BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD
Form 6-K
August 01, 2012

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of August, 2012

Brazilian Distribution Company
(Translation of Registrant's Name Into English)

Av. Brigadeiro Luiz Antonio,
3142 São Paulo, SP 01402-901
Brazil
(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F)

Form 20-F _X_ Form 40-F___

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b) (1)):

Yes ___ No _X_

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b) (7)):

Yes ___ No _X_

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes ___ No _X_

Quarterly Financial Information
Companhia Brasileira de Distribuição
With Unqualified Report of Independent Registered
Accounting Firm over the Quarterly Financial Information

June 30, 2012

CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR — Quarterly Financial Information –June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

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ITR — Quarterly Financial Information –June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Company Information / Capital Breakdown

Number of Shares	**Current Quarter**
(thousand)	**06/30/2012**
Paid in Capital	
Common	99,680
Preferred	163,368
Total	263,048
Treasury Shares	
Common	-
Preferred	232
Total	232

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Company Information / Cash Dividends

Event	Approval	Type	Date of Payment	Type of Share	Class of Share	Amount per share (Reais/ share)
Board of Directors Meeting	05/07/2012	Dividend	06/20/2012	Preferred	-	0.11000
Board of Directors Meeting	05/07/2012	Dividend	06/20/2012	Common	-	0.10000
Board of Directors Meeting	04/10/2012	Dividend	06/26/2012	Preferred	-	0.41025
Board of Directors Meeting	04/10/2012	Dividend	06/26/2012	Common	-	0.37295

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information/ Balance Sheet - Assets

R$ (in thousands)

Code	**Description**	**Current Quarter 06/30/2012**	**Previous Year 12/31/2011**
1	Total Assets	18,733,814	17,752,180
1.01	Current Assets	5,404,220	5,550,707
1.01.01	Cash and Cash Equivalents	2,688,426	2,328,783
1.01.03	Accounts Receivable	640,535	825,083
1.01.03.01	Trade Accounts Receivable	617,584	791,538
1.01.03.02	Other Accounts Receivable	22,951	33,545
1.01.04	Inventories	1,768,419	1,914,938
1.01.06	Recoverable Taxes	205,191	413,721
1.01.06.01	Current Recoverable Taxes	205,191	413,721
1.01.07	Prepaid Expenses	75,341	50,404
1.01.08	Other Current Assets	26,308	17,778
1.01.08.03	Other	26,308	17,778
1.02	Noncurrent Assets	13,329,594	12,201,473
1.02.01	Long-term Assets	2,692,449	1,985,287
1.02.01.03	Accounts Receivable	47,390	30,800
1.02.01.03.02	Other Accounts Receivable	47,390	30,800
1.02.01.06	Deferred Taxes	211,690	225,010
1.02.01.06.01	Deferred Income and Social Contribution Taxes	211,690	225,010
1.02.01.07	Prepaid Expenses	37,040	31,979
1.02.01.08	Receivables from Related Parties	1,610,881	1,139,687
1.02.01.08.02	Receivables from Subsidiaries	1,552,953	1,074,517
1.02.01.08.03	Receivables from Controlling Shareholders	829	829
1.02.01.08.04	Receivables from Other Related Parties	57,099	64,341
1.02.01.09	Other Noncurrent Assets	785,448	557,811
1.02.01.09.03	Receivables from Securitization Fund	127,651	124,276
1.02.01.09.04	Recoverable Taxes	200,596	24,526
1.02.01.09.05	Restricted deposits for legal proceeding	457,201	409,009
1.02.02	Investments	4,526,628	4,301,137
1.02.02.01	Shareholding Interest	4,526,628	4,301,137
1.02.02.01.02	Interest in Subsidiaries	4,526,628	4,301,137

1.02.03	Property and Equipment, net	5,252,619	5,074,613
1.02.03.01	In Operation	4,967,081	4,751,371
1.02.03.02	Leased	57,263	64,077
1.02.03.03	In Progress	228,275	259,165
1.02.04	Intangible Assets	857,898	840,436
1.02.04.01	Intangible Assets	857,898	840,436
1.02.04.01.02	Intangible Assets	857,898	840,436

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information /Balance Sheet – Liabilities

R$ (in thousands)

Code	**Description**	**Current Quarter 06/30/2012**	**Previous Year 12/31/2011**
2	Total Liabilities	18,733,814	17,752,180
2.01	Current Liabilities	4,490,782	4,245,814
2.01.01	Payroll and related charges	279,754	297,300
2.01.01.01	Payroll Liabilities	39,138	43,360
2.01.01.02	Social security Liabilities	240,616	253,940
2.01.02	Trade Accounts Payable	1,855,912	2,526,912
2.01.02.01	Local Trade Accounts Payable	1,787,096	2,498,452
2.01.02.02	Foreign Trade Accounts Payable	68,816	28,460
2.01.03	Taxes and Contributions Payable	59,521	69,102
2.01.03.01	Federal Tax Liabilities	59,521	69,102
2.01.03.01.02	Other (PIS, COFINS, IOF, INSS, Funrural)	59,521	69,102
2.01.04	Loans and Financing	1,768,051	712,678
2.01.04.01	Loans and Financing	1,035,310	155,034
2.01.04.01.01	In Local Currency	467,352	139,983
2.01.04.01.02	In Foreign Currency	567,958	15,051
2.01.04.02	Debentures	678,559	501,844
2.01.04.03	Financing by Leasing	54,182	55,800
2.01.05	Other Liabilities	356,914	463,651
2.01.05.01	Related Parties	180,990	184,928
2.01.05.01.01	Debts with Associated Companies	4,162	4,556
2.01.05.01.02	Debts with Subsidiaries	164,876	161,772
2.01.05.01.03	Debts with Controlling Shareholders	11,952	15,256
2.01.05.01.04	Debts with Other Related Parties	-	3,344
2.01.05.02	Other	175,924	278,723
2.01.05.02.01	Dividends and Interest on Equity Payable	575	103,387
2.01.05.02.04	Utilities	5,997	2,968
2.01.05.02.05	Rent payable	24,362	24,929
2.01.05.02.06	Advertisement payable	39,743	29,253
2.01.05.02.07	Transfer to Third Parties	7,999	6,784
2.01.05.02.08	Financing related to acquisition of Real Estate	14,211	14,211

2.01.05.02.09	Other Accounts Payable	83,037	97,191
2.01.06	Provisions	170,630	176,171
2.01.06.02	Other Provisions	170,630	176,171
2.01.06.02.02	Provisions for Restructuring	9,413	12,957
2.01.06.02.05	Taxes Payable in Installments	161,217	163,214
2.02	Noncurrent Liabilities	6,191,991	5,881,093
2.02.01	Loans and Financing	4,757,649	4,429,542
2.02.01.01	Loans and Financing	1,615,723	2,139,680
2.02.01.01.01	In Local Currency	1,454,431	1,449,917
2.02.01.01.02	In Foreign Currency	161,292	689,763
2.02.01.02	Debentures	3,012,343	2,137,518
2.02.01.03	Financing by Leasing	129,583	152,344
2.02.02	Other Liabilities	1,185,586	1,214,629
2.02.02.02	Other	1,185,586	1,214,629
2.02.02.02.03	Taxes Payable by Installments	1,155,279	1,202,667
2.02.02.02.04	Other Accounts Payable	30,307	11,962

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information /Balance Sheet – Liabilities

R$ (in thousands)

Code	Description	Current Quarter 06/30/2012	Previous Year 12/31/2011
2.02.04	Provision for Contingencies	248,756	236,922
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	248,756	236,922
2.02.04.01.01	Tax Provisions	91,393	90,426
2.02.04.01.02	Social Security and Labor Provisions	85,332	75,543
2.02.04.01.03	Benefits to Employees Provisions	33,046	36,072
2.02.04.01.04	Civil Provisions	38,985	34,881
2.03	Shareholders' Equity	8,051,041	7,625,273
2.03.01	Paid-in Capital Stock	6,701,571	6,129,405
2.03.02	Capital Reserves	202,124	384,342
2.03.02.02	Special Goodwill Reserve	38,023	238,930
2.03.02.04	Granted Options	156,703	138,014
2.03.02.07	Capital Reserve	7,398	7,398
2.03.04	Profit Reserves	753,919	1,111,526
2.03.04.01	Legal Reserve	248,249	248,249
2.03.04.05	Retention of Profits Reserve	45,112	80,147
2.03.04.10	Expansion Reserve	460,558	783,130
2.03.05	Retained Earnings/ Accumulated Losses	393,427	-

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information / Income Statement

R$ (in thousands)

Code	Description	YTD Current Year 4/1/2012 to 06/30/2012	YTD Current Year 1/1/2012 to 06/30/2012	YTD Previous Year 4/1/2011 to 06/30/2011	YTD Previous Year 1/1/2011 to 06/30/2011
3.01	Net Sales from Goods and/or Services	4,560,301	9,140,379	4,331,752	8,529,545
3.02	Cost of Goods Sold and/or Services Sold	(3,382,413)	(6,773,662)	(3,233,237)	(6,353,015)
3.03	Gross Profit	1,177,888	2,366,717	1,098,515	2,176,530
3.04	Operating Income/Expenses	(761,504)	(1,627,079)	(910,684)	(1,700,049)
3.04.01	Selling Costs	(688,093)	(1,369,159)	(653,054)	(1,256,077)
3.04.02	General and Administrative	(138,228)	(288,385)	(130,307)	(273,250)
3.04.04	Other Operating Expense	(14,114)	(16,367)	(71,115)	(76,393)
3.04.04.01	Income related to fixed assets	(12,601)	(14,856)	(936)	(422)
3.04.04.02	Other Operating Income	-	2	5,826	-
3.04.04.03	Noncurrent Income	(1,513)	(1,513)	(76,005)	(75,971)
3.04.05	Other Operating Expenses	(91,879)	(177,166)	(69,538)	(144,319)
3.04.05.01	Depreciation/Amortization	(91,923)	(176,006)	(68,352)	(139,484)
3.04.05.02	Allowance for doubtful accounts	98	(1,106)	(1,154)	(4,835)
3.04.05.03	Other Operating Expenses	(54)	(54)	(32)	-
3.04.06	Equity Pickup	170,810	223,998	13,330	49,990
3.05	Profit before Net Financial Expenses and Social Contribution Taxes	416,384	739,638	187,831	476,481
3.06	Net financial expenses	(107,035)	(223,529)	(106,610)	(230,383)
3.06.01	Financial revenue	92,019	174,344	85,778	163,819
3.06.02	Financial expenses	(199,054)	(397,873)	(192,388)	(394,202)
3.07	Earnings efore income and social contribution taxes	309,349	516,109	81,221	246,098
3.08	Income and Social Contribution Taxes	(54,700)	(94,868)	9,821	(22,656)
3.08.01	Current	(47,982)	(81,548)	889	-
3.08.02	Deferred	(6,718)	(13,320)	8,932	(22,656)
3.09	Net Income from Continued Operations	254,649	421,241	91,042	223,442
3.11	Net Income for the Period	254,649	421,241	91,042	223,442

3.99	Earnings per Share - (Reais/Share)				
3.99.01	Earnings Basic per Share				
3.99.01.01	ON	0.92000	1.52000	0.33000	0.82000
3.99.01.02	PN	1.01000	1.67000	0.36000	0.89000
3.99.02	Earnings Diluted per Share				
3.99.02.01	ON	0.92000	1.52000	0.33000	0.82000
3.99.02.02	PN	1.00000	1.66000	0.36000	0.89000

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information / Comprehensive Income for the Period

R$ (in thousands)

Code	**Description**	**YTD Current Year 4/1/2012 to 06/30/2012**	**YTD Current Year 1/1/2012 to 06/30/2012**	**YTD Previous Year 4/1/2011 to 06/30/2011**	**YTD Previous Year 1/1/2011 to 06/30/2011**
4.01	Net Income for the Period	254,649	421,241	91,042	223,442
4.03	Comprehensive Income for the Period	254,649	421,241	91,042	223,442

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information /Statement of Cash Flows – Indirect Method

R$ (in thousands)

Code	**Description**	**YTD Current Year 1/1/2012 to 06/30/2012**	**YTD Previous Year 1/1/2011 to 06/30/2011**
6.01	Cash Flow provided by Operating Activities	(257,576)	(328,741)
6.01.01	Cash provided by the Operations	742,564	467,422
6.01.01.01	Net Income for the Period	421,241	223,442
6.01.01.02	Deferred Income and social contribution taxes	13,320	(2,113)
6.01.01.03	Results from Disposal of Fixed Assets	14,856	431
6.01.01.04	Depreciation/Amortization	176,006	139,484
6.01.01.05	Net finance expenses	306,458	137,130
6.01.01.06	Adjustment to Present Value	(3,162)	(17,756)
6.01.01.07	Equity Pickup	(223,998)	(49,990)
6.01.01.08	Provision for Contingencies	25,050	27,163
6.01.01.09	Provision for impairment of Property and Equipment	(3,304)	-
6.01.01.10	Share-based Payment	18,688	12,787
6.01.01.11	Allowance for Doubtful Accounts and Breakage	(2,599)	(3,156)
6.01.01.12	Gain (loss) in Equity Interest Dilution	8	-
6.01.02	Changes in Assets and Liabilities	(1,000,140)	(796,163)
6.01.02.01	Accounts Receivable	168,891	430,784
6.01.02.02	Inventories	149,255	(7,429)
6.01.02.03	Recoverable Taxes	34,551	3,799
6.01.02.04	Other Assets	(38,528)	(45,278)
6.01.02.05	Related Parties	(497,466)	(626,171)
6.01.02.06	Restricted Deposits for Legal Proceeding	(58,661)	(29,030)
6.01.02.07	Trade Accounts Payable	(671,000)	(509,818)
6.01.02.08	Payroll Charges	(17,546)	(13,794)
6.01.02.09	Taxes and Social Contributions Payable	(56,970)	132,756
6.01.02.10	Other Accounts Payable	(12,666)	(131,982)
6.02	Cash flow provided by (used in) Investment Activities	(376,202)	(34,260)
6.02.01	Capital Increase in Subsidiaries	-	282,211
6.02.02	Acquisition of Property and Equipment	(377,485)	(309,306)

6.02.03	Increase Intangible Assets	(3,473)	(22,899)
6.02.04	Sales of Property and Equipment	4,756	15,734
6.03	Net Cash Provided by (used in) from Financing Activities	993,421	259,446
6.03.01	Capital Increase/Decrease	12,847	11,797
6.03.02	Additions	1,522,006	1,464,303
6.03.03	Payments	(357,564)	(682,611)
6.03.04	Interest Paid	(53,243)	(398,752)
6.03.05	Payment of Dividends	(130,625)	(135,291)
6.05	Net Increase (Decrease) in Cash and Cash Equivalents	359,643	(103,555)
6.05.01	Cash and Cash Equivalents at beginning of Period	2,328,783	1,757,576
6.05.02	Cash and Cash Equivalents at end of Period	2,688,426	1,654,021

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information / Statement of Changes in Shareholders' Equity – 01/01/2012 to 06/30/2012

R$ (in thousands)

Code	Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Accumulated Profit/Losses	Other Comprehensive Income	Shareholders' Equity
5.01	Opening Balance	6,129,405	384,342	1,111,526	-	-	7,625,273
5.03	Adjusted Opening Balance	6,129,405	384,342	1,111,526	-	-	7,625,273
5.04	Capital Transactions with Partners	572,166	(182,218)	(358,413)	(27,814)	-	3,721
5.04.01	Capital Increases	12,847	-	-	-	-	12,847
5.04.03	Recognized Granted Options	-	18,688	-	-	-	18,688
5.04.06	Dividends	-	-	-	(27,814)	-	(27,814)
5.04.08	Capitalization of reserve	559,319	(200,906)	(358,413)	-	-	-
5.05	Total Comprehensive Income	-	-	-	421,241	-	421,241
5.05.01	Net Income for the period	-	-	-	421,241	-	421,241
5.06	Internal Changes of Shareholders' Equity	-	-	806	-	-	806
5.06.04	Gain (loss) in equity interest	-	-	806	-	-	806
5.07	Closing Balance	6,701,571	202,124	753,919	393,427	-	8,051,041

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information /Statement of Changes in Shareholders' Equity – 01/01/2011 to 06/30/2011

R$ (in thousands)

Code	Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Accumulated Profit/Losses	Other Comprehensive Income	Shareholders' Equity
5.01	Opening Balance	5,579,259	463,148	1,056,182	-	-	7,098,589
5.03	Adjusted Opening Balance	5,579,259	463,148	1,056,182	-	-	7,098,589
5.04	Capital Transactions with Partners	538,973	(92,888)	(421,501)	(22,485)	-	2,099
5.04.01	Capital Increases	11,797	-	-	-	-	11,797
5.04.03	Recognized Granted Options	-	12,787	-	-	-	12,787
5.04.06	Dividends	-	-	-	(22,485)	-	(22,485)
5.04.08	Capitalization of reserve	527,176	(105,675)	(421,501)	-	-	-
5.05	Total Comprehensive Income	-	-	-	223,442	-	223,442
5.05.01	Net Income for the period	-	-	-	223,442	-	223,442
5.06	Internal Changes of Shareholders' Equity	-	-	3,468	-	-	3,468
5.06.01	Capitalization of Reserves	-	-	3,468	-	-	3,468
5.07	Closing Balance	6,118,232	370,260	638,149	200,957	-	7,327,598

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information /Statement of Value Added

R$ (in thousands)

Code	Description	YTD Current Year 1/1/2012 to 06/30/2012	YTD Previous Year 1/1/2011 to 06/30/2011
7.01	Revenues	9,337,744	8,661,702
7.01.01	Sales of Goods, Products and Services	9,296,943	8,701,023
7.01.02	Other Revenues	41,907	(34,486)
7.01.04	Allowance for/Reversal of Doubtful Accounts	(1,106)	(4,835)
7.02	Raw Materials Acquired from Third Parties	(7,282,594)	(6,855,221)
7.02.01	Costs of Products, Goods and Services Sold	(6,528,008)	(6,131,307)
7.02.02	Materials, Energy, Outsourced Services and Other	(754,586)	(723,914)
7.03	Gross Added Value	2,055,150	1,806,481
7.04	Retention	(176,006)	(139,484)
7.04.01	Depreciation and Amortization	(176,006)	(139,484)
7.05	Net Added Value Produced	1,879,144	1,666,997
7.06	Added Value Received in Transfers	398,342	213,809
7.06.01	Equity Pickup	223,998	49,990
7.06.02	Financial revenue	174,344	163,819
7.07	Total Added Value to Distribute	2,277,486	1,880,806
7.08	Distribution of Added Value	2,277,486	1,880,806
7.08.01	Personnel	849,141	711,272
7.08.01.01	Direct Compensation	588,850	492,491
7.08.01.02	Benefits	193,268	164,333
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	52,442	40,075
7.08.01.04	Other	14,581	14,373
7.08.02	Taxes, Fees and Contributions	425,441	384,890
7.08.02.01	Federal	296,090	213,781
7.08.02.02	State	81,235	128,682
7.08.02.03	Municipal	48,116	42,427

7.08.03	Value Distributed to Providers of Capital	581,663	561,202
7.08.03.01	Interest	397,873	394,200
7.08.03.02	Rentals	183,790	167,002
7.08.04	Value Distributed to Shareholders	421,241	223,442
7.08.04.03	Retained Earnings for the period	421,241	223,442

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Consolidated Quarterly Financial Information /Balance Sheet - Assets

R$ (in thousands)

Code	Description	Current Quarter 06/30/2012	Previous Year 12/31/2011
1	Total Assets	33,955,039	33,769,005
1.01	Current Assets	16,757,631	17,267,393
1.01.01	Cash and Cash Equivalents	5,473,383	4,969,955
1.01.03	Accounts Receivable	5,269,323	5,708,122
1.01.03.01	Trade Accounts Receivable	5,023,011	5,437,500
1.01.03.02	Other Accounts Receivable	246,312	270,622
1.01.04	Inventories	4,939,249	5,552,769
1.01.06	Recoverable Taxes	889,880	907,702
1.01.06.01	Current Recoverable Taxes	889,880	907,702
1.01.07	Prepaid Expenses	140,940	105,794
1.01.08	Other Current Assets	44,856	23,051
1.01.08.03	Other	44,856	23,051
1.02	Noncurrent Assets	17,197,408	16,501,612
1.02.01	Long-term Assets	4,341,650	3,863,879
1.02.01.03	Accounts Receivable	636,310	621,267
1.02.01.03.01	Trade Accounts Receivable	556,062	555,841
1.02.01.03.02	Other Accounts Receivable	80,248	65,426
1.02.01.04	Inventories	110,810	14,000
1.02.01.06	Deferred Taxes	1,185,012	1,249,687
1.02.01.06.01	Deferred Income and Social Contribution Taxes	1,185,012	1,249,687
1.02.01.07	Prepaid Expenses	43,114	36,898
1.02.01.08	Receivables from Related Parties	146,351	133,584
1.02.01.08.03	Receivables from Controlling Shareholders	84,102	-
1.02.01.08.04	Receivables from Other Related Parties	62,249	133,584
1.02.01.09	Other Noncurrent Assets	2,220,053	1,808,443
1.02.01.09.04	Recoverable Taxes	965,950	729,998
1.02.01.09.05	Restricted deposits for legal proceeding	898,716	774,106
1.02.01.09.07	Financial Instruments - Option to Put/Call	355,387	304,339
1.02.02	Investments	269,450	253,250
1.02.02.01	Equity Interest	269,450	253,250

1.02.02.01.02	Interest in Subsidiaries	268,991	252,790
1.02.02.01.04	Other Equity Interest	459	460
1.02.03	Property and Equipment, net	7,554,011	7,358,250
1.02.03.01	In Operation	7,105,841	6,831,678
1.02.03.02	Leased	168,095	185,025
1.02.03.03	In Progress	280,075	341,547
1.02.04	Intangible Assets	5,032,297	5,026,233
1.02.04.01	Intangible Assets	5,032,297	5,026,233
1.02.04.01.02	Intangible Assets	5,032,297	5,026,233

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Consolidated Quarterly Financial Information /Balance Sheet – Liabilities

R$ (in thousands)

Code	**Description**	**Current Quarter 06/30/2012**	**Previous Year 12/31/2011**
2	Total Liabilities	33,955,039	33,769,005
2.01	Current Liabilities	11,297,303	13,501,202
2.01.01	Payroll and related charges	836,817	758,663
2.01.01.01	Payroll Liabilities	75,529	96,376
2.01.01.02	Social security liabilities	761,288	662,287
2.01.02	Trade Accounts Payable	4,569,706	6,220,599
2.01.02.01	Local Trade Payable	4,481,842	6,171,638
2.01.02.02	Foreign Trade Payable	87,864	48,961
2.01.03	Taxes and contribution payable	180,175	332,416
2.01.03.01	Federal Tax Liabilities	171,564	324,826
2.01.03.01.01	Income and Social Contribution Taxes Payable	35,053	151,052
2.01.03.01.02	Other (PIS, COFINS, IOF, INSS, Funrural)	136,511	173,774
2.01.03.03	Municipal Tax Liabilities	8,611	7,590
2.01.04	Loans and Financing	4,600,168	4,917,498
2.01.04.01	Loans and Financing	3,734,110	4,334,011
2.01.04.01.01	In Local Currency	3,038,196	3,778,186
2.01.04.01.02	In Foreign Currency	695,914	555,825
2.01.04.02	Debentures	792,251	501,844
2.01.04.03	Financing by Leasing	73,807	81,643
2.01.05	Other Liabilities	854,649	1,005,942
2.01.05.01	Related Parties	52,145	86,036
2.01.05.01.01	Debts with Subsidiaries	39,829	11,764
2.01.05.01.03	Debts with Controlling Shareholders	12,316	15,772
2.01.05.01.04	Debts with Other Related Parties	-	58,500
2.01.05.02	Other	802,504	919,906
2.01.05.02.01	Dividends	585	103,396
2.01.05.02.04	Utilities	19,313	18,917
2.01.05.02.05	Rent payable	43,595	48,991
2.01.05.02.06	Advertisement payable	85,255	89,682
2.01.05.02.07	Transfer to Third Parties	164,936	158,134

2.01.05.02.08	Financing related to acquisition of real estate	14,211	14,211
2.01.05.02.09	Other Accounts Payable	416,851	431,746
2.01.05.02.10	Companies' Acquisition	57,758	54,829
2.01.06	Provisions	255,788	266,084
2.01.06.02	Other Provisions	255,788	266,084
2.01.06.02.02	Provisions for Restructuring	9,413	12,957
2.01.06.02.05	Taxes Payable in Installments	169,147	171,212
2.01.06.02.06	Deferred Revenues	77,228	81,915
2.02	Noncurrent Liabilities	12,150,958	10,173,378
2.02.01	Loans and Financing	8,210,852	6,240,900
2.02.01.01	Loans and Financing	4,234,696	3,908,594
2.02.01.01.01	In Local Currency	4,033,492	3,097,465
2.02.01.01.02	In Foreign Currency	201,204	811,129
2.02.01.02	Debentures	3,813,692	2,137,518
2.02.01.03	Financing by Leasing	162,464	194,788
2.02.02	Other Liabilities	1,740,588	1,756,076
2.02.02.02	Other	1,740,588	1,756,076
2.02.02.02.03	Taxes Payable by Installments	1,243,629	1,291,810
2.02.02.02.04	Other Accounts Payable	298,137	275,664
2.02.02.02.05	Companies' Acquisition	198,822	188,602
2.02.03	Deferred Taxes	1,103,607	1,114,873

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Consolidated Quarterly Financial Information /Balance Sheet – Liabilities

R$ (in thousands)

Code	**Description**	**Current Quarter 06/30/2012**	**Previous Year 12/31/2011**
2.02.03.01	Deferred Income and Social Contribution Taxes	1,103,607	1,114,873
2.02.04	Provisions for Contingencies	721,071	680,123
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	721,071	680,123
2.02.04.01.01	Tax Provisions	394,165	375,510
2.02.04.01.02	Social security and labor Provisions	157,774	132,853
2.02.04.01.03	Employee Benefits Provision	43,573	48,669
2.02.04.01.04	Civil Provisions	125,559	123,091
2.02.06	Deferred Revenues	374,840	381,406
2.02.06.02	Deferred Revenues	374,840	381,406
2.03	Consolidated Shareholders' Equity	10,506,778	10,094,425
2.03.01	Paid-in Capital Stock	6,701,571	6,129,405
2.03.02	Capital Reserves	202,124	384,342
2.03.02.02	Special Goodwill Reserve	38,023	238,930
2.03.02.04	Granted Options	156,703	138,014
2.03.02.07	Capital Reserve	7,398	7,398
2.03.04	Profit Reserves	753,919	1,111,526
2.03.04.01	Legal Reserve	248,249	248,249
2.03.04.05	Profit Retention Reserve	45,112	80,147
2.03.04.10	Expansion Reserve	460,558	783,130
2.03.05	Retained Earnings/ Accumulated Losses	393,427	-
2.03.09	Non-Controlling Interest	2,455,737	2,469,152

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Consolidated Quarterly Financial Information / Income Statement

R$ (in thousands)

Code	Description	YTD Current Year 4/1/2012 to 06/30/2012	YTD Current Year 1/1/2012 to 06/30/2012	YTD Previous Year 4/1/2011 to 06/30/2011	YTD Previous Year 1/1/2011 to 06/30/2011
3.01	Net sales from Goods and/or Services	12,037,419	24,184,870	11,269,779	22,138,573
3.02	Cost of Goods Sold and/or Services Sold	(8,779,217)	(17,688,157)	(8,282,678)	(16,303,468)
3.03	Gross Profit	3,258,202	6,496,713	2,987,101	5,835,105
3.04	Operating Income/Expenses	(2,655,476)	(5,312,384)	(2,556,372)	(4,981,195)
3.04.01	Selling costs	(1,957,008)	(3,966,374)	(1,878,406)	(3,726,664)
3.04.02	General and Administrative	(416,296)	(853,632)	(431,119)	(809,197)
3.04.04	Other Operating Income	20,726	31,482	(43,750)	(41,396)
3.04.04.01	Income related to fixed assets	(9,694)	(2,967)	760	1,246
3.04.04.02	Other Operating Income	31,932	35,961	4,881	6,715
3.04.04.03	Noncurrent Income	(1,512)	(1,512)	(49,391)	(49,357)
3.04.05	Other Operating Expenses	(300,231)	(526,045)	(205,781)	(417,169)
3.04.05.01	Depreciation/Amortization	(206,274)	(375,020)	(149,600)	(307,357)
3.04.05.02	Allowance for doubtful accounts	(79,995)	(131,257)	(36,759)	(76,005)
3.04.05.03	Other Operating Expenses	(13,962)	(19,768)	(19,442)	(33,807)
3.04.06	Equity Pickup	(2,667)	2,185	2,684	13,231
3.05	Profit before Net Financial Expenses and Social Contribution Taxes	602,726	1,184,329	430,729	853,910
3.06	Net finance expenses	(284,728)	(620,478)	(336,012)	(661,737)
3.06.01	Financial revenue	151,013	296,637	138,801	272,173
3.06.02	Financial expenses	(435,741)	(917,115)	(474,813)	(933,910)
3.07	Earnings before income and social contribution taxes	317,998	563,851	94,717	192,173
3.08	Income and social contribution taxes	(72,714)	(156,396)	(8,586)	4,808
3.08.01	Current	(50,905)	(102,986)	(17,779)	(35,938)
3.08.02	Deferred	(21,809)	(53,410)	9,193	40,746
3.09	Net Income from Continued Operations	245,284	407,455	86,131	196,981

3.11	Consolidated Net Income/Loss for the period	245,284	407,455	86,131	196,981
3.11.01	Attributed to Partners of Parent Company	254,649	421,241	91,042	223,442
3.11.02	Attributed to Non-controlling Shareholders	(9,365)	(13,786)	(4,911)	(26,461)
3.99	Earnings per Share - (Reais / Share)				
3.99.01	Earnings Basic per Share				
3.99.01.01	ON	0.92000	1.52000	0.33000	0.82000
3.99.01.02	PN	1.01000	1.67000	0.36000	0.89000
3.99.02	Earnings Diluted per Share				
3.99.02.01	ON	0.92000	1.52000	0.33000	0.82000
3.99.02.02	PN	1.00000	1.66000	0.36000	0.89000

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Consolidated Quarterly Financial Information / Comprehensive Income for the Period

R$ (in thousands)

Code	Description	YTD Current Year 4/1/2012 to 06/30/2012	YTD Current Year 1/1/2012 to 06/30/2012	YTD Previous Year 4/1/2011 to 06/30/2011	YTD Previous Year 1/1/2011 to 06/30/2011
4.01	Net Income for the Period	245,284	407,455	86,131	196,981
4.03	Comprehensive Income for the Period	245,284	407,455	86,131	196,981
4.03.01	Attributed to controlling shareholders	254,649	421,241	91,042	223,442
4.03.02	Attributed to Non-Controlling Shareholders	(9,365)	(13,786)	(4,911)	(26,461)

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Consolidated Quarterly Financial Information /Statement of Cash Flows – Indirect Method

R$ (in thousands)

Code	**Description**	**YTD Current Year 1/1/2012 to 06/30/2012**	**YTD Previous Year 1/1/2011 to 06/30/2011**
6.01	Cash Flow Provided by Operating Activities	60,609	(310,399)
6.01.01	Cash provided by the Operations	1,574,969	863,099
6.01.01.01	Net Income for the Period	407,455	196,981
6.01.01.02	Deferred income and social contribution taxes	53,410	(40,746)
6.01.01.03	Results from disposal of fixed assets	2,957	(28,643)
6.01.01.04	Depreciation/Amortization	392,170	308,148
6.01.01.05	Net finance expenses	562,522	250,120
6.01.01.06	Adjustment to Present Value	(587)	(11,616)
6.01.01.07	Equity Pickup	(2,185)	(13,231)
6.01.01.08	Payment Provision for Contingencies	66,745	62,466
6.01.01.09	Provision for impairment of Property and Equipment	(308)	36,158
6.01.01.10	Share-Based payment	18,688	12,787
6.01.01.11	Allowance for doubtful accounts and breakage	195,050	90,675
6.01.01.12	Gain (loss) in equity interest dilution	(24,138)	-
6.01.01.13	Barter Revenue	(96,810)	-
6.01.02	Changes in Assets and Liabilities	(1,514,360)	(1,173,498)
6.01.02.01	Accounts Receivable	298,569	(863,099)
6.01.02.02	Inventories	545,089	(2,376)
6.01.02.03	Recoverable Taxes	(214,935)	(443,569)
6.01.02.04	Financial Instruments	(51,048)	-
6.01.02.05	Other Assets	(82,327)	293,066
6.01.02.06	Related Parties	(59,356)	(203,152)
6.01.02.07	Restricted deposits for legal proceeding	(96,203)	(87,409)
6.01.02.08	Marketable securities	-	658,778
6.01.02.09	Trade accounts payable	(1,652,536)	(831,264)

6.01.02.10	Payroll Charges	77,728	56,241
6.01.02.11	Taxes and social contributions payable	(200,422)	381,522
6.01.02.12	Other Accounts Payable	(78,919)	(132,236)
6.02	Cash flow used in Investing Activities	(546,781)	(584,220)
6.02.01	Companies Acquisition	3,149	-
6.02.02	Capital Increase in Subsidiaries	52	-
6.02.03	Acquisition of Property and Equipment	(557,329)	(531,733)
6.02.04	Increase Intangible Assets	(30,301)	(81,512)
6.02.05	Sales of Property and Equipment	37,477	29,025
6.02.06	Net cash acquisition	171	-
6.03	Net Cash Provided by (used in) from Financing Activities	989,600	1,039,692
6.03.01	Capital Increase/Decrease	12,847	11,797
6.03.02	Additions	4,569,563	4,009,834
6.03.03	Payments	(3,326,062)	(2,394,201)
6.03.04	Interest Paid	(136,123)	(451,096)
6.03.05	Payment of Dividends	(130,625)	(136,642)
6.05	Net Increase (Decrease) in Cash and Cash Equivalents	503,428	145,073
6.05.01	Cash and Cash Equivalents at beginning of Period	4,969,955	3,817,994
6.05.02	Cash and Cash Equivalents at end of Period	5,473,383	3,963,067

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Consolidated Quarterly Financial Information /Statement of Changes in Shareholders' Equity – 01/01/2012 to 06/30/2012

R$ (in thousands)

Code	Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Accumulated Profit/Losses	Other Comprehensive Income	Shareholders' Equity	Non Controllin Interes
5.01	Opening Balance	6,129,405	384,342	1,111,526	-	-	7,625,273	2,469,15
5.03	Adjusted Opening Balance	6,129,405	384,342	1,111,526	-	-	7,625,273	2,469,15
5.04	Capital Transactions with Partners	572,166	(182,218)	(358,413)	(27,814)	-	3,721	
5.04.01	Capital Increases	12,847	-	-	-	-	12,847	
5.04.03	Recognized Granted Options	-	18,688	-	-	-	18,688	
5.04.06	Dividends	-	-	-	(27,814)	-	(27,814)	
5.04.08	Capitalization of reserves	559,319	(200,906)	(358,413)	-	-	-	
5.05	Total Comprehensive Income	-	-	-	421,241	-	421,241	(13,78
5.05.01	Net Income for the Period	-	-	-	421,241	-	421,241	(13,78
5.06	Internal Changes of Shareholders'	-	-	806	-	-	806	37

	Equity							
5.06.05	Gain (loss) in equity interest	-	-	806	-	-	806	37
5.07	Closing Balance	6,701,571	202,124	753,919	393,427	-	8,051,041	2,455,73

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 –
COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO Version: 1

Consolidated Quarterly Financial Information /Statement of Changes in Shareholders' Equity – 01/01/2011 to 06/30/2011

R$ (in thousands)

Code	Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Accumulated Profit/Losses	Other Comprehensive Income	Shareholders' Equity	Non Controllin Interes
5.01	Opening Balance	5,579,259	463,148	1,056,182	-	-	7,098,589	2,485,18
5.03	Adjusted Opening Balance	5,579,259	463,148	1,056,182	-	-	7,098,589	2,485,18
5.04	Capital Transactions with Partners	538,973	(92,888)	(421,501)	(22,485)	-	2,099	(9,969
5.04.01	Capital Increases	11,797	-	-	-	-	11,797	
5.04.03	Recognized Granted Options	-	12,787	-	-	-	12,787	
5.04.06	Dividends	-	-	-	(22,485)	-	(22,485)	
5.04.08	Capitalization of reserve	527,176	(105,675)	(421,501)	-	-	-	
5.04.09	Non-controlling Interest	-	-	-	-	-	-	(9,969
5.05	Total Comprehensive Income	-	-	-	223,442	-	223,442	(26,461
5.05.01	Net Income for the Period	-	-	-	223,442	-	223,442	(26,461
5.06	Internal Changes of	-	-	3,468	-	-	3,468	

5.06.01	Shareholders' Equity Reserves Constitution	-	-	3,468	-	-	3,468	
5.07	Closing Balance	6,118,232	370,260	638,149	200,957	-	7,327,598	2,448,75

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 –
COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO Version: 1

Consolidated Quarterly Financial Information /Statement of Value Added

R$ (in thousands)

Code	**Description**	**YTD Current Year 1/1/2012 to 06/30/2012**	**YTD Previous Year 1/1/2011 to 06/30/2011**
7.01	Revenues	27,145,572	24,917,667
7.01.01	Sales of Goods, Products and Services	27,171,747	24,977,380
7.01.02	Other Revenues	105,082	16,292
7.01.04	Allowance for/Reversal of Doubtful Accounts	(131,257)	(76,005)
7.02	Raw materials Acquired from Third Parties	(20,563,143)	(19,279,981)
7.02.01	Costs of Products, Goods and Services Sold	(18,142,776)	(16,943,355)
7.02.02	Materials, Energy, Outsourced Services and Other	(2,420,367)	(2,336,626)
7.03	Gross Added Value	6,582,429	5,637,686
7.04	Retention	(392,170)	(308,148)
7.04.01	Depreciation and Amortization	(392,170)	(308,148)
7.05	Net Added Value Produced	6,190,259	5,369,538
7.06	Added Value Received in Transfers	298,822	285,404
7.06.01	Equity Pickup	2,185	13,231
7.06.02	Financial revenue	296,637	272,173
7.07	Total Added Value to Distribute	6,489,081	5,614,942
7.08	Distribution of Added Value	6,489,081	5,614,942
7.08.01	Personnel	2,754,785	2,433,998
7.08.01.01	Direct Compensation	1,871,519	1,859,318
7.08.01.02	Benefits	429,850	370,374
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	180,470	179,230
7.08.01.04	Other	272,946	25,076
7.08.01.04.01	Interest	272,946	25,076
7.08.02	Taxes, Fees and Contributions	1,862,421	1,510,546

7.08.02.01	Federal	1,145,310	496,890
7.08.02.02	State	603,830	917,911
7.08.02.03	Municipal	113,281	95,745
7.08.03	Value Distributed to Providers of Capital	1,464,420	1,473,417
7.08.03.01	Interest	917,115	933,910
7.08.03.02	Rentals	547,305	539,507
7.08.04	Value Distributed to Shareholders	407,455	196,981
7.08.04.03	Retained Earnings/ Accumulated Losses for the Period	421,241	223,442
7.08.04.04	Non-controlling Interest in Retained Earnings	(13,786)	(26,461)

2Q12 Earnings

Consolidated net income reaches R$ 253 million in the quarter

São Paulo, Brazil, July 23, 2012 - **Grupo Pão de Açúcar**[BM&FBOVESPA: PCAR4 (PN); NYSE: CBD] and **Via Varejo S.A.**[BM&FBOVESPA: VVAR3] announce their results for the second quarter of 2012 (2Q12). The results are presented in the segments as follows: **GPA Food**, which comprises supermarkets (Pão de Açúcar, Extra Supermercado and PA Delivery), hypermarkets (Extra Hiper), neighborhood stores (Minimercado Extra), cash-and-carry stores (Assaí), gas stations and drugstores; and **GPA Consolidated**, comprised by GPA Food and Viavarejo (Casas Bahia and Ponto Frio's bricks-and-mortar stores and Nova Pontocom's e-commerce: Extra.com.br, PontoFrio.com.br and Casasbahia.com.br).

GPA Food

Gross sales revenue up 7.3% in 2Q12

GPA Food’s EBITDA margin at 8.5% in 2Q12

§ Gross sales revenue at R$ 7.437 billion, up 7.3% over 2Q11

§ Gross profit at R$ 1.801 billion, up 14.8% over 2Q11

§ EBITDA at R$ 574 million, up 37.0% over 2Q11, with margin at 8.5%

§ Net income at R$ 253 million, up 171.3% over 2Q11

§ Impact on results of R$ 98 million related to real estate projects (more on page 8). Results excluding the real estate projects are presented as from page 2.

GPA Consolidated

EBITDA totaled R$ 787 million in 2Q12, up 22.8% over 2Q11, and EBITDA margin at 6.5%

Net income totaled R$ 255 million, up 179.7% over 2Q11

§ Gross sales revenue totaled R$ 13.512 billion, up 7.2% over 2Q11

§ Gross profit at R$ 3.241 billion, up 8.5%

§ EBITDA at R$ 787 million, up 22.8%

§ Net income at R$ 255 million, up 179.7% over 2Q11

HIGHLIGHTS

	GPA Food							
(R$ million)[1]	2Q12	2Q11	Δ	1H12	1H11	Δ	2Q12	2Q
Gross Sales Revenue	7,437	6,928	7.3%	14,808	13,569	9.1%	13,512	
Net Sales Revenue	6,720	6,229	7.9%	13,376	12,213	9.5%	12,037	
Gross Profit	1,801	1,569	14.8%	3,527	3,106	13.6%	3,241	
Gross Margin	**26.8%**	**25.2%**	**160 bps**	**26.4%**	**25.4%**	**100 bps**	**26.9%**	
EBITDA	574	419	37.0%	1,067	841	26.9%	787	
EBITDA Margin (2)	**8.5%**	**6.7%**	**180 bps**	**8.0%**	**6.9%**	**110 bps**	**6.5%**	
Net Financial Revenue (Expenses)	(121)	(166)	27.4%	(263)	(328)	19.7%	(285)	
% of net sales revenue	**1.8%**	**2.7%**	**90 bps**	**2.0%**	**2.7%**	**70 bps**	**2.4%**	
Net Income Controlling Shareholders (3)	253	93	171.3%	414	239	73.5%	255	
Net Margin	**3.8%**	**1.5%**	**230 bps**	**3.1%**	**2.0%**	**110 bps**	**2.1%**	

(1) Totals may not tally as the figures are rounded off and all margins were calculated as percentage of net sales revenue.

(2) Earnings before Interest, Taxes, Depreciation, Amortization and Net Financial Revenue (Expenses)

(3) Net Income after noncontrolling shareholders

PERFORMANCE BY SEGMENT

The Company’s operations are integrated into two business segments, as shown below:

In order to enable comparison of the Company’s figures, the tables and explanations about the 2Q12 earnings will be presented excluding revenue from the Company’s real estate projects (see page 8).

SALES PERFORMANCE

	GPA Food *ex real estate projects*			GPA Food *(ex real estate projects)* Retail			GPA Food *(ex real estate projects)* Cash and Carry		
(R$ million)	**2Q12**	**2Q11**	**Δ**	**2Q12**	**2Q11**	**Δ**	**2Q12**	**2Q11**	**Δ**
Gross Sales Revenue	7,339	6,928	5.9%	6,196	5,900	5.0%	1,142	1,028	11.1%
Net Sales Revenue	6,621	6,229	6.3%	5,579	5,296	5.3%	1,043	933	11.7%
Gross 'Same Store' Sales Revenue	4.7%	9.1%							
Food	4.8%	10.0%							
Non food	4.3%	5.9%							

GPA Food 2Q12 x 2Q11 *(excludes real estate projects)*

GPA Food’s gross sales revenue increased 5.9% in 2Q12 over 2Q11, due, among other factors, to the opening of 14 stores in the past 12 months and to the conclusion of the conversion process for banners CompreBem and Sendas into Extra Supermercado and banner Extra Fácil into Minimercado Extra.

Gross same-store sales growth was 4.7%, or -0.2% in real terms, when deflated by the IPCA benchmark inflation index for the period. It is worth noting that, differently from 2Q11, the shopping period ahead of Easter Day also impacted the first quarter of 2012. The Company's sales performance was also impacted by the retail sales in the beginning of the second quarter, in line with the performance released by the Brazilian Geography and Statistics Institute (IBGE), which showed the slowest growth pace since March 2009.

4 Retail: Gross sales revenue up 5.0% over 2Q11, mainly due to:

§ Differentiated performance in some segments, mainly of the general merchandise segment, which posted higher sales revenue due to the introduction of a broader assortment for such products, and of the home and personal care segment, for which several initiatives were developed jointly with suppliers. The trend was offset by a decline in the fish segment's sales revenue, due to the Easter effect and to a lower average price per kilo;

§ Faster sales pace in the neighborhood and supermarket formats. The first format saw the conversion of of 66 Extra Fácil stores into Minimercado Extra. Minimercado's value proposition is different from Extra Fácil's, once the first offers a broader assortment of perishables and services, in addition to assortment adjusted to each microregion. In 2Q12, the conversion process of banner Extra Fácil into Minimercado Extra was concluded. As for the second format, Extra Supermercado also posted growth above the Group's average in gross same-store sales.

4 Cash and carry: Gross sales revenue up 11.1%, mainly due to:

§ Brand repositioning, with assortment changes, a process which began in the second half of 2011, focusing on the assortment to the target publics - processors, distributors and users, which favors an increase in the average ticket.

	GPA Food *ex real estate projects*			**GPA Consolidated** *ex real estate projects*					
(R$ million)	**1H12**	**1H11**	**Δ**	**2Q12**	**2Q11**	**Δ**	**1H12**	**1H11**	**Δ**
Gross Sales Revenue	14,709	13,569	8.4%	13,414	12,605	6.4%	27,073	24,978	8.4%
Net Sales Revenue	13,278	12,213	8.7%	11,939	11,270	5.9%	24,087	22,139	8.8%
Gross 'Same Store' Sales Revenue	7.0%	7.4%		5.6%	10.1%		7.6%	8.5%	

Food	7.0%	7.4%
Non food	6.7%	7.3%

GPA Food 1H12 x 1H11 *(excludes real estate projects)*

In the first half of 2012, gross sales revenue increased 8.4%. The 7.0% same-store sales growth, or 2.0% in real terms, is due to the successful conversions into Extra Supermercado and Minimercado Extra, as these banners' stores posted improved performance compared with the ones in operation before the conversion, and to the opening of 10 stores in the past 12 months (for further information, see page 10, on the CAPEX section).

GPA Consolidated 2Q12 x 2Q11

Gross sales revenue totaled R$ 13.414 billion in 2Q12, up 6.4%. In addition to GPA Food's growth, as explained above, sales increase at Viavarejo stood out. The operation posted sales growth in two of the industry's main shopping dates for the home appliances segment: Mothers' Day, in May, and Valentines' Day, commemorated in June in Brazil, and were also benefitted by an extension of the reduction on the IPI tax on some white-line products and relaxation in the tax on furniture.

GPA Consolidated 1H12 x 1H11

Gross sales revenue totaled R$ 27.073 billion, up 8.4%. Same-store sales growth was 7.6%.

Operating Performance

	GPA Food ex real estate projects			**GPA Food** *(ex real estate projects)*				
				Retail			Cash and Carry	
(R$ million)	2Q12	2Q11	Δ	2Q12	2Q11	Δ	2Q12	2Q11
Net Sales Revenue	6,621	6,229	6.3%	5,579	5,296	5.3%	1,043	933
Gross Profit	1,703	1,569	8.5%	1,550	1,454	6.6%	153	115
Gross Margin	25.7%	25.2%	50 bps	27.8%	27.5%	30 bps	14.6%	12.3%
Selling Expenses	(1,049)	(988)	6.2%	(947)	(892)	6.1%	(102)	(96)
General and Administrative Expenses	(175)	(162)	8.2%	(165)	(156)	5.4%	(10)	(5)
Total Operating Expenses	(1,224)	(1,150)	6.5%	(1,112)	(1,048)	6.0%	(113)	(102)
% of Net Sales Revenue	18.5%	18.5%	0 bps	20.0%	19.8%	20 bps	10.8%	10.9%
EBITDA	479	419	14.2%	439	406	8.2%	40	14
EBITDA Margin	7.2%	6.7%	50 bps	7.9%	7.7%	20 bps	3.8%	1.5%

GPA Food 2Q12 x 2Q11 *(excludes real estate projects)*

In 2Q12, EBITDA totaled R$ 479 million, up 14.2%, and margin was up 50 basis points, to 7.2%. EBITDA of the retail segment increased 8.2%, while EBITDA of the cash-and-carry segment increased 192.3%. In 2Q11, the cash-and-carry segment accounted for 14.8% in GPA Food’s gross sales revenue, and increased to 15.6% in 2Q12. This segment’s participation on GPA Food’s EBITDA accounted for 8.3% in 2Q12, up from 3.3% in 2Q11.

4 Retail: EBITDA margin reached 7.9%, a 20-basis-point gain, due to:

§ 30-basis-point gain in gross margin, following a sales mix with higher value-added products, such as perishables and general merchandise, which were also favored by the conversions into Minimercado Extra and Extra Supermercado, once these categories’ presence is higher on those formats. Such performance was in line with the trend in the previous quarters;

§ Increase of 20 basis points in total operating expenses as percentage of net sales revenue due to an increase in personnel and marketing expenses.

4 Cash and carry: the segment posted EBITDA margin at 3.8%, up 230 basis points over 2Q11, due to:

§ 230 basis-point increase in gross margin, to 14.6%, following maturation of stores opened in the past 2 years; new positioning in assortment for the target public, which privileges more profitable items;

§ Reduction in sales expenses due to productivity gains in stores and adjustment of services rendered at the stores. The sales area reformatting, for inventory optimization, and the logistics model review benefit expense control;

GPA Food 1H12 x 1H11 *(excludes real estate projects)*

EBITDA increased 16.2%, due to a 10.4% increase in gross profit and maintenance of operating expenses as percentage of gross sales revenue at 18.5%.

	GPA Food ex real estate projects			*GPA Consolidated ex real estate projects*				
(R$ million)	**1H12**	**1H11**	**Δ**	**2Q12**	**2Q11**	**Δ**	**1H12**	**1H11**
Net Sales Revenue	13,278	12,213	8.7%	11,939	11,270	5.9%	24,087	22,139
Gross Profit	3,429	3,106	10.4%	3,142	2,987	5.2%	6,398	5,836
Gross Margin	25.8%	25.4%	40 bps	26.3%	26.5%	20 bps	26.6%	26.4%
Selling Expenses	(2,086)	(1,926)	8.3%	(2,039)	(1,922)	6.1%	(4,098)	(3,803)
General and Administrative Expenses	(365)	(339)	7.7%	(411)	(424)	3.0%	(845)	(809)
Total Operating Expenses	(2,451)	(2,265)	8.2%	(2,450)	(2,346)	4.4%	(4,942)	(4,612)
% of Net Sales Revenue	18.5%	18.5%	0 bps	20.5%	20.8%	30 bps	20.5%	20.8%
EBITDA	978	841	16.2%	692	641	7.9%	1,456	1,224
EBITDA Margin	7.4%	6.9%	50 bps	5.8%	5.7%	10 bps	6.0%	5.5%

GPA Consolidated 2Q12 x 2Q11

Gross margin declined 20 basis points, due to fiercer competition in the segments in which Viavarejo operates; the increase in participation of white-line products sales, which carry lower margins compared with those of other categories; and increase in participation of the cash-and-carry segment in GPA Food’s sales, as mentioned above.

In 2Q12, EBITDA totaled R$ 692 million, up 7.9%, with margin at 5.8%, up 10 basis points over 2Q11, due to operation improvement in GPA Food, as mentioned above, through maintenance in operating expenses as percentage of net sales revenue.

GPA Consolidated 1H12 x 1H11

EBITDA increased 19.0% to R$ 1.456 billion, with margin at 6.0%, up 50 basis points over 1H11.

Financial Performance and Indebtedness

Financial Result

Financial Performance and Indebtedness

Financial Result

	GPA Food ex real estate projects					
(R$ million)	**2Q12**	**2Q11**	**Δ**	**1H12**	**1H11**	**Δ**
Financial Revenue	123	102	19.9%	228	195	17.4%
Financial Expenses	(244)	(269)	9.3%	(492)	(523)	5.8%
Net Financial Revenue (Expenses)	**(121)**	**(166)**	**27.2%**	**(264)**	**(328)**	**19.6%**
% of Net Sales Revenue	**1.8%**	**2.7%**	**90 bps**	**2.0%**	**2.7%**	**70 bps**
Charges on Net Bank Debt	(64)	(85)	25.4%	(143)	(169)	15.3%
Cost of Discount of Receivables	(26)	(34)	24.5%	(56)	(82)	32.4%
Restatement of Other Assets and Liabilities	(32)	(47)	32.4%	(65)	(77)	15.3%
Net Financial Revenue (Expenses)	**(121)**	**(166)**	**27.2%**	**(264)**	**(328)**	**19.6%**

GPA Food 2Q12 x 2Q11 *(excludes real estate projects)*

The net financial expense was R$ 121 million, and accounted for 1.8% of net sales revenue, down 90 basis points from that in 2Q11. Such reduction is due to the effects from the decline in the base interest rate, notably as from September 2011, which impacts the Company as explained below:

§ R$ 64 million in charges on the net bank debt, which accounted for 1.0% of net sales volume, down 40 basis points from 2Q11. The interest rate decline in the period benefitted this reduction;

§ R$ 26 million in discounted credit card receivables cost, which accounted for 0.4% of net sales revenue. The 20 basis-point reduction, as compared with 2Q11, is directly impacted by a maintenance in the Company's commercial policy coupled with an interest rate decline;

§ R$ 32 million in restatement of other assets and liabilities, which accounted for 0.5% of net sales revenue in the quarter, down 20 basis points from 2Q11.

GPA Food 1H12 x 1H11 *(excludes real estate projects)*

The net financial result was an expense of R$ 264 million, down 19.6%, despite the 8.4% increase in gross sales revenue. The result was impacted by a decline in interest rates and control in payment conditions.

GPA Consolidated 2Q12 x 2Q11

The net financial result was an expense of R$ 285 million and accounted for 2.4% of net sales revenue, down 60 basis points from 2Q11.

GPA Consolidated 1H12 x 1H11

In the first half of 2012, the net financial result was an expense of R$ 621 million and accounted for 2.6% of net sales revenue, down 40 basis points from 1H11.

Indebtedness

	GPA Food		GPA Consolidated	
(R$ million)	**06.30.2012**	**03.31.2012**	**06.30.2012**	**03.31.2012**
Short Term Debt	**(2,084)**	**(2,382)**	**(2,373)**	**(2,442)**
Loans and Financing	(1,406)	(1,859)	(1,581)	(1,915)
Debentures	(679)	(523)	(792)	(527)
Long Term Debt	**(4,767)**	**(3,199)**	**(5,658)**	**(3,827)**
Loans and Financing	(1,754)	(1,302)	(1,844)	(1,529)
Debentures	(3,012)	(1,896)	(3,814)	(2,298)
Total Gross Debt	**(6,851)**	**(5,581)**	**(8,031)**	**(6,269)**
Cash	**4,221**	**2,831**	**5,473**	**3,746**
Net Debt	**(2,630)**	**(2,750)**	**(2,557)**	**(2,523)**
Net Debt / EBITDA(1)	**1.26x**	**1.36x**	**0.78x**	**0.78x**
Payment book short term	-	-	(2,227)	(2,211)
Payment book long term	-	-	(116)	(112)
Net Debt with payment book	-	-	**(4,900)**	**(4,846.69)**
Net Debt / EBITDA(1)	**1.26x**	**1.36x**	**1.50x**	**1.51x**

(1) EBITDA f or t he last 12 mont hs. Does not include real est at e project s

GPA Food *(excludes real estate projects)*

On 06/30/2012, GPA Food’s net debt totaled R$ 2.630 billion, down R$ 120 million from 03/31/2012, mainly due to the cash generation in the period. The net-debt-to-EBITDA ratio was at 1.26 x at the end of June.

GPA Consolidated

Net debt totaled R$ 2.557 billion as of 06/30/2012, up R$ 34 million in comparison with 03/31/2012. The net-debt-to-EBITDA ratio was at 0.78x.

The Company issued three new series of debentures in the quarter and will use the proceeds to lengthen its debt profile:

§ 11th simple debenture issue of Companhia Brasileira de Distribuição (CBD) - R$ 1.200 billion, with yield of 100% of the CDI + spread of 1% and to mature in 42 months;

§ 1st simple debenture issue of Nova Pontocom (NPC) - R$ 100 million, with yield at 105.35% of the CDI and to mature in 12 months; and

§ 1st simple debenture issue of Nova Casa Bahia (NCB) - R$ 400 million, with yield at 100% of the CDI + spread of 0.72% and to mature in 31 months.

The Company endorsed both debenture issues.

GPA Malls & Properties

The opening of stores at Grupo Pão de Açúcar is the result of a planned expansion process. The Company uses its market intelligence to promote synergies between its retail strength and its real estate assets, which are managed by its real estate unit, GPA Malls & Properties (GPA M&P). GPA M&P manages and explores the Company's real estate assets, and looks at unlocking value in this market.

In the second quarter, a R$ 98 million gross sales revenue was recognized. It is related to a land swap with Cyrela and with Pitangueiras Desenvolvimento Imobiliário of Company's pieces of land for the development and construction of projects, among them Thera Faria Lima Pinheiros, launched in October 2011, and Figue, respectively. The swap revenue is net of the accounting cost of the piece of land.

It is worth noting that the operational cycle at the real estate industry is different from that at the retail industry, for it is longer, generally exceeds the fiscal year period in which the project started and relies on real estate launches and their pace.

For further information on the recognition of such revenue, see explanatory notes number 3.b. and 26, on the Financial Statements.

Net income

	GPA Food ex real estate projects				
(R$ million)	**2Q12**	**2Q11**	**Δ**	**1H12**	**1H11**
EBITDA	**479**	**419**	**14.2%**	**978**	**841**
Depreciation and Amortization	(156)	(116)	34.0%	(303)	(241)
Net Financial Revenue (Expenses)	(121)	(166)	27.2%	(264)	(328)
Equity Income	(2)	(1)	111.9%	2	6
Result from Permanent Assets	(14)	1	-	(24)	1
Nonrecurring Result	-	(49)	-	-	(49)

Other Operating Revenue (Expenses)	23	6	294.2%	23	0
Income Before Income Tax	**208**	**93**	**124.8%**	**412**	**231**
Income Tax	(64)	(1)	N/A	(115)	(3)
Minority Interest Noncontrolling	13	2	-	27	12
Net Income[(1)] - Controlling Shareholders	**157**	**93**	**68.6%**	**325**	**239**
Net Margin	**2.4%**	**1.5%**	**90 bps**	**2.4%**	**2.0%**
Net income GPA Malls & Properties	**96**	-	-	**90**	-
Net Income[(1)] - Controlling Shareholders	**253**	**93**	**171.3%**	**414**	**239**
Net Margin	**3.8%**	**1.5%**	**230 bps**	**3.1%**	**2.0%**
Total Nonrecurring	-	**35**	-	**-**	**35**
Refis 11.941/2009	-	28	-	-	28
Expenses (Revenues) with Association	-	21	-	-	21
Income Tax from Nonrecurring	-	(10)	-	-	(10)
Minority Interest	-	(5)	-	-	(5)
Adjusted Net Income	**253**	**128**	**97.8%**	**414**	**273**
Adjusted Net Margin	**3.8%**	**2.1%**	**170 bps**	**3.1%**	**2.2%**

(1) Net Income after noncontrolling shareholders

GPA Food 2Q12 x 2Q11 *(excludes real estate projects)*

Operating income before income tax totaled R$ 208 million, up 124,8% over 2Q11. The increase reflects the operational improvement in all formats and strict control over operating and financial expenses. Net income increased 68.6%, to R$ 157 million, with net margin at 2.4%, up 90 basis points.

Net income for GPA Food including the real estate projects totaled R$ 253 million in 2Q12, up 171.3% over the same year-ago period. In 1H12, net income totaled R$ 414 million, up 73.5% over 1H11.

GPA Food 1H12 x 1H11 *(excludes real estate projects)*

In the first half, the operating income before income tax totaled R$ 412 million, up 78.7% over the same period last year;

GPA Consolidated 2Q12 x 2Q11

Net income totaled R$ 159 million, up 74.5% over 2Q11, reflecting the operational improvements in GPA Food. The net margin increased 50 basis points in 2Q12 to 1.3%.

GPA Consolidated 1H12 x 1H11

In the first half, net income, including Malls & Properties operations, totaled R$ 421 million, up 88.5% over the same period last year.

Cash Flow

	GPA Food							
(R$ million)	**2Q12**	**2Q11**	**Δ**	**1H12**	**1H11**	**Δ**	**2Q12**	**2Q11**
Cash Balance at beginning of period	2,831	2,441	391	3,544	2,468	1,076	3,746	3,588
Cash Flow from operating activities	655	635	20	327	390	(63)	623	536
EBITDA	574	419	155	1,067	841	226	787	641
Cost of Discount of Receivables	(43)	(41)	(2)	(72)	(88)	16	(153)	(194

Working Capital	123	257	(133)	(668)	(363)	(305)	(11)	89
Cash Flow from Investment Activities	(276)	(214)	(63)	(451)	(436)	(15)	(345)	(320
Net CAPEX	(245)	(94)	(151)	(455)	(436)	(19)	(314)	(238
Aquisition and Others	(31)	(120)	89	3		3	(31)	(82
Cash Flow from Financing Activities	1,011	(285)	1,297	801	154	647	1,450	159
Dividends Payments and Others	(131)	(137)	6	(131)	(137)	6	(131)	(137
Net Proceeds	1,142	(149)	1,291	932	291	641	1,580	290
Variation of Net Cash Generated	1,390	136	1,254	677	108	569	1,728	375
Cash Balance at end of period	4,221	2,576	1,645	4,221	2,576	1,645	5,473	3,963

GPA Food 2Q12 x 2Q11 *(excludes real estate projects)*

At the end of 2Q12, GPA Food´s cash flow was positive by R$ 4.221 billion, up R$ 1.645 billion over 2Q11, mostly due to the net proceeds and operating cash generation in the period. In May, the Company concluded its 11st debentures issue in the amount of R$ 1.200 billion.

GPA Consolidated 2Q12 x 2Q11

Cash flow in 2Q12 stood at R$ 5.473 billion, a R$ 1.510 billion change in the period.

CAPEX

	GPA Food						GPA Consolidated					
(R$ million)	2Q12	2Q11	Δ	1H12	1H11	Δ	2Q12	2Q11	Δ	1H12	1H11	
New stores and land acquisition	119	23	412.1%	182	85	114.5%	155	34	359.6%	232	111	1
Store renovations and conversions	98	97	0.8%	181	222	18.3%	107	115	6.8%	198	242	
Infrastructure and Others	102	85	19.0%	145	148	2.4%	129	141	8.2%	204	220	
Total	**318**	**206**	**54.7%**	**508**	**455**	**11.7%**	**392**	**290**	**35.1%**	**633**	**573**	

GPA Food 2Q12 x 2Q11 *(excludes real estate projects)*

In 2Q12, GPA Food invested R$ 318 million, allocated as follows:

§ R$ 119 million to store renovations and conversions. In 2Q12, the Company opened one Pão de Açúcar store, one Extra Hiper, one Minimercado Extra, and five drugstores.

§ R$ 98 million to store openings, construction and land acquisitions. In 2Q12, the conversion process of Extra Fácil to Minimercado Extra stores was concluded;

§ R$ 102 million to infrastructure (technology and logistics) and others;

GPA Food 1H12 x 1H11

In the first half, GPA Food invested R$ 508 million, most of which, 72.0%, were aimed to land acquisitions and store openings and to renovations and conversions. GPA Food’s sales area, which totaled 1,887 thousand square meters mil at the end of the period, should increase between 6.0% and 6.7% in 2012, as per the guidance released by the Company on 05/08/12.

GPA Consolidated 2Q12 x 2Q11

Investments totaled R$ 391 million, representing 62% of total invested in the first half of the year, which include R$ 73 million invested in Viavarejo and R$ 318 million from GPA Food, as detailed above.

In addition to the GPA Food stores mentioned above, another three Ponto Frio and three Casas Bahia stores were opened in the period. Another 14 GPA Food stores and 18 Viavarejo are currently being built.

Investments in the period are in line with the Company's annual business plan. The Company reaffirm the guidance of approximately R$ 1.8 billion in investments for this year, of which R$ 1.4 billion to GPA Food and R$ 400 million to GPA Non Food.

Dividends

GPA Consolidated

	GPA Consolidated					
(R$ million)	2Q12	2Q11	Δ	1H12	1H11	Δ
Dividends	27,9	22,6	23,5%	55,7	45,1	23,5%

GPA Consolidated

On 07/23/2012, the Board of Directors approved the prepayment of interim dividends totaling R$0.11 per preferred share and R$0.10 per common share. Dividends to be paid in 2Q12 will total R$27.9 million, complying with Company's Dividend Payment Policy, approved by the Board of Directors' Meeting of 08/03/2009.

The interim payment referring to 2Q12 will be made on 08/13/2012. Shareholders registered as such on 07/31/2012 will be entitled to receive the payment. Shares will be traded ex-dividends as of 08/01/2012, until the payment date.

BALANCE SHEET

ASSETS

	GPA Food			GPA
(R$ million)	**06.30.2012**	**03.31.2012**	**06.30.2011**	**06.30.2012**
Current Assets	**9,019**	**8,167**	**7,158**	**16,694**
Cash and Marketable Securities	**4,221**	2,831	**2,576**	5,473
Accounts Receivable	**260**	309	**183**	2,253
Credit Cards	**181**	215	**112**	389
Payment book	**-**	-	**-**	1,961
Sales Vouchers and Others	**76**	90	**67**	105
Post Dated Checks	**4**	4	**5**	4
Allowance for Doubtful Accounts	**(1)**	(0)	**(2)**	(205)
Resulting from Commercial Agreements	**389**	392	**279**	389
Receivables Fund (FIDC)	**1,056**	1,086	**1,090**	2,381
Inventories	**2,603**	2,832	**2,323**	4,939
Recoverable Taxes	**270**	445	**440**	826
Expenses in Advance and Other Accounts Receivables	**219**	272	**268**	432
Noncurrent Assets	**14,278**	**13,799**	**12,934**	**17,261**
Long Term Assets	**2,564**	2,243	**1,916**	4,405
Marketable Securities	**-**	-	**-**	-
Accounts Receivables	**462**	448	**519**	556
Paes Mendonça	**462**	448	**434**	462
Payment Book	**-**	-	**-**	102
Others	**-**	-	**89**	-
Allowance for Doubtful Accounts	**-**	-	**(4)**	(7)
Recoverable Taxes	212	33	**13**	1,030
Fair Value Bartira	355	304	**416**	355
Deferred Income Tax and Social Contribution	426	442	**415**	1,185

Amounts Receivable from Related Parties	178	248	**66**	146
Judicial Deposits	730	652	**471**	899
Expenses in Advance and Others	92	116	**16**	123
Investments	176	161	**144**	269
Property and Equipment	6,617	6,523	**6,169**	7,554
Intangible Assets	4,920	4,873	**4,706**	5,032
TOTAL ASSETS	23,297	**21,966**	**20,092**	**33,955**

LIABILITIES				
	GPA Food			GPA
	06.30.2012	03.31.2012	06.30.2011	06.30.2012
Current Liabilities	**6,149**	**6,636**	**4,279**	**11,297**
Suppliers	**2,533**	2,744	**2,225**	4,570
Loans and Financing	**1,406**	1,859	**488**	1,581
Payment Book (CDCI)		-	**-**	2,227
Debentures	**679**	523	**278**	792
Payroll and Related Charges	**372**	321	**319**	837
Taxes and Social Contribution Payable	**81**	82	**61**	180
Dividends Proposed	**1**	103	**2**	1
Financing for Purchase of Fixed Assets	**14**	14	**14**	14
Rents	**44**	42	**44**	44
Acquisition of Companies	**58**	56	**68**	58
Debt with Related Parties	**522**	513	**499**	52
Advertisement	**40**	38	**34**	85
Provision for Restructuring	**9**	12	**6**	9
Tax Payments	**166**	91	**41**	169
Advanced Revenue	**8**	13	**-**	77
Others	**217**	223	**200**	601
Long Term Liabilities	**9,338**	**7,755**	**8,577**	**12,151**
Loans and Financing	**1,754**	1,302	**2,512**	1,844
Payment Book (CDCI)	**-**	-	**-**	116
Receivables Fund (FIDC)	**1,194**	1,167	**1,163**	2,437
Debentures	**3,012**	1,896	**1,488**	3,814
Acquisition of Companies	**199**	194	**227**	199
Deferred Income Tax and Social Contribution	**1,104**	1,107	**1,102**	1,104
Tax Installments	**1,201**	1,260	**1,443**	1,244
Provision for Contingencies	**552**	537	**414**	721
Advanced Revenue	**23**	-	**-**	375
Others	**298**	291	**228**	298
Shareholders' Equity	**7,810**	**7,575**	**7,236**	**10,507**

Capital	**5,278**	4,708	**4,778**	6,702
Capital Reserves	**202**	392	**370**	202
Profit Reserves	**1,147**	1,279	**839**	1,147
Minority Interest	**1,183**	1,196	**1,249**	2,456
TOTAL LIABILITIES	**23,297**	**21,966**	**20,092**	**33,955**

				INCOME STATEMENT (ex real estate pr				
	GPA Food			GPA Food				
					Retail		Cash and	
R$ Million	**2Q12**	**2Q11**	**Δ**	**2Q12**	**2Q11**	**Δ**	**2Q12**	**2Q11**
Gross Sales Revenue	**7,339**	**6,928**	**5.9%**	**6,196**	**5,900**	**5.0%**	**1,142**	**1,028**
Net Sales Revenue	6,621	6,229	6.3%	5,579	5,296	5.3%	1,043	933
Cost of Goods Sold	(4,918)	(4,660)	5.6%	(4,028)	(3,842)	4.9%	(890)	(818)
Gross Profit	**1,703**	**1,569**	**8.5%**	**1,550**	**1,454**	**6.6%**	**153**	**115**
Selling Expenses	(1,049)	(988)	6.2%	(947)	(892)	6.1%	(102)	(96)
General and Administrative Expenses	(175)	(162)	8.2%	(165)	(156)	5.4%	(10)	(5)
Total Operating Expenses	(1,224)	(1,150)	6.5%	(1,112)	(1,048)	6.0%	(113)	(102)
Earnings before Interest, Taxes, Depreciation, Amortization EBITDA	**479**	**419**	**14.2%**	439	406	**8.2%**	40	14
Depreciation and Amortization	(156)	(116)	34.0%	(145)	(109)	32.7%	(11)	(7)
Earnings before interest and Taxes EBIT	**323**	**303**	**6.6%**	**294**	**296**	**0.8%**	**29**	**7**
Financial Revenue	123	102	19.9%	119	101	18.1%	3	1
Financial Expenses	(244)	(269)	9.3%	(229)	(251)	9.0%	(15)	(17)
Net Financial Revenue (Expenses)	(121)	(166)	27.2%	(109)	(150)	27.3%	(12)	(16)
Equity Income	(2)	(1)	111.9%	(2)	(1)	111.9%		
Result from Permanent Assets	(14)	1		(15)	(1)	-	1	2
Nonrecurring Result	-	(49)	-	-	(49)	-	-	-
Other Operating Revenue (Expenses)	23	6	294.2%	23	6	294.2%	-	-
Income Before Income Tax	**208**	**93**	**124.8%**	**190**	**100**	**90.3%**	**18**	**(7)**
Income Tax	(64)	(1)	6273.3%	(65)	(3)	1992.4%	1	2
Minority Interest Noncontrolling	13	2	709.6%	13	2	709.6%	-	-
Net Income Controlling Shareholders (1)	**157**	**93**	**68.6%**	**138**	**98**	**40.6%**	**19**	**(5)**
Net Income per Share								
Nº of shares (million) ex treasury shares								

% Net Sales Revenue	GPA Food		GPA Food Reatil		GPA Food Cash and C	
	2Q12	2Q11	2Q12	2Q11	2Q12	2Q11
Gross Profit	25.7%	25.2%	27.8%	27.5%	14.6%	12.3%
Selling Expenses	15.8%	15.9%	17.0%	16.8%	9.8%	10.3%
General and Administrative Expenses	2.6%	2.6%	3.0%	3.0%	1.0%	0.6%
Total Operating Expenses	18.5%	18.5%	19.9%	19.8%	10.8%	10.9%
EBITDA	7.2%	6.7%	7.9%	7.7%	3.8%	1.5%
Depreciation and Amortization	2.4%	1.9%	2.6%	2.1%	1.0%	0.7%
EBIT	4.9%	4.9%	5.3%	5.6%	2.8%	0.7%
Net Financial Revenue (Expenses)	1.8%	2.7%	2.0%	2.8%	1.1%	1.7%
Result from Permanent Assets and Others	0.1%	0.7%	0.1%	0.8%	0.1%	0.2%
Income Before Income Tax	3.1%	1.5%	3.4%	1.9%	1.7%	0.8%
Income Tax	1.0%	0.0%	1.2%	0.1%	0.1%	0.2%
Minority Interest noncontrolling	0.2%	0.0%	0.2%	0.0%	0.0%	0.0%
Net Income Controlling Shareholders (1)	2.4%	1.5%	2.5%	1.9%	1.8%	0.6%

(1) Net Income after noncontrolling shareholders

	INCOME STATEME			
	GPA Food			
R$Million	**1H12**	**1H11**	**Δ%**	**2Q12**
Gross Sales Revenue	**14,709**	**13,569**	**8.4%**	**13,414**
Net Sales Revenue	13,278	12,213	8.7%	11,939
Cost of Goods Sold	(9,849)	(9,107)	8.1%	(8,797)
Gross Profit	**3,429**	**3,106**	**10.4%**	**3,142**
Selling Expenses	(2,086)	(1,926)	8.3%	(2,039)
General and Administrative Expenses	(365)	(339)	7.7%	(411)
Total Operating Expenses	(2,451)	(2,265)	8.2%	(2,450)
Earnings before Interest, Taxes, Depreciation, AmortizationEBITDA	**978**	**841**	16.2%	**692**
Depreciation and Amortization	(303)	(241)	25.6%	(189)
Earnings before interest and TaxesEBIT	**675**	**600**	**12.5%**	**503**
Financial Revenue	228	195	17.4%	151
Financial Expenses	(492)	(523)	5.8%	(436)
Net Financial Revenue (Expenses)	(264)	(328)	19.6%	(285)
Equity Income	2	6	(0.68)	(3)
Result from Permanent Assets	(24)	1	-	(10)
Nonrecurring Result	-	(49)	-	-
Other Operating Revenue (Expenses)	23	0	-	16
Income Before Income Tax	**412**	**231**	**78.7%**	**222**
Income Tax	(115)	(3)	0.0%	(73)
Minority InterestNoncontrolling	27	12	134.9%	9
Net IncomeControlling Shareholders (1)	**325**	**239**	**35.9%**	**159**
Net Income per Share	-	-	-	0.60

Nº of shares (million) ex treasury shares	263

% Net Sales Revenue	**GPA Food**		
	1H12	**1H11**	**2Q12**
Gross Profit	25.8%	25.4%	26.3%
Selling Expenses	15.7%	15.8%	17.1%
General and Administrative Expenses	2.7%	2.8%	3.4%
Total Operating Expenses	18.5%	18.5%	20.5%
EBITDA	7.4%	6.9%	5.8%
Depreciation and Amortization	2.3%	2.0%	1.6%
EBIT	5.1%	4.9%	4.2%
Net Financial Revenue (Expenses)	2.0%	2.7%	2.4%
Result from Permanent Assets and Others	0.0%	0.4%	0.1%
Income Before Income Tax	3.1%	1.9%	1.9%
Income Tax	0.9%	0.0%	0.6%
Minority Interestnoncontrolling	0.2%	0.1%	0.1%
Net IncomeControlling Shareholders (1)	2.4%	2.0%	1.3%

(1) Net Income after noncontrolling shareholders

Statement of Cash Flow		
(R$ million)	GPA Consolidated	
	06.30.2012	**06.30.2011**
Net Income for the period	407	197
Adjustment for Reconciliation of Net Income		
Deferred Income Tax	53	(41)
Income of Permanent Assets Written Off	3	(29)
Depreciation and Amortization	392	308
Interests and Exchange Variation	563	250
Net profit/loss on shareholder interest	(24)	
Adjustment to Present Value	(1)	(12)
Equity Income	(2)	(13)
Provision for Contingencies	67	62
Provision for low and losses of fixed assets	(0)	36
Share Based Compensation	19	13
Allowance for Doubtful Accounts	195	91
Swap revenue	(97)	
	1,575	**863**
Asset (Increase) Decreases		
Accounts Receivable	299	(863)
Inventories	545	(2)
Taxes recoverable	(215)	(444)
Financial Instrument Rede Duque	(51)	
Other Assets	(82)	293
Marketable Securities		659
Related Parties	(59)	(203)
Judicial Deposits	(96)	(87)
	340	**(648)**

Liability (Increase) Decrease		
Suppliers	(1,653)	(831)
Payroll and Charges	78	56
Taxes and contributions	(200)	382
Other Accounts Payable	(79)	(132)
	(1,854)	**(526)**
Net Cash Generated from (Used in) Operating Activities	**61**	**(310)**

Cash Flow from Investment and Financing Activities

	GPA Consolidated	
(R$ million)	**06.30.2012**	**06.30.2011**
Net cash from acquisitions	0	
Acquisition of Companies	3	
Capital Increase in Subsidiaries	0	
Acquisition of Property and Equipment	(557)	(532)
Increase of Intangible Asset	(30)	(82)
Sale of Property and Equipment	37	29
Net Cash Generated from (used in) Investment Activities	**(547)**	**(584)**
Cash Flow from Financing Activities		
Increase (Decrease) of Capital	13	12
Increase in Minority Interest		
Financiamentos		
Funding and Refinancing	4,570	4,010
Payments	(3,326)	(2,394)
Interest Paid	(136)	(451)
Dividend Payments	(131)	(137)
Net Cash Generated from (used in) Financing Activities	**990**	**1,040**
Cash and Cash Equivalents at the Beginning of the Year	4,970	3,818
Cash and Cash Equivalents at the End of the Year	5,473	3,963
Change in Cash and Cash Equivalent	**503**	**145**

(R$ million)	Breakdown of Gross Sales by Format (ex real estate projects)									
	2Q12	%	2Q11	%	Δ	1H12	%	1H11	%	Δ
Pão de Açúcar	1,374	10.2%	1,286	10.2%	6.8%	2,722	10.1%	2,498	10.0%	9.0%
Extra Hiper (1)	3,368	25.1%	3,068	24.3%	9.8%	6,779	25.0%	6,026	24.1%	12.5%
Extra Supermercado	1,084	8.1%	1,177	9.3%	7.9%	2,228	8.2%	2,409	9.6%	7.5%
Assaí	1,142	8.5%	1,028	8.2%	11.1%	2,273	8.4%	1,939	7.8%	17.3%
Others Business (2)	371	2.8%	369	2.9%	0.5%	708	2.6%	697	2.8%	1.6%
GPA Food	7,339	54.7%	6,928	55.0%	5.9%	14,709	54.3%	13,569	54.3%	8.4%
Viavarejo (3)	6,075	45.3%	5,676	45.0%	7.0%	12,364	45.7%	11,409	45.7%	8.4%
GPA Consolidated	13,414	100.0%	12,605	100.0%	6.4%	27,074	100.0%	24,978	100.0%	8.4%

(R$ million)	Breakdown of Net Sales by Format (ex real estate projects)									
	2Q12	%	2Q11	%	Δ	1H12	%	1H11	%	Δ
Pão de Açúcar	1,232	10.3%	1,152	10.2%	6.9%	2,445	10.2%	2,243	10.1%	9.0%
Extra Hiper (1)	2,992	25.1%	2,716	24.1%	10.2%	6,023	25.0%	5,339	24.1%	12.8%
Extra Supermercado	988	8.3%	1,064	9.4%	7.2%	2,031	8.4%	2,183	9.9%	7.0%
Assaí	1,043	8.7%	933	8.3%	11.7%	2,078	8.6%	1,760	7.9%	18.1%
Others Business (2)	366	3.1%	363	3.2%	0.9%	701	2.9%	688	3.1%	2.0%
GPA Food	6,621	55.5%	6,229	55.3%	6.3%	13,278	55.1%	12,213	55.2%	8.7%
Viavarejo (3)	5,318	44.5%	5,041	44.7%	5.5%	10,809	44.9%	9,925	44.8%	8.9%
GPA Consolidated	11,938	100.0%	11,270	100.0%	5.9%	24,087	100.0%	22,138	100.0%	8.8%

(1) Includes M inimercado Extra sales.

(2) Includes Gas Station and Drugstores sales.

(3) Includes Ponto Frio, Nova Casas Bahia and Nova Pontocom sales.

Sales Breakdown (% of Net Sales ex real estate projects)								
	GPA Food				GPA Consolidated			
	2Q12	2Q11	1H12	1H11	2Q12	2Q11	1H12	1H11
Cash	52.8%	51.9%	53.0%	52.6%	40.0%	40.3%	37.7%	41.1%
Credit Card	39.8%	40.4%	39.5%	39.7%	49.2%	48.3%	45.9%	47.6%
Food Voucher	7.3%	7.4%	7.3%	7.5%	4.0%	4.1%	3.7%	4.5%
Credit	0.1%	0.2%	0.1%	0.2%	6.9%	7.3%	6.4%	6.8%
Post Dated Checks	0.1%	0.2%	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%
Payment Book	0.0%	0.0%	0.0%	0.0%	6.8%	7.1%	6.3%	6.7%

	Stores Openings/Closings per Format			
	03/31/2012	**Opened**	**Closed**	**06/30/2012**
Pão de Açúcar	158	1		159
Extra Hiper	133	1		134
Extra Supermercado	204			204
Minimercado Extra	71	1	3	69
Assaí	60		1	59
Ponto Frio	400	3		403
Casas Bahia	544	3		547
Other Business	232	5	1	236
Gas Satation	78			78
Drugstores	154	5	1	158
GPA Consolidated	**1,802**	**14**	**5**	**1,811**
Sale Area ('000 m^2)	**2,830**			**2,837**
# of employees ('000)	**149**			**149**

2Q12 Results Conference Call and Webcast

Tuesday, July 24, 2012

11:00 a.m. (Brasília time) | 10:00 a.m. (New York) | 3:00 p.m. (London)

Portuguese Conference Call (original language)

+55 (11) 3127-4971

English Conference Call (simultaneous interpreting)

+1 (516) 300-1066

Webcast: http://www.gpari.com.br

Replay

+55 (11) 3127-4999

Code for audio in Portuguese: 80024592

Code for audio in English: 29581300

http://www.gpari.com.br

CONTACTS

Investor Relations - GPA and Viavarejo

Phone: (11) 3886-0421

Fax: (11) 3884-2677

gpa.ri@grupopaodeacucar.com.br

Website: www.gpari.com.br

www.globex.com.br/ri

Casa do Cliente – Customer Service

Pão de Açúcar: 0800-7732732 / Extra: 0800-115060

Ponto Frio: (11) 4002-3388/Casas Bahia:(11) 3003-8889

Media Relations - GPA

Phone: (11) 3886-3666

imprensa@grupopaodeacucar.com.br

Media Relations - Viavarejo

Phone: (11) 4225-9228

imprensa@viavarejo.com.br

Social Media News Room

http://imprensa.grupopaodeacucar.com.br/category/gpa/

Twitter – Media

@imprensagpa

"The financial information contained in the financial statements are presented in accordance with accounting practices adopted in Brazil and refer to the second quarter of 2012 (2Q12), except where otherwise noted, with comparisons made over the same period last year."

"Any and all information derived from non-accounting or not accounting numbers has not been reviewed by independent auditors."

"For the calculation of " EBITDA" Earnings Before Interest, Taxes, Depreciation and Amortization, According to the table on page 6.

The basis for calculating same-store sales is defined by the sales registered in stores open for at least 12 consecutive months and were not closed for 7 consecutive days or more in this period. Acquisitions are not included in the same-store calculation base in the first 12 months of operation.

Grupo Pão de Açúcar adopts the IPCA consumer price index as its benchmark inflation index, which is also used by the Brazilian Supermarkets Association (ABRAS), since it more accurately reflects the mix of products and brands sold by the Company. The IPCA in the 12 months ended June 2012 was 4.92%

About Grupo Pão de Açúcar and Viavarejo: Grupo Pão de Açúcar is Brazil's largest retailer, with a distribution network comprising approximately 1,810 points of sale and electronic channels. The Group's multiformat structure consists of GPA Food and Viavarejo.GPA Food's operations comprise supermarkets (Pão de Açúcar and Extra Supermercado), hypermarkets (Extra), neighborhood stores (Minimercado Extra), cash-and-carry stores (Assaí), gas stations and drugstores.GPA Food's business is classified as Food and Non-Food (electronics/home appliances, clothing, general merchandise, drugstore and gas stations).Viavarejo's operations consist of bricks-and-mortar stores selling electronics/home appliances and furniture (Ponto Frio and Casas Bahia) and online stores (Nova Pontocom: Extra.com.br, PontoFrio.com.br, Casasbahia.com.br).Founded in 1948 in São Paulo, the Group is present in 20 of the 27 Brazilian states, which jointly account for 94.1% of the country's GDP.

Disclaimer: Statements contained in this release relating to the business outlook of the Company, projections of operating/financial results, the growth potential of the Company and the market and macroeconomic estimates are mere forecasts and were based on the expectations of Management in relation to the Company's future. These expectations are highly dependent on changes in the market, Brazil's general economic performance, the industry and international markets, and are therefore subject to change.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

1. Corporate information

Companhia Brasileira de Distribuição ("Company" or "GPA"), directly or through its subsidiaries ("Group") operates in the food retailer, clothing, home appliances and other products segment through its chain of hypermarkets, supermarkets, specialized and department stores principally under the trade names "Pão de Açúcar, "Extra Hiper", "Extra Super", "Mini-mercado Extra", "Assai", "Ponto Frio" and "Casas Bahia", apart from e-commerce platforms "Casas Bahia.com," "Extra.com" and "Ponto Frio.Com". The registered office is located at São Paulo, SP, Brazil.

Founded in 1948, the Company has 149 thousand employees, 1,810 stores in 20 Brazilian states and in the Federal District and a logistics infrastructure comprised of 52 warehouses located in 14 states at June 30, 2012.The Company's shares are traded on the Level 1 Corporate Governance segment of the São Paulo Stock Exchange and its shares are listed at the São Paulo ("BM&FBovespa") and New York Stock Exchanges (ADR level III).

The Company is controlled by Wilkes Participações S.A. ("Wilkes").

Casino Arbitration

On May 30, 2011, and July 1, 2011 Casino filed two arbitration requests in accordance with the rules set forth by the International Arbitration Court of the International Chamber of Commerce against Abilio dos Santos Diniz, Ana Maria Falleiros dos Santos Diniz D'Avila, Adriana Falleiros dos Santos Diniz, João Paulo Falleiros dos Santos Diniz, Pedro Paulo Falleiros dos Santos Diniz and Península Participações S.A . ("Península")

On October 5, 2011, Abilio dos Santos Diniz, Ana Maria Falleiros dos Santos Diniz D'Avila, Adriana Falleiros dos Santos Diniz, João Paulo Falleiros dos Santos Diniz, Pedro Paulo Falleiros dos Santos Diniz and Península presented their responses to both arbitration requests and filed counterclaims.

The arbitrations were unified into one single proceeding and an arbitration court composed of three members, was established to settle the dispute. This first hearing of the aforementioned arbitration proceeding, was held in São Paulo on May 9, 2012. The arbitration process is subject to a confidentiality clause and aims to ensure the observation of the Wilkes shareholders´ agreement and the law. On June 21, 2012 the Company raised an objection claiming that the Company should not be part in this arbitration, as it is not a part of Wilkes's Shareholders' Agreement.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

1. Corporate information -- Continued

Corporate events Wilkes

At Extraordinary General Meeting held on June 22, 2012, the following members appointed and approved by shareholders: Mr. Eleazar de Carvalho Filho, Mr. Luiz Augusto de Castro Neves and Mr. Roberto Oliveira de Lima, remaining Mr. Abilio dos Santos Diniz as the Company´s chairman of the Board of Directors. Following the changes approved in this meeting, the new composition of the Company's Board of Directors will be as follows: Abilio dos Santos Diniz (chairman), Antoine Marie Remi Lazars Giscard D'Estaing, Arnaud Strasser, Candido Botelho Bracher, Eleazar de Carvalho Filho, Fábio Schvartsman, Geyze Marchesi Diniz, Guilherme Affonso Ferreira, Jean Louis Bourgier, Jean-Charles Henri Naouri, Luiz Augusto de Castro Neves, Pedro Henrique Chermont de Miranda, Pedro Paulo Falleiros dos Santos Diniz, Roberto Oliveira de Lima and Ulisses Kameyama. Mrs. Ana Maria Falleiros dos Santos Diniz D'Avila and Mr. João Paulo Falleiros dos Santos Diniz will no longer be members of the Company's Board of Directors.

On the same date, was also held the Extraordinary General Meeting' for Wilkes, which resolved on replacing the chairman of Wilkes's Board of Directors. Mr. Jean-Charles Henri Naouri, Casino's CEO, was appointed as Chairman of the aforementioned Board, a position previously occupied by Mr. Abilio dos Santos Diniz.

On July 02, 2012, was held another Extraordinary General Meeting' for Wilkes, which informed the composition of the Company's Board of Directors that will be as, follows: Jean-Charles Henri Naouri (chairman), Abilio dos Santos Diniz, Marcelo Fernandez Trindade and Arnaud Strasser. After these events Casino become the sole controlling shareholder of the Company.

Arbitration request by Morzan

Pursuant to the Material Fact released on June 15, 2012, the Company hereby announces that it has received a letter from the International Chamber of Commerce ("ICC") notifying about the request for the filing of an arbitration proceedings ("Proceedings") submitted by Morzan Empreendimentos e Participações Ltda. ("Morzan"), former controlling shareholders of Globex Utilidades S.A. (Ponto Frio network).

The Proceedings are associated with issues originating from the Share Purchase Agreement executed between the subsidiary Mandala Empreendimentos e Participações S.A. on June 8, 2009 (the "Agreement") for acquisition of 86,962,965 registered common shares with no par value, which then represented 70.2421% of the total and voting capital of Globex Utilidades S.A., previous corporate name of Via Varejo S.A. ("Via Varejo"), subject matter of the Material Fact disclosed by the Company on June 8, 2009. The arbitration terms are subject to confidentiality requirements.

On July 11, 2012, the Company exercised its right to appoint an arbitrator to compose the arbitration court responsible for conducting the Proceedings.

The Company understands that the request is unfounded, given that the Agreement was fully complied with, as it will be demonstrated during the Proceedings.

The Company will maintain its shareholders and the market informed of any material developments regarding the Proceedings.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

1. Corporate information -- Continued

Restructuring of Via Varejo

On December 14, 2011 the Board of Directors of the Company approved a formal plan for the closure of 88 Ponto Frio stores. Such closings were approved by the Anti-Trust Agency (“CADE”) as required by Preserve Reversibility of Operation Agreement (“APRO”). On December 31, 2011, the Company communicated parties involved (employees, store owners, trade accounts payables and others) and recorded a provision for the closing the stores in the amount of R$34,700, and R$20,700 related to the net value of fixed assets and R$14,000 to other expenses related to the closure.

As of June 30, 2012, 58 out of the 88 stores planned were closed and the Company decided to maintain 8 stores open. On June 30, 2012 the Company had a provision for the closure of R$12,296, related to 22 stores scheduled to be closed, besides expenses that may be incurred from the shops already closed.

2. Basis of preparation

The Parent Company and Consolidated quarterly financial information were prepared and presented according to the technical pronouncement CPC 21 - Interim Financial Reporting, issued by the Brazilian Accounting Pronouncements Committee (CPC) and IAS 34 - Interim Financial Reporting issued by the International Accounting Standard Board - IASB, respectively, applicable to the preparation of quarterly financial information and presented in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission ("CVM").

The quarterly financial information for the six-month period ended June 30, 2012 was approved by the Board of Directors at July 23, 2012.

For a better presentation and comparability, certain balances of December 31, 2011 were reclassified.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

3. Basis for consolidation

a) Interest in subsidiaries, associates and joint ventures:

	Investment interest - %			
	06.30.2012		12.31.2011	
Entities	**Company**	**Indirect**	**Company**	**Indirect**
Subsidiaries:				
Novasoc Comercial Ltda. (“Novasoc”)	**10.00**	**-**	10.00	-
Sé Supermercado Ltda. (“Sé”)	**93.10**	**0.69**	93.10	0.69
Sendas Distribuidora S.A. (“Sendas”)	**18.33**	**76.04**	18.33	76.04
Pão de Açúcar Fundo de Investimentos em Direitos Creditórios (“PAFIDC”)	**9.64**	**1.13**	9.04	1.06
PA Publicidade Ltda. (“PA Publicidade”)	**100.00**	**-**	100.00	-
Barcelona Comércio Varejista e Atacadista S.A. (“Barcelona”)	**-**	**93.79**	-	93.79
CBD Holland B.V.	**100.00**	**-**	100.00	-
CBD Panamá Trading Corp.	**-**	**100.00**	-	100.00
Xantocarpa Participações Ltda. (“Xantocarpa”)	**-**	**94.36**	-	94.36
Vedra Empreend. e Participações S.A.	**99.99**	**0.01**	99.99	0.01
	-	**93.10**	-	93.10

Bellamar Empreend. e Participações Ltda.				
Vancouver Empreend. e Participações Ltda.	**100.00**	**-**	100.00	-
Bruxellas Empreend. e Participações S.A.	**99.99**	**0.01**	99.99	0.01
Monte Tardeli Empreendimentos e Participações S.A.	**99.00**	**1.00**	99.00	1.00
GPA Malls & Properties Gestão de Ativos e Serviços. Imobiliários Ltda. (“GPA M&P”)	**89.42**	**9.85**	89.42	9.85
GPA 2 Empreed. e Participações Ltda.	**99.90**	**0.10**	99.90	0.10
GPA 4 Empreend. e Participações S.A.	**99.00**	**1.00**	99.00	1.00
GPA 5 Empreend. e Participações S.A.	**99.00**	**1.00**	99.00	1.00
GPA 6 Empreend. e Participações Ltda.	**99.90**	**0.10**	99.90	0.10
ECQD Participações Ltda.	**100.00**	**-**	100.00	-
API SPE Planej. e Desenv. de Empreed. Imobiliários Ltda.	**100.00**	**-**	100.00	-
Posto Ciara Ltda.	**-**	**100.00**	-	-
Auto Posto Império Ltda.	**-**	**100.00**	-	-
Auto Posto Duque Salim Maluf Ltda.	**-**	**100.00**	-	-
Auto Posto Duque Santo André	**-**	**100.00**	-	-
Auto Posto Duque Lapa Ltda.	**-**	**100.00**	-	-
Duque Conveniências Ltda.	**-**	**100.00**	-	-
Lake Niassa Empreend. e Participações Ltda.	**-**	**52.41**	-	52.41
Via Varejo	**52.41**	**-**	52.41	-
Globex Administração e Serviços Ltda. (“GAS”)	**-**	**52.41**	-	52.41
Nova Casa Bahia S.A. (“NCB”)	**-**	**52.41**	-	52.41
Ponto Frio Adm e Importação de Bens Ltda.	**-**	**52.40**	-	52.40
Rio Expresso Com. Atacad. de Eletrodoméstico Ltda.	**-**	**52.41**	-	52.41
Globex Adm. Consórcio Ltda.	**-**	**52.41**	-	52.41
PontoCred Negócio de Varejo Ltda.	**-**	**52.41**	-	52.15
Nova Extra Eletro Comercial Ltda.	**0.10**	**52.36**	0.10	52.36
Nova Pontocom Comércio Eletrônico S.A. (“Nova Pontocom”)	**39.05**	**31.11**	39.05	31.11
E-HubConsult. Particip. e Com. S.A. (“E-Hub”)	**-**	**70.16**	-	70.16
Nova Experiência Pontocom S.A.	**-**	**70.16**	-	70.16
Saper Participações Ltda.	**-**	**-**	24.21	-
Sabara S.A	**-**	**52.41**	-	52.41
Casa Bahia Contact Center Ltda.	**-**	**52.41**	-	52.41
Globex - Fundo de Investimentos em Direitos Creditórios (“Globex	**-**	**7.80**	-	7.86

FIDC")				
Associates and *Joint Ventures*:				
Ponto Frio Leasing S.A.	**-**	**26.21**	-	26.21
Financeira Itaú CBD – FIC	**-**	**40.76**	-	40.76
Indústria de Móveis Bartira Ltda. ("Bartira")	**-**	**13.10**	-	13.10
Dunnhumby Brasil Cons. Ltda.	**2.00**	**-**	2.00	-
Banco Investcred Unibanco S.A	**-**	**26.21**	-	26.21
FIC Promotora de Vendas Ltda.	**-**	**40.76**	-	40.76

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

3. Basis for consolidation -- Continued

a) Interest in subsidiaries, associates and joint ventures: -- Continued

All interest were calculated considering the percentage held by the GPA or its subsidiaries. The consolidation not necessarily reflect these percentages, as some companies have shareholders' agreement that the Company has control and, therefore allows the full consolidation.

b) Subsidiaries

The consolidated quarterly financial information includes the financial information of all subsidiaries over which the Parent Company exercises control directly or indirectly.

Subsidiaries are all entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies and generally holds shares of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control and they are excluded from consolidated, where applicable, considering the date that control ceases.

The quarterly financial information of the subsidiaries are prepared on the same closing date as those of the Company, using consistent accounting policies. All intragroup balances, including income and expenses, unrealized gains and losses and dividends resulting from intragroup transactions are eliminated in full.

Gains or losses resulting from changes in equity interest in subsidiaries, not resulting in loss of control are directly recorded in shareholders' equity.

Losses are attributed to the non-controlling interest, even if it results in a deficit balance.

The main direct or indirect subsidiaries, included in the consolidation and the percentage of the Company's interest comprise:

i. Novasoc

Although the Company's interest in Novasoc represents 10% of its shares, Novasoc is included in the consolidated quarterly financial information, as the Company controls 99.98% of the Novasoc's voting rights, pursuant to the shareholders' agreement. Moreover, under the Novasoc shareholders' agreement, the appropriation of its net income does not require to be proportional to the shares of interest held in the entity.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

3. **Basis for consolidation –** Continued

b) Subsidiaries -- Continued

ii. PAFIDC and Globex FIDC

The Company consolidates the quarterly financial information of PAFIDC and Globex FIDC that represent investments funds established for the purpose of conducting the securitization of receivables of the Company and its subsidiaries. The consolidation is justified by the fact that the default risks, custody and administration expenses related to the fund are linked to subordinated shares owned by the Company and its subsidiaries.

iii. Via Varejo

The Company holds 52.41% of Via Varejo's capital, giving it control of this subsidiary by consolidating their full financial information. The Via Varejo concentrates activities of trade electronic products, operating under the brands "Ponto Frio" and "Casas Bahia". The Company also operates through its controlled entity Nova Pontocom, in e-commerce of any product for the consumer by the websites: *www.extra.com.br*, *www.pontofrio.com.br* and *www.casabahia.com.br*.

iv. Sendas

The Company directly or indirectly holds 94.37% of Sendas' capital, which operates in retail trade segment, mainly in the State of Rio de Janeiro. For further information on the acquisition of non-controlling interest, see note 14 (a ii).

v. GPA M&P

In 2011, the Company began organizing the GPA M&P, a subsidiary in order to develop its real estate assets.

Revenues are recognized: (i) at the time of barter of land owned by GPA M&P at the fair value of consideration received in barter date, (ii) at the delivery of the units sold by GPA M&P. The cost of units sold includes the cost of the barter initially performed.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

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(In thousands of Brazilian reais, except when otherwise stated)

3. Basis for consolidation – Continued

c) Associates – Ponto Frio Leasing S.A.

At an Extraordinary General Meeting BINV held on December 30, 2011, approved the merger of the Company based on the balance sheet of November 30, 2011. On April 13, 2012 the Central Bank of Brazil approved such merger. At present, the corporate actions are under registration in the Commercial Registry of the State of São Paulo.

d) BINV and FIC

The Company's investments in its associates Financeira Itaú CBD S.A. – Crédito, Financiamento e Investimento ("FIC") and Banco Investcred Unibanco S.A. ("BINV"), both entities that finance sales directly to GPA customers are result of an association between Banco Itaú Unibanco S.A. ("Itaú Unibanco") with GPA and Via Varejo. Such investments are accounted for using the equity method. An associate is an entity in which the Company has significant influence, but not the control.

Prevailing decisions related to the operational and financial management of BINV and FIC belongs to Itaú-Unibanco.

The income statement for the period reflects the share of the results of operations of the associate. Where there has been a change recognized directly in the shareholders' equity of the associate, the Company recognizes its share of any changes and discloses this, when applicable, in the statement of changes in shareholders' equity. Unrealized gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

The profit sharing of associates is shown on the income statement for the period as equity method results, corresponding to the income attributable to equity holders of the associate and, therefore, to the income after tax and non-controlling interests in the subsidiaries of the associates. The quarterly financial information of the associates are prepared for the same closing date as the Parent Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognize an additional loss due to non-recoverability on the Company's investment in its associates. The Company determines at each balance date whether there is any evidence that the investment in the associate will not be recoverable. If applicable, the Company calculates the impairment amount as the difference between the investment recoverable value of the associate and its carrying amount and recognizes the loss in the income statement for the period.

Upon loss of significant influence over the associate, the Company measures and recognizes any remaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the remaining investment and proceeds from write-off are recognized in the income statement for the period.

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Notes to the interim financial statements -- Continued

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(In thousands of Brazilian reais, except when otherwise stated)

3. Basis for consolidation – Continued

e) Interest in joint venture – Bartira

The Company maintains an indirect interest joint venture named Bartira, in which GPA holds through its subsidiary NCB 25% and Klein Family through Casa Bahia Comercial Ltda. ("Casa Bahia"), holds 75% which entered into a partnership agreement setting forth the joint control over the entity's operational activities.

The partnership agreement requires the unanimous resolution of participants in the financial and operational decision-making process. The Company recognizes its interest in the joint venture using the proportional consolidation method. In addition, it combines the proportional amount of each asset, liabilities, income and expenses of joint venture with similar items line by line in its consolidated quarterly financial information. The joint venture quarterly financial information are prepared for the same period and under the same accounting criteria adopted by the Company.

Below the main lines of condensed quarterly financial information of the Bartira:

	06.30.2012	**12.31.2011**
Current assets	**122,282**	130,564

Noncurrent assets	**61,494**	60,258
Total assets	**183,776**	190,822
Current liabilities	**71,692**	87,216
Noncurrent liabilities	**830**	1,177
Shareholders’ equity	**111,254**	102,429
Total liabilities and shareholders’ equity	**183,776**	190,822
	06.30.2012	**06.30.2011**
Income:		
Net revenue from sales and/or services	**230,390**	232,224
Net before income tax	**11,466**	5,494
Net income for the period	**8,825**	3,481

4. Significant accounting policies

a) Financial instruments

Financial instruments are recognized on trade date and recorded at their fair value plus the transaction costs that are directly attributable to their acquisition or issue. Their subsequent measurement occurs every balance sheet date according to the rules established for each category of financial asset and liability.

Note 19 contains an analysis of the fair value of financial instruments and additional details about how it is measured

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Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

a) Financial instruments – Continued

(i) Financial assets

Initial recognition and measurement

Financial assets held by the Company and its subsidiaries within the scope of CPC 38 (IAS 39), are classified as financial assets measured at their fair value through income statement, loans and receivables, derivatives financial instruments designated as hedge instruments and investments held to maturity. The Company and its subsidiaries determine the classification of its financial assets at initial recognition.

Financial assets are initially recognized and measured at fair value through income and transaction costs, expensed in the period. Loans and receivables are carried at amortized cost.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market (negotiations under regular conditions) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The financial assets of the Company and its subsidiaries include cash and cash equivalents, trade accounts receivables, related party receivables, restricted deposits from legal proceedings and derivative financial instruments.

Subsequent measurement

- Financial assets at fair value through income: are measured at their fair value at each balance sheet date. Interest rates, monetary restatement, exchange variation and variations deriving from the valuation at fair value are recognized in the income statement for the period as financial revenue or expenses when incurred. Financial assets are classified as held for trade if acquired for the purpose of selling or repurchasing in the near term.

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Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

a) Financial instruments -- Continued

(i) Financial assets -- Continued

Subsequent measurement -- Continued

- Loans and receivables: are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After the initial recognition, these are measured using amortized cost through the effective interest rate method. Interest income, monetary restatement and exchange variation, less impairment losses, where applicable, are recognized in the income statement as financial revenue or expenses when incurred.

- Assets and liabilities held to maturity: are financial assets and liabilities which cannot be classified as loans and receivables, for being marketable in the active market. In this case, are acquired with the intention and financial capacity to their maintenance in the Company portfolio until maturity. They are measured at acquisition cost, plus monetary restatement through income, using the effective interest rate.

Derecognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired; and

- The Company and its subsidiaries has transferred its rights to receive cash flows from an asset or assume an obligation to pay the received cash flows in full to a third party under a “pass-through” arrangement; and either (a) the Company has transferred nor retained all the risks and benefits related to the asset; or (b) the Company has neither transferred nor retained substantially all the risks and benefits related to the asset, but has transferred its control.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and benefits related to the asset nor transferred control of the asset, the asset is held and recognized a correspondent liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations retained by the Company and its subsidiaries.

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Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

a) Financial instruments -- Continued

(i) Financial assets -- Continued

Impairment of financial assets

On the balance sheets dates, the Company and its subsidiaries assesses if there is any objective evidence of impairment of a financial asset or a group of financial assets. A impairment of a financial asset or group of financial assets is deemed to be impaired, if and only if, there is objective evidence resulting from one or more events occurred after the asset initial recognition ("loss event"), and in case the event has an impact in estimated future cash flows of financial asset or group of financial assets, which can be reliably estimated. The evidence of impairment may include signs that debtors (or group of debtors) are going through relevant financial constraints, delinquency or default in the amortization of interest or principal, probability of filing for bankruptcy or another type of financial reorganization and when these data indicate a measurable decrease in estimated future cash flows, such as, default interest variations or economic conditions related to defaults.

The loss amount is measured as the difference between the carrying amount of asset and the present value of the estimated future cash flows (excluding future credit losses not incurred) discounted by the original effective interest rate of the financial asset. The asset's carrying amount decreases when provision is used and the loss is recognized in the income statement for the period. Interest income is recorded in the quarterly financial information as part of the financial revenue.

If, in subsequent period, the impairment decreases and this reduction can be objectively associated with an event occurred after the recognition of the provision (such as an improved debtor's credit rating), the reversal of impairment previously recognized is recorded in the consolidated income statement for the period. If the write-off is later recovered, this recovery is also recorded in the income statement for the period.

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Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

a) Financial instruments -- Continued

(i) Financial assets -- Continued

Held-to-maturity financial assets

Referring to the held-to-maturity financial assets, the Company and its subsidiaries firstly verify if there are objective evidence of impairment individually for the significant financial assets or group of assets, which, are not significant individually. If the Company and its subsidiaries determine the nonexistence of objective evidence of impairment of a financial asset evaluated on an individual basis, whether or not this loss is material, the Company classifies it into a group of financial assets with similar credit risk characteristics, which are evaluated collectively. The assets evaluated on an individual basis as to impairment or to which the impairment is (or still is) recognized are not included in the overall losses evaluation.

In the event of objective evidence of impairment, the corresponding loss amount is calculated as the difference between the carrying amount of assets and the present value of estimated cash flows (excluding estimated credit losses and not incurred yet). The present value of estimated cash flows is discounted at the financial assets original interest rate. If a financial asset bears variable interest rates, the discount to measure eventual impairment will be the interest rate effective at the present date.

The asset’s carrying amount is reduced through an allowance account and the amount of the loss is recognized in the income statement for the period. The financial income is still accumulated over the carrying amount less the interest rate used to discount the future cash flows in order to measure the impairment. In addition, the interest income is recorded as part of the financial revenue (expense) in the income statement for the period. Loans and receivables, together with respective allowance, are written off when there is no real prospect of future recovery and all guarantees have been realized or transferred to the Company. If in the subsequent year, the amount of estimated loss of recoverable value suffers any variation due to an event occurred after its recognition, an adjustment is made in the allowance account. If a write-off is later recovered, it is recorded a credit to financial expenses in the income statement for the period.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

a) Financial instruments -- Continued

(i) Financial assets -- Continued

Trade accounts receivable

Trade accounts receivable are non-derivative financial assets with fixed payments or that may be calculated, observation on the active market. After initial measurement, these financial assets are subsequently measured at the amortized cost according to the effective interest rate method, less impairment. The amortized cost is calculated taking into account eventual discounts or premiums over the acquisition and costs composing the interest rate method. The interest rate method amortization is included in the net financial revenue (expense) under the income statement for the period. Impairment expenses are recognized in the income statement for the period.

Accounts receivable from vendors are related to bonus and discount granted fromvendors, contractually established and calculated over purchase volumes, marketing actions and freight cost reimbursements, among other types.

(ii) Financial liabilities

The financial liabilities within the scope of CPC 38 (IAS 39) are classified as loans, financings or derivatives financial instruments designated as hedge instruments in an effective hedge structure, where applicable. The entity defines the classification of the financial assets and liabilities in the initial recognition.

All financial liabilities are recognized initially at fair value, and in the case of loans and financings, plus transaction costs.

The Company's financial liabilities include loans and financings, debentures and derivative financial instruments.

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Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

a) Financial instruments -- Continued

(ii) Financial liabilities -- Continued

Subsequent measurement

After initial recognition, interest bearing loans and financings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement for the period when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is paid, cancelled or expired.

When an existing financial liability is replaced by another from the same creditor on substantially different terms, or if the terms of an existing liability are substantially modified, such exchange, or modification, is treated as a derecognition of the original liability and a recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement for the period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and presented net in the quarterly financial information only if recognized amounts can be offset and if there is an intention of settling them on a net basis, or realize the assets and settle the liabilities simultaneously.

b) Hedge accounting

The Company uses derivative financial instruments such as, interest rate swaps and exchange variation. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value in each balance sheet date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives are taken directly to income statement for the period.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

b) Hedge accounting -- Continued

At the inception of a hedge relationship, the Company formally designates and documents the hedge structure to which the Company wishes to apply hedge accounting, as well as the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value, in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine if they actually have been highly effective throughout the periods of the financial reports for which they were designated.

For the purposes of hedge accounting, hedges are classified as fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability.

Hedges which meet the criteria for hedge accounting are accounted as as fair value hedges, adopting the following procedures:

- The change in the fair value of a derivative financial instrument classified as interest rate hedge is recognized as financial revenue (expense). The change in the fair value of the hedged item is recorded as a part of the carrying amount of the hedged item and is recognized in the income statement for the period.

- For fair value hedges relating to items carried at amortized cost, the adjustment to carrying amount is amortized in the income statement over the remaining term to maturity. Effective interest rate amortization may begin as soon as an adjustment exists, and shall begin no later than when the hedged item no longer adjusted for the changes in its fair value, attributable to the hedged risk.

- If the hedge item is derecognized, the unamortized fair value is recognized immediately in the income statement for the period.

- In calculating fair value, debts and swaps are measured using rates available in the financial market and projected to the date of maturity. The discount rate used to calculate the interpolation method of foreign currency loans, is developed through curves DDI, Clean Coupon and DI x Yen, indexes disclosed by BM&F Bovespa and loans in national currency, the curve is used DI index, published by CETIP and calculated by the method of exponential interpolation.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

c) Cash and cash equivalents

In accordance with CPC 03 (IAS 7), cash and cash equivalents consist of cash, investments that are short term, highly liquid, readily convertible to known amounts of cash and subject to an insignificant risk of changes in value with intention and possibility of rescued in short term. Bank overdrafts are included in current liabilities in the quarterly financial information.

d) Trade accounts receivables

Are recorded and kept in the balance sheet by the nominal values of sales, less the allowance for doubtful accounts, which is established based on risk analysis of the whole portfolio of clients and probability of receiving.

e) Inventories

Inventories are carried at the lower of cost or market. The cost of inventories purchased is recorded at average cost, including warehouse and handling costs, to the extent these costs are necessary to bring inventories available for sale in the stores, net of considerations received from vendors.

Market is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Inventories are reduced by a provision for losses and breakage, which are periodically reviewed and evaluated as to its adequacy.

f) Bonus

Considerations received from vendors are measured and recognized based on contracts and agreements signed with vendors and encompasses agreements by purchase volume, provision of logistics services and one-off negotiations for margin recovery or marketing agreements.

g) Present value adjustment of assets and liabilities

Current monetary assets and liabilities, when relevant, and noncurrent assets and liabilities, are adjusted to their present value. The present value adjustment is calculated considering contractual cash flows and the respective explicit or implied interest rates.

Embedded interest rates on revenues, expenses and costs associated referred to assets and liabilities are adjusted to the appropriate recognition in accordance with the accrual basis of accounting. The present value adjustment is recorded in those items, subject to the application of rule and has a counterpart in the line “financial revenue (expense)”.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

h) Impairment of non-financial assets

The impairment test intends to provide the actual net realizable value of an asset. This recovery test can be done directly or indirectly, respectively, by sale or by the cash generation through the asset's use in the activities of the Company and its subsidiaries.

Annually, the Company and its subsidiaries, assesses the impairment test in their tangible or intangible assets, or when there is any internal or external evidence that the asset may have a loss of recoverable amount.

An asset's recoverable amount is the highest between the asset's fair value or the value in use of its cash-generating units (CGU), unless the asset does not generate cash inflows that are largely independent from cash inflows of other assets or groups of assets.

If the carrying amount of an asset, or CGU, exceeds its recoverable amount, the asset is considered non-recoverable and is written down to its recoverable amount. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate, which represents the Company’s cost of capital (“WACC”), before taxes, that reflects current market assessments of the time value of the money and the risks related to the asset.

Impairment losses are recognized in the income statement for the year in those expense categories consistent with the function of the impaired asset. A previously recognized impairment loss is reversed, if has been a change in the assumptions used to determine the asset’s recoverable amount, except to the goodwill that cannot be reverted in future periods.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

i) Property and equipment

Property and equipment is stated at cost, net of accumulated depreciation and/or impairment losses, if any. Such cost includes the amount of acquisition of the equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant components of property and equipment are replaced, such components are recognized as individual assets with specific useful lives and depreciation. Likewise, when a major replacement is performed, its cost is recognized in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the income statement as incurred.

Assets category	Annual average depreciation rate %
Buildings	2.50%
Improvements	4.20%
Data processing equipment	10.00 to 50.00%
Facilities	4.20 to 10.00%
Furniture and fixtures	8.30 to 33.30%
Vehicles	20.00%
Machinery and equipment	2.80 to 50.00%
Decoration	20.00%

Items of property and equipment and any significant parts are derecognized when no future economic benefits are expected from its use or sale. Any gain or loss arising on derecognition of the assets is included in the income statement for the period.

j) Borrowing costs

In accordance with “CPC20 (R1) - Borrowing Costs”, borrowing costs directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale (qualifying asset) are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the year that they occur. Borrowing costs consist of interest and other costs that the Company and its subsidiaries incur in connection with the funding.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and any accumulated impairment losses. Intangible assets internally generated, excluding capitalized software development costs, are not capitalized and the expenditure is reflected in the income statement for the period when incurred.

Intangible assets consist mainly of purchased software acquired from third parties, software developed for internal use and commercial rights (stores' right to use), list of customers, in case of business combination, advantageous lease agreements, advantageous supply agreements of furniture and tradenames.

Intangible assets with definite useful lives are amortized by the straight-line method. Intangible assets with definite useful lives represented by advantageous lease agreement and advantageous supply agreement of furniture, are amortized according to the economic benefits included in the agreements and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and method are reviewed, at least, at the end of each year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing in the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expenses on intangible assets with definite useful lives are recognized in the income statement for the period in the corresponding category consistent with the function of the intangible asset.

Software development costs recognized as assets are amortized over their estimated useful lives, which is 10 (ten) years.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year-end or whenever there is an indication that their carrying amount cannot be recovered, either individually or at the cash generating unit level. The assessment is reviewed annually to determine whether the indefinite useful life continues to be valid. If not, the change in useful life from the indefinite to definite is made on a prospective basis.

Gains or losses when applicable, arising from derecognition of an intangible asset are measured as the difference between the net sales proceeds and the carrying amount of the asset, being recognized in the income statement for the period when the assets are disposed.

4. Significant accounting policies -- Continued

l) Classification of assets and liabilities as current and non-current

Assets (excluding deferred income and social contribution tax) that are expected to be realized, or are intended for sale or consumption, within 12 (twelve) months after the balance sheet date, are classified as current assets. Liabilities (excluding deferred income and social contribution tax) that are expected to be settled within 12 (twelve) months as of the balance sheet date are classified as current.

The deferred tax assets and liabilities are classified as noncurrent, net by consolidated entity.

m) Leasing

The determination of whether an arrangement, or containing leasing, is based on the substance of the arrangement at inception date, i.e., whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Company as a lessee

Financial lease agreements, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are allocated between finance charges and reduction of leasing liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in the income statement for the period.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shortest of the estimated useful life of the asset and the lease term.

Lease agreements are classified as operating leasing when there is no transfer of risk and benefits incidental to ownership of the leased item.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

m) Leasing – Continued

Company as a lessee - Continued

The installment payments of leasing (excluding costs of services, such as insurance and maintenance) classified as operating lease agreements are recognized as expenses, according to their accrual basis, during the lease term.

Contingent rents are recognized as expenses in the periods that they are earned.

Company as a lessor

Lease agreements where the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the agreement term on the same bases as rental income.

Contingent rents are recognized as revenue in the period in which they are earned.

n) Provisions

Provisions are recognized when the Company and its subsidiaries have a present obligation (legal or not formalized) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company and its subsidiaries expect some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement, net of any reimbursement.

o) Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability at the end of the year, based on the minimum mandatory dividends established by the bylaws. Any amount above of that amount is only recorded at the date on which such incremental dividends are approved by the Company's shareholders.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

p) Deferred revenue

The deferred revenue are recognized by the Company and its subsidiaries through the advance of amounts received from business partners for exclusivity intermediation service of additional or extended guarantees and recognized in income by the evidence service in the sale of these guarantees with the business partners.

q) Shareholders' equity

Common and preferred shares are classified as shareholders' equity.

When any related party purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from shareholders' equity until the shares are cancelled or reissued. When such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs, is included in shareholders' equity. No gain or loss is recognized on the purchase, sale, issuance or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration is recognized in other capital reserves.

r) Share-based payment

Employees (including senior executives of the Company and its subsidiaries) receive remuneration in the form of share-based payment, whereby employees render services as consideration for equity instruments (“equity-settled transactions”).

Equity-settled transactions

The cost of equity-settled transactions is recognized as expense in the period, together with a corresponding increase in shareholders’ equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity instruments at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the best estimate of the Company and its subsidiaries of the number of equity instruments to be acquired.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

r) Share-based payment -- Continued

Equity-settled transactions -- Continued

The expense or income for each period represents the change in cumulative expense recognized at the beginning and end of period. No expense is recognized for services that will not complete its acquisition period, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where an equity instrument is modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

In case of cancellation of an equity instrument, it is treated as if it totally vested on the date of cancellation, and any expense not yet recognized for the award, recognized immediately in the income statement. This includes any award where non-vesting conditions within the control of either the Company or the employee are not met. However, if the cancelled plan is replaced by another plan and designated as a replacement grants on the date that it is granted, the cancelled grant and new plan are treated as if they were a modification of the original grant, as described in the previous paragraph. All cancellations of equity-settled transaction are treated equally.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (see note 25).

s) Earnings per share

Basic earnings per share are calculated based on the weighted average number of shares of each category outstanding during the period, excluding shares issued in payment of dividends and treasury shares.

Diluted earnings per share are calculated as follows:

- *numerator:* earnings for the period; and
- *denominator:* the number of shares of each category is adjusted to include potential shares corresponding to dilutive instruments (stock options), less the number of shares that could be bought back at market, if applicable.

Equity instruments that will or may be settled in Company's shares are included in the calculation only when their settlement would have a dilutive impact on earnings per share.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

t) Determination of net income

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and its subsidiaries and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements, except for those referring to extended warranty and insurance policy brokerage. Specifically in this case, the Company operates as an agent, and revenue is recognized on a net basis, which reflects the commission received from insurance companies. The following specific recognition criteria must also be met before revenue is recognized:

(i) Revenue

a) Sales of goods

Revenues from the sale of products are recognized by the fair value and when all risks and benefits inherent to the product are transferred to the buyer, the Company and its subsidiaries no longer has the control or responsibility over the goods sold and the economic benefits generated to the Company and its subsidiaries are probable. Revenues are not recognized if their realization is uncertain.

b) Interest income

For all financial instruments measured at amortized cost, interest income or expense is recorded using the effective interest rate, which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in the financial income (loss) under the income statement for the period.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

t) Determination of net income -- Continued

(ii) Cost of goods sold

The cost of goods sold comprises the cost of purchases net of discounts and bonuses received from trade accounts payables, changes in inventory and logistics costs.

Bonus received from trade accounts payables is measured based on contracts and agreements signed with trade accounts payables.

The cost of sales includes the cost of logistics operations managed or outsourced by the Company, comprising warehousing, handling and freight costs incurred until the availability of goods for sale. The transport costs are included in the acquisition costs.

(iii) Selling expenses

The selling expenses consist of all store expenses, such as salaries, marketing, occupancy, maintenance, etc.

(iv) General and administrative expenses

The general and administrative expenses correspond to overheads and the cost of corporate units, including the purchasing and procurement, IT and finance functions.

(v) Other operating expenses, net

The other operating income and expense correspond to the effects of major events occurring during the period that do not meet the Company’s definition for the other income statement line items.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

t) Determination of net income -- Continued

(vi) Financial Expenses

Finance expenses include, substantially, all expenses generated by net debt and the receivables securitization during the period offset by capitalized interest, losses related to the measurement of derivatives at fair value, losses on disposals of financial assets, finance charges on lawsuits and taxes interest charges on financial lease, as well as discounting adjustments.

Finance income includes income generated by cash and cash equivalents and escrow deposits, gains related to the measurement of derivatives at fair value, purchase discounts obtained from trade accounts payables, and others discounts obtained.

u) Taxation

Current income and social contribution taxes

Current income and social contribution tax assets and liabilities, for the current and prior periods, are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the tax are those that are enacted or substantially enacted, at the balance sheet dates.

The taxation on income comprises the Corporate Income Tax (“IRPJ”) and Social Contribution on Net Income (“CSLL”), being calculated based on taxable income (adjusted income), at rates applicable in the prevailing laws – 15% over taxable income and 10% surcharge over the amount exceeding R$ 240 in taxable income yearly for IRPJ and 9% for CSLL.

Deferred income and social contribution taxes

Deferred income and social contribution taxes are generated by temporary differences at the balance sheet date, between the tax basis of assets and liabilities and their carrying amounts.

Deferred income and social contribution tax assets are recognized for all deductible temporary differences, and tax losses carry forward, to the extent that it is probable that taxable profit will be available against which to deduct the temporary differences and unused tax credits and losses except where the deferred income and social contribution tax assets relating to the deductible temporary difference arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor tax profit or loss.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

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(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

u) Taxation - Continued

Deferred income and social contribution taxes - Continued

Deferred income and social contribution taxes liabilities referring to all temporary taxable differences, except when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in an operation, rather than a business combination and, at the time of the operation, affects neither the accounting net profit nor taxable loss.

With respect to deductible temporary differences associated with investments in subsidiaries and associates, deferred income and social contribution taxes are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income and social contribution tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income and social contribution taxes to be utilized.

Unrecognized deferred income and social contribution tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow these assets to be recovered.

Deferred income and social contribution tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet dates.

Deferred taxes related to items directly recognized in shareholders' equity are also recognized in shareholders' equity and not in the income statement.

Deferred income and social contribution tax assets and liabilities are offset if there is a legal or contractual right to offset the tax assets against the income tax liabilities and deferred taxes refer to the same taxpayer entity and to the same tax authority.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

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(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

u) Taxation - Continued

Other taxes

Revenues from sales and services are subject to taxation by State Value-Added Tax (“ICMS”), Services Tax (“ISS”), calculated on the basis rates prevailing in each region, and Social Contribution Tax on Gross Revenue for the Social Integration Program (“PIS”) and Social Contribution Tax on Gross Revenue for Social Security Financing (“COFINS”) and are presented net of sales revenue,

Sales taxes

Revenues and expenses are recognized net of the amount of tax, except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in this case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheets.

- Recoverable taxes or taxes paid in advance are recorded as current and noncurrent, according to the expected time of realization.

v) Business combinations and goodwill

Business combinations are recorded using the acquisition method. The cost of an acquisition is measured as the sum between the consideration transferred, measured at fair value on the acquisition date and the remaining amount of noncontrolling interest in the acquired company. For each business combination, the acquirer measures the non-controlling interest in the acquired company at fair value or through the proportional interest in acquired company's identifiable net assets. The acquisition costs incurred are treated as expense and included in the administrative expenses.

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Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies --Continued

v) Business combinations and goodwill - Continued

When the Company acquires a business, it assesses financial assets and liabilities to the appropriate classification and designation according to contractual terms, economic circumstances and relevant conditions on the acquisition date. This includes the separation of derivatives embedded in agreements by the acquired company.

If the business combination occur in phases, the fair value on the acquisition date of interest previously held by acquirer in acquired company is adjusted to fair value on the acquisition date through income statement.

Any contingent payment to be transferred by acquirer will be recognized at fair value on the acquisition date. Subsequent changes in fair value of contingent payment considered as an asset or liability will be recognized under CPC 38 (IAS 39) through income statement or as change in other comprehensive income. If the contingent payment is classified as equity, it will not be adjusted until it is finally settled under shareholders’ equity.

Goodwill is initially measured at cost and the excess between the consideration transferred and the amount recognized for non-controlling interest over assets acquired and liabilities assumed. If this payment is lower than the fair value of net assets of acquired subsidiary, the difference is recognized in the income statement as gain due to bargain gain.

After initial recognition, the goodwill is measured at cost, less eventual impairment losses. For the purposes of impairment test, the goodwill acquired in a business combination is, as of the acquisition date, allocated to each one of the Company's cash generating units which shall benefit from the business combination, regardless if other assets or liabilities of the acquired company will be assigned to these units.

In cases the goodwill composes a cash generating unit and part of the operation at this unit is disposed, the goodwill related to the disposed operation is included in the carrying amount of the operation when gain or loss or disposal of the operation is calculated. This goodwill is then measured based on the disposed operation-related amounts and the portion of the cash generating unit retained.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

4. Significant accounting policies -- Continued

w) Pension plan

The pension plan is funded through payments to insurance companies, which are classified as defined contribution plan according to CPC 33 (IAS 19). A defined contribution plan is a pension plan through which the Company pays fixed contributions to a separate legal entity. The Company has no legal or constructive obligation to pay additional contributions related with the balance of plan assets.

x) Customer loyalty programs

These are used by the Company to provide incentives to its customers in the sale of products or services. If customer buys products or services, the Company grants them credits. Customer may redeem the credits free of charge as a discount in the amount of products or services.

The Company estimates the fair value of scores granted according to the customer loyalty program, applying statistical techniques, considering the maturity of the plan defined in therules of the programs.

y) Statement of value added

This statement aims to highlight the value added created by the Company and its distribution during specific period and it is presented as required by Brazilian corporate law, as part of the individual and consolidated quarterly financial information, as it is not a mandatory statement according to IFRS.

This statement was prepared based on information obtained from accounting records, that are the basis of preparation of financial statements, and in accordance with the provisions of technical pronouncement CPC 09 - Statement of Value Added. The first part introduces the wealth created by the Company, represented by the proceeds (gross proceeds of sales, including taxes, other revenues and the effects of allowance for doubtful accounts), by the merchandise purchased from third parties (cost of sales and purchases of materials, energy and services from third parties, including the taxes included in the time of acquisition, the effects of loss and recovery of assets and depreciation and amortization) and the added value received from third parties (pick up, financial revenue and other revenue). The second part of the statement shows the distribution of value added between personnel, taxes and contributions, return on third-party capital and equity.

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Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

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(In thousands of Brazilian reais, except when otherwise stated)

5. Standards issued but not yet effective

There are no CPCs issued which are not effective yet, but there are IFRS issued to which there is no change in CPCs in force, but it is expected that the Brazilian standards will be in conformity with the international standards until the start date thereof. Below a summary of the IFRS issued but not effective yet:

IFRS 9 – Financial Instruments - Classification and Measurement - IFRS 9 concludes the first part of the replacement project of "IAS 39 Financial Instruments: Recognition and Measurement". IFRS 9 uses a simple approach to determine if a financial asset is measured at the amortized cost or fair value, based on the way how an entity administers its financial instruments (its business model) and the contractual cash flow, which is a characteristic of the financial assets. The standard also requires the adoption of only one method to determinate asset impairment. The standard will be effective for annual periods beginning on January 1, 2015.

IFRS 10 - Consolidate Financial Statements - IFRS 10 replaces of SIC 12 and IAS 27 and applies to consolidated financial statements when an entity controls one or more other entities. The standard include a new definition of control that represents three elements: a) power over the investee; b) exposure, or rights, to variable returns from its involvement with the investee; and c) the ability to use its power over the investee to affect the amount of the investor's returns. The standard is effective for annual periods beginning on or after January 1º, 2013.

IFRS 11 - Joint Arrangements - IFRS 11 replaces of SIC 13 and IAS 31 and applies to joint-controlled entities. In accordance with the standard, the participation agreements are classified as joint operations or joint ventures, as the rights and obligations of these agreements. Joint ventures should be accounted by the equity method, while the joint-controlled entities may be accounted by the equity method or by the proportionate accounting method. The standard is effective for annual periods beginning on or after January 1º, 2013.

IFRS 12 - Disclosure of Interests in Other Entities - IFRS 12 applies to Disclosure of interests in other entities, which is intended to enable users to know the risks, the nature, and the effects in the financial statements of the interest in other entities. The standard is effective for annual periods beginning on or after January 1º, 2013.

IFRS 13 - Fair Value Measurements - IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements). The standard is effective for annual periods beginning on or after January 1º, 2013.

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5. Standards issued but not yet effective - Continued

IASB issued clarifications on the IFRS rules and amendments. Below, the main amendments:

- IAS 1 – Presentation of Financial Statement: Presentation of items under Other Comprehensive Income, whose change is effective for annual periods beginning on or after July 1, 2012;

- IAS 19 – Employee Benefits: It includes from substantial amendments, such as the removal of corridor mechanism and the concept of expected return on plan assets until simple clarifications on valuations, devaluations and reformulation, whose change is effective for annual periods beginning on or after July 1, 2013;

- IAS 27 – Consolidated and Separate Financial Statement: As a result of future application of IFRS 10 and 12, what remains in this standard is restricted to the accounting for subsidiaries, jointly-controlled entities and associates in separate financial statements, whose change is effective for annual periods beginning on or after January 1, 2013; and

• IAS 28 – Investments in Associates: As a result of future application of IFRS 11 and 12, current standard now is IAS 28 – Investment in associates and Joint Ventures and describes the application of equity method for investments in joint ventures, in addition to investments in associates, whose change is effective for annual periods beginning on or after January 1, 2013.

The Company will deepen its studies on the adoption of these pronouncements and interpretations in its individual and consolidated quarterly financial information.

There are no other rules or interpretations issued that have not been adopted yet that according to the Management's opinion, may adversely affect the Company's income (loss) or shareholders' equity.

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(In thousands of Brazilian reais, except when otherwise stated)

6. Significant accounting judgments, estimates and assumptions

Judgments, estimates and assumptions

The preparation of the Company's individual and consolidated quarterly financial information requires Management to make judgments, estimates and assumptions that impact the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability impacted in future periods. In the process of applying the Company's accounting policies, Management has made the following judgments, which have the most significant impact in the amounts recognized in the individual and consolidated quarterly financial information:

a) Financial lease commitments – Company as lessee

The Company has entered into commercial property leasing agreements in its leased property portfolio and, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and recorded the agreements as financial lease.

b) Impairment

According to the policies disclosed in note 4 (h) the Company assessed if there was an objective evidence of assets impairment and in the year ended December 31, 2011, no signs or facts were identified that would require a new assessment.

c) Income taxes

Given the nature and complexity of Company’s business, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could result in future adjustments to income tax and expense already recorded. The Company and its subsidiaries establish provisions, based on reasonable estimates, for eventual consequences of audits by the tax authorities for respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective entity's domicile.

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6. Significant accounting judgments, estimates and assumptions -- Continued

Judgments, estimates and assumptions -- Continued

c) Income taxes -- Continued

Deferred income and social contribution tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant Management judgment is required to determine the amount of deferred income and social contribution tax assets that can be recognized, based upon the profit estimates and the level of future taxable profits, based on the business plan approved by the Board of Directors.

The Company and its subsidiaries have tax losses amounting to a tax benefit of R$869,684 at June 30, 2012 (R$764,524 in December 31, 2011). These losses do not have limitation periods and relate to the Company and its subsidiaries that have tax planning opportunities available to support these balances.

Further details on taxes are disclosed in the Note 21.

d) Fair value of derivatives and other financial instruments

Where the fair value of financial assets and financial liabilities recorded in the quarterly financial information cannot be derived from active markets, it is determined according to the hierarchy set by CPC 38 (IAS39), to which certain valuation techniques are determined, including the discounted cash flow model. The inputs to these models are taken, where possible, from observable markets or information about comparable operations and transactions on the market. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The fair value of financial instruments that are actively traded on organized markets is determined based on the market quotes, on the balance sheet dates, without any deduction for transaction costs. For financial instruments that are not actively traded, the fair value is based on valuation techniques defined by the Company and compatible with usual practices on the market. These techniques include the use of recent market arm’s length transactions, notional to the fair value of similar financial instruments, analysis of discounted cash flows or other valuation models.

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(In thousands of Brazilian reais, except when otherwise stated)

6. Significant accounting judgments, estimates and assumptions -- Continued

Judgments, estimates and assumptions -- Continued

d) Fair value of derivatives and other financial instruments -- Continued

When the fair value of financial assets and liabilities recorded in the balance sheet cannot be observed in active markets, it is determined by valuation techniques, including the discounted cash flow method. These methods inputs are collected from the market, where applicable. When these observations are not possible, judgment is required to determine the fair value. This judgment includes considerations of inputs, such as: liquidity risk, credit risk and volatility. Changes in these factors assumptions may affect the fair value of the financial instruments.

e) Share-based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in the Note 25.

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7. Cash and cash equivalents

		Parent Company		Consolidated	
	Rate (a)	06.30.2012	12.31.2011	06.30.2012	12.31.2011
Cash on hand and in bank accounts		**88,533**	144,507	**346,981**	522,293
Financial investments:					
Itaú BBA	97.4% do CDI e Selic (b)	**357,166**	549,678	**921,373**	879,271
Itaú – Delta Fund	101.2%	**776,450**	1,069,170	**1,722,313**	1,738,612
Banco do Brasil	101.6%	**908,164**	400,167	**1,492,081**	631,620
Bradesco	101.7%	**405,243**	118,051	**623,585**	852,181
Santander	102.5%	**59,520**	3,080	**60,534**	110,996
CEF	98.7%	**2,940**	2,812	**3,961**	2,812
Votorantim	100.8%	**2,154**	2,640	**5,949**	7,433
Safra	101.3%	**82,122**	1,826	**271,071**	156,305
Outros	(c)	**6,134**	36,852	**25,535**	68,432
		2,688,426	2,328,783	**5,473,383**	4,969,955

(a) Financial investments at June 30, 2012 were paid primarily by the rate of Interbank Deposit Certificate (CDI).

(b) The Selic rate is established by the Monetary Policy Committee (“COPOM”).

(c) Refer to automatic investments at the end of each period.

8. Trade accounts receivable, net

	Parent Company		Consolidated	
	06.30.2012	**12.31.2011**	**06.30.2012**	**12.31.2011**
Credit card companies (a)	**101,294**	144,227	**342,952**	429,697
Debit card companies (b)	**-**	-	**25,088**	29,314
Sales vouchers and others	**62,969**	92,810	**93,985**	136,454
Consumer finance (c)	**-**	-	**1,960,980**	1,959,768
Consumer finance - Bradesco	**-**	-	**784**	25,606
Credit sales with post-dated checks	**789**	984	**3,533**	4,010
Accounts receivable from wholesale customers	**-**	-	**23,627**	49,106
Accounts receivable – FIDCs (d)	**-**	-	**2,380,895**	2,558,726
Adjustment to present value (e)	**-**	-	**(6,843)**	(10,823)
Private label credit card – interest-free installment payment	**20,688**	19,214	**20,693**	19,214
Allowance for doubtful accounts (f)	**(136)**	-	**(204,905)**	(210,970)
Accounts receivable from suppliers(h)	**290,105**	336,545	**382,222**	447,398
Accounts receivable from related parties	**141,875**	197,758	**-**	-
Current	**617,584**	791,538	**5,023,011**	5,437,500
Accounts receivable – Paes Mendonça (g)	**-**	-	**461,590**	445,056
Consumer financing	**-**	-	**101,557**	117,783
Allowance for doubtful accounts (f)	**-**	-	**(7,085)**	(6,998)
Noncurrent	**-**	-	**556,062**	555,841
	-			
	617,584	791,538	**5,579,073**	5,993,341

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(In thousands of Brazilian reais, except when otherwise stated)

8. Trade accounts receivable, net -- Continued

a) Credit card companies

Credit card sales are receivable from the credit card companies. In the subsidiaries Via Varejo, NCB and Nova Pontocom, credit card receivables, related to the sale of home appliances, are receivable in installments not exceeding 24 months, and such credit card receivables are sold to banks or credit card companies, in order to obtain working capital.

b) Debit card companies

Debit card receivable are related tosale of home appliances and furniture in stores of Via Varejo and its subsidiary NCB, debit card companies pay these receivables on the day after (D+1) the completion of the sale.

c) Consumer credit

Refer to consumer direct credit through dealer (CDCI) which can be paid in 24 installments, mainly in subsidiary NCB.

The Company maintains agreements with financial institutions where it is referred to as intervening party of these operations. (see note 18).

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Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

8. Trade accounts receivable, net -- Continued

d) Accounts receivable - FIDCs

The Company and Subsidiaries carry out securitization operations of their receivables, mainly represented by credit card company receivables and food voucher, with the PAFIDC and Globex FIDC. The volume of operations was R$5,017,267 as of June 30, 2012 (R$4,744,820 as of June 30, 2011) for PAFIDC, R$1,175,148 as of June 30, 2012 (R$1,715,242 as of June 30, 2011) for Globex FIDC, in which the responsibilities for services rendered and subordinated interests were retained. The consolidated securitization costs of such receivables amounted to R$45,752 in June 30, 2012 (R$69,346 as of June 30, 2011) for PAFIDC and R$59,339 (R$64,431 as of June 30, 2011) for Globex FIDC, recognized as financial expenses in the statement of income for the period.

Services rendered, which are not remunerated, include credit analysis and the assistance by the collection department to the fund’s manager.

The outstanding balances of these receivables in PAFIDC and Globex FIDC as of June 30, 2012 were R$2,380,895 (R$2,558,726 as of December 31, 2011), net of allowance.

e) Adjustment to present value

The discount rate used by subsidiary NCB considers current market valuations as to the cash value over time and asset's specific risks. Credit sales with the same cash value were carried to their present value on the date of the operation, in view of their terms, adopting the monthly average rate of receivables anticipation with credit card companies. In the six-month ended June 30, 2012 these rates were in average 0.81% (0.97% as of December 31, 2011).

f) Allowance for doubtful accounts

The allowance for doubtful accounts is based on average historical losses complemented by Company's estimates of probable future losses:

	Parent Company		Consolidated	
	06.30.2012	**12.31.2011**	**06.30.2012**	**12.31.2011**
At the beginning of the period	**-**	-	**(217,968)**	(180,964)
Allowance for doubtful accounts	**(136)**	-	**(144,125)**	(268,902)
Recoveries and provision writte-off	**-**	-	**150,103**	231,898
At the end of the period	**(136)**	-	**(211,990)**	(217,968)
Current	**(136)**	-	**(204,905)**	(210,970)
Noncurrent	**-**	-	**(7,085)**	(6,998)

		Falling		Bonds due		
	Total	**due**	**<30 days**	**30-60 days**	**61-90 days**	**>90 days**
06.30.2012	**5,579,073**	**5,408,886**	**85,119**	**30,492**	**20,944**	**33,632**
12.31.2011	5,993,341	5,818,401	109,509	31,935	20,776	12,720

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Notes to the interim financial statements -- Continued

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(In thousands of Brazilian reais, except when otherwise stated)

8. Trade accounts receivable, net -- Continued

g) Accounts receivable – Paes Mendonça

The accounts receivable from Paes Mendonça relate to amounts deriving from the payment of third party liabilities by the subsidiaries Novasoc and Sendas. Pursuant to contractual provisions, these accounts receivable are monetarily restated (IGPM) and guaranteed by commercial leasing rights of certain stores currently operated by the Company, Novasoc and Sendas. Maturity of accounts receivable is linked to the lease agreements, which mature in 2014.

h) Accounts receivable from vendors

Accounts receivable from vendors includes rebates and discounts obtained from suppliers. These amounts are established contractually and include amounts for volume purchase discounts, joint marketing programs, freight reimbursements, and other similar programs.

9. Other accounts receivable

	Parent Company		Consolidated	
	06.30.2012	**12.31.2011**	**06.30.2012**	**12.31.2011**
Accounts receivable related to sale from property and equipment	**-**	-	**59,535**	50,423
Cooperative advertising with vendors	**-**	-	**21,324**	50,617
Advances to suppliers	**6,030**	6,613	**8,903**	13,718
Amounts to be reimbursed	**5,040**	5,035	**40,346**	35,725
Claims to receive	**1,414**	248	**43,219**	49,927
Trade accounts receivable from services	**-**	3,491	**-**	4,430
Rental receivable	**8,608**	10,432	**12,438**	14,896
Other accounts receivable – PAFIDC	**-**	-	**31,920**	47,288
Loans to employees	**-**	-	**29,465**	8,208
Boa Esperança Supermarket	**-**	8,393	**-**	8,393
Sendas S,A,	**24,977**	19,144	**24,977**	19,144
Accounts receivable on sale of property	**8,522**	8,391	**8,522**	8,262
Others	**15,750**	2,598	**45,911**	25,017
	70,341	64,345	**326,560**	336,048
Current	**22,951**	33,545	**246,312**	270,622
Noncurrent	**47,390**	30,800	**80,248**	65,426

10. Receivables securitization fund

a) <u>Receivables Securitization Fund - Pão de Açúcar</u>

PAFIDC is a receivables securitization fund created for the purpose of acquiring the Company and its subsidiaries' trade accounts receivables, arising from sales of products and services to their customers, except for receivables from installment sales and post-dated checks. The fund has a defined term untilJanuary 29, 2016.

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ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

10. Receivables Securitization Fund --Continued

a) Receivables Securitization Fund - Pão de Açúcar --Continued

The capital structure of the fund, at June 30, 2012, is composed by 10,295 senior shares held by third parties in the amount of R$1,193,791 (R$1,235,901 as of December 31, 2011), which represent 89.33% of the fund's equity (89.90% as of December 31, 2011) and 2,864 subordinated quotas (the same as of December 31, 2011), held by the Company and subsidiaries in the amount of R$142,587, which represent 10.67% of the fund's equity (10.10% as of December 31, 2011).

The subordinated shares belong to the Company and are recorded as noncurrent assets, as interest in the fund, with a balance of R$127,651 as of June 30, 2012 (R$124,276 in December 31, 2011). The interest held in subordinated shares represents the maximum exposure to the securitization operations.

The interest rates of senior shares are shown below:

	06.30.2012			12.31.2011	
Shareholders	**Amount**	**CDI Rate**	**Balance redeemable**	**CDI Rate**	**Balance redeemable**

Senior A	5,826	**108.0%**	**692,794**	108.0%	758,660
Senior B	4,300	**108.0%**	**217,949**	108.0%	207,614
Senior C	169	**108.0%**	**283,048**	108.0%	269,627
			1,193,791		1,235,901

Subordinated shares are registered and non-transferable, and were issued in a single series. The Company will redeem the subordinated quotas only after the redemption of senior quotas or at the end of the fund's term. Once the senior quotas have been remunerated, the subordinated quotas will receive the balance of the fund's net assets after absorbing any losses on receivables transferred and any losses attributed to the fund. Their redemption value is subject to credit, prepayment, and interest rate risks on the transferred financial assets.

The holders of senior shares have no recourse against the other assets of the Company in the event customers' delinquency. As contractually agreement between the Company and PAFIDC, the transfer of receivables is irrevocable, irreversible and definitive.

b) Receivables Securitization Fund – Globex FIDC

Globex FIDC is a receivables securitization fund created to acquire the trade accounts receivable of Via Varejo and its subsidiaries, NCB and Nova Pontocom (mainly credit card), originated from the sale of products and services to its customers. This fund was created at November 11, 2010 with determinate, ending on November 11, 2013.

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10. Receivables Securitization Fund -- Continued

b) Globex Receivables Securitization Fund – Globex FIDC- Continued

The capital structure of the fund, at June 30, 2012 is composed by 11,666 senior shares held by third parties, amounting to R$1,243,346 (R$1,184,522 as of December 31, 2011), representing 85.11% of the fund's equity (85.00% as of December 31, 2011) and 1,910 subordinated quotas (the same as of December 31, 2011), held by the Company and its subsidiaries, amounting to R$217,520 (R$209,068 as of December 31, 2011), representing for 14.89% of the fund's equity (15% as of December 31, 2011).

Subordinated shares belong to Via Varejo and are recorded as noncurrent assets, as participation in the fund, with balance of R$217,520 as of June 30, 2012 (R$209,068 as of December 31, 2011). The interest held in subordinated quotas represents the maximum exposure to the securitization operations.

The interest rates of senior quotas are shown below:

			06.30.2012		12.31.2011
Shareholder	**Amount**	**CDI rate**	**Balance redeemable**	**CDI rate**	**Balance redeemable**

Senior - 1st Series	11,666	**107.75%**	**1,243,346**	107.75%	1,184,522

Subordinated shares are registered and non-transferable and were issued in a single series. The subsidiary Via Varejo will redeem the subordinated quotas only after the redemption of senior quotas or at the end of the fund's term. Once the senior quotas have been remunerated, the subordinated quotas will receive the fund's net assets after absorbing any losses on receivables transferred and any losses attributed to the fund. Their redemption value is subject to credit, prepayment and interest rate risks on the transferred financial assets.

The holders of senior shares have no recourse against the other assets of the subsidiary Via Varejo in the event of customers' delinquency. As contractually agreed upon between the subsidiary Via Varejo and Globex FIDC, the transfer of receivable is irrevocable, irreversible and definite.

11. Inventories

	Parent Company		**Consolidated**	
	06.30.2012	**12.31.2011**	**06.30.2012**	**12.31.2011**
Stores	**1,032,317**	1,172,026	**3,035,964**	3,489,429
Warehouses	**782,335**	796,600	**2,067,137**	2,292,939
Inventories in construction (d)	**-**	-	**110,810**	14,000
Bonus in inventories (a)	**(42,188)**	(46,908)	**(102,752)**	(130,303)
Provision for obsolescence/breakage (b)	**(4,045)**	(6,780)	**(48,894)**	(75,757)
Present value adjustment (c)	**-**	-	**(12,206)**	(23,539)
	1,768,419	1,914,938	**5,050,059**	5,566,769
Current	**1,768,419**	1,914,938	**4,939,249**	5,552,769
Noncurrent	**-**	-	**110,810**	14,000

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(In thousands of Brazilian reais, except when otherwise stated)

11. Inventories – Continued

a) Bonus in inventories

The Company records in the income statement of the period the bonus received from suppliers at the same time the inventories is realized.

b) Provision for obsolescence/breakage

	Parent Company		Consolidated	
	06.30.2012	**12.31.2011**	**06.30.2012**	**12.31.2011**
At beginning of period	**(6,780)**	(8,921)	**(75,757)**	(95,846)
Additions	**(546)**	(3,878)	**(7,538)**	(57,816)
Write-offs	**3,281**	6,019	**34,401**	77,905
At end of period	**(4,045)**	(6,780)	**(48,894)**	(75,757)

c) Present value adjustment

The adjustment to present value of inventories refers to the corresponding entry of adjustment to present value of the subsidiary NCB's trade accounts payable. For the Company and other subsidiary, the Management did not record the present value adjustment, since the operations are short term and considers irrelevant any eventual effect of such adjustments when compared to the quarterly financial information taken as a whole.

d) Inventories in construction

The amount of inventories in construction, refers to the cost of apartments units exchanged for land (note 26).

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12. Recoverable taxes

	Parent Company		Consolidated	
	06.30.2012	**12.31.2011**	**06.30.2012**	**12.31.2011**
Taxes on sales	**35,687**	176,986	**498,394**	434,530
ICMS recoverable (a)	**14,363**	169,829	**419,017**	262,242
PIS/COFINS recoverable	**21,324**	7,157	**79,377**	172,288
Income tax	**19,977**	110,532	**98,439**	250,690
Financial investments	**11,771**	63,479	**52,595**	96,210
Other	**8,206**	47,053	**45,844**	154,480
Other	**149,527**	126,203	**293,047**	222,482
ICMS recoverable from property and equipment	**8,143**	10,594	**37,053**	52,733
ICMS tax replacement (a)	**93,218**	93,741	**93,622**	94,291
INSS	**-**	-	**81,248**	43,497
Other	**48,574**	22,469	**81,937**	33,201
Adjustment present value	**(408)**	(601)	**(813)**	(1,240)
Current	**205,191**	413,721	**889,880**	907,702
Taxes on sales	**181,523**	-	**912,215**	687,925

ICMS recoverable (a)	**181,523**	-	**800,553**	677,095
PIS/COFINS recoverable	**-**	-	**111,662**	10,830
<u>Other</u>	**19,073**	24,526	**53,735**	42,073
ICMS recoverable from property and equipment	**24,430**	31,781	**62,320**	55,306
Adjustment present value	**(5,357)**	(7,255)	**(8,584)**	(13,233)
Noncurrent	**200,596**	24,526	**965,950**	729,998
	405,787	438,247	**1,855,830**	1,637,700

(a) The full ICMS realization of this value over the next five years will occur as follows:

06.30.2012	**Parent Company**	**Consolidated**
Up to one year	107,581	512,639
2013	127,023	415,708
2014	37,400	229,265
2015	17,100	115,083
2016	-	40,497
	289,104	**1,313,192**

Company's Management prepared a technical feasibility study on the future realization of the ICMS, considering the expected future compensation of debts from operations and in the context of the main variables of its businesses. This study was prepared based on information extracted from the strategic planning report approved by the Board of Directors of the Company.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

13. Related Parties

a) Sales, purchases of goods,services and other operations:

	Parent Company		Consolidated	
	06.30.2012	12.31.2011	06.30.2012	12.31.2011
Customers				
Novasoc Comercial	**29,093**	42,232	-	-
Sé Supermercados	**73,695**	91,146	-	-
Sendas Distribuidora	**33,957**	57,312	-	-
Barcelona	**2,592**	5,137	-	-
Xantocarpa	**-**	1	-	-
Via Varejo	**1,777**	1,176	-	-
Nova PontoCom (xiii)	**761**	754	-	-
	141,875	197,758	-	-
Suppliers				
Novasoc Comercial	**7,457**	8,482	-	-
Sé Supermercados	**3,199**	4,662	-	-
Sendas Distribuidora	**10,736**	17,984	-	-
Barcelona	**1,585**	1,923	-	-
Xantocarpa	**387**	1,530	-	-
FIC	**6,980**	8,574	**8,883**	10,679
Via Varejo	**726**	1,721	**-**	-
Bartira	**-**	-	**36,031**	58,158
Nova PontoCom (xiii)	**871**	1,148	**-**	-

Globalbev Bebidas e Alimentos	**1,316**	2,586	**1,563**	3,012
Bravo Café	**183**	231	**183**	231
Fazenda da Toca Ltda	**295**	222	**357**	254
Restaurante FNH Ltda	**-**	4	**-**	4
Sykué Consultoria Energia	**70**	-	**175**	-
Sykué Geração Energia	**76**	-	**120**	-
Axialent	**-**	307	**-**	310
	33,881	49,374	**47,312**	72,648

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

13. Related Parties -- Continued

a) Sales, purchases of goods,services and other operations: -- Continued

	Parent Company		Consolidated	
	06.30.2012	06.30.2011	06.30.2012	06.30.2011
Sales				
Novasoc Comercial	**169,094**	159,214	**-**	**-**
Sé Supermercados	**400,764**	375,917	**-**	**-**
Sendas Distribuidora	**171,195**	137,608	**-**	**-**
Barcelona	**616**	2,358	**-**	**-**
Via Varejo S.A.	**-**	4	**-**	**-**
Nova PontoCom (xiii)	**-**	10,648	**-**	**-**
Nova Casa Bahia	**9**	702	**-**	**-**
	741,678	686,451	**-**	**-**
Purchases				
Novasoc Comercial	**4,694**	1,879	**-**	-
Sé Supermercados	**5,185**	7,489	**-**	-
Sendas Distribuidora	**21,320**	13,421	**-**	-
Nova PontoCom (xiii)	**19**	-	**-**	-
Bartira	**-**		**171,635**	248,230
Globalbev Bebidas e Alimentos	**5,298**	6,302	**6,653**	7,877
Bravo Café	**797**	892	**800**	896

Sykué Geração de Energia (vii)	**2,763**	15,088	**7,162**	15,209
Fazenda da Toca Ltda	**2,529**	1,265	**2,865**	1,265
E-HUB Cons. Part. e Com. S.A.	**229**	247	**229**	247
	42,834	46,583	**189,344**	273,724

Related party transactions, intra-group as disclosed above, are carried out at cost and are eliminated from the consolidated quarterly financial information.

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR – Quarterly Financial Information – June 30, 2012 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Companhia Brasileira de Distribuição

Notes to the interim financial statements -- Continued

June 30, 2012

(In thousands of Brazilian reais, except when otherwise stated)

13. Related Parties – Continued

a) Sales, purchases of goods,services and other operations: -- Continued

	Parent Company		Consolidated	
	06.30.2012	**12.31.2011**	**06.30.2012**	**12.31.2011**
Assets				
Novasoc Comercial (x)	**47,634**	18,994	**-**	-
Sé Supermercados (x)	**95,317**	40,313	**-**	-
Casino (i)	**1,349**	7,898	**1,349**	7,898
FIC (iv)	**-**	-	**3,769**	3,634
Sendas Distribuidora (x)	**1,071,382**	889,455	**-**	-
Xantocarpa	**20,636**	18,698	**-**	-
Barcelona (x)	**120,219**	88,030	**-**	-
Vedra	**20**	20	**-**	-
Casa Bahia Comercial Ltda. (v)	**-**	-	**75,512**	55,243
Bartira	**-**	-	**83**	168
Nova PontoCom (xiii)	**111,088**	15,059	**-**	-
GPA MP	**4,984**	-	**-**	-
Vancouver	**81,183**	3,183	**-**	-
Management of Nova Pontocom (vi)	**35,780**	34,209	**35,780**	34,209
Nova Casa Bahia	**519**	5	**-**	-
Audax SP (xi)	**18,560**	20,746	**18,560**	20,728
Audax Rio (xi)	**-**	-	**9,088**	9,378

Other (ix)	**2,210**	3,077	**2,210**	2,326
	1,610,881	1,139,687	**146,351**	133,584
<u>Liabilities</u>				
Fundo Península (ii)	**11,952**	15,256	**11,952**	15,772
Via Varejo (xii)	**153,563**	153,212	**-**	-
FIC (iv)	**4,162**	7,900	**4,162**	11,765
P.A. Publicidade	**11,313**	7,601	**-**	-
Nova Pontocom (xiii)	**-**	959	**-**	-
Casa Bahia Comercial Ltda. (v)	**-**	-	**-**	342
Bartira	**-**	-	**36,031**	58,157
	180,990	184,928	**52,145**	86,036

	06.30.2012	06.30.2011	06.30.2012	06.30.2011
<u>Income statement</u>				