GPA and Viavarejo

October 18, 2013

3Q13 RESULTS

GPA Consolidated

Highlights:

- **Focus on expansion:** opening of 20 new stores in 3Q13. In 9M13, 78 stores were opened with a sales area increase of 2.8%;
- **Same-store sales reached growth of 10.8%:**
  - ✓ **Food categories** grew 7.9%, above inflation, with accelerated growth over 1H13, highlighting the Assaí banner, that continued to register above double-digit growth;
  - ✓ **Non-food categories** grew 13.1% benefited by the performance of Viavarejo;
- **EBITDA up 30.4%**, due to the strategy of simplifying processes in GPA Food, combined with the gain of synergies at Viavarejo;
- **Net income up 69.8%**, far above the revenue growth in the period, due to the (i) store openings at GPA Food; (ii) improved profitability, at Viavarejo and (iii) control over financial expenses.

Outlook:

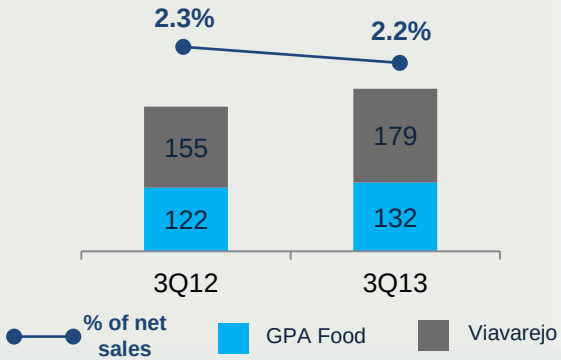
- **Food Retail:** reinforce the competitiveness on all categories and communication strategy;
- **Assaí:** EBITDA margin recovery, due to the focus on expanding in states where it is already present;
- **Viavarejo:** continuity of expenses optimization initiatives;
- **E-commerce:** strong sales growth;
- **Strong GLA expansion:** goal of 35,000 m² additional by the end of 2013, of which 32,600 m² have been delivered over the past 9 months.

GPA Consolidated

Results [1]		3Q13	9M13 [2]
Gross Sales	**R$ million** *2013x2012* Same-store-sales growth	**15,720** *+15.0%* +10.8%	**45,624** *+12.0%* +8,3%
EBITDA	**R$ million** *2013x2012* EBITDA margin	**1,036** *+30.4%* 7.4%	**2,882** *+26.0%* 7.1%
Net Income	**R$ million** *2013x2012* Net margin	**357** *+74.5%* 2.5%	**978** *+86.2%* 2.4%

Indebtedness	3Q12	3Q13
Net Debt [3] (R$ billion)	4.93	4.69
Net Debt/EBITDA [4]	1.46x	1.22x

Consolidated Net Financial Expenses (R$ million) [1]



[1] Excluding Real Estate Projects
[2] EBITDA and Net Income adjusted by Other Operating Income and Expenses
[3] Net Debt with payment book
[4] EBITDA of the last twelve months

Faster store opening pace in 3Q13

GPA Food

- ✓ 15 stores were opened: 12 Minimercado Extra, 2 Assaí and 1 Pão de Açúcar.
- ✓ On September, 30: 976 stores and sales area of 1,629 thousand m².



Assaí - Juazeiro do Norte - CE



Pão de Açúcar - Ribeirão Preto - SP



Pontofrio - Londrina - PR



Casas Bahia - Limeira - SP

Viavarejo

- ✓ 5 stores were opened: 3 Pontofrio e 2 Casas Bahia.
- ✓ On September, 30: 975 stores and sales area of 1,417 thousand m².

GPA Malls

conviva

- ✓ **+18,500 m² of GLA** in 3T13: extension of existing spaces or creation of new commercial centers:
  - ✓ +**4,900 m² of GLA** from the first phase of the **Company's 2nd neighborhood mall**, in MG, reinforcing its unique positioning in this segment - Forecast release: Dec/2013;
- ✓ **+32,600 m² of GLA** in the last 9 months**;**
- ✓ The Company expects to achieve a **total of 280,000 m² of GLA in 2013.**

GPA

GPA Food [1]

Retail and Self-Service Wholesale

		3Q13	9M13 [2]
Gross Sales	**R$ million** *2013x2012*	**8,448** *+12.9%*	**24,581** *+10.8%*
EBITDA	**R$ million** *2013x2012* EBITDA margin	**546** *+14.1%* 7.1%	**1,617** *+9.7%* 7.2%
Net Profit	**R$ million** *2013x2012* Net margin	**176** *+29.0%* 2.3%	**554** *+24.7%* 2.5%

On a same-store basis, growth of 7.1% in 3Q13, **highlight to Assaí banner**, which continued to register double-digit growth.

Retail

- Growth in all regions and formats, highlight to the **sales recovering of Hypermarkets**;
- Selling, general and administrative **expenses decreased by 110 bps**. These expenses **increased at a slower pace than net revenue growth** (3.5% versus 7.9%);
- Investments in price competitiveness to **increase clients traffic in the stores**.

Self-Service Wholesale

- **Sales growth** remains **close to 40%;**
- **2H13 focus:** expansion in states where Assaí banner is already present, focusing on EBITDA margin recovery in the next periods;
- **8 new stores in 2013** and at least another **5 should be delivered** by the year-end.

[1] Excluding Real Estate Projects
[2] EBITDA and Net Income adjusted by Other Operating Income and Expenses

Eletro

Bricks and mortar stores and e-commerce

		3Q13	9M13
Gross Sales	**R$ million** *2013x2012* Same-store-sales growth	**7,272** *+17.6%* ML +15.4%	**21,043** *+13.5%* ML +11.3%
Adjusted EBITDA	**R$ million** *2013x2012* Adjusted EBITDA margin	**488** *+67.2%* 7.7%	**1,264** *+60.6%* 6.9%
Net Profit	**R$ million** *2013x2012* Net margin	**181** *+165.9%* 2.9%	**375** *+325.8%* 2.0%

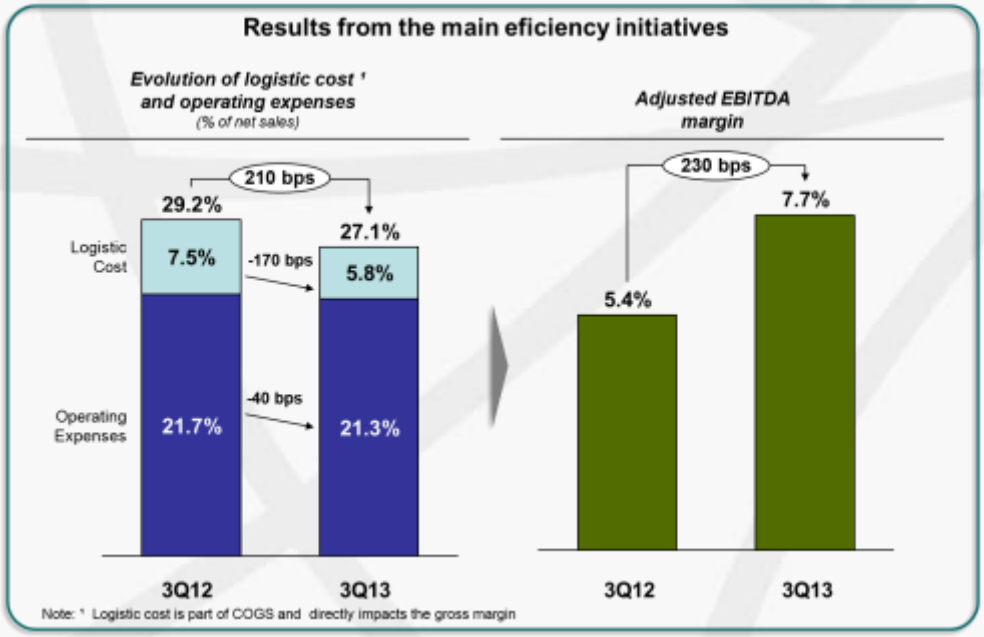
- **Acceleration of sales growth** in bricks-and-mortar stores and e-commerce operation, and **same-store sales growth of 15.4%**;
- **Net Profit 3Q13: +165.9%** – strong sales performance and intensive cost cutting program;
- **Net Profit 9M13: R$ 375 million,** higher than the 2012 net income.

Eletro

Bricks and mortar stores and e-commerce

Bricks-and-mortar

- Sales performance reflected the **successful marketing campaigns**, highlight to the sales of cell phone, tablet and TV set;
- **Optimization of operating costs and expenses**: Reduction in IT and telecommunications expenses and optimization of the service contracts and administrative expenses;
- **Adjusted EBITDA margin +230 bps and net margin +160 bps.**



E-commerce

- **Gross Sales: +43.9%**, the highest growth in the last 12 quarters;
- **Results close to the breakeven point**: investments to spur price competitiveness being sustained by the savings generated from process improvements and cost cutting measures;
- **Nike:** Nova Pontocom was chosen by Nike as a provider of all the infrastructure and platform of its online store in Brazil.

GPA | Viavarejo

Investor Relations Team
Phone: +55 (11) 3886-0421
Fax: +55 (11) 3884-2677

gpa.ri@grupopaodeacucar.com.br
www.gpari.com.br
www.viavarejo.com.br/ri

Foward-looking statements

The forward-looking statements contained herein are based on our management's current assumptions and estimates, which may result in material differences regarding future results, performance and events. Actual results, performance and events may differ substantially from those expressed or implied in these forward-looking statements due to a variety of factors, such as general economic conditions in Brazil and other countries, interest and exchange rate levels, legal and regulatory changes and general competitive factors (whether global, regional, or national).