





SORIANA ANNOUNCES RESULTS FOR 2014 FIRST QUARTER

-  Quarterly total revenues of MX\$23.823 billion.
-  Gross margin expansion of 80 basis points.
-  -8.2% Same Store Sales Indicator in the Quarter
-  Net debt reduction by 40% vs. 2013 1Q.

Monterrey, Nuevo León, April 25th, 2014 Organización Soriana, S.A.B. de C.V. (Soriana) announces the financial results corresponding to 2014 first quarter. Figures contained in this report are shown in nominal terms and in accordance with International Financial Reporting Standards (IFRS).

Operating Performance

Company's total revenues in the first quarter of the year reached MX\$23.823 billion compared to MX\$25.345 billion achieved in the same quarter of last year. Income setback was mainly because the prevailing low dynamism of the consumption sector in general, a negative calendar effect produced by Holy Week period change vs previous year, the temporary closing of some of our units due to the aggressive remodeling plan that the Company is carrying out and, finally, the loss of sale tickets generation in the categories of fresh products that, as we have been commenting, constitutes one of the strategic priorities of the Company and for which we have established an integral improvement plan as well as an important capital investment to purchase specialized equipment in addition to the start-up of a new perishable products distribution center that we consider will substantially help improve the performance of these categories, expecting to see the first results of such initiatives by the last quarter of this year.

Concerning sales cost management and its impact on gross income, we gladly report that as a result of a much-improved promotional management and proper price strategy handling, given low consumption circumstances and high competition, gross margin achieved considerable expansion of 80 basis points going from a 21.4% in 2013 1Q to a 22.2% this year.

As for operating expenses performance (excluding depreciation and amortization) and according to the established commitment we announced last year to keep strict control of expenses as part of measures taken to confront the generalized negative low consumption circumstances, this item present an slightly increase of 4% with respect to the same period of last year, although a larger number of stores in operation.

Despite the foregoing and because of the lack of an operating leverage on account of the already mentioned impact on income, this item as sales percentage has an expansion of 140 basis points; an effect having negative repercussions on the other line items in our financial statement.

As a result of the aforementioned impacts, Company's quarterly EBITDA⁽¹⁾ represented an amount of MX\$1.732 billion equal to 7.3% over sales.

(1) EBITDA is defined as profit in operations before depreciation and amortization

Concerning line items comprising the financing income, we may mention the positive variation of financial expenses that decreased by 19.7% as a result of combining a lower average debt and a lower interest rate. In contrast, exchange rate results showed MX\$6 million loss in view of peso-dollar fluctuations vs. MX\$70 million profit recorded in the same quarter of last year.

Net Earnings of the year reached MX\$795 million equal to 3.3% over Company's total income.

Debt Performance

By 2014 1Q, Net debt of the Company amounted to MX\$3.529 billion vs. MX\$5.865 billion of 2013 1Q which represents a decrease of 40%.

Operating Information

Comparative table below shows the number of units in operation per store format.

Store Format	1Q 14	1Q13	Sales Floor As of 1Q 14	Sales Floor Growth
Soriana Híper	261	258	1,938,377 m ²	0.9%
Soriana Súper	122	104	255,251 m ²	12.0%
Mercado Soriana	140	132	615,224 m ²	4.7%
Soriana Express	103	83	146,006 m ²	21.1%
City Club	33	33	265,839 m ²	0%
Total	659	610	3,220,697 m²	3.2%

Note: The store sales floor area was adjusted with the purpose of reflecting changes derived of remodeling, format changes and lay out implemented during last year.

Corporate Social Responsibility Activities

As part of our strategy to increase the use of clean energy that will help us reduce CO₂ emissions and generate savings in one of our most important expense line of the Company, thanks to the joint investment from GEMEX, a Mexican company, GRUPO ECOS, a swiss company, Soriana, and the financing of Banco de Desarrollo de America del Norte and Grupo Financiero Banorte, we began operating **Parvenir+**, a wind energy park in the state of Tamaulipas that comprises 30 turbines with nominal capacity of 54MW and currently supplying power to 163 stores of the chain.

With the purpose of stimulating the economy in several regions in the country, during this quarter we participated in the promotion and advertisement of products manufactured by small and medium suppliers, giving these manufacturers the opportunity to display their products on the shelves in the stores of the chain. Likewise, we participated in job fairs with the purpose of offering job opportunities to persons having and not having work experience.

As part of activities targeted to improving quality of life in the communities where Soriana is present, this quarter we mainly supported institutions offering food and nutrition programs.

Organización Soriana, S.A.B. de C.V. and Subsidiaries
Consolidated Statements of Income

Millions of nominal pesos

	First Quarter				
	1Q2014	%	1Q2013	%	Var. %
Net Sales	23,823	100	25,344	100	(6.0)
Cost of Sales	18,536	77.8	19,920	78.6	(6.9)
Gross Income	5,287	22.2	5,425	21.4	(2.5)
Operating Expenses	3,574	15.0	3,437	13.6	4.0
Income before other expenses, net	1,713	7.2	1,988	7.8	(13.9)
Other Income and (Expenses), Net	19	0.1	(9)	(0.0)	(322.2)
EBITDA	1,732	7.3	1,979	7.8	(12.5)
Depreciation and Amortization	518	2.2	528	2.1	(1.9)
Operating Income	1,214	5.1	1,452	5.7	(16.4)
Interest Income and (Expenses), Net	(45)	(0.2)	(56)	(0.2)	(19.7)
Foreign Exchange Gain (Losses)	(6)	(0.0)	70	0.3	(108.2)
Comprehensive Financing Income	(51)	(0.2)	14	0.1	(456.1)
Minority Interest	7	0.0	3	0.0	113.0
Earnings Before Income Tax & Profit Sharing	1,170	4.9	1,469	5.8	(20.4)
Tax Provision	375	1.6	453	1.8	(17.2)
Net Earnings	795	3.3	1,016	4.0	(21.8)
Cash Net Profit	1,308	5.5	1,652	6.5	(20.8)

Organización Soriana, S.A.B. de C.V. and Subsidiaries
Consolidated Balance Sheets

Millions of nominal pesos

	2014	%	2013	%	Var. %
ASSETS					
Current Assets					
Cash and Cash Equivalents	1,162	1.5	2,725	3.6	(57.4)
Trade	2,580	3.4	2,801	3.7	(7.9)
Other Accounts Receivable	2,203	2.9	2,891	3.8	(23.8)
Inventories	14,890	19.6	13,984	18.4	6.5
Other Current Assets	170	0.2	109	0.1	56.2
Total Current Asset	21,005	27.7	22,510	29.5	(6.7)
Property and Equipment, Net	43,030	56.7	41,809	54.9	2.9
Intangible Assets	11,004	14.5	11,067	14.5	(0.6)
Other Assets	888	1.2	813	1.1	9.3
Total Assets	75,927	100	76,199	100	(0.4)
LIABILITIES					
Current Liabilities					
Suppliers	14,460	19.0	16,373	21.5	(11.7)
Debt Certificates	3,529	4.6	5,865	7.7	(39.8)
Other Accounts Payable	911	1.2	873	1.1	4.3
Other Liabilities without cost	831	1.1	892	1.2	(6.9)
Total Current Liabilities	19,731	26.0	24,003	31.5	(17.8)
Deferred Taxes	8,678	11.4	7,618	10.0	13.9
Other Liabilities	3,323	4.4	3,290	4.3	1.0
Total Long Term Liabilities	12,001	15.8	10,908	14.3	10.0
Total Liabilities	31,732	41.8	34,911	45.8	(9.1)
Stockholders' Equity					
Paid-In Capital Stock	83	0.1	83	0.1	0.0
Restatement of Paid-In Capital Stock	1,171	1.5	1,171	1.5	0.0
Premium on Sales of Shares	977	1.3	977	1.3	(0.1)
Repurchase Fund of Shares	550	0.7	551	0.7	(0.1)
Accumulated Earnings	41,415	54.5	38,507	50.5	7.6
Total Stockholders' Equity	44,195	58.2	41,288	54.2	7.0
Total Liabilities and Stockholders' Equity	75,927	100	76,199	100	(0.4)

Organización Soriana, S.A.B. de C.V. and Subsidiaries
Consolidated Cash Flow Statements

Millions of nominal pesos

	<u>2014</u>	<u>2013</u>	<u>Var. %</u>
<u>OPERATING ACTIVITIES</u>			
Income before Income Tax	1,170	1,469	(20.4)
<u>Items related to investment activities:</u>			
Depreciation & Amortization	518	528	(1.9)
Participation in Subsidiaries	(6)	(3)	80.7
Foreign Exchange	(7)	(53)	(86.9)
<u>Items related to financing activities</u>			
Interest Expense	84	119	(28.9)
Total	<u>1,760</u>	<u>2,060</u>	<u>(14.6)</u>
Clients	1,458	370	294.5
Inventories	113	(469)	(124.1)
Suppliers	(4,439)	(1,451)	206.0
Payable and receivable accounts	(54)	(953)	(94.3)
Income Tax Paid	(641)	(509)	25.9
Net cash flow from operating activities	<u>(1,804)</u>	<u>(952)</u>	<u>89.4</u>
<u>INVESTING ACTIVITIES</u>			
Acquisitions of property and equipment	(251)	(708)	(64.6)
Investment in shares	20	26	(20.8)
Sale of property	36	36	0.9
Net Cash flow from investing activities	<u>(195)</u>	<u>(647)</u>	<u>(69.9)</u>
Cash receivable from financing activities	<u>(1,999)</u>	<u>(1,599)</u>	<u>25.0</u>
<u>FINANCING ACTIVITIES</u>			
Financing Obtained	9,880	15,875	(37.8)
Financing Repaid	(8,301)	(12,760)	(34.9)
Other financing activities	0	(7)	(100)
Interest Paid	(84)	(119)	(29.0)
Net cash flow from financing activities	<u>1,495</u>	<u>2,989</u>	<u>(50.0)</u>
Net decrease in cash and cash equivalents	(504)	1,390	(136.2)
Cash and cash equivalents at beginning of period	1,666	1,335	24.8
Cash and cash equivalents at end period	<u>1,162</u>	<u>2,725</u>	<u>(57.4)</u>