

BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD

Form 6-K

July 29, 2010

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 July, 2010

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 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

(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

(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

(A free translation of the original in Portuguese)

FEDERAL PUBLIC SERVICE

BRAZILIAN SECURITIES COMMISSION (CVM)

**QUARTERLY INFORMATION - ITR
COMMERCIAL, INDUSTRIAL AND
OTHER**

June 30, 2010 Brazilian Corporation Law

**Registration with CVM SHOULD not BE CONSTRUED AS AN appreciation on the company.
company management is responsible for the information provided.**

01.01 - IDENTIFICATION

1 - CVM CODE

01482-6

4 - NIRE (Corporate Registry ID)

35.300.089.901

2 - COMPANY NAME

**COMPANHIA BRASILEIRA DE
DISTRIBUIÇÃO**

3 - CNPJ (Corporate Taxpayer s
ID)

47.508.411/0001-56

01.02 - HEADQUARTERS

1 - ADDRESS

Av. Brigadeiro Luis Antonio, 3142

3 - ZIP CODE 4 - CITY

01402-901

São Paulo

6 - AREA
CODE

7 -
TELEPHONE

8 - TELEPHONE

9 - TELEPHONE

-

-

2 - DISTRICT

Jardim Paulista

5 - STATE

SP

10 - TELEX

11 3886-0421
 11 - AREA CODE 12 - FAX 13 - FAX 14 - FAX
 11 3886-2677 - -
 15 - E-MAIL

gpa.ri@grupopaodeacucar.com.br

01.03 - INVESTORS RELATIONS OFFICER (Company Mailing Address)

1- NAME

DANIELA SABBAG

2 - ADDRESS

3 - DISTRICT

Av. Brigadeiro Luis Antonio, 3142

Jardim Paulista

4 - ZIP CODE 5 - CITY

6 - STATE

01402-901 SÃO PAULO

SP

7 - AREA CODE 8 - TELEPHONE 9 - TELEPHONE 10 - TELEPHONE 11 - TELEX

11 3886-0421 - -
 12 - AREA CODE 13 - FAX 14 - FAX 15 - FAX

11 3884-2677 - -
 16 - E-MAIL

gpa.ri@grupopaodeacucar.com.br

01.04 ITR REFERENCE AND AUDITOR INFORMATION

CURRENT YEAR		CURRENT QUARTER			PREVIOUS QUARTER		
1 - BEGINNING	2 - END	3 - QUARTER	4 - BEGINNING	5 - END	6 - QUARTER	7 - BEGINNING	8 - END
1/1/2010	12/31/2010	2	4/1/2010	6/30/2010	1	1/1/2010	3/31/2010
09 - INDEPENDENT AUDITOR					10 - CVM CODE		

ERNST & YOUNG AUDITORES INDEPENDENTES S.S.
 11. TECHNICIAN IN CHARGE

00471-5

SERGIO CITERONI

12 TECHNICIAN S CPF (INDIVIDUAL
TAXPAYER S ID)

042.300.688-67

01.05 CAPITAL STOCK

Number of Shares (in thousands)	1	CURRENT QUARTER 2	PREVIOUS QUARTER 3	SAME QUARTER, PREVIOUS YEAR
		6/30/2010	3/31/2010	6/30/2009
Paid-up Capital				
1 - Common		99,680	99,680	99,680
2 - Preferred		157,774	155,387	137,847
3 - Total		257,454	255,067	237,527
Treasury Stock				
4 - Common		0	0	0
5 - Preferred		233	370	370
6 - Total		233	370	370

01.06 - COMPANY PROFILE

1 - TYPE OF COMPANY

Commercial, Industrial and Other

2 - STATUS

Operational

3 - NATURE OF OWNERSHIP

Private National

4 - ACTIVITY CODE

1190 Trade (Wholesale and Retail)

5 - MAIN ACTIVITY

Retail Trade

6 - CONSOLIDATION TYPE

Full

7 - TYPE OF REPORT OF INDEPENDENT AUDITORS

Unqualified

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 - ITEM 2 - CNPJ (Corporate Taxpayer's ID) 3 - COMPANY NAME

01.08 - CASH DIVIDENDS APPROVED AND/OR PAID DURING AND AFTER THE QUARTER

1 - ITEM	2 - EVENT	3 - APPROVAL	4 - TYPE	5 - DATE OF PAYMENT	6 - TYPE OF SHARE	7 - AMOUNT PER SHARE
01	RCA*	5/25/2010	Dividend	5/31/2010	Common Share	0.0727272727
02	RCA*	5/25/2010	Dividend	5/31/2010	Common Share	0.0800000000

*Board of Directors Meeting

02.01 - BALANCE SHEET - ASSETS (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3	6/30/20104	3/31/2010
1	Total Assets		13,364,232	13,091,326
1.01	Current Assets		4,163,806	4,234,588
1.01.01	Cash and Cash Equivalents		1,289,597	1,268,511
1.01.01.01	Cash and Banks		47,815	59,644
1.01.01.02	Financial Investments		1,241,782	1,208,867
1.01.02	Credits		1,423,350	1,419,145
1.01.02.01	Customers		734,602	816,914
1.01.02.02	Sundry Credits		688,748	602,231
1.01.02.02.01	Recoverable Taxes		365,682	306,975
1.01.02.02.02	Deferred Income and Social Contribution Taxes		88,743	122,784
1.01.02.02.03	Receivables Securitization Fund		0	0
1.01.02.02.04	Prepaid Expenses and Other		234,323	172,472
1.01.02.02.05	Dividends Receivables		0	0
1.01.02.02.06	Advance for Future Capital Increase		0	0
1.01.03	Inventories		1,450,859	1,546,932
1.01.04	Other		0	0
1.02	Noncurrent Assets		9,200,426	8,856,738
1.02.01	Long-term Receivables		1,552,278	1,315,518
1.02.01.01	Sundry Credits		719,169	685,493
1.02.01.01.01	Receivables Securitization Fund		113,484	109,326
1.02.01.01.02	Recoverable Taxes		106,532	128,133
1.02.01.01.03	Deferred Income and Social Contribution Taxes		198,895	183,617
1.02.01.01.04	Deposits for Judicial Appeals		231,819	219,301
1.02.01.01.05	Accounts Receivable		33,588	31,454
1.02.01.01.06	Prepaid Expenses and Other		34,851	13,662
1.02.01.01.07	Derivative Financial Instruments		0	0
1.02.01.02	Credits with Related Parties		833,109	630,025
1.02.01.02.01	In Direct and Indirect Associated Companies		0	0
1.02.01.02.02	Subsidiaries		793,692	598,021
1.02.01.02.03	Other Related Parties		39,417	32,004
1.02.01.03	Other		0	0
1.02.02	Permanent Assets		7,648,148	7,541,220
1.02.02.01	Investments		2,229,465	2,189,686
1.02.02.01.01	In Direct/Indirect Associated Companies		0	0
1.02.02.01.02	In Direct/Indirect Associated Companies - Goodwill		0	0
1.02.02.01.03	In Subsidiaries		2,229,460	2,189,681
1.02.02.01.04	In Subsidiaries Goodwill		0	0
1.02.02.01.05	Other Investments		5	5
1.02.02.02	Property and Equipment		4,458,878	4,386,297
1.02.02.03	Intangible Assets		959,805	965,237
1.02.02.04	Deferred Charges		0	0

02.02 - BALANCE SHEET - LIABILITIES (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3	6/30/2010	3/31/2010
2	Total liabilities		13,364,232	13,091,326
2.01	Current liabilities		3,579,404	3,353,153
2.01.01	Loans and Financing		668,084	402,717
2.01.02	Debentures		502,964	262,358
2.01.03	Suppliers		1,815,552	2,065,252
2.01.04	Taxes, Fees and Contributions		181,344	162,293
2.01.05	Dividends Payable		1,674	94,487
2.01.06	Provisions		0	0
2.01.07	Debts with Related Parties		16,688	17,152
2.01.08	Other		393,098	348,894
2.01.08.01	Payroll and Social Contributions		205,351	163,943
2.01.08.02	Public Utilities		3,847	3,780
2.01.08.03	Rentals		20,052	19,680
2.01.08.04	Advertising		45,362	25,183
2.01.08.05	Insurance		113	109
2.01.08.06	Financing due to Purchase of Assets		14,211	14,211
2.01.08.07	Other Accounts Payable		91,585	108,671
2.01.08.08	Companies Acquisitions		12,577	13,317
2.02	Noncurrent Liabilities		3,009,479	3,037,678
2.02.01	Long-term Liabilities		3,009,479	3,037,678
2.02.01.01	Loans and Financing		570,096	500,036
2.02.01.02	Debentures		1,035,695	1,238,702
2.02.01.03	Provisions		0	0
2.02.01.04	Debts with Related Parties		85,139	0
2.02.01.05	Advance for Future Capital Increase		0	0
2.02.01.06	Other		1,318,549	1,298,940
2.02.01.06.01	Provision for Litigations		116,909	108,873
2.02.01.06.02	Tax Installments		1,192,847	1,179,537
2.02.01.06.03	Provision for Capital Deficiency		2,504	4,983
2.02.01.06.04	Other Accounts Payable		6,289	5,547
2.03	Deferred Income		0	0
2.05	Shareholders' Equity		6,775,349	6,700,495
2.05.01	Paid-up Capital		5,573,438	5,378,062
2.05.02	Capital Reserves		441,782	519,903
2.05.02.01	Special Goodwill Reserve		344,605	428,514
2.05.02.02	Recognized Granted Options		97,139	91,351
2.05.02.03	Capital Reserve		38	38
2.05.03	Revaluation Reserves		0	0
2.05.03.01	Own Assets		0	0
2.05.03.02	Subsidiaries/Direct and Indirect Associated Companies		0	0

2.05.04	Profit Reserves	760,129	802,530
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02.02 - BALANCE SHEET - LIABILITIES (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3	6/30/2010	3/31/2010
2.05.04.01	Legal		176,217	176,217
2.05.04.02	Statutory		0	0
2.05.04.03	For Contingencies		0	0
2.05.04.04	Unrealized Profits		0	0
2.05.04.05	Profit Retention		204,562	246,963
2.05.04.06	Special Reserve for Undistributed Dividends		0	0
2.05.04.07	Other Profit Reserves		379,350	379,350
2.05.05	Assets Valuation Adjustments		0	0
2.05.05.01	Securities Adjustments		0	0
2.05.05.02	Accumulated Translation Adjustments		0	0
2.05.05.03	Business Combination Adjustments		0	0
2.05.06	Retained Earnings/Accumulated Losses		0	0
2.05.07	Advance for Future Capital Increase		0	0
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03.01 STATEMENT OF INCOME (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3 4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
3.01	Gross Sales and/or Services	4,160,754	8,425,898	3,881,675	7,517,809
3.02	Gross Revenue Deductions	(413,155)	(823,862)	(431,511)	(887,403)
3.03	Net Sales and/or Services	3,747,599	7,602,036	3,450,164	6,630,406
3.04	Cost of Sales and/or Services Rendered	(2,763,002)	(5,625,050)	(2,536,314)	(4,886,501)
3.05	Gross Profit	984,597	1,976,986	913,850	1,743,905
3.06	Operating Income/Expenses	(902,075)	(1,728,842)	(740,107)	(1,443,181)
3.06.01	Selling	(584,980)	(1,155,940)	(545,420)	(1,027,115)
3.06.02	General and Administrative	(124,825)	(261,772)	(86,665)	(196,824)
3.06.03	Financial	(68,365)	(130,955)	(41,108)	(85,813)
3.06.03.01	Financial Income	51,472	108,531	52,677	114,580
3.06.03.02	Financial Expenses	(119,837)	(239,486)	(93,785)	(200,393)
3.06.04	Other Operating Income	(21,169)	(20,839)	459	107
3.06.04.01	Permanent Assets Income	(1,912)	(1,582)	459	107
3.06.04.02	Non-Recurring Income	(19,257)	(19,257)	0	0
3.06.05	Other Operating Expenses	(144,850)	(232,969)	(79,856)	(164,478)
3.06.05.01	Depreciation/Amortization	(89,360)	(177,479)	(79,856)	(164,478)
3.06.05.02	Other Operating Expenses	(55,490)	(55,490)	0	0
3.06.06	Equity in the Earnings of Subsidiaries and Associated Companies	42,114	73,633	12,483	30,942
3.07	Operating Result	82,522	248,144	173,743	300,724
3.08	Non-Operating Result	0	0	0	0
3.08.01	Revenues	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Income Before Taxation/Profit Sharing	82,522	248,144	173,743	300,724
3.10	Provision for Income Tax and Social Contribution	4,536	10,400	(13,253)	(16,371)
3.11	Deferred Income Tax	(18,763)	(58,484)	(26,176)	(51,990)
3.12	Statutory Profit Sharing /Contributions	(6,001)	(11,566)	(2,586)	(5,777)
3.12.01	Profit Sharing	(6,001)	(11,566)	(2,586)	(5,777)
3.12.02	Contributions	0	0	0	0
					7

03.01 STATEMENT OF INCOME (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3 4/1/2010 to 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
	Reversal of Interest on				
3.13	Shareholders Equity		0	0	0
3.15	Income/Loss for the Period	62,294	188,494	131,728	226,586
	No. SHARES, EX-TREASURY (in thousands)	257,221	257,221	237,157	237,157
	EARNINGS PER SHARE (in reais)	0.24218	0.73281	0.55545	0.95543
	LOSS PER SHARE (in reais)				

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04.01 STATEMENT OF CASH FLOWS INDIRECT METHOD (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 6/30/2009	4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
4.01	Net Cash from Operating Activities		(47,683)	(448,782)	607,287	415,787
4.01.01	Cash Generated in the Operations		194,171	477,601	310,056	556,687
4.01.01.01	Net Income (Loss) for the Year		62,294	188,494	131,728	226,586
4.01.01.02	Deferred Income Tax		18,763	58,484	26,176	51,990
4.01.01.03	Income from Written-Off Permanent Assets		1,537	2,991	(249)	1,843
4.01.01.04	Depreciation and Amortization		89,360	177,479	79,856	164,478
4.01.01.05	Interest and Monetary Variation		44,940	88,077	65,517	114,133
4.01.01.06	Equity in the Earnings of Subsidiaries and Associated Companies		(42,114)	(73,633)	(12,483)	(30,942)
4.01.01.07	Provision for Contingencies		13,832	23,025	15,606	22,569
4.01.01.08	Provision for Write-Offs/ Fixed Assets Losses		(229)	(588)	(2,247)	(4,445)
4.01.01.09	Share-Based Payment		5,788	13,272	6,152	10,475
4.01.01.10	Provision for Goodwill Amortization		0	0	0	0
4.01.02	Variation on Assets and Liabilities		(241,854)	(926,383)	297,231	(140,900)
4.01.02.01	Accounts Receivable		79,799	75,601	76,753	279,189
4.01.02.02	Inventories		96,072	70,753	204,798	(60,143)
4.01.02.03	Recoverable Taxes		(36,057)	(104,708)	48,749	28,395
4.01.02.04	Other Assets		(83,215)	(154,902)	126,451	72,886
4.01.02.05	Related Parties		(110,175)	(248,908)	51,173	(23,113)
4.01.02.06	Judicial Deposits		(8,439)	(19,311)	3,246	(6,532)
4.01.02.07	Suppliers		(249,701)	(511,893)	(217,689)	(310,694)
4.01.02.08	Payroll and Charges		41,409	(20,199)	49,243	5,630
4.01.02.09	Taxes and Social Contributions Payable		29,839	22,234	(8,314)	(43,529)
4.01.02.10	Other Accounts Payable		(1,386)	(35,050)	(37,179)	(82,989)
4.01.03	Other		0	0	0	0
4.02	Net Cash from Investment Activities		(158,764)	(366,298)	(77,787)	(149,760)
4.02.01	Capital Increase in Subsidiaries		23	(28,552)	60	60
4.02.02	Acquisition of Fixed Assets		(156,570)	(325,847)	(69,037)	(120,504)

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04.01 STATEMENT OF CASH FLOWS INDIRECT METHOD (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 6/30/2009	4/1/2009 to 6/30/2009	6 - 1/1/2009 to 6/30/2009
4.02.03	Increase in Intangible Assets	(3,049)	(13,509)	(10,342)	(30,861)	
4.02.04	Sale of Fixed Assets	832	1,610	1,532	1,545	
4.03	Net Cash from Financing Activities	227,533	176,240	105,009	13,088	
4.03.01	Capital Increase/Decrease	25,989	29,300	1,338	(9,571)	
4.03.02	Funding and Refinancing	333,620	333,620	206,721	219,936	
4.03.03	Payments	(17,865)	(36,311)	(33,833)	(71,132)	
4.03.04	Interest Paid	(2,184)	(38,338)	(7,569)	(64,497)	
4.03.05	Payment of Dividends	(112,027)	(112,031)	(61,648)	(61,648)	
4.04	Exchange Variation on Cash and Cash Equivalents	0	0	0	0	
4.05	Increase (Decrease) in Cash and Cash Equivalents	21,086	(638,840)	634,509	279,115	
4.05.01	Opening Balance of Cash and Cash Equivalents	0	1,928,437	898,333	1,253,727	
4.05.02	Closing Balance of Cash and Cash Equivalents	21,086	1,289,597	1,532,842	1,532,842	

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05.01 STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FROM 4/1/2010 TO 6/30/2010 (in R\$ thousand)

1 - CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNINGS/ ACCUMULATED LOSSES	8 ACCUMULATED VALUATION A
5.01	Opening Balance	5,378,062	519,903		0	676,330	126,200
5.02	Adjustments of Previous Years		0	0	0	0	0
5.03	Adjusted Balance	5,378,062	519,903		0	676,330	126,200
5.04	Net Income/Loss for the Period		0	0	0	0	62,294
5.05	Allocations		0	0	0	0	(19,215)
5.05.01	Dividends		0	0	0	0	(19,215)
5.05.02	Interest on Shareholders Equity		0	0	0	0	0
5.05.03	Other Allocations		0	0	0	0	0
5.06	Realization of Profit Reserves		0	0	0	0	0
5.07	Assets Valuation Adjustments		0	0	0	0	0
5.07.01	Securities Adjustments		0	0	0	0	0
5.07.02	Accumulated Translation Adjustments		0	0	0	0	0
5.07.03	Business Combination Adjustments		0	0	0	0	0
5.08	Increase/Decrease in Capital Stock	195,376	(78,121)		0	(85,480)	0
5.08.01	Subscribed Capital Capitalization of	25,988	0		0	0	0
5.08.02	Reserves Recognized Granted	169,388	(83,908)		0	(85,480)	0
5.08.03	Options Recording/Realization		0	5,787	0	0	0
5.09	of Capital Reserves		0	0	0	0	0
5.10	Treasury Shares Other Capital		0	0	0	0	0
5.11	Transactions		0	0	0	0	0
5.12	Other		0	0	0	0	0
5.13	Closing Balance	5,573,438	441,782		0	590,850	169,279

05.02 STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FROM 1/1/2010 TO 6/30/2010 (in R\$ thousand)

1 - CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNINGS/ACCUMULATED LOSSES	8 TOTAL
5.01	Opening Balance	5,374,751	512,419	0	672,290		0
5.02	Adjustments of Previous Years	0	0	0	0		0
5.03	Adjusted Balance	5,374,751	512,419	0	672,290		0
5.04	Net Income/Loss for the Period	0	0	0	0		188,494
5.05	Allocations	0	0	0	0		(19,215)
5.05.01	Dividends	0	0	0	0		(19,215)
5.05.02	Interest on Shareholders Equity	0	0	0	0		0
5.05.03	Other Allocations	0	0	0	0		0
5.06	Realization of Profit Reserves	0	0	0	0		0
5.07	Assets Valuation Adjustments	0	0	0	0		0
5.07.01	Securities Adjustments	0	0	0	0		0
5.07.02	Accumulated Translation Adjustments	0	0	0	0		0
5.07.03	Business Combination Adjustments	0	0	0	0		0
5.08	Increase/Decrease in Capital Stock	198,687	(70,637)	0	(85,480)		0
5.08.01	Subscribed Capital	29,299	0	0	0		0
5.08.02	Capitalization of Reserves	169,388	(83,908)	0	(85,480)		0
5.08.03	Recognized Granted Options	0	13,271	0	0		0
5.09	Recording/Realization of Capital Reserves	0	0	0	0		0
5.10	Treasury Shares	0	0	0	4,040		0
5.11	Other Capital Transactions	0	0	0	0		0
5.12	Other	0	0	0	0		0
5.13	Closing Balance	5,573,438	441,782	0	590,850		169,279

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08.01 CONSOLIDATED BALANCE SHEET ASSETS (in R\$ thousand)

1	CODE	2	DESCRIPTION	3	6/30/2010	3/31/2010
1			Total Assets		17,926,195	17,766,168
1.01			Current Assets		8,278,070	8,199,530
1.01.01			Cash and Cash Equivalents		1,768,200	1,807,633
1.01.01.01			Cash and Banks		226,538	242,728
1.01.01.02			Financial Investments		1,541,662	1,564,905
1.01.02			Credits		3,669,348	3,511,150
1.01.02.01			Customers		2,234,944	2,298,798
1.01.02.02			Sundry Credits		1,434,404	1,212,352
1.01.02.02.01			Recoverable Taxes		705,112	568,049
1.01.02.02.02			Deferred Income and Social Contribution Taxes		196,541	186,461
1.01.02.02.03			Prepaid Expenses and Other		532,751	457,842
1.01.03			Inventories		2,816,066	2,863,280
1.01.04			Other		24,456	17,467
1.01.04.01			Related Parties		24,456	17,467
1.01.04.02			Other		0	0
1.02			Noncurrent Assets		9,648,125	9,566,638
1.02.01			Long-term Receivables		2,519,192	2,536,844
1.02.01.01			Sundry Credits		2,249,035	2,277,145
1.02.01.01.01			Recoverable Taxes		191,553	210,055
1.02.01.01.02			Deferred Income and Social Contribution Taxes		1,106,956	1,156,368
1.02.01.01.03			Deposits for Judicial Appeals		472,628	451,521
1.02.01.01.04			Accounts Receivable		442,527	428,317
1.02.01.01.05			Prepaid Expenses and Other		35,371	30,884
1.02.01.02			Credits with Related Parties		270,157	259,699
1.02.01.02.01			In Direct and Indirect Associated Companies		0	0
1.02.01.02.02			Subsidiaries		217,824	217,867
1.02.01.02.03			Other Related Parties		52,333	41,832
1.02.01.03			Other		0	0
1.02.02			Permanent Assets		7,128,933	7,029,794
1.02.02.01			Investments		237,643	222,981
1.02.02.01.01			In Direct/Indirect Associated Companies		0	0
1.02.02.01.02			In Subsidiaries		237,638	222,511
1.02.02.01.03			Other Investments		5	470
1.02.02.02			Property and Equipment		5,437,575	5,352,367
1.02.02.03			Intangible Assets		1,453,715	1,454,446
1.02.02.04			Deferred Charges		0	0

08.02 CONSOLIDATED BALANCE SHEET LIABILITIES

(in R\$ thousand)

1 CODE	2 DESCRIPTION	3 6/30/2010	3/31/2010
2	Total liabilities	17,926,195	17,766,168
2.01	Current liabilities	5,856,278	5,834,167
2.01.01	Loans and Financing	810,445	847,762
2.01.02	Debentures	502,964	262,358
2.01.03	Suppliers	3,263,749	3,406,065
2.01.04	Taxes, Fees and Contributions	282,533	246,789
2.01.05	Dividends Payable	3,349	96,161
2.01.06	Provisions	0	0
2.01.07	Debts with Related Parties	37,086	31,654
2.01.08	Other	956,152	943,378
2.01.08.01	Payroll and Social Contributions	364,994	324,592
2.01.08.02	Public Utilities	7,517	7,138
2.01.08.03	Rentals	47,913	45,144
2.01.08.04	Advertising	45,825	25,538
2.01.08.05	Insurance	212	195
2.01.08.06	Financing due to Purchase of Assets	14,212	14,212
2.01.08.07	Other Accounts Payable	300,647	354,615
2.01.08.08	Companies Acquisition	174,832	171,944
2.02	Noncurrent Liabilities	5,226,007	5,141,056
2.02.01	Long-term Liabilities	5,226,007	5,141,056
2.02.01.01	Loans and Financing	2,399,241	2,155,376
2.02.01.02	Debentures	1,035,695	1,238,702
2.02.01.03	Provisions	0	0
2.02.01.04	Debts with Related Parties	0	0
2.02.01.05	Advance for Future Capital Increase	0	0
2.02.01.06	Other	1,791,071	1,746,978
2.02.01.06.01	Provision for Litigations	284,237	293,733
2.02.01.06.02	Tax Payment by Installments	1,294,751	1,275,556
2.02.01.06.03	Other Accounts Payable	212,083	177,689
2.03	Deferred Income	0	0
2.04	Minority Shareholders	68,561	90,450
2.05	Shareholders Equity	6,775,349	6,700,495
2.05.01	Paid-up Capital	5,573,438	5,378,062
2.05.02	Capital Reserve	441,782	519,903
2.05.02.01	Goodwill Special Reserve	344,605	428,514
2.05.02.02	Recognized Granted Options	97,139	91,351
2.05.02.03	Capital Reserve	38	38
2.05.03	Revaluation Reserves	0	0
2.05.03.01	Own Assets	0	0
2.05.03.02	Subsidiaries/Direct and Indirect Associated Companies	0	0

2.05.04	Profit Reserves	760,129	802,530
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08.02 CONSOLIDATED BALANCE SHEET LIABILITIES

(in R\$ thousand)

1 CODE	2 DESCRIPTION	3 6/30/2010	3/31/2010
2.05.04.01	Legal	176,217	176,217
2.05.04.02	Statutory	0	0
2.05.04.03	For Contingencies	0	0
2.05.04.04	Unrealized Profits	0	0
2.05.04.05	Profit Retention	204,562	246,963
2.05.04.06	Special for Non-Distributed Dividends	0	0
2.05.04.07	Other Profit Reserves	379,350	379,350
2.05.05	Assets Valuation Adjustments	0	0
2.05.05.01	Securities Adjustments	0	0
2.05.05.02	Accumulated Translation Adjustments	0	0
2.05.05.03	Business Combination Adjustments	0	0
2.05.06	Retained Earnings/Accumulated Losses	0	0
2.05.07	Advance for Future Capital Increase	0	0

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09.01 CONSOLIDATED STATEMENT OF INCOME (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 6/30/2009	6 - 1/1/2009 to 6/30/2009
3.01	Gross Sales and/or Services	7,815,439	15,601,091	5,641,347	10,932,663
3.02	Gross Revenue Deductions	(837,556)	(1,649,693)	(634,495)	(1,284,367)
3.03	Net Sales and/or Services	6,977,883	13,951,398	5,006,852	9,648,296
3.04	Cost of Sales and/or Services Rendered	(5,342,538)	(10,644,276)	(3,739,381)	(7,204,631)
3.05	Gross Profit	1,635,345	3,307,122	1,267,471	2,443,665
3.06	Operating Income/Expenses	(1,553,466)	(3,044,270)	(1,084,677)	(2,125,516)
3.06.01	Selling	(1,080,020)	(2,117,328)	(822,408)	(1,534,943)
3.06.02	General and Administrative	(160,412)	(384,502)	(99,943)	(251,294)
3.06.03	Financial	(168,990)	(273,460)	(61,084)	(132,273)
3.06.03.01	Financial Income	69,970	144,340	54,984	120,996
3.06.03.02	Financial Expenses	(238,960)	(417,800)	(116,068)	(253,269)
3.06.04	Other Operating Income	10,848	37,831	(420)	(787)
3.06.04.01	Other Operating Income	78,265	105,589	0	0
3.06.04.02	Permanent Assets Income	2,678	2,337	(420)	(787)
3.06.04.03	Non-Recurring Income	(70,095)	(70,095)	0	0
3.06.05	Other Operating Expenses	(1,69,513)	(331,060)	(104,204)	(213,515)
3.06.05.01	Other Operating Expenses	(42,021)	(78,424)	0	0
3.06.05.02	Depreciation/Amortization	(127,492)	(252,636)	(104,204)	(213,515)
3.06.06	Equity in the Earnings of Subsidiaries and Associated Companies	14,621	24,249	3,382	7,296
3.07	Operating Result	81,879	262,852	182,794	318,149
3.08	Non-Operating Result	0	0	0	0
3.08.01	Revenues	0	0	0	0
3.08.02	Expenses	0	0	0	0
3.09	Income Before Taxation/Profit Sharing	81,879	262,852	182,794	318,149
3.10	Provision for Income and Social Contribution Taxes	2,928	(5,036)	(14,814)	(21,284)
3.11	Deferred Income Tax	(38,762)	(75,666)	(36,699)	(65,491)
3.12	Statutory Profit Sharing /Contributions	(7,906)	(15,199)	(3,123)	(7,572)

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09.01 CONSOLIDATED STATEMENT OF INCOME (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3 6/30/2010	4 - 1/1/2010 to 6/30/2010	5 6/30/2009	6 - 1/1/2009 to 6/30/2009
3.12.01	Profit Sharing	(7,906)	(15,199)	(3,123)	(7,572)
3.12.02	Contributions	0	0	0	0
	Reversal of Interest on				
3.13	Shareholders Equity	0	0	0	0
3.14	Minority Interest	24,155	21,543	3,570	2,784
3.15	Income/Loss for the Period	62,294	188,494	131,728	226,586
	No. SHARES, EX-TREASURY (in thousands)	257,221	257,221	237,157	237,157
	EARNINGS PER SHARE (in reais)	0.24218	0.73281	0.55545	0.95543
	LOSS PER SHARE (in reais)				

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10.01 CONSOLIDATED STATEMENT OF CASH FLOWS INDIRECT METHOD (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3 4/1/2010 to 1/1/2010		5 4/1/2009 to 1/1/2009	
		6/30/2010	to 6/30/2010	6/30/2009	to 6/30/2009
4.01	Net Cash from Operating Activities	(18,386)	(580,866)	519,094	318,321
4.01.01	Cash Generated in the Operations	194,514	607,112	398,935	747,366
4.01.01.01	Net Income	62,294	188,494	131,728	226,586
4.01.01.02	Deferred Income Tax	38,762	75,666	36,699	65,491
4.01.01.03	Income from Written-Off Permanent Assets	(3,661)	(5,991)	(2,384)	(277)
4.01.01.04	Depreciation/Amortization	127,492	252,636	104,204	213,515
4.01.01.05	Interest and Monetary Variation	(16,438)	88,487	107,171	210,887
4.01.01.06	Equity in the Earnings of Subsidiaries and Associated Companies	(14,621)	(24,249)	(3,382)	(7,296)
4.01.01.07	Provision for Contingencies	18,190	39,477	20,584	30,769
4.01.01.08	Share-Based Payment	5,788	13,272	6,152	10,475
4.01.01.09	Minority Interest	(24,155)	(21,543)	(3,570)	(2,784)
4.01.01.10	Provision for Write-Offs/ Fixed Assets Losses	863	863	1,733	0
4.01.01.11	Provision for Goodwill Amortization	0	0	0	0
4.01.02	Variation in Assets and Liabilities	(212,900)	(1,187,978)	120,159	(429,045)
4.01.02.01	Accounts Receivable	36,485	85,678	(684)	183,552
4.01.02.02	Inventories	46,051	10,215	240,621	(86,133)
4.01.02.03	Recoverable Taxes	(115,917)	(219,444)	58,781	34,722
4.01.02.04	Other Assets	(79,884)	(182,336)	51,116	(14,315)
4.01.02.05	Related Parties	(12,014)	(23,158)	(3,071)	5,857
4.01.02.06	Judicial Deposits	(18,503)	(39,839)	(1,916)	(18,832)
4.01.02.07	Suppliers	(144,649)	(747,026)	(244,184)	(438,265)
4.01.02.08	Payroll and Charges	40,402	(63,324)	55,026	10,937
4.01.02.09	Taxes and Social Contributions Payable	52,925	6,557	(10,295)	(48,500)
4.01.02.10	Other Accounts Payable	(17,796)	(15,301)	(25,235)	(58,068)
4.01.03	Other	0	0	0	0
4.02	Net Cash from Investment Activities	(213,396)	(476,798)	(135,302)	(232,613)
4.02.01	Capital Increase in Subsidiaries	(972)	(971)	(15,623)	(15,623)
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10.01 CONSOLIDATED STATEMENT OF CASH FLOWS INDIRECT METHOD (in R\$ thousand)

1 - CODE	2 - DESCRIPTION	3 4/1/2010 to 6/30/2010	4 1/1/2010 to 6/30/2010	5 4/1/2009 to 6/30/2009	6 1/1/2009 to 6/30/2009
4.02.02	Acquisition of Fixed Assets	(204,980)	(427,365)	(110,969)	(187,383)
4.02.03	Increase in Intangible Assets	(9,000)	(22,654)	(10,477)	(31,440)
4.02.04	Sale of Fixed Assets	1,556	2,738	1,767	1,833
4.02.05	Companies Acquisition	0	(28,546)	0	0
4.03	Net Cash from Financing Activities	192,349	481,664	109,334	14,025
4.03.01	Capital Increase/Decrease	25,989	29,300	1,338	(9,571)
4.03.02	Funding and Refinancing	494,204	880,341	221,718	235,035
4.03.03	Payments	(179,242)	(241,409)	(40,939)	(79,444)
4.03.04	Interest Paid	(36,931)	(74,893)	(7,449)	(66,661)
4.03.05	Payments of Dividends	(111,671)	(111,675)	(65,334)	(65,334)
4.04	Exchange Variation on Cash and Cash Equivalents	0	0	0	0
4.05	Increase (Reduction) in Cash and Cash Equivalents	(39,433)	(576,000)	493,126	99,733
4.05.01	Opening Balance of Cash and Cash Equivalents	0	2,344,200	1,232,219	1,625,612
4.05.02	Closing Balance of Cash and Cash Equivalents	(39,433)	1,768,200	1,725,345	1,725,345

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11.01 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER S EQUITY FROM 4/1/2010 TO 6/30/2010 (in R\$ thousand)

1 CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNINGS/ ACCUMULATED LOSSES	8 TOTAL EQUITY
5.01	Opening Balance	5,378,062	519,903		0	676,330	126,200
5.02	Adjustments of Previous Years	0	0		0	0	0
5.03	Adjusted Balance	5,378,062	519,903		0	676,330	126,200
5.04	Net Income/Loss for the Period		0	0	0	0	62,294
5.05	Allocations		0	0	0	0	(19,215)
5.05.01	Dividends		0	0	0	0	(19,215)
5.05.02	Interest on Shareholders Equity		0	0	0	0	0
5.05.03	Other Allocations		0	0	0	0	0
5.06	Realization of Profit Reserves		0	0	0	0	0
5.07	Assets Valuation Adjustments		0	0	0	0	0
5.07.01	Securities Adjustments		0	0	0	0	0
5.07.02	Accumulated Translation Adjustments		0	0	0	0	0
5.07.03	Business Combination Adjustments		0	0	0	0	0
5.08	Increase/Decrease in Capital Stock	195,376	(78,121)		0	(85,480)	0
5.08.01	Subscribed Capital	25,988	0		0	0	0
5.08.02	Capitalization of Reserves	169,388	(83,908)		0	(85,480)	0
5.08.03	Recognized Granted Options		0	5,787	0	0	0
5.09	Recording/Realization of Capital Reserves		0	0	0	0	0
5.10	Treasury Shares		0	0	0	0	0
5.11	Other Capital Transactions		0	0	0	0	0
5.12	Other		0	0	0	0	0
5.13	Closing Balance	5,573,438	441,782		0	590,850	169,279

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11.02 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER S EQUITY FROM 1/1/2010 TO 6/30/2010 (in R\$ thousand)

1 CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 RETAINED EARNINGS/ ACCUMULATED LOSSES	8 TOTAL
5.01	Opening Balance	5,374,751	512,419		0	672,290	0
5.02	Adjustments of Previous Years	0	0		0	0	0
5.03	Adjusted Balance	5,374,751	512,419		0	672,290	0
5.04	Net Income/Loss for the Period		0	0	0	0	188,494
5.05	Allocations		0	0	0	0	(19,215)
5.05.01	Dividends		0	0	0	0	(19,215)
5.05.02	Interest on Shareholders Equity		0	0	0	0	0
5.05.03	Other Allocations		0	0	0	0	0
5.06	Realization of Profit Reserves		0	0	0	0	0
5.07	Assets Valuation Adjustments		0	0	0	0	0
5.07.01	Securities Adjustments		0	0	0	0	0
5.07.02	Accumulated Translation Adjustments		0	0	0	0	0
5.07.03	Business Combination Adjustments		0	0	0	0	0
5.08	Increase/Reduction in Capital Stock	198,687	(70,637)		0	(85,480)	0
5.08.01	Subscribed Capital	29,299	0		0	0	0
5.08.02	Capitalization of Reserves	169,388	(83,908)		0	(85,480)	0
5.08.03	Recognized Granted Options		0	13,271	0	0	0
5.09	Recording/Realization of Capital Reserves		0	0	0	0	0
5.10	Treasury Shares		0	0	0	4,040	0
5.11	Other Capital Transactions		0	0	0	0	0
5.12	Other		0	0	0	0	0
5.13	Closing Balance	5,573,438	441,782		0	590,850	169,279

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(A free translation of the original in Portuguese)

FEDERAL PUBLIC SERVICE

BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY FINANCIAL INFORMATION (ITR)

June 30, 2010

Brazilian Corporation Law

**COMMERCIAL, INDUSTRIAL AND
OTHER**

01482-6

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

47.508.411/0001-56

06.01 NOTES TO THE FINANCIAL STATEMENTS

In thousands of reais, except when indicated otherwise.

1. Operations

Companhia Brasileira de Distribuição ("Company" or GPA), headquartered in the City of São Paulo, State of São Paulo, is a publicly-held corporation.

The Company and its subsidiaries operate primarily as a retailer and wholesaler of food products, bazaar articles, clothing, home appliances and other products through its chain of hypermarkets, supermarkets, specialized stores, department stores, convenience stores and the Internet. GPA has the following brands in its portfolio "Pão de Açúcar", "Comprebem", "Extra", "Extra Eletro", Extra Perto , Extra Fácil , Extra.com Sendas , Assai and Ponto Frio e PontoFrio.com .

Founded in 1948, the Company has 87,000 employees, 1,102 stores in 19 Brazilian states and the Federal District and a logistics infrastructure comprised by 28 warehouses located in seven states.

The Company joined the Level 1 Special Corporate Governance segment of the São Paulo Stock

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Exchange and its shares are listed at the São Paulo and New York Stock Exchanges (ADR level III).

Diniz Group and Casino Group share the Company's control by means of a holding company named Wilkes Participações S.A., pursuant to the Agreement entered into in May 2005.

Relevant Operations and Partnerships

a) Sendas Distribuidora

GPA has a partnership with Rio de Janeiro's retail chain, Sendas, pursuant to Note 10 b (iii) -. Sendas Distribuidora S.A. (Sendas Distribuidora) operates retail activities of the Company and Sendas S.A. throughout the State of Rio de Janeiro.

b) Partnership with Itaú

As of 2004, GPA is partner of Banco Itaú Holding S.A. and Unibanco Financeira Itaú CBD S.A. ("FIC"). FIC structures and trades financial products, services and related items to GPA customers (see Note 10 b (vi)).

c) Acquisition of Assai

As of November 1, 2007, GPA started operating in the cash & carry segment (atacarejo), reinforcing its multiformat positioning. With the operations carried out in 2007 and 2009, GPA acquired the total and voting capital of Barcelona Comércio Varejista e Atacadista S.A. (Barcelona), the recipient company of Assai Comercial e Importadora Ltda.'s spun-off assets.

In October 2008, GPA started operating in the cash & carry segment (atacarejo) in the State of Rio de Janeiro (Assai) by means of Xantocarpa Participações Ltda. (wholly-owned subsidiary of Sendas Distribuidora Xantocarpa).

1. Operations (Continued)

d) Acquisition of Ponto Frio

In July 2009, the Company, by means of one of its subsidiaries, acquired the share control of Globex Utilidades S.A. (Globex), strengthening and expanding its operations in the home appliance segment. (See Note 10 b (v))

e) Partnership with Casas Bahia

In December 2009, GPA and the controlling partners of Casas Bahia entered into a Partnership Agreement aiming at merging their retail trade of durable goods, as well as consolidating the durable goods e-commerce. This partnership will allow GPA to offer a larger diversity of products, better customer service and easier credit access.

At July 1, 2010, GPA and Globex entered into an addendum to the Partnership Agreement, signed on December 4, 2009 with the controlling partners of Casas Bahia Comercial Ltda. (Casas Bahia). In the addendum, the parties reviewed certain conditions of the partnership between Globex and Casas Bahia (Partnership), and defined the necessary stages for its implementation, as announced to the market through a material fact.

GPA and Globex expect that this Partnership will be implemented within 120 days as of July 1, 2010.

Once completed the Partnership, the controlling partners of Casas Bahia will hold shares issued by Globex representing 47% of its total capital stock and GPA will hold shares representing, at least, 52% of Globex s capital stock, relying on the interest of minority shareholders in Globex s capital stock.

In addition, Globex will remain as controlling shareholder of Ponto Frio.com Comércio Eletrônico S.A. (PF.com) and holder of common shares representing 50.1% of its capital stock. CBD will hold shares representing 43.9% of PF.com s total capital stock and part of its officers will hold the remaining shares, corresponding to 6% of PF.com s total capital stock. The latter will operate e-commerce activities, which are currently developed by the websites extra.com, pontofrio.com and casaspahia.com, besides wholesale durable goods e-commerce.

A shareholders' agreement of Globex will be executed by the parties and announced to the market, as well as a shareholders' agreement of PF.com will be executed, regulating the rights and obligations of each party in the aforementioned companies.

The parties have jointly submitted the partnership conditions to the Antitrust Brazilian System, according to the terms originally agreed upon and pursuant to the material fact disclosed by the parties at February 3, 2010, at that date, they entered into a Provisional Agreement for the Maintenance of the Reversibility of Operation (APRO) with the Administrative Council for Economic Defense (CADE). Therefore, at July 6, 2010, the parties notified CADE on the execution of the aforementioned addendum.

2. Basis of preparation and presentation of quarterly information

a) Quarterly Information

The individual (parent company) and consolidated quarterly information were prepared and are presented according to the rules issued by the Brazilian Securities and Exchange Commission (CVM), the provisions of the Brazilian Corporation Law (Law 6,404/76), including provisions amended by Laws 11,638/07 and 11,941/09, as well as pronouncements, guidelines and interpretations issued by the Brazilian Committee on Accounting Pronouncements (CPC). This quarterly information was approved at the board of executive officers meeting held at July 22, 2010.

During 2009, the Brazilian Committee on Accounting Pronouncements (CPC) issued and the Brazilian Securities and Exchange Commission (CVM) approved several Technical Pronouncements, Interpretations and Guidelines whose effectiveness is only mandatory for the fiscal year ended December 31, 2010, requiring that the companies file again the financial statements of the comparative year.

The Company decided not to exercise its eligibility concerning the quarterly information of June 30, 2010, and at its best judgment, the Company below shows a brief description of the eventual material changes to the accounting practices previously adopted for the quarterly information of June 30, 2010 and comparative period.

- CPC 15 Business Combination, approved by CVM Deliberation 580/09 of July 31, 2009: It mainly establishes the buyer's principles and requirements in a business combination. The Company expects that the figures referring to the acquisition of Globex Utilidades S.A. will change when applying this Pronouncement retrospectively to January 1, 2009, due to the new measurement of goodwill by the expectation of future profitability, resulting from the measurement of Globex's net assets by the fair value of assets acquired (including identified intangible assets) and obligations assumed.

- CPC 22 Information by Segment, approved by CVM Deliberation 582 of July 31, 2009: It sets forth that reporting shall be divided by the Company's operating segment. Operating segment is defined as an entity's component: (a) that develops business activities generating revenues and incurring in expenses; (b) whose operational results are regularly reviewed by the top manager of the Company's operations in the decision-making process; and (c) to which the financial information is available.

The Company's Management will analyze additional reporting in its financial statements resulting from the data and indicators of assets, liabilities and results identifiable for each one of its operating segments.

- CPC 24 Subsequent Event, approved by CVM Deliberation 593 of September 15, 2009: The main impact for applying this rule refers to the recording of dividends. According to CPC 24 at the end of the fiscal year, the Company shall recognize as liability only the mandatory minimum dividend established in its Bylaws. Additional minimum dividends will be recorded as liability as these are approved by the Company's appropriate bodies.

- CPC 26 Presentation of the Financial Statements, approved by CVM Deliberation 595, of September 15, 2009: It sets forth the basis for presenting the financial statements, by determining the presentation overall requirements, structuring guidelines and the minimum content to be included in the financial statements. Two new requirements were added in relation to the previous practice; i) comprehensive statement of income; ii) presentation of three balance

2. Basis of preparation and presentation of quarterly information (Continued)

sheets in the situations in which the Company applies an accounting policy retroactively or files again items in its financial statements.

- CPC 27 Fixed Assets, approved by CVM Deliberation 583 of July 31, 2009: The Company understands that this rule may cause eventual effects on its financial statements, mainly due to said CPC that requires deducting the estimated residual value from fixed assets in order to calculate depreciation. Currently, the Company depreciates assets by their whole formation cost, not deducting the estimated residual value. The Company is assessing the useful life taking into account the residual value of its assets and will apply this change of depreciation rate retrospectively as of January 1, 2010, in compliance with IPCP 10.

CPC 38, 39 and 40 Financial Instruments: Recognition and Measurement, Presentation, Reporting, approved by CVM Deliberation 604 of November 19, 2009:

- CPC 38 Financial Instruments: Recognition and Measurement: It rules the recognition and measurement of financial instruments operations including derivatives. It shall be applied to all companies and all types of financial instruments, aside from specific exceptions. A financial instrument is any agreement originating a financial asset for an entity and a financial liability or equity instrument for another.

CPC 39 Financial Instruments: Presentation it aims at establishing the principles for presenting the financial instruments as liability or shareholders equity and offsetting the financial assets and liabilities. It applies to the classification of financial instruments, under the issuer's viewpoint, into financial assets, financial liabilities and equity instruments; the classification of corresponding interest, dividends, gains and losses; the circumstance in which the financial assets and liabilities shall be offset.

CPC 40 Financial Instruments: Reporting It introduces the need of detailed reporting on financial statements for the Company's equity and financial situation and its performance.

3. Summary of main accounting practices

Accounting estimates to measure and recognize certain assets and liabilities are used in the preparation of the quarterly information of the Company and its subsidiaries. The determination of these estimates took into account experiences of past and current events and other objective and subjective factors. Complying with such, this quarterly information include estimates related to the selection of useful lives of fixed and intangible assets; the allowance for doubtful accounts; allowance for inventory losses; allowance for investments losses; the recoverability of fixed and intangible assets; the realization expectation of deferred income and social contribution taxes; fees and terms used when determining the present value adjustment of certain assets and liabilities and the provision for litigations; the benefit value granted through stock options and fair value of financial instruments; the reporting estimates for the sensitivity analysis chart of derivative financial instruments pursuant to CVM Ruling 475/08. The estimates used in this quarterly information may present variations compared to the actual values upon the realization and/or settlement of operations in which they are involved. The Company reviews its estimates and assumptions, at least, quarterly.

3. Summary of main accounting practices (Continued)

Significant accounting practices and consolidation criteria adopted by the Company are shown below:

a) Determination of income

Sales revenues are stated at their gross amounts. Taxes and discounts on sales revenues are presented as reducing accounts. The result of operations is determined according to the accrual basis of accounting. Revenues from sale of products are recognized upon the transfer of the product, with all risks and benefits to the purchaser. The freight value is included in the cost of goods sold. Interest income and expenses are recognized by the effective interest rate method under financial revenues/expenses.

The recording of present value adjustment expense, incurring on installment sales, has as corresponding credit the item trade accounts receivable and its reversals are recorded in a separate item, called reversal of present value adjustment from sale of goods .

b) Translation of foreign currency-denominated balances

(i) *Functional and presentation currency of the quarterly information*

The Company's functional currency is the Brazilian Real. The quarterly information of each subsidiary, consolidated by Company, as well as those used as basis for investments valuation by the equity accounting method are prepared based on the functional currency of each entity.

(ii) *Foreign currency-denominated transactions*

Monetary assets and liabilities indexed in foreign currency were translated into reais using the exchange rate effective on respective closing balance sheet date. The differences resulting from the currency translation are recorded as financial revenues or expenses in income.

c) Financial instruments

The financial assets and liabilities held by the Company and its subsidiaries are recognized by their fair value upon their contracting, plus transaction costs directly related to their acquisition or issue. Financial instruments are classified according to the purpose to which they were acquired or issued under the following categories: (i) financial assets and liabilities measured at the fair value through income; and (ii) financial assets and liabilities held to maturity. Their subsequent measurement occurs every balance sheet date according to the rules established for each type of classification of financial assets and liabilities.

- *Financial assets and liabilities measured at fair value through income*: these comprise financial investments, financial liabilities generally traded before maturity and derivatives, except for those designated as hedge instruments. They are periodically measured at their fair value, and interest rates, monetary restatement, exchange variation and gains or losses deriving from fair value variations are recorded in income under Financial Revenues or Financial Expenses .

3. Summary of main accounting practices (Continued)

c) Financial instruments (Continued)

- *Financial assets and liabilities held to maturity*: financial assets and liabilities, non-derivatives, with fixed or determinate payments and scheduled maturities. These are measured by the amortized cost through the effective interest rate method. The net book value is calculated using a discount rate over the estimated value of future receivables, taking into consideration the effectiveness period of the financial instrument. Interest rates, monetary restatement, foreign exchange variation, less eventual impairment are recognized in income under Financial Revenues or Financial Expenses .
- *Derivative financial instruments*: derivative financial instruments that will hedge or change the characteristics of financial assets or liabilities, derecognized firm commitments and highly probable transactions. These are measured at their fair market value and variations are recorded against income, and corresponding entry to the appropriate financial revenue or expense account, except for derivatives destined for hedge operations.
- *Available-for-sale financial instruments*: non-derivative financial assets available for sale or not classified as granted loans or accounts receivable. These are valued by their fair value, however, with adjustment recorded in a separate item of the shareholders' equity.

Fair market value of financial instruments actively traded on organized markets is determined based on its market pricing calculated at the date of its respective balance sheet. If there is no market, then the fair value is determined through valuation techniques and compatible with usual practices on the market including the use of recent market arm's length transactions, benchmark to the market value of similar financial instruments, analysis of discounted cash flows or other valuation models.

- *Hedge operations*: derivative financial instruments used to hedge risk exposures or to modify the characteristics of financial assets and liabilities, unrecognized firm commitments and highly probable transactions, and which: (i) are highly correlated concerning changes in their market value in relation to the market value of item that has been hedged, both at the beginning and over the life of agreement (effectiveness between 80% and 125%); (ii) have the operation documented, risk purpose of hedge, risk management process and methodology used in the effectiveness evaluation; and (iii) considered effective to reduce the risk associated with exposure to be hedged, are classified and recorded as hedge operations according to their nature.

- *Fair value hedge*: the derivative financial instruments destined to offset risks deriving from the exposure to variation in fair value of item purpose of hedge should be classified. The items purpose of hedge and related derivative financial instruments are recorded against proper revenue or expense account in results.

The costs of funding loans are mainly comprised by finders fees and the Tax on Financial Transactions (IOF), and are recorded pursuant to the terms of CPC 08.

d) Cash and cash equivalents

These include cash, positive balances in checking account and marketable securities redeemable within up to 90 days. Marketable securities included in cash and cash equivalents are classified into the financial assets calculated at fair value through income category.

3. Summary of main accounting practices (Continued)

e) Accounts receivable

Accounts receivable are stated considering the estimated realizable values. An allowance for doubtful accounts is provided in an amount considered by Management to be sufficient to meet probable losses in the realization of such receivables, considering the historic average of losses.

The Company's installment sales occur with the intermediation of FIC, whose receivables do not remain in the Company (Note 10 b (vi)).

The Company carries out securitization operations of the accounts receivable through PAFIDC

(Pão de Açúcar Fundo de Investimento em Direitos Creditórios) (Note 5 (f) and Note 8).

Accounts receivable from commercial agreements result from bonuses and discounts granted by suppliers, established by agreements and calculated over purchase volume, marketing initiatives, freight cost reimbursement, etc.

f) Inventories

Inventories are stated at the average acquisition cost or market value, whichever is shorter, adjusted by provision for inventory bonuses for losses and breakage, which are periodically reviewed and evaluated as to their sufficiency. Warehousing and handling costs are appropriated according to inventory turnover and the portion not absorbed is stated at the inventories value. Provisions are recorded based on historical data of the Company.

g) Investments

Investments in subsidiaries are accounted for by the equity method, and provision for capital deficiency has been recorded, when applicable. Other investments are recorded at acquisition cost.

h) Property and equipment

These assets are recorded at acquisition or construction cost (monetarily restated until December 31, 1995) deducted from the related accumulated depreciation, calculated on a straight-line basis at the rates mentioned in Note 11. In leasehold improvements, amortization is calculated considering the shortest term between the term of the lease agreement or assets useful life is utilized.

The Company adopts procedures aiming at ensuring that assets are not recorded by a value higher than the one that can be recoverable for use or sale, pursuant to CPC 01 rules.

Interest and financial charges on loans and financing contracted by third parties directly or indirectly attributable to the process of purchase, construction and/or operating expansion, are capitalized during the construction and refurbishment of the Company's and its subsidiaries' stores in conformity with CVM Deliberation 193. The capitalized interest and financial charges are appropriated to income over the depreciation periods of the corresponding assets.

3. Summary of main accounting practices (Continued)

h) Property and equipment (Continued)

Expenditures for repairs and maintenance are recorded as expenses when they do not significantly affect the useful lives of related assets; or they do not aggregate to the value of assets when they materially contribute to the increase of useful lives of existing facilities and equipment.

i) Leasing

Financial leasing agreements are recorded in property and equipment against liabilities from loans and financing, by the lower amount between the present value of mandatory minimum installments of the agreement or the fair value of asset, accrued, where applicable of initial direct costs incurred on transaction. Implied interest rates recognized in loans and financing are appropriated to income for the year according to the duration of the agreement by the effective interest rate method.

Operating leasing agreements are recognized as expense based on the determination period of the benefit over leased asset by the Company, regardless of the basis used to determine leasing payments.

The depreciation of capitalized assets is calculated according to their useful life, in the event there is the intention to acquire such asset. If the Company does not intend to acquire the asset, the depreciation is calculated considering the least term between the effectiveness of the agreement or the assets' useful life.

j) Intangible assets

Goodwill calculated in the acquisition of investments occurred until December 31, 2008, having future profitability as economic fundamental, was amortized on a straight-line basis for a term of 5 to 10 years until that date. As of January 1, 2009 goodwill balances are submitted to an annual test for impairment analysis, as set forth by CPC 01.

Intangible assets with defined useful life term are amortized according to such term and when sign of any impairment signs is verified these assets are submitted to impairment tests. Intangible assets with indeterminate useful life are not amortized, they are submitted to annual test for impairment analysis.

k) Provision for recovery of assets

The Management yearly reviews the net book value of assets with a view to identifying events or changes in economic, operating or technological circumstances that may indicate deterioration, obsolescence or impairment. When this evidence is identified and the net book value exceeds the recoverable value, a provision is recorded for impairment by adjusting the net book value to the recoverable value. These losses are classified as other operating expenses.

l) Other assets and liabilities

A liability is recognized in the balance sheet when the Company and its subsidiaries have a legal liability as a result of a past event and it is probable that an economic resource will be required to settle this liability. Provisions are recorded based on the best estimates of risks involved.

3. Summary of main accounting practices (Continued)

l) Other assets and liabilities (Continued)

An asset is recognized in the balance sheet when it is probable that its future economic benefits will be advantageous for the Company and its cost or value can be safely measured. Assets and liabilities are classified as current when their realization or settlement is probable to occur over the next 12 months, otherwise, these are stated as noncurrent.

m) Taxation

Revenues from sales of goods and rendering of services are subject to taxation by State Value-Added Tax (ICMS), Services Tax (ISS), Social Contribution Tax on Gross Revenue for Social Integration Program (PIS) and Social Contribution Tax on Gross Revenue for Social Security Financing (COFINS) at rates prevailing in each region, and its respective value deducted from the total revenues from sales for the purposes of determining income.

The credits derived from non-cumulative PIS and COFINS are deducted from cost of goods sold in the statement of income for the year.

PIS and COFINS refer to the financial revenues and expenses recorded in the corresponding items.

The advances or amounts subject to offsetting are shown in the current and noncurrent assets, in accordance with the estimate for their realization.

Income and social contribution taxes are calculated according to the taxable income based on accounting records and are classified as current or deferred, as follows:

Current Income and social contribution taxes in Brazil, when opted for the taxable income regime, are calculated at the (i) 25% taxable income (15% increased by 10% surcharge on taxable income exceeding R\$240) for income tax, and (ii) 9% on taxable income for social contribution. Brazilian tax laws in force allows to carry forward tax losses referring to previous years with current tax income, limited to 30% of the taxable income of each year.

Deferred Deferred income and social contribution taxes are calculated based on tax losses and negative basis of social contribution, as well as temporary differences mainly composed of provisions related to the recording of litigations that are not deductible for calculation purposes of taxable income and calculation basis of social contribution only on the date of its financial realization.

Deferred income and social contribution tax assets were recorded pursuant to CVM Ruling 371/02 and take into account the expectation of generating future taxable income, based on a technical feasibility study approved by the Board of Directors.

n) Share-based compensation

Part of the compensation of the Company's main executives and managers is paid as stock option plan, measured by their fair value, calculated on the plan granting date, based on the market's pricing models, considering the share market value, the stock option exercise price and term of the agreement. Compensation costs linked to these programs are recorded on a straight-line basis in income, under operating expenses, during the period the services were rendered by beneficiaries against the capital reserve.

3. Summary of main accounting practices (Continued)

o) Present value adjustment of assets and liabilities

Noncurrent monetary assets and liabilities and current assets and liabilities, when relevant, are adjusted to their present value. The present value adjustment is calculated taking into account contractual cash flows and the respective explicit or implied interest rates.

Embedded interest rates on revenues, expenses and costs associated with said assets and liabilities are adjusted to the appropriate recognition in conformity with the accrual basis of accounting. The present value adjustment is recorded in those items, subject to the application of rule and financial result as corresponding entry.

p) Provision for litigations

As per CVM Deliberation 489/05, the Company adopts the concepts established in NPC 22 on Provisions, Liabilities, Contingent Assets and Liabilities when setting up its provisions and disclosure on matters regarding litigations and lawsuits. The balances of provisions are stated net of the respective judicial deposits, where applicable (Note 16).

Provisions for lawsuits are recorded as it follows:

- **Contingent assets:** it is an asset that likely will result from past events and whose existence is only confirmed by the occurrence or not of one or more uncertain future events not fully under the entity's control. The Company reports in its notes when the contingent assets are probable and records them in the quarterly information only when they become final and unappealable.
- **Contingent liabilities:** likely liability that results from past events and whose existence shall only be confirmed by the occurrence or not of one or more uncertain future events not fully under the Company's control. (i) When contingent liabilities are probable, the Company records liabilities in its financial statements; (ii) concerning contingent liabilities deemed as possible, these are only reported in the notes to the quarterly information and concerning contingent liabilities deemed as remote, these are neither recorded nor reported.

q) Earnings per share

The calculation is made according to the "net income/number of outstanding shares" ratio. Pursuant to the Brazilian Corporation Law, earnings may be: distributed, used to increase capital or create the profit expansion reserve, based on the capital budget.

r) Consolidated quarterly information

The consolidated financial statements are prepared and presented in conformity with the consolidation principles prescribed by the Brazilian Corporation Law and CVM Ruling 247/96, and include the quarterly information of the Company and its subsidiaries Novasoc Comercial Ltda. (Novasoc), Sé Supermercados Ltda. (Sé), Sendas Distribuidora, PAFIDC, PA Publicidade Ltda. (PA Publicidade), Barcelona, CBD Panamá Trading Corp. (CBD Panamá), CBD Holland B.V. (CBD Holland) and Xantoca/vedra Empreendimentos e Participações S.A. (Vedra), Bellamar Empreendimentos e Participações Ltda. (Bellamar), Vancouver Empreendimentos e Participações Ltda. (Vancouver), Lake Niassa Empreendimentos e Participações Ltda. (Lake Niassa), Globex, Globex Administração e

3. Summary of main accounting practices (Continued)r) Consolidated quarterly information (Continued)

Serviços Ltda., Ponto Frio Administração e Importação de Bens Ltda., Rio Expresso Comércio Atacadista de Eletrodomésticos Ltda, Globex Administração de Consórcios Ltda., Pontocred Negócios de Varejo Ltda., PF.com, Bruxellas Empreend. Participações S.A. (Bruxellas), Dallas Empreend. e Participações S/A (Dallas); Pontocred Negócios de Varejo Ltda (Pontocred); E-HUB Consult. Particip. e Comércio S.A.(E-HUB); and Banco Investcred Unibanco S.A (Banco Investcred).

Sabara S.A. (Sabara), indirectly controlled by the Company, headquartered abroad, exclusively makes financial investments.

The direct or indirect subsidiaries, included in the consolidation and the percentage of parent company s interest comprise:

<u>Investees</u>	Interest of investors (%) at June 30, 2010								
	CBD	Novasoc	Sé	Holland	Sendas Distrib.	Bellamar	Niassa	Lake Utilidades	Globex Pontocred
Novasoc	10.00	-	-	-	-	-	-	-	-
Sé	93.10	6.90	-	-	-	-	-	-	-
Sendas Distribuidora	14.86	-	42.57	-	-	-	-	-	-
PAFIDC	9.05	0.71	0.35	-	-	-	-	-	-
P.A. Publicidade	99.99	-	-	-	-	-	-	-	-
Barcelona	-	-100.00	-	-	-	-	-	-	-
CBD Holland	100.00	-	-	-	-	-	-	-	-
CBD Panamá	-	-	-	100.00	-	-	-	-	-
Xantocarpa	-	-	-	-	100.00	-	-	-	-
Vedra	90.00	-	-	-	-	-	-	-	-
Bellamar	-	-100.00	-	-	-	-	-	-	-
Vancouver	100.00	-	-	-	-	-	-	-	-
Dallas	99.99	-	-	-	-	-	-	-	-
Bruxellas	99.99	-	-	-	-	-	-	-	-
FIC	-	-	-	-	-	35.76	14.24	-	-
Lake Niassa	-	-	-	-	-	-	-	99.99	-
Globex	98.77	-	-	-	-	-	-	-	-
Globex Adm. e Serviços Ltda.	-	-	-	-	-	-	-	99.99	-
Ponto Frio Adm. e Import. de Bens Ltda.	-	-	-	-	-	-	-	99.99	-
Globex Factoring Comercial Ltda.	-	-	-	-	-	-	-	99.99	-
Globex Adm. de consórcio Ltda.	-	-	-	-	-	-	-	99.99	-
Pontocred Negócios de varejo Ltda.	-	-	-	-	-	-	-	99.50	-

PF.com	-	-	-	-	-	-	-	99.95	0.05
E-HUB	-	-	-	-	-	-	-	45.00	-
Banco Investcred	-	-	-	-	-	-	50.00	-	-

3. Summary of main accounting practices (Continued)r) Consolidated quarterly information (Continued)

<u>Investees</u>	Interest of investors (%) at March 31, 2010								
	CBD	Novasoc	Sé	CBD Holland	Sendas Distrib.	Bellamar	Lake Niassa	Globex Utilidades	Pontocred
Novasoc	10.00	-	-	-	-	-	-	-	-
Sé	93.10	6.90	-	-	-	-	-	-	-
Sendas Distribuidora	14.86	-	42.57	-	-	-	-	-	-
PAFIDC	8.94	0.70	0.35	-	-	-	-	-	-
P.A. Publicidade	99.99	-	-	-	-	-	-	-	-
Barcelona	-	-	100.00	-	-	-	-	-	-
CBD Holland	100.00	-	-	-	-	-	-	-	-
CBD Panamá	-	-	-	100.00	-	-	-	-	-
Xantocarpa	-	-	-	-	100.00	-	-	-	-
Vedra	90.00	-	-	-	-	-	-	-	-
Bellamar	-	-	100.00	-	-	-	-	-	-
Vancouver	100.00	-	-	-	-	-	-	-	-
Dallas	99.99	-	-	-	-	-	-	-	-
Bruxellas	99.99	-	-	-	-	-	-	-	-
FIC	-	-	-	-	-	35.64	14.36	-	-
Lake Niassa	-	-	-	-	-	-	-	-	-