Magazine Luiza S.A.
4Q13 and 2013 Earnings Release

São Paulo, February 24, 2014 – Magazine Luiza S.A. (BM&FBOVESPA: MGLU3), one of the largest retail chains focused on durable goods, actively engaged in serving Brazil's low income segment, hereby announces its results for the fourth quarter and full year of 2013. The Company's accounting information is based on consolidated numbers, in millions of reais (except where indicated otherwise), in accordance with International Financial Reporting Standards (IFRS).

4Q13 AND 2013 HIGHLIGHTS

Record net income: R$113.8 million in 2013, versus a net loss of R$6.7 million in 2012. In 4Q13, net income of R$48.0 million (excluding the PSP[1]), four times the 4Q12 figure.

EBITDA: R$476.9 million in 2013, 84.2% jump YoY (margin of 5.9%). In 4Q13, EBITDA of R$131.8 million, 56.1% increase YoY (margin of 5.3%, or 6.2% excluding the PSP).

Gross revenue: R$9.7 billion in 2013, 14.6% up YoY. In 4Q13, gross revenue growth of 20.0% (same-store sales increase of 19.0%, the highest growth in the last two years).

[1] PSP – Profit sharing program. As we met our internal goals in 2013, it was provisioned in 4Q13 R$22.7 million gross as PSP and R$15.0 million net of taxes were.

The Company posted record results in the fourth-quarter, with an excellent performance at Luizacred and the retail segment. In 4Q13, net income totaled R$48.0 million excluding the PSP effect (provision was recognized in full in 4Q13) and adjusted net income reached R$33.0 million. In 2013, the Company posted a record net income of R$113.8 million including the impact of non-recurring results (or adjusted earnings of R$70.7 million), versus a net loss of R$6.7 million in 2012. **Our 2013 performance confirm our ability to post consistent and positive results and establishes a new level from which to improve going forward.**

- **Consolidated gross revenue grew 20.0% YoY to R$2.9 billion in 4Q13, fueled by:** (i) 19.0% increase in same-store sales (SSS) (16.0% in bricks-and-mortar stores, led by the newly integrated stores and the virtual stores, which grew above the Company's average in the quarter) and (ii) a 39.3% increase in e-commerce SSS. Such performance was achieved despite a tough basis of comparison in 4Q12 (where growth rates were of 10.2% in SSS in bricks-and-mortar stores and 25.0% in e-commerce). We highlight the 50% jump in technology product sales (in particular smartphones) in 2013, with an increase in our overall sales mix to 30% from 23% in the period. In 2013, gross sales climbed 14.6% to approximately R$10 billion, thanks to: (i) a 12.9% SSS growth, (ii) productivity gains in all our sales channels, (iii) more assertive commercial policy and (iv) positive contribution from the recently integrated stores (Maia and Baú). The Company closed 2013 with 744 stores, in line with 2012 (it opened 17 new stores and closed 16 stores).

- **The gross margin increased in 4Q13, despite a strong e-commerce performance:** on a comparable basis, excluding the impact of the social security tax reclassification (0.8 bp. in the quarter), consolidated gross margin edged up by 0.2 bp. over 4Q12 to 28.2%. In 2013, on a comparable basis, the gross margin stood at 28.6%, versus 28.4% in 2012, due to: (i) increase in the gross margin from the Northeast stores and (ii) the pricing project which aims to improve our price competitiveness. Including the impact of the social security tax reclassification, gross margin stood at 27.4% in 4Q13 and 28.0% in 2013.

- **Improved operating leverage, with a substantial reduction in selling, general and administrative expenses (SG&A):** excluding the PSP, SG&A expenses drop to 21.9% of net revenue, versus 24.9% in 4Q12, 3.0 bp. down. There was also the impact of the social security tax reclassification in the period (0.9 bp.) in this line. In 2013, SG&A expenses (excluding the PSP) were up by only 6.7%, while gross sales grew by 14.6%, which explained the improved operating leverage.

- **Adjusted EBITDA climbed 56.1% to R$131.8 million, with a margin of 5.3% in 4Q13 (6.2% excluding the PSP):** excluding the PSP, EBITDA totaled R$154.5 million, 83.0% up YoY in 4Q12, with a margin of 6.2% in 4Q13. In 2013, adjusted EBITDA increased by 37.8% to R$411.6 million, with a margin of 5.1% (excluding the PSP, margin of 5.4%).

- **Record performance at Luizacred:** several initiatives adopted in 2013 explained Luizacred's excellent performance in 2013, including: (i) the improved mix between direct consumer credit (CDC) and the Luiza Card, (ii) improved credit-related product sales to its client base, (iii) increased penetration of financial services offers, such as text messaging services, (iv) the higher productivity and efficiency ratio and (v) the improvement in non-performing loans (NPLs), led by the reduction in provisions for loan losses, from 4,0% of the portfolio in 4Q12 to 3.4% in 4Q13. These factors explain the EBITDA margin increase to a record high of 15.4% in 4Q13 (12.0% in 4Q12). Luizacred's net income totaled R$34.1 million in 4Q13, with an annualized ROE of 32.4%. In 2013, Luizacred recorded net income of R$89.2 million, with an average ROE of 22.0%.

- **Record net income of R$48.0 million (excluding the PSP) in 4Q13, with a net margin of 1.9%:** net income considering the PSP stood at R$33.0 million, with a net margin of 1.3%. In 2013, net income totaled R$113.8 million (margin of 1.4%), versus a net loss of R$6.7 million in 2012. Adjusted net income totaled R$70.7 million (margin of 0.9%), or R$85.7 million (margin 1.1%) excluding the PSP.

Consolidated Key Indicators

R$ million (except when otherwise indicated)	4Q13	4Q12	% Chg	12M13	12M12	% Chg
Gross Revenue	2,948.4	2,457.1	20.0%	9,692.4	8,456.1	14.6%
Net Revenue	2,479.0	2,047.7	21.1%	8,088.4	7,066.8	14.5%
Gross Income	678.1	574.1	18.1%	2,263.0	2,009.0	12.6%
Gross Margin	27.4%	28.0%	-0.7 bp	28.0%	28.4%	-0.5 bp
Adjusted EBITDA	131.8	84.4	56.1%	411.6	298.8	37.8%
Adjusted EBITDA Margin	5.3%	4.1%	1.2 bp	5.1%	4.2%	0.9 bp
Adjusted EBITDA excluding the PSP	154.5	84.4	83.0%	434.3	298.8	45.4%
Adjusted EBITDA Margin excluding the PSP	6.2%	4.1%	2.1 bp	5.4%	4.2%	1.1 bp
Net Income	33.0	9.7	239.6%	113.8	(6.7)	nm
Net Margin	1.3%	0.5%	0.9 bp	1.4%	-0.1%	1.5 bp
Adjusted Net Income	33.0	11.7	181.9%	70.7	14.1	402.2%
Adjusted Net Margin	1.3%	0.6%	0.8 bp	0.9%	0.2%	0.7 bp
Adjusted Net Income excluding the PSP	48.0	11.7	310.0%	85.7	14.1	508.6%
Adjusted Net Margin excluding the PSP	1.9%	0.6%	1.4 bp	1.1%	0.2%	0.9 bp
Same Store Sales Growth	19.0%	11.9%	-	12.9%	12.5%	-
Same Physical Store Sales Growth	16.0%	10.2%	-	10.5%	9.8%	-
Internet Sales Growth	39.3%	25.0%	-	28.2%	33.3%	-
Number of Stores - End of Period	744	743	0.1%	744	743	0.1%
Sales Area - End of Period (M2)	473,884	469,061	1.0%	473,884	469,061	1.0%

[1] PSP of R$22.7 million gross and [2]PSP of R$15.0 million net of taxes. nm - not meaningful

MGLU3: R$ 7.45 per share	**Conference call: February 24, 2014 (Monday)**	Investor Relations: Tel. +55 11 3504-2727
Total Shares: 186,494,467	12:00PM in US Time (EST): +1 646-843-6054	www.magazineluiza.com.br/ri
Market Cap: R$ 1.4 billion	14:00PM in Brazil Time: +55 11 2188-0155	ri@magazineluiza.com.br

In compliance with CPC 19 and IFRS 11, in 1Q13 the Company began presenting its position in joint ventures (Luizacred and Luizaseg) by treating them as equity income rather than through the proportional consolidation of assets, liabilities, revenues and expenses. The effects of the changes to the accounting practices are explained in Note 2.3 of the Quarterly Information. The consolidated results correspond to the retail and consortium segments. In order to guarantee the transparency and breakdown of information, the Company maintained the financial statements by segment in the Annexes.

MANAGEMENT COMMENTS

We closed 2013 extremely pleased with our overall performance despite a challenging economic scenario and step up competition. We have reached our internal goals and obtained the best result in the Company's history.

Thanks to great dedication, we delivered consistent and positive results in 2013. We began the process of maturation of the 250 stores that were integrated at the end of 2012 and managed to grow sales in a healthy way in all our channels, without any cannibalization. We have concluded important projects with positive effects in our performance in 2013 and we look for an even better execution in 2014. We maintained our sales assertiveness and competitiveness, improved the sales mix and protected the gross margin, without losing control of costs and expenses. The combination of these factors increased operating leverage, leading to a turnaround of 2012 results. The Company went from a net loss in 2012, to record net income of R$113.8 million (including the effect of non-recurring results). Excluding the non-recurring results, net income totaled R$70.7 million, **five times higher** than the adjusted net income posted in 2012.

The 2013 accomplishment gives us the confidence to seek even better marks. We have opted to increase our media exposure in 2014, when Brazil will host the World Cup, the world's largest sports event. We are the only retail company to sponsor this event that has a strong national appeal, giving us extensive media coverage for eight consecutive months and reaching 98% of the Brazilian municipalities, even where we are not present with physical stores, only e-commerce.

Despite more cautious consumers and the fact that interest rates are trending higher, **we will rise to the challenge of delivering better results again in 2014**. The conclusion of the integration process and the natural maturation of Maia and Baú stores, combined with our efforts to streamlines expenses and increase productivity, both in the retail operation and at Luizacred, should help us achieve our goals.

There are countless long-term opportunities. We are well positioned in the Northeast (21% of our stores over nine states), a region that has grown substantially faster than Brazil's GDP. We also have a strong presence with the new middle class, the focus of the Federal Government's program to reduce the housing deficit (*Minha Casa Minha Vida / Minha Casa Melhor*). In its first year, the program has contributed only modestly to our top line performance, but we remain confident about its potential.

Another important driver of our performance is our multichannel strategy. We are the only Brazilian retailer to operate in a truly integrated manner, both in bricks-and-mortar and virtual stores, sharing our strategy in a smart way, leveraging the strength of our brand and the best practices of our traditional retail operations. E-commerce should continue growing at rates higher than the market average, leading to market share gains.

Innovation is another important lever of our business. We have been pioneers in the launch of stores without inventories (virtual store format) and in the partnership with a financial player to offer financial products (Luizacred) and insurance (Luizaseg). We remain focused on meeting our consumers' needs and new trends. We have more than 1.4 million followers on Facebook, more than 86,000 followers on Twitter and regularly post on a variety of social media. Our long-tail strategy for e-commerce includes strategic investments in segments with high growth potential and attractive margins, as well as innovative ideas. Recent examples include the purchase of Época Cosméticos and the launch of the Magazine Você virtual store on Facebook, which already has more than 170,000 users.

We thank all our clients, employees, investors, suppliers and partners who have helped us in this journey. We are fully confident in our ability to **make things happen once again.**

Management

EXPECTATIONS FOR 2014

Achievements and focus on profitability.

The main guidelines and initiatives that should support for our 2014 performance are presented below:

- **Sales:** the Company remains confident that its sales will continue to grow above the market average in its Internet operation and that its bricks-and-mortar stores will sustain a two-digit-growth-rate.

- **Sustained gross margin in 2014:** despite a more challenging economic environment and unusual seasonality due to the World Cup, our sales and pricing strategy has been developed so as to maintain our gross margin flat. In order to meet this goal, the Company will adopt some initiatives, including:

    i. **Product mix effect:** when there is a World Cup, there is a substantial increase in the sales of image products (especially TV sets), whose margins are lower than the Company's average. We intend to offset any possible margin pressures by promoting higher value added and gross margin items, such as furniture (racks and sofas) and technology products (smartphones and tablets). We believe that our *Prédio pra Você* ("A Whole Building for you") promotion, which was launched in December 2013 and will last until the end of the World Cup, will continue to be an important sales differentiator and has already become a big hit in Brazilian retail, with greater appeal than any other Magazine Luiza promotion. For further information on this promotion, please access http://especiais.magazineluiza.com.br/predio-pra-voce.

    ii. **Maturation effect:** we will continue to focus on closing the gross margin gap between our Northeast and Southeast stores, offsetting increased share of e-commerce sales.

    iii. **Pricing effect:** we developed a project to increase intelligence in the pricing of products, by channel and region, in order to preserve and increase margins, and give more autonomy to salespeople and store managers, leading to market share gains. We are constantly negotiating with our suppliers to offer good promotions and distinguish ourselves by offering exclusive items to leverage sales and improve profitability. We are also well-stocked to ensure good product availability (example: air-conditioners and fans in this summer).

- **EBITDA margin expansion:** we expect additional gains from the consolidation of projects that mapped opportunities for reducing expenses in 2013 and will continue to be implemented in 2014.

    i. **Evolution of the stores in the maturation phase:** improvements in management and synergies in the processes as a whole, ensuring consistent and sustainable profitability growth in all stores, as 2013 was the first year with fully integrated operations.

    ii. **Multi-channel delivery projects:** we expect a significant reduction in delivery times and freight costs for e-commerce sales, due to the conclusion of this project, with the integration of the last two remaining distribution centers in 2014, improving customer service.

    iii. Operational efficiency at Luizacred: In 2014, we are focusing on increasing Luizacred's operational efficiency in a sustainable manner, by streamlining costs and expenses and increasing operational productivity at all the stores.

AWARDS RECEIVED IN 2013

In 2013, Magazine Luiza received the following awards and recognitions:

- ✓ Ranked among the top 10 most valuable brands in Brazil (10th place) in the Best Retail Brand 2013 survey by Interbrand, the first of its kind. Considered the marketing company of the year in the retail category by Marketing magazine.
- ✓ Listed among the "100 Best Companies to Work for in Latin America" (13thplace) by the Great Place to Work Institute.
- ✓ It won the 12th edition of the Oi Tela Viva Móvel award, in the mobile marketing category – public vote, for the Chip Luiza case.
- ✓ It won the bronze trophy in the 54th edition of the Clio Awards in the digital/mobile advertising category, for the Magazine Você case.
- ✓ For the tenth consecutive time, Magazine Luiza's website won the diamond trophy in the B2C E-commerce Quality Excellence Award (e-bit) and was elected "a store distinguished for its innovation".
- ✓ It achieved the second best reputation in the Brazilian retail sector in Exame magazine's 2013 Corporate Reputation Ranking. The Company came 26th in the country in the overall ranking and 15th in the "more responsible companies with better corporate governance" category.
- ✓ It was ranked the second best customer service provider in the retail sector, according to the Ibero-Brazilian Institute of Client Relations (IBRC), as published in Exame magazine. In the overall ranking, the Company came 11th in the country.
- ✓ It was elected as one of the 150 best companies to work for in Brazil for the 16th consecutive year in the 17th edition of Guia Você S/A 2013 (Editora Abril).
- ✓ It was ranked 11th in the "Best companies to work for in Brazil" survey for the 16th consecutive year by the Great Place to Work Institute and Época magazine (Editora Globo).

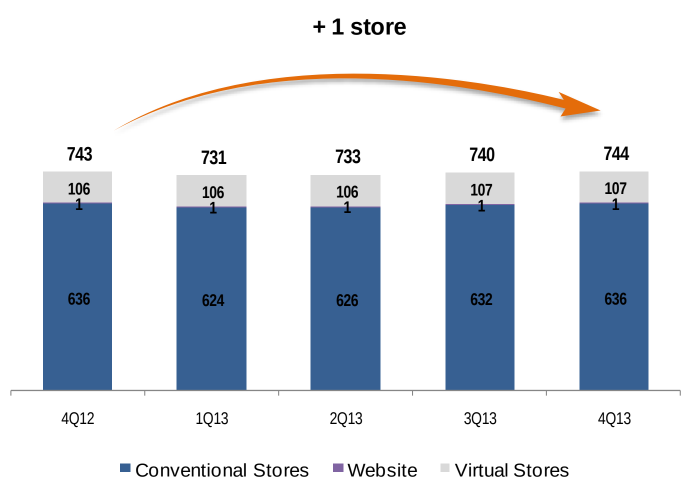
In 2013, our president – Luiza Helena Trajano – received the following awards and recognitions:

- ✓ Citizen of São Paulo city from the São Paulo City Council.
- ✓ She achieved the eighth best leadership award in Brazil in Exame magazine's 2013 Corporate Standing Ranking.
- ✓ She won the 2013 Latin American Marketing Personality Awards (Lampa) thanks to her effective and creative use of marketing.
- ✓ She was elected for the third consecutive time one of the ten most admired leaders in Brazil (7th place) by Carta Capital magazine.

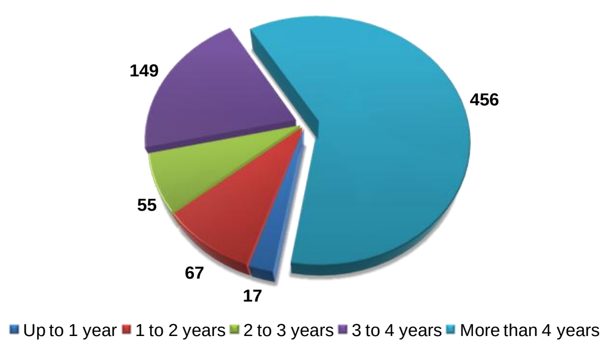
OPERATING PERFORMANCE

Magazine Luiza ended 2013 with 744 stores: 636 conventional stores, 107 virtual stores and the website. In 4Q13, the Company opened four new conventional stores (one in São Paulo, one in Paraíba, one in Ceará and one in Alagoas). In 2013, Magazine Luiza opened 17 new stores and closed 16 stores (in order to increase productivity and streamline costs and expenses). Of Magazine Luiza's 744 stores, 288 (38.7%) are less that than four years old and are still maturing.

Number of Stores

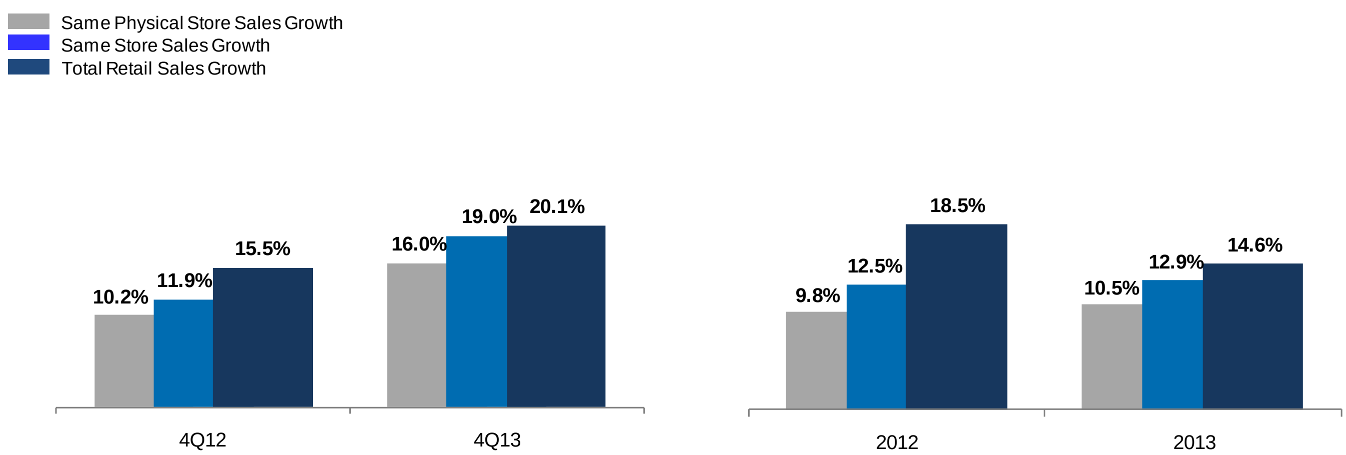


Average Age of Stores (number of stores)



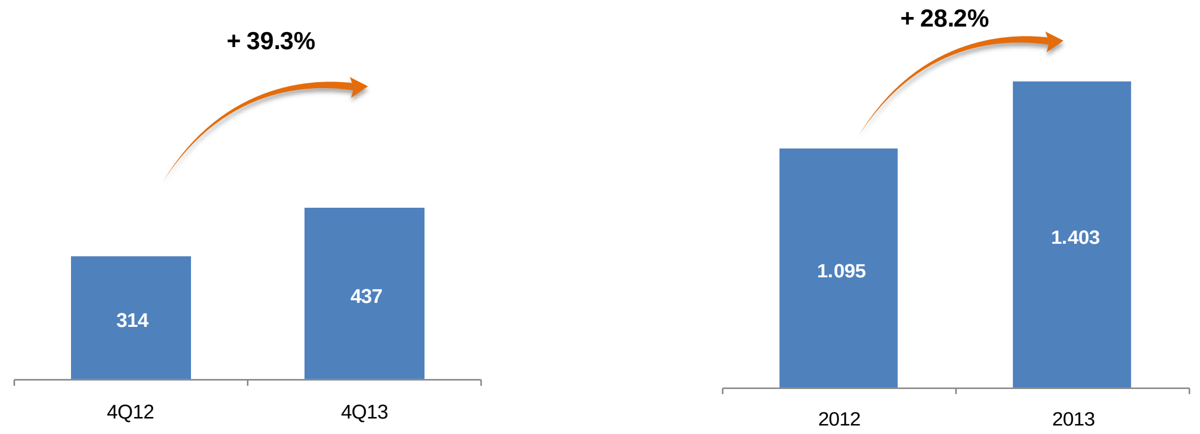
Same-store sales (SSS) were up by 19.0% between 4Q12 and 4Q13, while total sales grew by 20.1%. In 2013, same-store sales increased by 12.9% (bricks-and-mortar stores SSS climbed 10.5%).

Same Store Sales Growth (%)



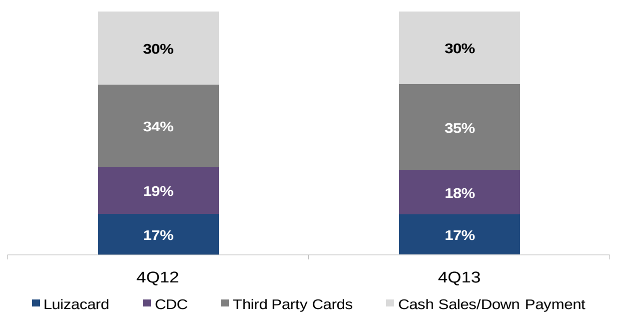
The website (www.magazineluiza.com.br) posted 39.3% YoY growth in 4Q13, generating R$437.1 million in gross revenue, which represented 14.9% of the Company's total sales. In 2013, e-commerce sales totaled R$1.4 billion million, 28.2% higher than in 2012.

Internet Gross Revenues (R$ million)

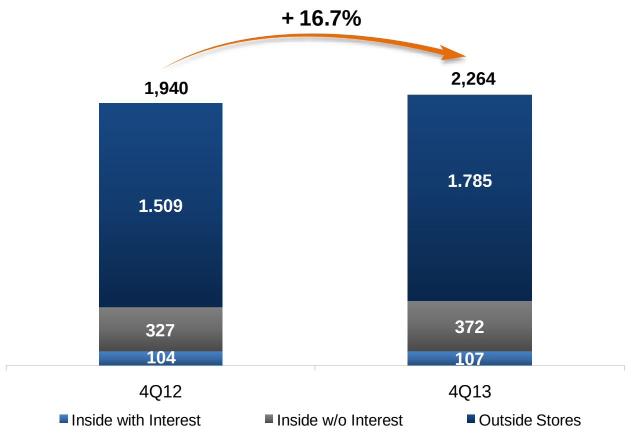


Over the past 12 months, Luizacred's credit card base declined by 12.8% to 3.4 million in 4Q13, due to user base optimization. In 4Q13, total spending on Luiza cards accounted for 17% of total retail sales, stable when compared withthe same period last year, thanks to a more conservative approach to granting credit and a slight increase the share of third party cards.

Financed Sales Mix (% of total sales)



Revenues Luiza Card (R$ million)



In 4Q13, total spending on Luiza cards increased by 16.7% YoY to a record R$2.3 billion. In the same period, the use of Luiza cards outside the Company's stores rose by 18.3% YoY, corresponding to 78.9% of total spending (versus 77.8% in 4Q12).

It should be noted that the Company is maintaining its policy of encouraging interest-bearing sales and limiting interest-free sales in Luiza cards to lower than 15% of total sales. In 2013, the share of interest-free sales in Luiza cards fell to 12% of total sales, reinforcing the strategy of improving profitability.

CONSOLIDATED FINANCIAL PERFORMANCE

Consolidated Gross Revenue

(in R$ million)	4Q13	4Q12	% Chg	12M13	12M12	% Chg
Gross Revenue - Retail - Merchandise Sales	2,823.3	2,365.3	19.4%	9,265.6	8,114.0	14.2%
Gross Revenue - Retail - Services	117.9	84.3	39.8%	396.1	314.3	26.0%
Subtotal Retail	**2,941.2**	**2,449.6**	**20.1%**	**9,661.7**	**8,428.3**	**14.6%**
Gross Revenue - Consortium Management	9.8	9.2	6.0%	38.5	33.7	14.1%
Inter-Company Eliminations	(2.6)	(1.7)	50.5%	(7.8)	(5.9)	31.3%
Total Gross Revenue	**2,948.4**	**2,457.1**	**20.0%**	**9,692.4**	**8,456.1**	**14.6%**

Magazine Luiza's consolidated gross revenue grew by 20.0% YoY to R$2,948.4 million in 4Q13, primarily reflecting the performance of the retail segment, fueled by the 19.0% increase in same-store sales (bricks-and-mortar and e-commerce grew 16.0% and 39.3%, respectively, YoY). Bear in mind that this growth was possible despite a high basis of comparison of 11.9% SSS growth in 4Q12 (bricks-and-mortar and e-commerce increase of 10.2% and 25.0%, respectively).

In 2013, consolidated gross revenue rose by 14.6% YoY to R$9,692.4 million, due to higher productivity and an improved mix.

Consolidated Net Revenue

(in R$ million)	4Q13	4Q12	% Chg	12M13	12M12	% Chg
Net Revenue - Retail - Merchandise Sales	2,369.8	1,967.9	20.4%	7,715.1	6,768.1	14.0%
Net Revenue - Retail - Services	102.8	73.1	40.6%	346.0	273.8	26.3%
Subtotal Retail	**2,472.6**	**2,041.0**	**21.1%**	**8,061.1**	**7,041.9**	**14.5%**
Net Revenue - Consortium Management	8.9	8.4	6.1%	35.1	30.8	14.1%
Inter-Company Eliminations	(2.6)	(1.7)	50.5%	(7.8)	(5.9)	31.3%
Total Net Revenue	**2,479.0**	**2,047.7**	**21.1%**	**8,088.4**	**7,066.8**	**14.5%**

Consolidated net revenue climbed 21.1% YoY, to R$2,479.0 million in 4Q13, following gross revenue trends. In 4Q13 and 2013, net revenue reflected the social security tax reclassification, previously recorded as operating expenses and now recorded as sales tax (with the payroll tax deduction program, the social security tax is now calculated as a percentage of gross revenue instead of as a percentage of payroll expenses) as of 2Q13.

In 2013, consolidated net revenue grew by 14.5% YoY, totaling R$8,088.4 million.

Consolidated Gross Profit

(in R$ million)	4Q13	4Q12	% Chg	12M13	12M12	% Chg
Gross Income - Retail - Merchandise Sales	569.5	495.9	14.9%	1,894.8	1,716.1	10.4%
Gross Income - Retail - Services	102.8	73.1	40.6%	346.0	273.8	26.3%
Subtotal Retail	**672.3**	**569.0**	**18.2%**	**2,240.8**	**1,990.0**	**12.6%**
Gross Income - Consortium Management	5.8	5.2	13.3%	22.2	19.0	16.9%
Inter-Company Eliminations	-	-	0.0%	-	-	0.0%
Total Gross Income	**678.1**	**574.1**	**18.1%**	**2,263.0**	**2,009.0**	**12.6%**

(as % of Net Revenue)	4Q13	4Q12	% Chg	12M13	12M12	% Chg
Gross Margin - Retail - Merchandise Sales	24.0%	25.2%	-1.2 bp	24.6%	25.4%	-0.8 bp
Gross Margin - Retail - Services	100.0%	100.0%	0.0 bp	100.0%	100.0%	0.0 bp
Subtotal Retail	**27.2%**	**27.9%**	**-0.7 bp**	**27.8%**	**28.3%**	**-0.5 bp**
Gross Margin - Consortium Management	65.5%	61.4%	4.1 bp	63.4%	61.8%	1.5 bp
Inter-Company Eliminations	0.0%	0.0%	0.0 bp	0.0%	0.0%	0.0 bp
Total Gross Margin	**27.4%**	**28.0%**	**-0.7 bp**	**28.0%**	**28.4%**	**-0.5 bp**
Total Gross Margin (excluding INSS tax)	**28.2%**	**28.0%**	**0.2 bp**	**28.6%**	**28.4%**	**0.2 bp**

Consolidated gross profit totaled R$678.1 million in 4Q13, with a gross margin of 27.4%. On a comparable basis, excluding the impact of the reclassification of the social security tax to net revenue (0.8 bp.), the gross margin was 28.2% in 4Q13, 0.2 bp. up on 4Q12. The gross margin performance reflected the improvement in the Northeast stores' gross margin, owing to the complete integration of operations, the maintenance of margins in the other regions and the increased contribution of virtual stores in the quarter, which together offset the increased share of e-commerce in our sales.

Consolidated gross profit totaled R$2,263.0 million in 2013, with a gross margin of 28.0%. On a comparable basis, the gross margin stood at 28.6% in 2013, 0.2 bp. up on 2012.

Operating Expenses

(in R$ million)	4Q13	% NR	4Q12	% NR	% Chg	12M13	% NR	12M12	% NR	% Chg
Selling expenses excluding PSP	(436.1)	-17.6%	(396.1)	-19.3%	10.1%	(1,512.4)	-18.7%	(1,404.1)	-19.9%	7.7%
G/A expenses excluding PSP	(106.8)	-4.3%	(113.4)	-5.5%	-5.8%	(382.4)	-4.7%	(372.2)	-5.3%	2.7%
PSP	(22.7)	-0.9%	-	0.0%	0.0%	(22.7)	-0.3%	-	0.0%	0.0%
Provisions for loan losses	(6.0)	-0.2%	(7.7)	-0.4%	-21.5%	(21.2)	-0.3%	(23.5)	-0.3%	-9.6%
Other operating revenues, net	5.8	0.2%	11.1	0.5%	-48.1%	98.2	1.2%	31.7	0.4%	209.4%
Total Operating Expenses	**(565.9)**	**-22.8%**	**(506.1)**	**-24.7%**	**11.8%**	**(1,840.5)**	**-22.8%**	**(1,768.1)**	**-25.0%**	**4.1%**
(+/-) Extraordinary expenses	-	0.0%	3.0	0.1%	-100.0%	(65.3)	-0.8%	39.9	0.6%	-263.8%
Total Recurring Expenses	**(565.9)**	**-22.8%**	**(503.1)**	**-24.6%**	**12.5%**	**(1,905.8)**	**-23.6%**	**(1,728.2)**	**-24.5%**	**10.3%**

Selling Expenses

Selling expenses excluding the PSP totaled R$436.1 million in 4Q13, equivalent to 17.6% of net revenue, 1.8 bp. down YoY in 4Q12. Selling expenses continued to decline compared with recent quarters, in line with the Company's expectations of gradual improvement, reflecting its focus on the streamlining expenses, and the maturation process of new stores and acquired stores (Maia and Baú). Selling expenses also reflected the 0.6 bp. impact of the social security tax reclassification.

In 2013, selling expenses excluding the PSP amounted to R$1,512.4 million, equivalent to 18.7% of net revenue, 1.2 bp. down, including the 0.5 bp. impact of the social security tax reclassification.

General and Administrative Expenses

General and administrative expenses excluding the PSP totaled R$106.8 million in 4Q13, equivalent to 4.3% of net revenue, 1.2 bp. down on 4Q12. This decrease was due to the dilution of expenses as a result of the excellent sales performance, cost and expense streamlining initiatives and the 0.3 bp. impact of the social security tax reclassification

In 2013, general and administrative expenses excluding the PLP totaled R$382.4 million, equivalent to 4.7% of net revenue, 0.5 bp. down, including the 0.2 bp. impact of the social security tax reclassification.

Profit Sharing Program (PSP)

As the internal goals were met in 2013, R$22.7 million were provisioned in 4Q13 in the form of profit sharing program (PSP), equivalent to 0.9% of net revenue. It is worth noting that in the last two fiscal years, the Company did not record provisions for the PSP, as it failed to meet its targets.

Provisions for Loan Losses

Provisions for loan losses were R$6.0 million in 4Q13, 0.2 bp. down year on year, corresponding to 0.2% of net revenue. Note that these provisions refer only to Magazine Luiza, and most of the provisions for loan losses are recorded by Luizacred (as explained in Annex 1).

In 2013, provisions for loan losses amounted to R$21.2 million, representing 0.3% of net revenue.

Other Operating Revenues (Expenses)

(in R$ million)	4Q13	% NR	4Q12	% NR	% Chg	12M13	% NR	12M12	% NR	% Chg
Gain on sale of assets	(1.0)	0.0%	(0.2)	0.0%	312.6%	125.4	1.6%	(0.8)	0.0%	-
Deferred revenue recorded	7.8	0.3%	8.6	0.4%	-8.5%	32.3	0.4%	43.0	0.6%	-24.8%
Provision for tax liabilities	(1.5)	-0.1%	5.6	0.3%	-126.4%	(40.6)	-0.5%	12.9	0.2%	-414.3%
Non-recurring expenses	-	0.0%	(3.0)	-0.1%	-100.0%	(19.4)	-0.2%	(25.6)	-0.4%	-24.3%
Other	0.4	0.0%	0.2	0.0%	71.3%	0.4	0.0%	2.3	0.0%	-82.0%
Total	**5.8**	**0.2%**	**11.1**	**0.5%**	**-48.1%**	**98.2**	**1.2%**	**31.7**	**0.4%**	**209.4%**

Other net operating revenues dropped from R$11.1 million in 4Q12 to R$5.8 million in 4Q13, mainly owing to the appropriation of deferred revenue in the amount of R$7.8 million and the increase in provisions for tax losses, which totaled R$1.5 million.

In 2013, other net operating revenues totaled R$98.2 million or 1.2% of net revenue.

Equity Income

Equity income from subsidiaries climbed to a gain of R$19.5 million in 4Q13 from gains of R$13.4 million in 4Q12, equivalent to 0.8% of net revenue, led by Luizacred's record performance (as explained in Annex I).

In annual terms, equity income from subsidiaries climbed from earnings of R$18.0 million in 2012 to earnings of R$54.5 million in 2013, equivalent to 0.7% of net revenue.

EBITDA

(in R$ million)	4Q13	% NR	4Q12	% NR	% Chg	12M13	% NR	12M12	% NR	% Chg
EBITDA	**131.8**	**5.3%**	**81.4**	**4.0%**	**61.8%**	**476.9**	**5.9%**	**258.9**	**3.7%**	**84.2%**
Extraordinary costs	-	0.0%	-	0.0%	0.0%	-	0.0%	15.0	0.2%	-100.0%
Extraordinary revenue	-	0.0%	-	0.0%	0.0%	(126.4)	-1.6%	(5.0)	-0.1%	2423.3%
Extraordinary Expenses	-	0.0%	3.0	0.1%	-100.0%	61.1	0.8%	38.6	0.5%	58.4%
Deferred revenue adjustment	-	0.0%	-	0.0%	0.0%	-	0.0%	(8.8)	-0.1%	-100.0%
Adjusted EBITDA	**131.8**	**5.3%**	**84.4**	**4.1%**	**56.1%**	**411.6**	**5.1%**	**298.8**	**4.2%**	**37.8%**

In 4Q13, earnings before interest, taxes, depreciation and amortization (Consolidated EBITDA) grew by 61.8% YoY to a record R$131.8 million, which represented a margin of 5.3%, fueled by the excellent sales performance in all channels, the dilution of expenses and Luizacred's record performance,

In 2013, adjusted EBITDA growth outpaced the increase in net sales (37.8% versus 14.5%), totaling R$411.6 million, with a 5.1% margin. Considering the non-recurring results, especially the gain from the sale of asset EBITDA totaled R$476.9 million in 2013, which translates into a 5.9% margin.

Financial Result

CONSOLIDATED FINANCIAL RESULTS (in R$ million)	4Q13	% NR	4Q12	% NR	% Chg	12M13	% NR	12M12	% NR	% Chg
Financial Expenses	(97.3)	-3.9%	(63.5)	-3.1%	53.2%	(313.4)	-3.9%	(251.6)	-3.6%	24.5%
Interest on loans and financing	(37.4)	-1.5%	(26.7)	-1.3%	40.0%	(133.2)	-1.6%	(114.3)	-1.6%	16.5%
Interest on prepayment of receivables – third party cards	(28.4)	-1.1%	(16.0)	-0.8%	77.9%	(81.7)	-1.0%	(58.5)	-0.8%	39.7%
Interest on prepayment of receivables – Luiza Card	(18.2)	-0.7%	(12.4)	-0.6%	46.3%	(52.9)	-0.7%	(47.2)	-0.7%	12.0%
Other expenses	(13.3)	-0.5%	(8.4)	-0.4%	58.5%	(45.6)	-0.6%	(31.7)	-0.4%	44.0%
Financial Revenues	23.5	0.9%	16.5	0.8%	42.1%	69.4	0.9%	47.8	0.7%	45.1%
Gains on marketable securities	3.4	0.1%	2.9	0.1%	18.4%	7.0	0.1%	6.0	0.1%	15.8%
Other financial revenues	20.1	0.8%	13.6	0.7%	47.0%	62.4	0.8%	41.8	0.6%	49.3%
Total Financial Results	(73.8)	-3.0%	(47.0)	-2.3%	57.1%	(244.0)	-3.0%	(203.8)	-2.9%	19.7%
Income from cash and cash equivalentes[1]	6.4	0.3%	2.4	0.1%	169.6%	22.3	0.3%	10.5	0.1%	111.8%
Adjusted Financial Results	(67.4)	-2.7%	(44.6)	-2.2%	51.1%	(221.6)	-2.7%	(193.2)	-2.7%	14.7%

Note(1): income from the exclusive fund, which is booked as financial income in the Parent Company and as gross revenue in the Consolidated results, as presented in the Notes.

Adjusted net financial expenses (including income from the exclusive fund) totaled R$67.4 million in 4Q13, representing 2.7% of consolidated net revenue, due to the period's higher average CDI rate and the Company's improved net debt profile.

In 2013, adjusted net financial expenses amounted to R$221.6 million, stable at 2.7% of net revenue for the period.

Consolidated Net Income

In 4Q13, the Company posted record recurring net income of R$33.0 million, with a net margin of 1.3% (excluding the PSP, net income stood at R$48.0 million, accompanied by a net margin of 1.9%), reflecting the excellent sales performance, the improved operating leverage and Luizacred's performance.

In 2013, net income totaled R$113.8 million, with a 1.4% margin, reversing the R$6.7 million net loss recorded in 2012. Excluding the effect of non-recurring results, adjusted net income reached R$70.7 million (net margin of 0.9%) and, excluding the PSP, adjusted net income reached R$85.7 million (net margin of 1.1%).

Working Capital

CONSOLIDATED (R$ million)	dec-13	sep-13	jun-13	mar-13	dec-12
Accounts receivables	530.6	463.7	458.4	448.8	486.5
Inventories	1,251.4	1,135.5	1,051.1	974.9	1,068.8
Related parties	108.9	67.8	86.3	85.0	73.6
Recoverable taxes	218.6	214.3	230.5	190.4	208.5
Other assets	41.0	64.0	73.2	63.3	38.0
Current operating assets	2,150.4	1,945.3	1,899.6	1,762.5	1,875.3
Suppliers	1,651.5	1,332.3	1,306.1	1,169.8	1,326.3
Payroll, vacation and related charges	166.6	146.7	126.7	115.8	138.3
Taxes payable	41.7	18.9	28.5	20.4	47.8
Related parties	73.6	53.8	50.9	41.7	51.1
Taxes in installments	8.3	8.9	8.9	9.0	9.1
Other accounts payable	107.7	85.4	80.1	113.1	80.9
Current operating liabilities	2,049.4	1,646.0	1,601.1	1,469.9	1,653.6
Working Capital	101.0	299.2	298.5	292.6	221.8
% of Net Revenue	1.0%	3.3%	3.4%	3.4%	2.6%
Balance of Discounted Receivables	1,186.3	993.1	904.9	838.2	791.4
Working Capital Adjusted	1,287.3	1,292.3	1,203.4	1,130.8	1,013.1
% of Net Revenue	13.3%	14.0%	13.6%	13.2%	12.0%

In December 2013, net working capital fell by 50% YoY to R$101.0 million in 4Q13, representing 1.0% of gross revenue in the last 12 months, versus 2.6% in the same period last year, stemming primarily from improvements in inventory turnover and the average purchase term.

At the close of 4Q13, the balance of prepaid receivables from third-party credit cards was R$1,186.3 million. Considering the balance of discounted receivables, working capital requirements would have increased to 13.3% of gross revenue.

Capex

CAPEX (in R$ million)	4Q13	4Q12	12M13	12M12
New Stores	8.9	7.1	24.6	23.1
Remodeling	10.6	25.0	44.7	62.6
Technology	14.2	8.3	38.8	25.3
Logistics	5.4	9.5	25.2	42.6
Other	2.1	1.8	12.8	21.1
Total	**41.3**	**51.7**	**146.1**	**174.8**

Investments in fixed and intangible assets amounted to R$41.3 million in 4Q13 and included store remodelings as well as investments in technology, logistics and new store openings, as shown in the table above. In 4Q13, the Company opened four stores, bringing the 2013 total to 17 new stores.

In 2013, the Company invested R$146.1 million, 47% of which was spent in store renovations and openings, 44% in logistics and IT and 9% in other projects. It is worth noting that most Northeastern stores have already been renovated.

Net Debt

CONSOLIDATED (R$ million)	dec-13	sep-13	jun-13	mar-13	dec-12
(+) Current loans and financing	425.2	555.5	534.8	404.3	317.2
(+) Non-current loans and financing	895.1	829.1	860.4	1,016.2	918.8
(=) Gross Debt	1,320.3	1,384.6	1,395.2	1,420.5	1,236.0
(-) Cash and cash equivalents	280.3	260.3	176.6	152.3	418.9
(-) Current securities	491.3	423.5	539.0	476.2	126.4
(-) Non-current securities	-	-	-	-	-
(-) Total Cash	771.6	683.8	715.6	628.5	545.3
(=) Net Debt	548.7	700.9	679.6	792.0	690.7
Short term debt/total	32%	40%	38%	28%	26%
Long term debt/total	68%	60%	62%	72%	74%
Adjusted EBITDA (LTM)	411.6	364.3	317.4	305.3	298.8
Net Debt/ Adjusted EBITDA	1.3 x	1.9 x	2.1 x	2.6 x	2.3 x

In December 2013, Magazine Luiza had loans and financing totaling R$1,320.3 million and cash and financial investments of R$771.6 million, translating a net debt of R$548.7 million, equivalent to 1.3x adjusted EBITDA of the last 12 months, showing lower leverage.

The lower debt balance at the close of December 2013 when compared to the previous year reflected improved operating results, lower working capital requirements, and cash from the sale of asset (the distribution center in Louveira-SP) in June 2013. In October 2013, Magazine Luiza held a R$200 million debenture issue in an effort to extend and improve its debt profile.

According to the previous method of proportional consolidation of Luizacred's and Luizaseg's results, assets and liabilities, net debt stood at R$418.6 million, equivalent to 1.0x adjusted EBITDA in the last 12 months, versus 2.1.x in December 2012, as disclosed in our previous earnings releases.

ANNEX I
LUIZACRED

Operating Indicators

Luizacred is a joint venture between Magazine Luiza and Itaú Unibanco, responsible for financing the majority of the Company's sales. Magazine Luiza's main role is employee management and customer service, while Itaú Unibanco is responsible for financing at Luizacred, drafting the credit and collections policies and back office activities, such as accounting and treasury.

In December 2013, Luizacred had a total base of 3.4 million cards issued, 12.4% down on December 2012. In 2013, Luizacred focused on improving the mix between direct consumer credit (CDC) and the Luiza Card in its revenue, choosing to offer part of its new clients direct consumer credit rather than credit cards. In 4Q13, purchases outside Magazine Luiza stores represented 78.9% of total card billings, 18.3% up on 4Q12.

Luizacred's credit portfolio, including credit cards, direct consumer credit and personal loans, totaled R$4.1 billion at the close of 4Q13, 12.9% higher than in 4Q12.

LUIZACRED – Key Indicators (R$ million)	4Q13	4Q12	% Chg	12M13	12M12	% Chg
Total Card Base (thousand)	3,439	3,924	-12.4%	3,439	3,924	-12.4%
Luiza Card Sales – In chain	478	431	11.0%	1,574	1,759	-10.5%
Luiza Card Sales – Outside Brand	1,785	1,509	18.3%	6,278	5,236	19.9%
CDC Sales	419	402	4.1%	1,475	1,248	18.2%
Personal Loans Sales	29	39	-25.5%	133	182	-26.8%
Total Luizacred Sales	**2,711**	**2,381**	**13.9%**	**9,461**	**8,425**	**12.3%**
Card Portfolio	2,904	2,614	11.1%	2,904	2,614	11.1%
CDC Portfolio	1,158	946	22.4%	1,158	946	22.4%
Personal Loans Portfolio	59	91	-34.6%	59	91	-34.6%
Total Portfolio	**4,122**	**3,650**	**12.9%**	**4,122**	**3,650**	**12.9%**

Credit and Collection Policy

The granting of credit at Luizacred follows the policies and criteria established by Itaú Unibanco's Credit Modeling and Policies area. The policies are defined based on proprietary statistics models, using the Risk Adjusted Return on Capital (RAROC) model. Maintaining its conservative approach, Luizacred maintained its low credit approval rate in 2013.

Income Statement

LUIZACRED – Income (R$ million)	4Q13	V.A.	4Q12	V.A.	% Chg	12M13	V.A.	12M12	V.A.	% Chg
Financial Intermediation Revenue	298.2	100.0%	280.4	100.0%	6.3%	1,156.6	100.0%	1,079.4	100.0%	7.2%
Cards	155.8	52.2%	154.5	55.1%	0.8%	617.3	53.4%	654.0	60.6%	-5.6%
CDC	127.7	42.8%	103.0	36.7%	24.0%	468.4	40.5%	319.3	29.6%	46.7%
Personal Loans	14.7	4.9%	22.9	8.2%	-35.9%	70.9	6.1%	106.0	9.8%	-33.1%
Financial Intermediation Expenses	(187.2)	-62.8%	(178.5)	-63.7%	4.9%	(766.8)	-66.3%	(767.9)	-71.1%	-0.2%
Market Funding Operations	(47.9)	-16.1%	(33.1)	-11.8%	44.6%	(155.8)	-13.5%	(164.9)	-15.3%	-5.5%
Provision for Loan Losses, líquid	(139.3)	-46.7%	(145.3)	-51.8%	-4.2%	(611.0)	-52.8%	(603.1)	-55.9%	1.3%
Gross Financial Intermediation Income	110.9	37.2%	101.9	36.3%	8.9%	389.8	33.7%	311.4	28.9%	25.2%
Other Operating Revenues (Expenses)	(56.7)	-19.0%	(64.3)	-22.9%	-11.9%	(243.1)	-21.0%	(283.7)	-26.3%	-14.3%
Service Revenue	74.9	25.1%	60.1	21.4%	24.6%	269.6	23.3%	228.0	21.1%	18.3%
Personnel Expenses	(1.6)	-0.5%	(1.4)	-0.5%	12.2%	(4.3)	-0.4%	(6.1)	-0.6%	-29.2%
Other Administrative Expenses	(109.1)	-36.6%	(106.3)	-37.9%	2.7%	(432.1)	-37.4%	(433.6)	-40.2%	-0.3%
Depreciation and Amortization	(3.3)	-1.1%	(3.3)	-1.2%	-1.5%	(13.1)	-1.1%	(13.2)	-1.2%	-1.0%
Tax Expenses	(19.1)	-6.4%	(18.5)	-6.6%	3.3%	(74.7)	-6.5%	(68.4)	-6.3%	9.1%
Other Operating Revenues (Expenses)	1.5	0.5%	5.1	1.8%	-70.4%	11.6	1.0%	9.7	0.9%	19.8%
Income Before Tax	54.3	18.2%	37.6	13.4%	44.3%	146.7	12.7%	27.7	2.6%	430.4%
Income Tax and Social Contribution	(20.2)	-6.8%	(16.6)	-5.9%	21.6%	(57.6)	-5.0%	(12.9)	-1.2%	346.9%
Net Income	34.1	11.4%	21.1	7.5%	62.1%	89.2	7.7%	14.8	1.4%	503.2%

Revenue from Financial Intermediation

In 4Q13, gross revenue from financial intermediation grew by 6.3% over 4Q12, mainly due to the increase of 24.0% in direct consumer credit transactions.

Provisions for Loan Losses

Luizacred's short-term default indicators improved by 0.1 bp. compared with the previous year. The portfolio of loans overdue for more than 90 days (NPL 90) and the total overdue portfolio improved by 0.1 bp. over September 2013. The default indicators remain under control and have been improving, thanks to the conservative approach to granting credit and the reduction in default associated with the most recent batch of credit.

Provisions for loan losses net of recoveries fell from 51.8% of gross revenue from financial intermediation in 4Q12 to 46.6% in 4Q13, reflecting the improvement in default indicators and the portfolio profile in 2013. These provisions represented 3.4% of the total portfolio in 4Q13, substantially lower than the 4.0% recorded in 4Q12.

PORTFOLIO OVERDUE	dec-13		sep-13		jun-13		mar-13		dec-12	
Total Portfolio (R$ million)	4,121.6	100.0%	3,746.5	100.0%	3,626.4	100.0%	3,573.6	100.0%	3,650.3	100.0%
000 to 014 days	3,527.7	85.6%	3,204.2	85.5%	3,112.9	85.8%	3,103.9	86.9%	3,229.4	88.5%
015 to 030 days	40.6	1.0%	36.6	1.0%	44.1	1.2%	50.6	1.4%	41.0	1.1%
031 to 060 days	36.6	0.9%	30.3	0.8%	40.9	1.1%	45.2	1.3%	34.3	0.9%
061 to 090 days	55.0	1.3%	52.0	1.4%	64.4	1.8%	64.6	1.8%	46.8	1.3%
091 to 120 days	51.0	1.2%	52.2	1.4%	50.6	1.4%	42.9	1.2%	35.6	1.0%
121 to 150 days	43.8	1.1%	50.8	1.4%	49.6	1.4%	31.3	0.9%	27.0	0.7%
151 to 180 days	43.4	1.1%	51.5	1.4%	45.0	1.2%	31.0	0.9%	28.1	0.8%
180 to 360 days	323.5	7.8%	268.8	7.2%	218.9	6.0%	204.0	5.7%	208.0	5.7%
Overdue 15-90 days	132.1	3.2%	119.0	3.2%	149.4	4.1%	160.5	4.5%	122.1	3.3%
Overdue above 90 days	461.7	11.2%	423.3	11.3%	364.0	10.0%	309.2	8.7%	298.8	8.2%
Total Overdue	593.9	14.4%	542.3	14.5%	513.5	14.2%	469.7	13.1%	420.9	11.5%
Allowance for doubtful in IFRS	542.7	13.2%	493.9	13.2%	458.8	12.7%	454.2	12.7%	456.4	12.5%
Coverage (%)	118%		117%		126%		147%		153%	

Note: for better comparison and analysis of the performance of loans (NPL), the Company started providing the breakdown of the portfolio by overdue bracket, while it continues to provide the portfolio breakdown by risk bracket to the Central Bank

Gross Financial Intermediation Result

As a result of the sharp growth in direct consumer credit revenue in the period, offset by a higher average CDI rate and the improved balance of the provision for loan losses, the gross margin from financial intermediation stood at 37.2% in 4Q13, a 0.9 bp. increase over 4Q12 (36.3%).

Other Operating Revenues (Expenses)

- **Service Revenue:** increased by 24.6% YoY, mainly driven by commissions for the use of Luiza cards outside the stores, and revenues from insurance and new services;
- **Selling and Administrative Expenses** (personnel, administrative, depreciation, amortization and taxes): equivalent to 44.6% of financial intermediation revenue, 1.6 bp. down on 4Q12 (46.2%) and 0.5 bp. down on 3Q13 (45.1%), due to the project to reduce costs and expenses in 2013;
- **Other Operating Revenues (Expenses):** net revenues of R$1.5 million, equivalent to just 0.5% of financial intermediation revenue.

Net Operating Result

Luizacred recorded operating income of R$54.3 million in 4Q13, equivalent to 18.2% of financial intermediation revenue, a significant improvement over the operating income of R$37.6 million recorded in 4Q12 (13.4% of financial intermediation revenue).

Net income totaled R$34.1 million in 4Q13, with an annualized average ROE (Return on Equity) of 32.4%. In 2013, net income stood at R$89.2 million (average ROE of 22.0%), substantially higher than the R$14.8 million recorded in 2012.

Shareholders’ Equity

In compliance with the accounting practices established by the Brazilian Central Bank, considering the minimum provisions required by Law 2682, Luizacred posted net income of R$37.3 million in 4Q13 and R$116.6 million in 2013, with a shareholders’ equity of R$456.0 million in December 2013. As a result of adjustments required under IFRS, specifically additional provisions for expected losses, net of taxes, Luizacred’s shareholders’ equity for use in the financial statements of Magazine Luiza was R$425.0 million.

ANNEX II
FINANCIAL STATEMENTS – CONSOLIDATED RESULTS

CONSOLIDATED INCOME STATEMENT (R$ million)	4Q13	V.A.	4Q12	V.A.	% Chg	12M13	V.A.	12M12	V.A.	% Chg
Gross Revenue	2,948.4	118.9%	2,457.1	120.0%	20.0%	9,692.4	119.8%	8,456.1	119.7%	14.6%
Taxes and Deductions	(469.5)	-18.9%	(409.4)	-20.0%	14.7%	(1,604.0)	-19.8%	(1,389.3)	-19.7%	15.4%
Net Revenue	2,479.0	100.0%	2,047.7	100.0%	21.1%	8,088.4	100.0%	7,066.8	100.0%	14.5%
Total Costs	(1,800.8)	-72.6%	(1,473.6)	-72.0%	22.2%	(5,825.4)	-72.0%	(5,057.8)	-71.6%	15.2%
Gross Income	678.1	27.4%	574.1	28.0%	18.1%	2,263.0	28.0%	2,009.0	28.4%	12.6%
Selling expenses	(437.4)	-17.6%	(396.1)	-19.3%	10.4%	(1,513.8)	-18.7%	(1,404.1)	-19.9%	7.8%
General and administrative expenses	(128.1)	-5.2%	(113.4)	-5.5%	13.0%	(403.7)	-5.0%	(372.2)	-5.3%	8.5%
Provisions for loan losses	(6.0)	-0.2%	(7.7)	-0.4%	-21.5%	(21.2)	-0.3%	(23.5)	-0.3%	-9.6%
Other operating revenues, net	5.8	0.2%	11.1	0.5%	-48.1%	98.2	1.2%	31.7	0.4%	209.4%
Equity in Subsidiaries	19.5	0.8%	13.4	0.7%	45.9%	54.5	0.7%	18.0	0.3%	202.4%
Total Operating Expenses	(546.4)	-22.0%	(492.7)	-24.1%	10.9%	(1,786.1)	-22.1%	(1,750.0)	-24.8%	2.1%
EBITDA	131.8	5.3%	81.4	4.0%	61.8%	476.9	5.9%	258.9	3.7%	84.2%
Depreciation and Amortization	(26.4)	-1.1%	(26.6)	-1.3%	-0.7%	(102.0)	-1.3%	(92.4)	-1.3%	10.3%
EBIT	105.3	4.2%	54.8	2.7%	92.3%	375.0	4.6%	166.5	2.4%	125.2%
Financial Results	(73.8)	-3.0%	(47.0)	-2.3%	57.0%	(244.0)	-3.0%	(203.8)	-2.9%	19.7%
Operating Income	31.5	1.3%	7.8	0.4%	305.1%	131.0	1.6%	(37.3)	-0.5%	-450.9%
Income Tax and Social Contribution	1.4	0.1%	1.9	0.1%	-25.0%	(17.2)	-0.2%	30.6	0.4%	-156.2%
Net Income	33.0	1.3%	9.7	0.5%	239.6%	113.8	1.4%	(6.7)	-0.1%	-1.787,3

Reconciliation of EBITDA for extraordinary expenses

EBITDA	131.8	5.3%	81.4	4.0%	-	476.9	5.9%	258.9	3.7%	-
Extraordinary costs	-	0.0%	-	0.0%	-	-	0.0%	15.0	0.2%	-
Extraordinary revenues	-	0.0%	-	0.0%	-	(126.4)	-1.6%	(5.0)	-0.1%	-
Extraordinary expenses	-	0.0%	3.0	0.1%	-	61.1	0.8%	38.6	0.5%	-
Adjusted deferred revenues	-	0.0%	-	0.0%	-	-	0.0%	(8.8)	-0.1%	-
Adjusted EBITDA	131.8	5.3%	84.4	4.1%	-	411.6	5.1%	298.8	4.2%	-

Net Income	33.0	1.3%	9.7	0.5%	-	113.8	1.4%	(6.7)	-0.1%	-
Extraordinary operational results	-	0.0%	3.0	0.1%	-	(65.3)	-0.8%	39.9	0.6%	-
Extraordinary financial results	-	0.0%	-	0.0%	-	-	0.0%	10.6	0.1%	-
Tax over extraordinary results	-	0.0%	(1.0)	0.0%	-	22.2	0.3%	(17.1)	-0.2%	-
Extraordinary tax credits	-	0.0%	-	0.0%	-	-	0.0%	(12.5)	-0.2%	-
Adjusted Net Income	33.0	1.3%	11.7	0.6%	-	70.7	0.9%	14.1	0.2%	-

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET

ASSETS (R$ million)	dec-13	sep-13	jun-13	mar-13	dec-12
CURRENT ASSETS					
Cash and cash equivalents	280.3	260.3	176.6	152.3	418.9
Securities	491.3	423.5	539.0	476.2	126.4
Accounts receivable	530.6	463.7	458.4	448.8	486.5
Inventories	1,251.4	1,135.5	1,051.1	974.9	1,068.8
Related parties	108.9	67.8	86.3	85.0	73.6
Taxes recoverable	218.6	214.3	230.5	190.4	208.5
Other assets	41.0	64.0	73.2	63.3	38.0
Total current assets	2,922.0	2,629.0	2,615.2	2,391.0	2,420.6
NON-CURRENT ASSETS					
Accounts receivable	4.7	4.3	4.0	3.4	0.4
Deferred income tax and social contribution	139.4	148.0	148.3	156.5	148.3
Recoverable taxes	158.8	156.1	148.3	144.4	137.4
Judicial deposits	170.1	157.4	150.4	138.5	129.3
Other assets	45.4	42.8	41.7	39.1	39.6
Investments in subsidiaries	251.7	248.7	236.6	224.6	222.9
Fixed assets	540.4	527.9	510.8	575.5	574.0
Intangible assets	481.4	437.5	436.6	436.2	435.3
Total non-current assets	1,791.9	1,722.6	1,676.8	1,718.1	1,687.2
TOTAL ASSETS	4,713.9	4,351.7	4,292.0	4,109.1	4,107.7

LIABILITIES (R$ million)	dec-13	sep-13	jun-13	mar-13	dec-12
CURRENT LIABILITIES					
Suppliers	1,651.5	1,332.3	1,306.1	1,169.8	1,326.3
Loans and financing	425.2	555.5	534.8	404.3	317.2
Payroll, vacation and related charges	166.6	146.7	126.7	115.8	138.3
Taxes payable	41.7	18.9	28.5	20.4	47.8
Related parties	73.6	53.8	50.9	41.7	51.1
Taxes in installments	8.3	8.9	8.9	9.0	9.1
Deferred revenue	36.7	35.6	35.6	36.2	37.1
Dividends payable	16.2	-	-	-	-
Other accounts payable	107.7	85.4	80.1	113.1	80.9
Total current liabilities	2,527.6	2,237.2	2,171.5	1,910.4	2,007.9
NON-CURRENT LIABILITIES					
Loans and financing	895.1	829.1	860.4	1,016.2	918.8
Taxes in installments	-	-	0.6	1.2	1.8
Provision for tax, civil and labor risks	245.9	228.7	227.3	196.2	187.6
Deferred revenue	349.2	358.2	359.9	367.5	375.2
Deferred income tax and social contribution	-	-	-	-	-
Other accounts payable	1.5	1.0	0.9	0.7	0.6
Total non-current liabilities	1,491.7	1,417.0	1,449.1	1,581.8	1,483.9
SHAREHOLDERS' EQUITY					
Capital stock	606.5	606.5	606.5	606.5	606.5
Capital reserve	5.6	4.9	4.2	3.5	2.8
Treasury shares	(20.1)	-	-	-	-
Legal reserve	9.7	4.0	4.0	4.0	4.0
Profit retention reserve	94.5	2.6	2.6	2.6	2.6
Other comprehensive income	(1.6)	(1.4)	(1.3)	(0.5)	0.1
Accumulated losses	-	80.8	55.5	0.8	-
Total shareholders' equity	694.6	697.5	671.4	616.9	616.0
TOTAL	4,713.9	4,351.7	4,292.0	4,109.1	4,107.7

ANNEX IV
FINANCIAL STATEMENTS - ADJUSTED CASH FLOW STATEMENT

ADJUSTED CASH FLOW STATEMENTS	4Q13	4Q12	12M13	12M12
Net Income	**33.0**	**9.7**	**113.8**	**(6.7)**
Effect of IR / CS net of payment	(2.8)	(1.9)	3.5	(31.3)
Depreciation and amortization	26.4	26.6	102.0	92.4
Interest accrued on loans	35.1	23.1	118.7	97.9
Equity, net of dividends received	(19.5)	(10.3)	(43.1)	(7.8)
Provision for losses on inventories and receivables	24.7	31.8	76.1	58.8
Provision for tax, civil and labor contingencies	1.2	14.3	59.9	33.3
Gain on sale of fixed assets	1.0	2.0	(125.4)	4.3
Recognition of deferred income	(7.8)	(8.6)	(32.3)	(43.0)
Stock option expenses	0.7	0.7	2.8	2.8
Interest on taxes offset with deferred income taxes	10.1	-	10.1	-
Adjusted Net Income	**102.2**	**87.4**	**286.1**	**200.5**
Trade accounts receivable	(79.9)	(16.6)	(96.4)	(19.2)
Inventories	(123.2)	227.7	(205.9)	174.3
Taxes recoverable	(5.6)	(295.9)	(17.8)	(293.1)
Other receivables	(17.3)	12.8	(71.8)	(43.5)
Changes in operating assets	**(226.0)**	**(72.0)**	**(391.9)**	**(181.5)**
Trade accounts payable	316.7	153.1	322.6	59.6
Other payables	69.0	33.8	11.8	(4.7)
Change in operating liabilities	**385.7**	**186.9**	**334.5**	**54.9**
Cash Flow from Operating Activities	**261.9**	**202.3**	**228.7**	**73.9**
Additions of fixed and intangible assets	(41.3)	(51.7)	(146.1)	(174.8)
Cash on sale of fixed assets	-	-	205.5	-
Sale of exclusive dealing and exploration right contract	-	-	6.0	50.0
Investment in subsidiary	(12.2)	-	(12.2)	(24.0)
Cash Flow from Investing Activities	**(53.5)**	**(51.7)**	**53.2**	**(148.8)**
Loans and financing	204.7	267.3	411.6	745.7
Repayment of loans and financing	(274.9)	(147.6)	(346.4)	(227.7)
Payment of interest on loans and financing	(30.3)	(22.4)	(100.6)	(91.3)
Shares Repurchased	(20.1)	-	(20.1)	-
Payment of dividends	-	-	-	(2.8)
Cash Flow from Financing Activities	**(120.6)**	**97.3**	**(55.5)**	**424.0**
Cash, cash equivalents and securities at beginning of period	683.8	297.4	545.3	196.2
Cash, cash equivalents and securities at end of period	771.6	545.3	771.6	545.3
Change in Cash and Cash equivalents	**87.8**	**247.9**	**226.3**	**349.1**

Note: the only difference between the Cash Flow Statement and the Adjusted Cash Flow Statement is the treatment of securities as cash equivalents.

ANNEX V
RESULTS BY SEGMENT – 4Q13

4Q13 (in R$ million)	Retail	Consortium 100%	Eliminations	Consolidated	Cons. Finance 50%	Insurance 50%	Eliminations	Consolidated Pro-Forma
Gross Revenue	2,941.2	9.8	(2.6)	2,948.4	186.5	35.5	(59.5)	3,111.0
Taxes and Deductions	(468.6)	(0.9)	-	(469.5)	-	-	-	(469.5)
Net Revenue	2,472.6	8.9	(2.6)	2,479.0	186.5	35.5	(59.5)	2,641.5
Total Costs	(1,800.3)	(3.1)	2.6	(1,800.8)	(24.0)	(2.7)	-	(1,827.5)
Gross Income	672.3	5.8	-	678.1	162.5	32.9	(59.5)	814.0
Selling expenses	(437.4)	-	-	(437.4)	(64.1)	(26.6)	50.5	(477.7)
General and administrative expenses	(123.7)	(4.4)	-	(128.1)	(0.8)	(4.9)	-	(133.9)
Provisions for loan losses	(6.0)	-	-	(6.0)	(69.6)	-	-	(75.7)
Equity in Subsidiaries	20.6	-	(1.1)	19.5	-	-	(19.5)	-
Other operating revenues, net	5.8	0.0	-	5.8	0.8	(0.0)	(1.4)	5.1
Total Operating Expenses	(540.9)	(4.4)	(1.1)	(546.4)	(133.8)	(31.6)	29.6	(682.1)
EBITDA	131.5	1.5	(1.1)	131.8	28.8	1.3	(29.9)	131.9
Depreciation and Amortization	(26.4)	(0.1)	-	(26.4)	(1.6)	(0.0)	1.4	(26.7)
EBIT	105.1	1.4	(1.1)	105.3	27.1	1.3	(28.6)	105.2
Financial Results	(74.1)	0.3	-	(73.8)	-	2.6	9.1	(62.2)
Operating Income	31.0	1.7	(1.1)	31.5	27.1	3.9	(19.5)	43.0
Income Tax and Social Contribution	2.0	(0.6)	-	1.4	(10.1)	(1.4)	-	(10.1)
Net Income	33.0	1.1	(1.1)	33.0	17.1	2.4	(19.5)	33.0
Gross Margin	27.2%	65.5%	0.0%	27.4%	87.1%	92.5%	100.0%	30.8%
EBITDA Margin	5.3%	16.4%	44.0%	5.3%	15.4%	3.6%	50.3%	5.0%
Net Margin	1.3%	12.7%	44.0%	1.3%	9.1%	6.8%	32.7%	1.2%

Reconciliation of EBITDA for extraordinary expenses

EBITDA	131.5	1.5	(1.1)	131.8	28.8	1.3	(29.9)	131.9
Extraordinary costs	-	-	-	-	-	-	-	-
Extraordinary revenues	-	-	-	-	-	-	-	-
Extraordinary expenses	-	-	-	-	-	-	-	-
Adjusted deferred revenues	-	-	-	-	-	-	-	-
Adjusted EBITDA	131.5	1.5	(1.1)	131.8	28.8	1.3	(29.9)	131.9
Adjusted EBITDA Margin	5.3%	16.4%	44.0%	5.3%	15.4%	3.6%	50.3%	5.0%

Net Income	33.0	1.1	(1.1)	33.0	17.1	2.4	(19.5)	33.0
Extraordinary operational results	-	-	-	-	-	-	-	-
Extraordinary financial results	-	-	-	-	-	-	-	-
Tax over extraordinary results	-	-	-	-	-	-	-	-
Extraordinary tax credits	-	-	-	-	-	-	-	-
Adjusted Net Income	33.0	1.1	(1.1)	33.0	17.1	2.4	(19.5)	33.0
Adjusted Net Income Margin	1.3%	12.7%	44.0%	1.3%	9.1%	6.8%	32.7%	1.2%

ANNEX IV
RESULTS BY SEGMENT – 2013

12M13 (in R$ million)	Retail	Consortium 100%	Eliminations	Consolidated	Cons. Finance 50%	Insurance 50%	Eliminations	Consolidated Pro-Forma
Gross Revenue	9,661.7	38.5	(7.8)	9,692.4	713.1	108.9	(194.9)	10,319.5
Taxes and Deductions	(1,600.6)	(3.4)	-	(1,604.0)	-	-	-	(1,604.0)
Net Revenue	8,061.1	35.1	(7.8)	8,088.4	713.1	108.9	(194.9)	8,715.6
Total Costs	(5,820.3)	(12.9)	7.8	(5,825.4)	(77.9)	(10.0)	-	(5,913.4)
Gross Income	2,240.8	22.2	-	2,263.0	635.2	98.9	(194.9)	2,802.2
Selling expenses	(1,513.8)	-	-	(1,513.8)	(253.4)	(76.2)	168.4	(1,674.9)
General and administrative expenses	(385.9)	(17.9)	-	(403.7)	(2.2)	(14.7)	-	(420.6)
Provisions for loan losses	(21.2)	-	-	(21.2)	(305.5)	-	-	(326.7)
Equity in Subsidiaries	57.8	-	(3.3)	54.5	-	-	(54.5)	(0.0)
Other operating revenues, net	98.1	0.1	-	98.2	5.8	0.0	(5.5)	98.4
Total Operating Expenses	(1,764.9)	(17.8)	(3.3)	(1,786.1)	(555.3)	(90.9)	108.4	(2,323.8)
EBITDA	475.8	4.4	(3.3)	476.9	79.9	8.0	(86.4)	478.4
Depreciation and Amortization	(101.7)	(0.3)	-	(102.0)	(6.6)	(0.0)	5.5	(103.0)
EBIT	374.2	4.1	(3.3)	375.0	73.4	8.0	(80.9)	375.4
Financial Results	(244.8)	0.8	-	(244.0)	-	8.3	26.4	(209.2)
Operating Income	129.4	4.9	(3.3)	131.0	73.4	16.3	(54.5)	166.2
Income Tax and Social Contribution	(15.6)	(1.6)	-	(17.2)	(28.8)	(6.4)	-	(52.4)
Net Income	113.8	3.3	(3.3)	113.8	44.6	9.9	(54.5)	113.8
Gross Margin	27.8%	63.4%	0.0%	28.0%	89.1%	90.8%	100.0%	32.2%
EBITDA Margin	5.9%	12.6%	42.6%	5.9%	11.2%	7.3%	44.4%	5.5%
Net Margin	1.4%	9.4%	42.6%	1.4%	6.3%	9.1%	27.9%	1.3%

Reconciliation of EBITDA for extraordinary expenses

EBITDA	475.8	4.4	(3.3)	476.9	79.9	8.0	(86.4)	478.4
Extraordinary costs	-	-	-	-	-	-	-	-
Extraordinary revenues	(126.4)	-	-	(126.4)	-	-	-	(126.4)
Extraordinary expenses	61.1	-	-	61.1	-	-	-	61.1
Adjusted deferred revenues	-	-	-	-	-	-	-	-
Adjusted EBITDA	410.5	4.4	(3.3)	411.6	79.9	8.0	(86.4)	413.1
Adjusted EBITDA Margin	5.1%	12.6%	42.6%	5.1%	11.2%	7.3%	44.4%	4.7%

Net Income	113.8	3.3	(3.3)	113.8	44.6	9.9	(54.5)	113.8
Extraordinary operational results	(65.3)	-	-	(65.3)	-	-	-	(65.3)
Extraordinary financial results	-	-	-	-	-	-	-	-
Tax over extraordinary results	22.2	-	-	22.2	-	-	-	22.2
Extraordinary tax credits	-	-	-	-	-	-	-	-
Adjusted Net Income	70.7	3.3	(3.3)	70.7	44.6	9.9	(54.5)	70.7
Adjusted Net Income Margin	0.9%	9.4%	42.6%	0.9%	6.3%	9.1%	27.9%	0.8%

ANNEX VII
RESULTS BY SEGMENT – 4Q12

4Q12 (in R$ million)	Retail	Consortium 100%	Eliminations	Consolidated	Cons. Finance 50%	Insurance 50%	Eliminations	Consolidated Pro-Forma
Gross Revenue	2,449.6	9.2	(1.7)	2,457.1	170.2	23.8	(41.8)	2,609.4
Taxes and Deductions	(408.6)	(0.8)	-	(409.4)	-	-	-	(409.4)
Net Revenue	2,041.0	8.4	(1.7)	2,047.7	170.2	23.8	(41.8)	2,200.0
Total Costs	(1,472.0)	(3.2)	1.7	(1,473.6)	(16.6)	(1.4)	0.0	(1,491.5)
Gross Income	569.0	5.2	-	574.1	153.7	22.5	(41.8)	708.5
Selling expenses	(396.1)	-	-	(396.1)	(62.4)	(16.3)	35.6	(439.2)
General and administrative expenses	(108.1)	(5.3)	-	(113.4)	(0.7)	(3.5)	0.0	(117.6)
Provisions for loan losses	(7.7)	-	-	(7.7)	(72.7)	-	-	(80.4)
Equity in Subsidiaries	13.6	-	(0.2)	13.4	-	-	(13.4)	-
Other operating revenues, net	10.8	0.3	-	11.1	2.5	0.0	(1.4)	12.3
Total Operating Expenses	(487.5)	(5.0)	(0.2)	(492.7)	(133.2)	(19.8)	20.8	(624.9)
EBITDA	81.5	0.2	(0.2)	81.4	20.5	2.7	(20.9)	83.6
Depreciation and Amortization	(26.6)	(0.1)	-	(26.6)	(1.7)	(0.0)	1.4	(26.9)
EBIT	54.9	0.1	(0.2)	54.8	18.8	2.7	(19.6)	56.7
Financial Results	(47.2)	0.2	-	(47.0)	-	1.9	6.2	(38.9)
Operating Income	7.7	0.3	(0.2)	7.8	18.8	4.6	(13.4)	17.8
Income Tax and Social Contribution	2.0	(0.1)	-	1.9	(8.3)	(1.7)	(0.0)	(8.1)
Net Income	9.7	0.2	(0.2)	9.7	10.5	2.8	(13.4)	9.7
Gross Margin	27.9%	61.4%	0.0%	28.0%	90.3%	94.2%	100.0%	32.2%
EBITDA Margin	4.0%	2.0%	13.9%	4.0%	12.0%	11.2%	50.1%	3.8%
Net Margin	0.5%	2.8%	13.9%	0.5%	6.2%	11.9%	32.0%	0.4%

Reconciliation of EBITDA for extraordinary expenses

EBITDA	81.5	0.2	(0.2)	81.4	20.5	2.7	(20.9)	83.6
Extraordinary costs	-	-	-	-	-	-	-	-
Extraordinary revenues	-	-	-	-	-	-	-	-
Extraordinary expenses	3.0	-	-	3.0	-	-	-	3.0
Adjusted deferred revenues	-	-	-	-	-	-	-	-
Adjusted EBITDA	84.5	0.2	(0.2)	84.4	20.5	2.7	(20.9)	86.6
Adjusted EBITDA Margin	4.1%	2.0%	13.9%	4.1%	12.0%	11.2%	50.1%	3.9%
Net Income	9.7	0.2	(0.2)	9.7	10.5	2.8	(13.4)	9.7
Extraordinary operational results	3.0	-	-	3.0	-	-	-	3.0
Extraordinary financial results	-	-	-	-	-	-	-	-
Tax over extraordinary results	(1.0)	-	-	(1.0)	-	-	-	(1.0)
Extraordinary tax credits	-	-	-	-	-	-	-	-
Adjusted Net Income	11.7	0.2	(0.2)	11.7	10.5	2.8	(13.4)	11.7
Adjusted Net Income Margin	0.6%	2.8%	13.9%	0.6%	6.2%	11.9%	32.0%	0.5%

ANNEX VIII
RESULTS BY SEGMENT – 2012

12M12 (in R$ million)	Retail	Consortium 100%	Eliminations	Consolidated	Cons. Finance 50%	Insurance 50%	Eliminations	Consolidated Pro-Forma
Gross Revenue	8,428.3	33.7	(5.9)	8,456.1	653.7	86.3	(155.2)	9,040.9
Taxes and Deductions	(1,386.4)	(3.0)	-	(1,389.3)	-	-	-	(1,389.3)
Net Revenue	7,041.9	30.8	(5.9)	7,066.8	653.7	86.3	(155.2)	7,651.6
Total Costs	(5,052.0)	(11.7)	5.9	(5,057.8)	(82.4)	(6.3)	(0.0)	(5,146.6)
Gross Income	1,990.0	19.0	-	2,009.0	571.2	80.0	(155.2)	2,505.0
Selling expenses	(1,404.1)	-	-	(1,404.1)	(251.0)	(57.5)	131.6	(1,581.0)
General and administrative expenses	(355.5)	(16.7)	-	(372.2)	(3.1)	(13.2)	0.0	(388.4)
Provisions for loan losses	(23.5)	-	-	(23.5)	(301.5)	-	-	(325.0)
Equity in Subsidiaries	20.5	-	(2.5)	18.0	-	-	(18.0)	-
Other operating revenues, net	31.0	0.7	-	31.7	4.8	0.3	(5.5)	31.3
Total Operating Expenses	(1,731.6)	(16.0)	(2.5)	(1,750.0)	(550.8)	(70.4)	108.0	(2,263.2)
EBITDA	258.4	3.1	(2.5)	258.9	20.5	9.6	(47.1)	241.8
Depreciation and Amortization	(92.2)	(0.3)	-	(92.4)	(6.6)	(0.0)	5.5	(93.5)
EBIT	166.2	2.8	(2.5)	166.5	13.8	9.6	(41.6)	148.3
Financial Results	(204.7)	0.9	-	(203.8)	-	7.9	23.6	(172.3)
Operating Income	(38.5)	3.7	(2.5)	(37.3)	13.8	17.5	(18.0)	(24.0)
Income Tax and Social Contribution	31.8	(1.2)	-	30.6	(6.4)	(6.9)	(0.0)	17.3
Net Income	(6.7)	2.5	(2.5)	(6.7)	7.4	10.6	(18.0)	(6.7)
Gross Margin	28.3%	61.8%	0.0%	28.4%	87.4%	92.6%	100.0%	32.7%
EBITDA Margin	3.7%	9.9%	42.4%	3.7%	3.1%	11.1%	30.4%	3.2%
Net Margin	-0.1%	8.1%	42.4%	-0.1%	1.1%	12.3%	11.6%	-0.1%

Reconciliation of EBITDA for extraordinary expenses

EBITDA	258.4	3.1	(2.5)	258.9	20.5	9.6	(47.1)	241.8
Extraordinary costs	15.0	-	-	15.0	-	-	-	15.0
Extraordinary revenues	(5.0)	-	-	(5.0)	-	-	-	(5.0)
Extraordinary expenses	38.6	-	-	38.6	-	-	-	38.6
Adjusted deferred revenues	(8.8)	-	-	(8.8)	-	-	-	(8.8)
Adjusted EBITDA	298.2	3.1	(2.5)	298.8	20.5	9.6	(47.1)	281.7
Adjusted EBITDA Margin	4.2%	9.9%	42.4%	4.2%	3.1%	11.1%	30.4%	3.7%
Net Income	(6.7)	2.5	(2.5)	(6.7)	7.4	10.6	(18.0)	(6.7)
Extraordinary operational results	39.9	-	-	39.9	-	-	-	39.9
Extraordinary financial results	10.6	-	-	10.6	-	-	-	10.6
Tax over extraordinary results	(17.1)	-	-	(17.1)	-	-	-	(17.1)
Extraordinary tax credits	(12.5)	-	-	(12.5)	-	-	-	(12.5)
Adjusted Net Income	14.1	2.5	(2.5)	14.1	7.4	10.6	(18.0)	14.1
Adjusted Net Income Margin	0.2%	8.1%	42.4%	0.2%	1.1%	12.3%	11.6%	0.2%

ANNEX IX
FINANCIAL STATEMENTS – PRO-FORMA CONSOLIDATED RESULTS

CONSOLIDATED PRO-FORMA (R$ million)	4Q13	V.A.	4Q12	V.A.	% Chg	12M13	V.A.	12M12	V.A.	% Chg
Gross Revenue	3,111.0	117.8%	2,609.4	118.6%	19.2%	10,319.5	118.4%	9,040.9	118.2%	12.2%
Taxes and Deductions	(469.5)	-17.8%	(409.4)	-18.6%	14.7%	(1,604.0)	-18.4%	(1,389.3)	-18.2%	11.3%
Net Revenue	2,641.5	100.0%	2,200.0	100.0%	20.1%	8,715.6	100.0%	7,651.6	100.0%	12.3%
Total Costs	(1,827.5)	-69.2%	(1,491.5)	-67.8%	22.5%	(5,913.4)	-67.8%	(5,146.6)	-67.3%	11.8%
Gross Income	814.0	30.8%	708.5	32.2%	14.9%	2,802.2	32.2%	2,505.0	32.7%	13.4%
Selling expenses	(477.7)	-18.1%	(439.2)	-20.0%	8.8%	(1,674.9)	-19.2%	(1,581.0)	-20.7%	7.5%
General and administrative expenses	(133.9)	-5.1%	(117.6)	-5.3%	13.8%	(420.6)	-4.8%	(388.4)	-5.1%	10.8%
Provisions for loan losses	(75.7)	-2.9%	(80.4)	-3.7%	-5.8%	(326.7)	-3.7%	(325.0)	-4.2%	5.1%
Equity in Subsidiaries	5.1	0.2%	12.3	0.6%	-58.2%	98.4	1.1%	31.3	0.4%	390.6%
Total Operating Expenses	(682.1)	-25.8%	(624.9)	-28.4%	9.2%	(2,323.8)	-26.7%	(2,263.2)	-29.6%	3.2%
EBITDA	131.9	5.0%	83.6	3.8%	57.7%	478.4	5.5%	241.8	3.2%	119.1%
Depreciation and Amortization	(26.7)	-1.0%	(26.9)	-1.2%	-0.8%	(103.0)	-1.2%	(93.5)	-1.2%	14.5%
EBIT	105.2	4.0%	56.7	2.6%	85.5%	375.4	4.3%	148.3	1.9%	195.2%
Financial Results	(62.2)	-2.4%	(38.9)	-1.8%	59.7%	(209.2)	-2.4%	(172.3)	-2.3%	10.3%
Operating Income	43.0	1.6%	17.8	0.8%	141.8%	166.2	1.9%	(24.0)	-0.3%	-394.4%
Income Tax and Social Contribution	(10.1)	-0.4%	(8.1)	-0.4%	24.4%	(52.4)	-0.6%	17.3	0.2%	-
Net Income	33.0	1.2%	9.7	0.4%	239.6%	113.8	1.3%	(6.7)	-0.1%	-591.2%

Reconciliation of EBITDA for extraordinary expenses

EBITDA	131.9	5.0%	83.6	3.8%	-	478.4	5.5%	241.8	3.2%	-
Extraordinary costs	-	0.0%	-	0.0%	-	-	0.0%	15.0	0.2%	-
Extraordinary revenues	-	0.0%	-	0.0%	-	(126.4)	-1.5%	(5.0)	-0.1%	-
Extraordinary expenses	-	0.0%	3.0	0.1%	-	61.1	0.7%	38.6	0.5%	-
Adjusted deferred revenues	-	0.0%	-	0.0%	-	-	0.0%	(8.8)	-0.1%	-
Adjusted EBITDA	131.9	5.0%	86.6	3.9%	-	413.1	4.7%	281.7	3.7%	-

Net Income	33.0	1.2%	9.7	0.4%	-	113.8	1.3%	(6.7)	-0.1%	-
Extraordinary operational results	-	0.0%	3.0	0.1%	-	(65.3)	-0.7%	39.9	0.5%	-
Extraordinary financial results	-	0.0%	-	0.0%	-	-	0.0%	10.6	0.1%	-
Tax over extraordinary results	-	0.0%	(1.0)	0.0%	-	22.2	0.3%	(17.1)	-0.2%	-
Extraordinary tax credits	-	0.0%	-	0.0%	-	-	0.0%	(12.5)	-0.2%	-
Adjusted Net Income	33.0	1.2%	11.7	0.5%	-	70.7	0.8%	14.1	0.2%	-

ANNEX X
BREAKDOWN OF SALES AND NUMBER OF STORES PER CHANNEL

Gross Revenue by Channel (R$ million)	4Q13	V.A.	4Q12	V.A.	Growth Total
Virtual Stores	137.8	4.7%	113.8	4.7%	21.1%
Website	437.1	14.9%	313.7	12.8%	39.3%
Subtotal - Virtual Stores	**574.8**	19.6%	**427.5**	17.5%	34.5%
Conventional Stores	2,360.0	80.4%	2,019.7	82.5%	16.8%
Total	**2,934.8**	100.0%	**2,447.2**	100.0%	19.9%

Gross Revenue by Channel (R$ million)	12M13	V.A.	12M12	V.A.	Growth Total
Virtual Stores	439.8	4.6%	385.8	4.6%	14.0%
Website	1,403.3	14.6%	1,094.8	13.0%	28.2%
Subtotal - Virtual Stores	**1,843.1**	19.1%	**1,480.6**	17.6%	24.5%
Conventional Stores	7,796.3	80.9%	6,937.2	82.4%	12.4%
Total	**9,639.4**	100.0%	**8,417.8**	100.0%	14.5%
	-				

Number of stores per channel – End of the period	dec-13	Part(%)	dec-12	Part(%)	Growth Total
Virtual Stores	107	14.4%	106	14.3%	1
Website	1	0.1%	1	0.1%	-
Subtotal - Virtual Stores	**108**	14.5%	**107**	14.4%	1
Conventional Stores	636	85.5%	636	85.6%	-
Total	**744**	100.0%	**743**	100.0%	1
Total Sales Area (m²)	**473,884**	100.0%	**469,061**	100%	1.0%

Note: In compliance with Technical Pronouncement CPC 36, the booking of revenues from the exclusive funds whose quotas are 100% owned by Magazine Luiza was reclassified from financial income to operating income from services in the retail segment, totaling R$6.4 million in 4Q13, versus R$2.4 million in 4Q12. The differences in gross revenue from the retail segment in the breakdown by channel and income statement refer to these classifications.

RESULTS CONFERENCE CALL
Conference Call in Portuguese/English (with simultaneous interpreting)

February 24, 2014 (Monday)

02:00 p.m. – Brasília time

12:00 p.m. – US EST

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Access code:Magazine Luiza
Webcast link:
http://webcast.mzvaluemonitor.com/Cover.aspx?PlatformId=2052

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About Magazine Luiza

Founded in 1957, Magazine Luiza is one of Brazil's largest retail chains focused on durable goods, actively engaged in Brazil's low income classes.To strengthen its relationship with its customers, Magazine Luiza innovated in 2001 by entering into a partnership with Itaú Unibanco to create Luizacred.In 2005, Magazine Luiza once again innovated when it became the first retailer to control an insurance company, Luizaseg, in partnership with Cardif, of the BNP Paribas group.And in 2010, Magazine Luiza acquired Lojas Maia, one of the largest retail chains with a presence in all the states across Northeast Brazil – the fastest growing region in the country.In June 2011, it acquired Baú da Felicidade stores.

EBITDA, Adjusted EBITDA and Adjusted Net Income

EBITDA (earnings before interest, income and social contribution taxes, financial income and expenses, depreciation and amortization) is not a financial performance measure under the accounting practices adopted in Brazil.Because it does not consider expenses intrinsic to the business, EBITDA has limitations that affect its use as a profitability or liquidity indicator.EBITDA should not be considered an alternative to net income or operating cash flow.In addition, EBITDA does not have a standard meaning, and our definition may not be comparable with the definitions adopted by other companies. Non-recurring results used to calculate adjusted EBITDA and adjusted net income should not be considered an alternative to EBITDA and net income in accordance with the accounting practices adopted in Brazil.