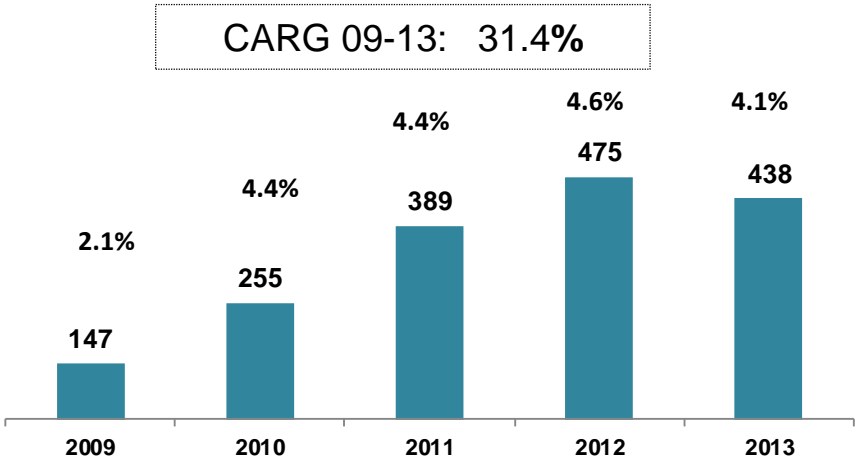
**Net Revenues (COP\$bn)**



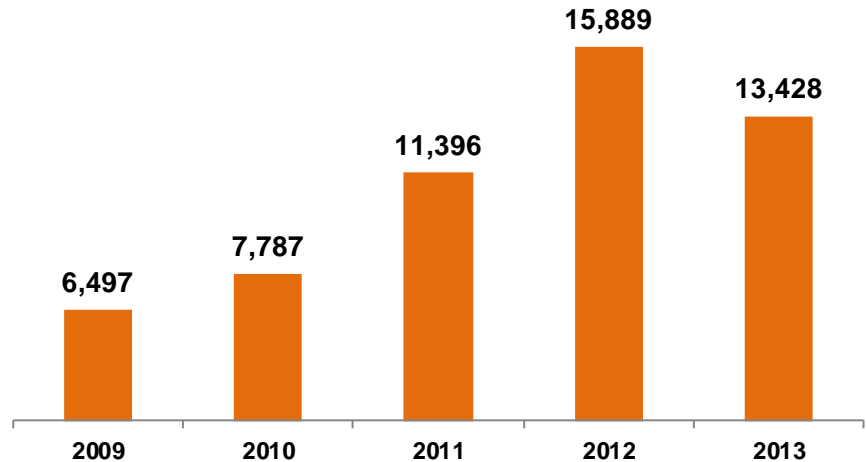
**EBITDA (COP\$bn) and margin (%)**



**Net Income (COP\$bn) and margin (%)**



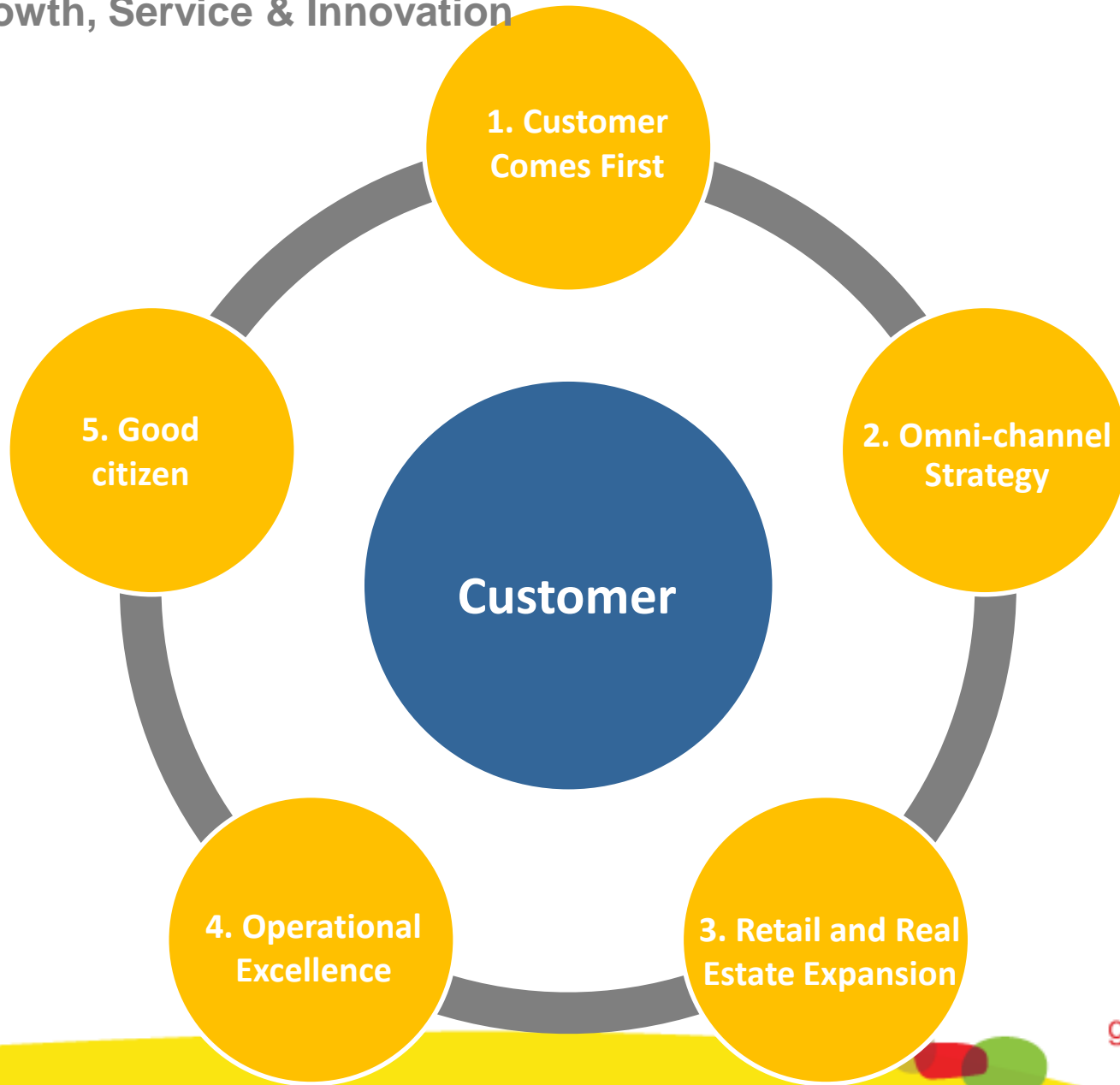
**Market Cap (COP\$bn)**



Note: Billion (bn) as 000,000,000. Figures include Disco and Devoto since 4Q11.

# Strategy

Profitable Growth, Service & Innovation



# Strategy

## Development of Real Estate projects 2014-17

### San Pedro Plaza Neiva



**GLA: 11.000 m<sup>2</sup>**  
**Opening 1Q2014**

### Viva Villavicencio



**GLA: 35.000 m<sup>2</sup>**  
**Opening 2H2014**

### Vizcaya business center



**GLA: 5.000 m<sup>2</sup>**  
**Opening 2H2014**

### Viva Barranquilla



**GLA: 50.000 m<sup>2</sup>**  
**Opening: 2016**

## ▪ Retail Expansion Strategies

### Transaction with Super Inter

- 50 commercial establishments
- USD \$425 million sales 2013e
- 3.7% market share (Coffee & Valle Regions)
- EPS accretive for Grupo Éxito's shareholders





# Strategy

Omni channel: **E-commerce strategy**



**Cdiscount.com.co**

**JV with Casino Enterprise**

Initial investment USD\$10 million

**Pure Player website** complementing exito.com & carulla.com



**Cdiscount**

Objective: **Leadership consolidation**  
in **E-commerce** in Colombia

Differentiation

- Focus in **non-food**
- Lower **prices** in the market
- **Market Place**



# Sustainability Initiative

focused in Children Nutrition + Equitable Commerce



## Children Nutrition

- ✓ 35k Children (US 9.5m)
- ✓ National Goal - **GEN 0 (2025)**

## Fair Trade

### Purchase from Origin

- ✓ 95% Purchase in Colombia
- ✓ 91% SMEs (Small-Medium Enterprises)
- ✓ 100 fishermen cooperatives
- ✓ 526 producers-suppliers

## Surtimax Allies

- ✓ Allies – Mom & Pops

MEMBER OF  
**Dow Jones**  
**Sustainability Indices**  
In Collaboration with RobecoSAM

# Appendix



Exito "E" new store design

# Management Team & Board of Directors

## CEO

Carlos Mario  
Giraldo M.

Sector experience: 18 years

Filipe da Silva

### CFO

Sector experience: 10 years

Juan Lucas Vega

### VP Development and Real Estate

Sector experience: 6 years

Martin Nova

### VP Marketing

Sector experience: 5 years

María F. Moreno

### IR Director

Sector experience: 6 years

Carlos M. Diez

### VP Retail

Sector experience: 20 years

José G. Loaiza

### VP Commercial & Logistics

Sector experience: 12 years

Jacky Janovich

### VP Éxito brand

Sector experience: 13 years

Juan F. Montoya

### VP HHRR

Sector experience: 15 years

## Chairman

Nicanor Restrepo

Arnaud Strasser

Felipe Ayerbe \*

Philippe Alarcón

Luisa Fernanda  
Lauforie \*

Yves Desjacques

Luis Carlos Uribe

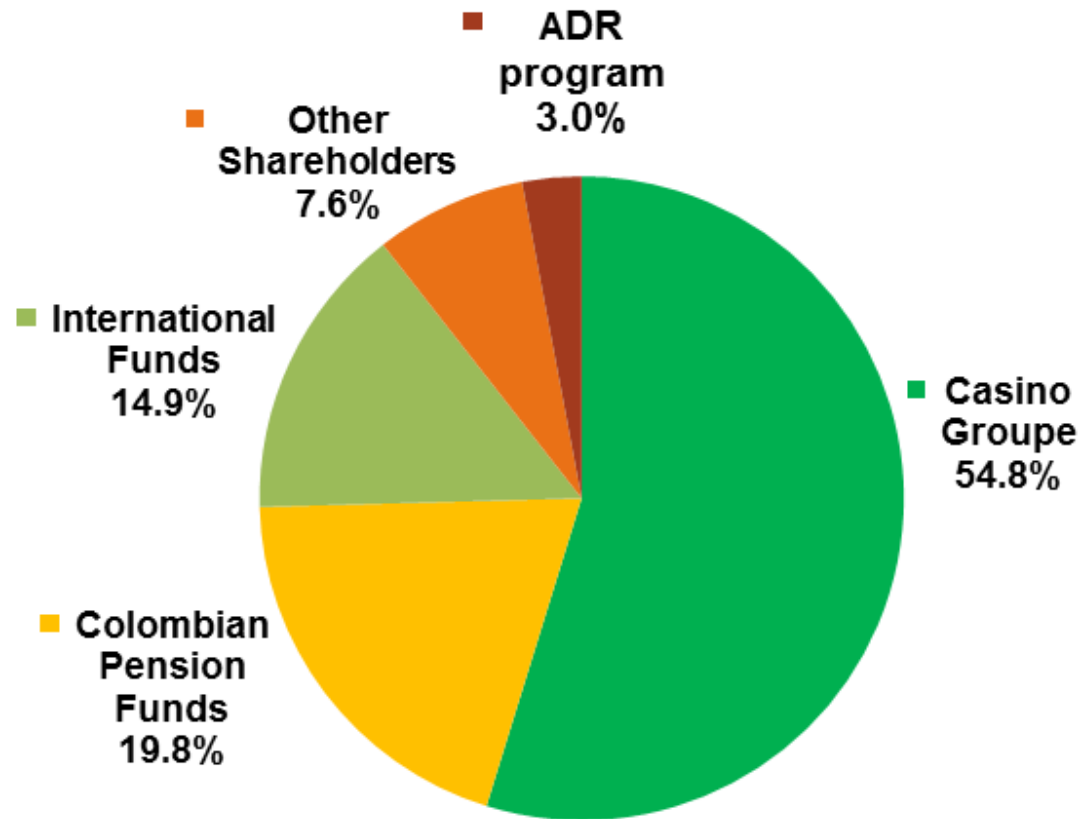
Bernard Petit

Ana Maria Ibañez \*

\* Independent Members

# Ownership Structure

As of December 31, 2013



# Note on Forward-Looking Statements

This presentation 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.

**Almacenes Éxito S.A.**  
Investor Relations

[www.grupoexito.com.co](http://www.grupoexito.com.co)





grupo **éxito**<sup>®</sup>

[www.grupoexito.com.co](http://www.grupoexito.com.co)  
[exitoinvestor.relations@grupo-exito.com](mailto:exitoinvestor.relations@grupo-exito.com)

