

BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD

Form 6-K

July 24, 2014

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, 2014

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

*Companhia Brasileira
de Distribuição*

*Individual and Consolidated Interim
Financial Information for the
Quarter Ended June 30, 2014 and
Report on Review of Interim Financial Information*

Deloitte Touche Tohmatsu Auditores Independentes

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders, Board of Directors and Management of

Companhia Brasileira de Distribuição

São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Companhia Brasileira de Distribuição (the “Company”), identified as Company and Consolidated, respectively, included in the Interim Financial Information Form (ITR), for the three-month period ended June 30, 2014, which comprises the balance sheet as of June 30, 2014 and the related statements of income and comprehensive income for the three and six-month periods then ended and of changes in equity and cash flows for the six-month period then ended, including the explanatory notes.

The Company’s Management is responsible for the preparation of the individual interim financial information in accordance with technical pronouncement CPC 21 (R1) - Interim Financial Information and the consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) and the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards established by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on individual interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual interim financial information included in the Interim Financial Information (ITR) referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1), applicable to the preparation of the Interim Financial Information (ITR), and presented in accordance with the standards established by CVM.

Deloitte Touche Tohmatsu

Conclusion on consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the Interim Financial Information (ITR) referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34, applicable to the preparation of Interim Financial Information (ITR), and presented in accordance with the standards established by CVM.

Other matters

Statements of value added

We have also reviewed the individual and consolidated statements of value added for the six-month period ended June 30, 2014, prepared under the responsibility of the Company's Management, the presentation of which is required by the standards issued by CVM applicable to the preparation of Interim Financial Information (ITR) and considered as supplemental information for International Financial Reporting Standards - IFRS, which do not require the presentation of these statements. These statements were subject to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, in relation to the individual and consolidated interim financial information taken as a whole.

The accompanying interim financial information has been translated into English for the convenience of readers outside Brazil

São Paulo, July 22, 2014

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Edimar Facco
Engagement Partner

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Company Information / Capital Breakdown

Number of Shares	Current Quarter
(thousand)	06/30/2014
Paid in Capital	
Common	99,680
Preferred	165,458
Total	265,138
Treasury Shares	
Common	-
Preferred	233
Total	233

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ITR – Quarterly Financial Information – June 30, 2014 – 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	04/24/2014	Dividend	05/15/2014	Common	-	0.12727
Board of Directors' Meeting	04/24/2014	Dividend	05/15/2014	Preferred	-	0.14000
Extraordinary and Ordinary Shareholders' Meeting	04/16/2014	Dividend	06/13/2014	Common	-	0.53539
Extraordinary and Ordinary Shareholders' Meeting	04/16/2014	Dividend	06/13/2014	Preferred	-	0.58893
Board of Directors' Meeting	07/16/2014	Dividend	08/13/2014	Common	-	0.12727
Board of Directors' Meeting	07/16/2014	Dividend	08/13/2014	Preferred	-	0.14000

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Individual Quarterly Financial Information / Balance Sheet - Assets****R\$ (in thousands)**

Code	Description	Current Quarter 06.30.2014	Previous Year 12.31.2013
1	Total Assets	20,661,258	22,214,075
1.01	Current Assets	3,610,299	5,623,474
1.01.01	Cash and Cash Equivalents	867,761	2,851,220
1.01.03	Accounts Receivable	225,220	360,361
1.01.03.01	Trade Accounts Receivable	175,369	312,471
1.01.03.02	Other Accounts Receivable	49,851	47,890
1.01.04	Inventories	2,219,486	2,165,609
1.01.06	Recoverable Taxes	128,630	148,034
1.01.06.01	Current Recoverable Taxes	128,630	148,034
1.01.07	Prepaid Expenses	93,648	27,497
1.01.08	Other Current Assets	75,554	70,753
1.01.08.01	Noncurrent Assets Held for Sales	2,418	4,355
1.01.08.03	Other	73,136	66,398
1.02	Noncurrent Assets	17,050,959	16,590,601
1.02.01	Long-term Assets	1,832,157	1,614,381
1.02.01.03	Accounts Receivable	30,427	31,338
1.02.01.03.02	Other Accounts Receivable	30,427	31,338
1.02.01.06	Deferred Taxes	132,333	120,869
1.02.01.06.01	Deferred Income and Social Contribution Taxes	132,333	120,869
1.02.01.07	Prepaid Expenses	28,198	37,803
1.02.01.08	Receivables from Related Parties	879,963	646,478
1.02.01.08.02	Receivables from Subsidiaries	841,639	608,573
1.02.01.08.03	Receivables from Controlling Shareholders	641	2,738
1.02.01.08.04	Receivables from Other Related Parties	37,683	35,167
1.02.01.09	Other Noncurrent Assets	761,236	777,893
1.02.01.09.04	Recoverable Taxes	337,173	350,880
1.02.01.09.05	Restricted Deposits for Legal Proceeding	424,063	427,013
1.02.02	Investments	8,043,124	7,774,250
1.02.02.01	Investments in Associates	8,043,124	7,774,250
1.02.02.01.02	Investments in Subsidiaries	8,043,124	7,774,250
1.02.03	Property and Equipment, net	6,057,873	6,074,815
1.02.03.01	Property and Equipment in Use	5,953,527	5,911,544
1.02.03.02	Leased properties	28,731	32,210
1.02.03.03	In Progress	75,615	131,061
1.02.04	Intangible Assets	1,117,805	1,127,155
1.02.04.01	Intangible Assets	1,117,805	1,127,155
1.02.04.01.02	Intangible Assets	1,117,805	1,127,155

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Individual Quarterly Financial Information / Balance Sheet - Liabilities****R\$ (in thousands)**

Code	Description	Current Quarter 06.30.2014	Previous Year 12.31.2013
2	Total Liabilities	20,661,258	22,214,075
2.01	Current Liabilities	6,601,028	8,022,610
2.01.01	Payroll and Related Charges	305,661	368,584
2.01.01.01	Payroll Liabilities	46,984	67,385
2.01.01.02	Social Security Liabilities	258,677	301,199
2.01.02	Trade Accounts Payable	1,917,022	2,631,704
2.01.02.01	Local Trade Accounts Payable	1,872,913	2,529,066
2.01.02.02	Foreign Trade Accounts Payable	44,109	102,638
2.01.03	Taxes and Contributions Payable	281,165	365,382
2.01.03.01	Federal Tax Liabilities	269,091	335,395
2.01.03.01.01	Income and Social Contribution Tax Payable	88,649	132,077
2.01.03.01.02	Other (PIS, COFINS, IOF, INSS, Funrural)	40,309	67,524
2.01.03.01.03	Taxes Payable in Installments	140,133	135,794
2.01.03.02	State Tax Liabilities	12,074	29,987
2.01.04	Loans and Financing	1,696,416	1,973,889
2.01.04.01	Loans and Financing	716,996	917,290
2.01.04.01.01	In Local Currency	716,116	754,137
2.01.04.01.02	In Foreign Currency	880	163,153
2.01.04.02	Debentures	962,289	1,028,475
2.01.04.03	Financing by Leasing	17,131	28,124
2.01.05	Other Liabilities	2,396,336	2,661,800
2.01.05.01	Related Parties	2,157,229	2,224,015
2.01.05.01.01	Debts with Associated Companies	2,353	6,180
2.01.05.01.02	Debts with Subsidiaries	2,154,136	2,217,835
2.01.05.01.03	Debts with Controlling Shareholders	740	0
2.01.05.02	Other	239,107	437,785
2.01.05.02.01	Dividends and Interest on Equity Payable	917	151,480
2.01.05.02.04	Utilities	3,791	6,667
2.01.05.02.05	Rent Payable	45,508	53,027
2.01.05.02.06	Advertisement Payable	31,745	39,723
2.01.05.02.07	Pass-through to Third Parties	7,832	8,799
2.01.05.02.08	Financing Related to Acquisition of Real Estate	41,383	36,161
2.01.05.02.09	Deferred revenue	9,916	0
2.01.05.02.11	Other Accounts Payable	98,015	141,928
2.01.06	Provisions	4,428	21,251
2.01.06.02	Other Provisions	4,428	21,251
2.01.06.02.02	Provisions for Restructuring	4,428	21,251

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Individual Quarterly Financial Information / Balance Sheet - Liabilities****R\$ (in thousands)**

Code	Description	Current Quarter 06.30.2014	Previous Year 12.31.2013
2.02	Noncurrent Liabilities	4,064,855	4,708,275
2.02.01	Loans and Financing	2,575,079	3,142,472
2.02.01.01	Loans and Financing	1,252,698	1,018,920
2.02.01.01.01	In Local Currency	950,676	1,018,920
2.02.01.01.02	In Foreign Currency	302,022	0
2.02.01.02	Debentures	1,199,752	1,998,705
2.02.01.03	Financing by Leasing	122,629	124,847
2.02.02	Other Liabilities	915,983	1,039,851
2.02.02.02	Other	915,983	1,039,851
2.02.02.02.03	Taxes Payable by Installments	895,055	991,717
2.02.02.02.05	Financing related to acquisition of real estate	8,000	12,000
2.02.02.02.06	Other Accounts Payable	12,928	36,134
2.02.04	Provision for Contingencies	530,044	495,952
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	530,044	495,952
2.02.04.01.01	Tax Provisions	287,834	276,031
2.02.04.01.02	Social Security and Labor Provisions	159,238	149,196
2.02.04.01.04	Civil Provisions	82,972	70,725
2.02.06	Deferred revenue	43,749	30,000
2.02.06.02	Deferred revenue	43,749	30,000
2.03	Shareholders' Equity	9,995,375	9,483,190
2.03.01	Paid-in Capital Stock	6,786,171	6,764,300
2.03.02	Capital Reserves	257,277	233,149
2.03.02.04	Granted Options	249,879	225,751
2.03.02.07	Capital Reserve	7,398	7,398
2.03.04	Profit Reserves	2,479,463	2,485,741
2.03.04.01	Legal Reserve	353,433	353,433
2.03.04.05	Retention of Profits Reserve	1,035,275	1,709,083
2.03.04.10	Expansion Reserve	1,134,627	460,557
2.03.04.12	Transactions with non-controlling interest	-43,872	-37,332
2.03.05	Retained Earnings/ Accumulated Losses	472,464	0

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Individual Quarterly Financial Information / Statement of Income****R\$ (in thousands)**

Code	Description	Year To	Year To	Year To
		Date	Date	Date
		Current	Current	Previous
		Period	Period	Period
		04/01/2014	01/01/2014	04/01/2014
		to	to	to
		06/30/2014	06/30/2014	06/30/2014
3.01	Net Sales from Goods and/or Services	5,452,885	10,852,425	5,030,700
3.02	Cost of Goods Sold and/or Services Sold	(3,973,363)	(7,937,658)	(3,658,130)
3.03	Gross Profit	1,479,522	2,914,767	1,372,566
3.04	Operating Income/Expenses	(1,028,927)	(2,038,951)	(1,219,366)
3.04.01	Selling Costs	(904,253)	(1,764,820)	(790,960)
3.04.02	General and Administrative	(120,803)	(256,859)	(163,900)
3.04.04	Other Operating Expense	-	-	10,060
3.04.04.02	Other Operating Income	-	-	10,060
3.04.05	Other Operating Expenses	(147,119)	(283,829)	(332,090)
3.04.05.01	Depreciation/Amortization	(105,750)	(211,554)	(100,110)
3.04.05.02	Income Related to Fixed Assets	(8,693)	(9,859)	(2,060)
3.04.05.03	Other Operating Expenses	(32,676)	(62,416)	(229,910)
3.04.06	Equity Pickup	143,248	266,557	57,530
3.05	Profit before Net Financial Expenses and Social Contribution Taxes	450,595	875,816	153,200
3.06	Net Financial Expenses	(143,119)	(278,436)	(135,620)
3.06.01	Financial Revenue	43,179	103,912	47,040
3.06.02	Financial Expenses	(186,298)	(382,348)	(182,670)
3.07	Earnings Before Income and Social Contribution Taxes	307,476	597,380	17,570
3.08	Income and Social Contribution Taxes	(43,178)	(89,124)	24,510
3.08.01	Current	(56,206)	(100,588)	5,520
3.08.02	Deferred	13,028	11,464	18,990
3.09	Net Income from Continued Operations	264,298	508,256	42,080
3.11	Net Income for the Period	264,298	508,256	42,080
3.99.01.01	Common	0.94029	1.80821	0.15029
3.99.01.02	Preferred	1.03432	1.98903	0.16530
3.99.02.01	Common	0.94029	1.80821	0.15029
3.99.02.02	Preferred	1.03233	1.98521	0.16410

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Individual Quarterly Financial Information / Comprehensive Income for the Period

R\$ (in thousands)

Code	Description	Year To	Year To	Year To	Year To
		Date	Date	Date	Date
		Current	Current	Previous	Previous
		Period	Period	Period	Period
		04/01/2014	01/01/2014	04/01/2013	01/01/2013
		to	to	to	to
		06/30/2014	06/30/2014	06/30/2013	06/30/2013
4.01	Net income for the Period	264,298	508,256	42,089	278,665
4.03	Comprehensive Income for the Period	264,298	508,256	42,089	278,665

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Individual Quarterly Financial Information / Statement of Cash Flows - Indirect Method****R\$ (in thousands)**

Code	Description	Year To Date Current Period 01/01/2014 to 06/30/2014	Year To Date Previous Period 01/01/2013 to 06/30/2013
6.01	Net Cash Flow Operating Activities	(470,251)	189,133
6.01.01	Cash Provided by the Operations	848,847	917,436
6.01.01.01	Net Income for the Period	508,256	278,665
6.01.01.02	Deferred Income and Social Contribution Taxes	(11,464)	(13,860)
6.01.01.03	Results from Disposal of Fixed Assets	9,859	4,226
6.01.01.04	Depreciation/Amortization	231,588	217,837
6.01.01.05	Net Finance Results	330,252	269,795
6.01.01.06	Adjustment to Present Value	-	126
6.01.01.07	Equity Pickup	(266,557)	(131,800)
6.01.01.08	Provision for Contingencies	24,923	185,060
6.01.01.09	Provision for Disposals and Impairment of Property and Equipment	(390)	2,705
6.01.01.10	Share-based Payment	24,128	23,653
6.01.01.11	Allowance for doubtful accounts	(2,195)	2,853
6.01.01.13	Provision for Obsolescence/breakage	6,782	(3,824)
6.01.01.14	Other Operating Expenses	-	82,000
6.01.01.15	Deferred Revenue	(6,335)	-
6.01.02	Changes in Assets and Liabilities	(1,319,098)	(728,303)
6.01.02.01	Accounts Receivable	137,336	186,136
6.01.02.02	Inventories	(60,659)	114,444
6.01.02.03	Recoverable Taxes	33,111	(79,205)
6.01.02.04	Other Assets	(62,020)	(43,092)
6.01.02.05	Related Parties	(293,572)	(179,412)
6.01.02.06	Restricted Deposits for Legal Proceeding	4,180	(66,650)
6.01.02.07	Trade Accounts Payable	(714,682)	(492,956)
6.01.02.08	Payroll Charges	(62,923)	(19,734)
6.01.02.09	Taxes and Social Contributions Payable	(208,306)	(122,599)
6.01.02.10	Other Accounts Payable	(108,284)	(13,874)
6.01.02.11	Contingencies	(13,279)	(11,361)
6.01.02.12	Deferred Revenue	30,000	-
6.02	Net Cash Flow Investment Activities	(202,865)	(392,753)
6.02.01	Capital Increase/Decrease on Subsidiaries	(241)	(58,750)
6.02.02	Acquisition of Property and Equipment	(176,974)	(319,686)
6.02.03	Increase Intangible Assets	(31,548)	(29,232)

6.02.04	Sales of Property and Equipment	5,898	14,915
6.03	Net Cash Flow Financing Activities	(1,310,343)	(1,393,624)
6.03.01	Capital Increase/Decrease	21,871	10,871
6.03.02	Loans Obtained	330,052	-
6.03.03	Payments	(994,683)	(1,048,119)
6.03.04	Interest Paid	(474,043)	(157,438)
6.03.05	Payment of Dividends	(186,356)	(198,938)
6.03.06	Acquisition of Subsidiary	(7,184)	-
6.05	Net Increase (Decrease) in Cash and Cash Equivalents	(1,983,459)	(1,597,244)
6.05.01	Cash and Cash Equivalents at the Beginning of Period	2,851,220	2,890,331
6.05.02	Cash and Cash Equivalents at the End of Period	867,761	1,293,087

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Individual Quarterly Financial Information / Statement of Changes in Shareholders' Equity 01/01/2014 to 06/30/2014****R\$ (in thousands)**

Code	Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Accumulated Reserves Profit / Loss	Other comprehensive income
5.01	Opening Balance	6,764,300	233,149	2,485,741	-
5.03	Restated Opening Balance	6,764,300	233,149	2,485,741	-
5.04	Capital Transactions with Shareholders	21,871	24,128	-	(35,792)
5.04.01	Capital Increases	21,871	-	-	-
5.04.03	Granted Options	-	24,128	-	-
5.04.06	Dividends	-	-	-	(35,792)
5.05	Total Comprehensive Income	-	-	-	508,256
5.05.01	Net Income for the Period	-	-	-	508,256
5.06	Internal Changes of Shareholders' Equity	-	-	(6,278)	-
5.06.04	Gain (Loss) in Equity Interest	-	-	262	-
5.06.05	Transactions With Non-controlling Interest	-	-	(6,540)	-
5.07	Closing Balance	6,786,171	257,277	2,479,463	472,464

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ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Individual Quarterly Financial Information / Statement of Changes in Shareholders' Equity 01/01/2013 to 06/30/2014**

R\$ (in thousands)

Code	Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Accumulated Reserves	Profit / Loss	Other comprehensive income
5.01	Opening Balance	6,710,035	228,459	1,556,231	-	
5.03	Restated Opening Balance	6,710,035	228,459	1,556,231	-	
5.04	Capital Transactions with Shareholders	48,896	(14,372)	-	(33,111)	
5.04.01	Capital Increases	10,871	-	-	-	
5.04.03	Granted Options	-	23,653	-	-	
5.04.06	Dividends	-	-	-	(33,111)	
5.04.08	Capitalization of reserve	38,025	(38,025)	-	-	
5.05	Total Comprehensive Income	-	-	-	278,665	
5.05.01	Net Income for the Period	-	-	-	278,665	
5.06	Internal Changes of Shareholders' Equity	-	-	(873)	-	
5.06.04	Gain (Loss) in Equity Interest	-	-	(873)	-	
5.07	Closing Balance	6,758,931	214,087	1,555,358	245,554	

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Individual Quarterly Financial Information / Statement of Value Added****R\$ (in thousands)**

Code	Description	YTD Current	YTD Current
		Period 01/01/2014 to 06/30/2014	Period 01/01/2013 to 06/30/2013
7.01	Revenues	11,804,852	11,191,154
7.01.01	Sales of Goods, Products and Services	11,778,062	11,138,238
7.01.02	Other Revenues	24,595	55,769
7.01.04	Allowance for/Reversal of Doubtful Accounts	2,195	(2,853)
7.02	Raw Materials Acquired from Third Parties	(9,184,980)	(8,859,906)
7.02.01	Costs of Products, Goods and Services Sold	(8,191,732)	(7,804,514)
7.02.02	Materials, Energy, Outsourced Services and Other	(993,248)	(1,055,392)
7.03	Gross Added Value	2,619,872	2,331,248
7.04	Retention	(231,588)	(217,837)
7.04.01	Depreciation and Amortization	(231,588)	(217,837)
7.05	Net Added Value Produced	2,388,284	2,113,411
7.06	Added Value Received in Transfer	370,469	242,279
7.06.01	Equity Pickup	266,557	131,800
7.06.02	Financial Revenue	103,912	110,479
7.07	Total Added Value to Distribute	2,758,753	2,355,690
7.08	Distribution of Added Value	2,758,753	2,355,690
7.08.01	Personnel	1,141,213	1,047,913
7.08.01.01	Direct Compensation	774,262	715,626
7.08.01.02	Benefits	240,577	245,793
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	71,706	62,300
7.08.01.04	Other	54,668	24,194
7.08.02	Taxes, Fees and Contributions	493,471	457,143
7.08.02.01	Federal	379,704	290,431
7.08.02.02	State	85,750	116,329
7.08.02.03	Municipal	28,017	50,383
7.08.03	Value Distributed to Providers of Capital	615,813	571,969
7.08.03.01	Interest	382,348	353,019
7.08.03.02	Rentals	233,465	218,950
7.08.04	Value Distributed to Shareholders	508,256	278,665
7.08.04.03	Retained Earnings/ Accumulated Losses for the Period	508,256	278,665

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Consolidated Quarterly Financial Information /Balance Sheet - Assets**

R\$ (in thousands)

Code	Description	Current Quarter 06.30.2014	Previous Year 12.31.2013
1	Total Assets	35,462,142	38,008,352
1.01	Current Assets	15,669,379	18,609,735
1.01.01	Cash and Cash Equivalents	5,355,930	8,367,176
1.01.02	Financial Investments	22,990	24,453
1.01.02.01	Financial Investments Measured Fair Value	22,990	24,453
1.01.02.01.02	Marketable Securities	22,990	24,453
1.01.03	Accounts Receivable	2,696,403	2,743,033
1.01.03.01	Trade Accounts Receivable	2,496,850	2,515,666
1.01.03.02	Other Accounts Receivable	199,553	227,367
1.01.04	Inventories	6,463,993	6,381,544
1.01.06	Recoverable Taxes	759,836	907,983
1.01.06.01	Current Recoverable Taxes	759,836	907,983
1.01.07	Prepaid Expenses	226,412	92,279
1.01.08	Other Current Assets	143,815	93,267
1.01.08.01	Noncurrent Assets Held for Sales	25,780	39,133
1.01.08.03	Other	118,035	54,134
1.02	Noncurrent Assets	19,792,763	19,398,617
1.02.01	Long-term Assets	4,548,575	4,334,832
1.02.01.03	Accounts Receivable	789,116	744,834
1.02.01.03.01	Trade Accounts Receivable	97,275	114,899
1.02.01.03.02	Other Accounts Receivable	691,841	629,935
1.02.01.04	Inventories	172,280	172,280
1.02.01.06	Deferred Taxes	870,413	950,757
1.02.01.06.01	Deferred Income and Social Contribution Taxes	870,413	950,757
1.02.01.07	Prepaid Expenses	46,575	49,914
1.02.01.08	Receivables from Related Parties	203,876	172,836
1.02.01.08.01	Receivables from Associated Parties	12,913	683
1.02.01.08.03	Receivables from Controlling Shareholders	641	3,404
1.02.01.08.04	Receivables from Other Related Parties	190,322	168,749
1.02.01.09	Other Noncurrent Assets	2,466,315	2,244,211
1.02.01.09.04	Recoverable Taxes	1,583,081	1,429,021
1.02.01.09.05	Restricted Deposits for Legal Proceeding	883,234	815,190
1.02.02	Investments	358,576	309,528
1.02.02.01	Investments in Associates	358,576	309,528

1.02.02.01.01	Investments in Associates	358,576	309,528
1.02.03	Property and Equipment, net	9,187,073	9,053,600
1.02.03.01	Property and Equipment in Use	8,945,763	8,747,479
1.02.03.02	Leased properties	85,334	97,161
1.02.03.03	In Progress	155,976	208,960
1.02.04	Intangible Assets	5,698,539	5,700,657
1.02.04.01	Intangible Assets	5,698,539	5,700,657
1.02.04.01.02	Intangible Assets	5,698,539	5,700,657

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Consolidated Quarterly Financial Information / Balance Sheet - Liabilities****R\$ (in thousands)**

Code	Description	Current Quarter 06.30.2014	Previous Year 12.31.2013
2	Total Liabilities	35,462,142	38,008,352
2.01	Current Liabilities	14,596,779	17,012,754
2.01.01	Payroll and Related Charges	850,138	796,188
2.01.01.01	Payroll Liabilities	138,331	166,087
2.01.01.02	Social Security Liabilities	711,807	630,101
2.01.02	Trade Accounts Payable	6,753,298	8,547,544
2.01.02.01	Local Trade Accounts Payable	6,695,822	8,406,225
2.01.02.02	Foreign Trade Accounts Payable	57,476	141,319
2.01.03	Taxes and Contributions Payable	769,163	968,462
2.01.03.01	Federal Tax Liabilities	638,736	737,422
2.01.03.01.01	Income and Social Contribution Tax Payable	118,437	166,535
2.01.03.01.02	Other (PIS, COFINS, IOF, INSS, Funrural)	371,822	426,589
2.01.03.01.03	Taxes Payable in Installments	148,477	144,298
2.01.03.02	State Tax Liabilities	121,521	226,644
2.01.03.03	Municipal Tax Liabilities	8,906	4,396
2.01.04	Loans and Financing	5,057,753	5,171,418
2.01.04.01	Loans and Financing	3,642,955	3,870,195
2.01.04.01.01	In Local Currency	3,642,075	3,665,660
2.01.04.01.02	In Foreign Currency	880	204,535
2.01.04.02	Debentures	1,380,066	1,244,893
2.01.04.03	Financing by Leasing	34,732	56,330
2.01.05	Other Liabilities	1,161,999	1,507,891
2.01.05.01	Related Parties	23,343	32,621
2.01.05.01.01	Debts with Associated Companies	2,261	9,012
2.01.05.01.03	Debts with Controlling Shareholders	740	-
2.01.05.01.04	Debts with Others Related Parties	20,342	23,609
2.01.05.02	Other	1,138,656	1,475,270
2.01.05.02.01	Dividends and Interest on Equity Payable	1,272	151,835
2.01.05.02.04	Utilities	17,184	22,314
2.01.05.02.05	Rent Payable	65,914	112,439
2.01.05.02.06	Advertisement Payable	71,269	89,050
2.01.05.02.07	Pass-through to Third Parties	177,042	226,008
2.01.05.02.08	Financing Related to Acquisition of Real Estate	46,383	36,161
2.01.05.02.09	Deferred revenue	141,321	114,749
2.01.05.02.11	Accounts Payable Related to Acquisition of Companies	71,512	69,014
2.01.05.02.12	Other Accounts Payable	546,759	653,700
2.01.06	Provisions	4,428	21,251

2.01.06.02	Other Provisions	4,428	21,251
2.01.06.02.02	Provisions for Restructuring	4,428	21,251

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Consolidated Quarterly Financial Information / Balance Sheet - Liabilities****R\$ (in thousands)**

Code	Description	Current Quarter 06.30.2014	Previous Year 12.31.2013
2.02	Noncurrent Liabilities	7,451,903	8,283,634
2.02.01	Loans and Financing	3,394,729	4,321,850
2.02.01.01	Loans and Financing	1,599,470	1,524,795
2.02.01.01.01	In Local Currency	1,297,448	1,524,795
2.02.01.01.02	In Foreign Currency	302,022	-
2.02.01.02	Debentures	1,599,731	2,598,544
2.02.01.03	Financing by Leasing	195,528	198,511
2.02.02	Other Liabilities	1,185,810	1,297,773
2.02.02.02	Other	1,185,810	1,297,773
2.02.02.02.03	Taxes Payable by Installments	974,460	1,072,849
2.02.02.02.04	Accounts Payable Related to Acquisition of Companies	118,071	107,790
2.02.02.02.05	Financing related to acquisition of real estate	8,000	12,000
2.02.02.02.06	Other Accounts Payable	85,279	105,134
2.02.03	Deferred taxes	1,041,905	1,060,852
2.02.03.01	Income and social taxes, deferred	1,041,905	1,060,852
2.02.04	Provision for Contingencies	1,346,384	1,147,522
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	1,346,384	1,147,522
2.02.04.01.01	Tax Provisions	702,522	674,898
2.02.04.01.02	Social Security and Labor Provisions	429,166	297,464
2.02.04.01.04	Civil Provisions	214,696	175,160
2.02.06	Deferred revenue	483,075	455,637
2.02.06.02	Deferred revenue	483,075	455,637
2.03	Shareholders' Equity	13,413,460	12,711,964
2.03.01	Paid-in Capital Stock	6,786,171	6,764,300
2.03.02	Capital Reserves	257,277	233,149
2.03.02.04	Granted Options	249,879	225,751
2.03.02.07	Capital Reserve	7,398	7,398
2.03.04	Profit Reserves	2,479,463	2,485,741
2.03.04.01	Legal Reserve	353,433	353,433
2.03.04.05	Retention of Profits Reserve	1,035,275	1,709,083
2.03.04.10	Expansion Reserve	1,134,627	460,557
2.03.04.12	Transactions with non-controlling interest	(43,872)	(37,332)
2.03.05	Retained Earnings/ Accumulated Losses	472,464	-
2.03.09	Non-Controlling Interest	3,418,085	3,228,774

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Consolidated Quarterly Financial Information / Statement of Income****R\$ (in thousands)**

Code	Description	Year To	Year To
		Date	Date
		Current	Current
		Period	Period
		04/01/2014	01/01/2014
		to	to
		06/30/2014	06/30/2014
3.01	Net Sales from Goods and/or Services	15,202,900	30,211,540
3.02	Cost of Goods Sold and/or Services Sold	(11,253,868)	(22,503,689)
3.03	Gross Profit	3,949,032	7,707,851
3.04	Operating Income/Expenses	(3,074,972)	(6,001,285)
3.04.01	Selling Costs	(2,522,496)	(4,906,106)
3.04.02	General and Administrative	(323,737)	(669,252)
3.04.04	Other Operating Income	464	627
3.04.04.02	Other Operating Income	464	627
3.04.05	Other Operating Expenses	(256,673)	(475,706)
3.04.05.01	Depreciation/Amortization	(191,295)	(382,581)
3.04.05.02	Income Related to Fixed Assets	(22,754)	(23,661)
3.04.05.03	Other Operating Expenses	(42,624)	(69,464)
3.04.06	Equity Pickup	27,470	49,152
3.05	Profit before Net Financial Expenses and Social Contribution Taxes	874,060	1,706,566
3.06	Net Financial Expenses	(361,139)	(700,159)
3.06.01	Financial Revenue	154,066	332,951
3.06.02	Financial Expenses	(515,205)	(1,033,110)
3.07	Earnings Before Income and Social Contribution Taxes	512,921	1,006,407
3.08	Income and Social Contribution Taxes	(154,486)	(309,535)
3.08.01	Current	(125,212)	(246,140)
3.08.02	Deferred	(29,274)	(63,395)
3.09	Net Income from Continued Operations	358,435	696,872
3.11	Net Income for the Period	358,435	696,872
3.11.01	Attributed to Partners of Parent Company	264,298	508,256
3.11.02	Attributed to Noncontrolling Shareholders	94,137	188,616
3.99.01.01	Common	0.94029	1.80821
3.99.01.02	Preferred	1.03432	1.98903
3.99.02.01	Common	0.94029	1.80821
3.99.02.02	Preferred	1.03233	1.98521

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1

Consolidated Quarterly Financial Information / Comprehensive Income for the Period

R\$ (in thousands)

Code	Description	Year To	Year To	Year To	Year To
		Date	Date	Date	Date
		Current	Current	Previous	Previous
		Period	Period	Period	Period
		04/01/2014	01/01/2014	04/01/2013	01/01/2013
		to	to	to	to
		06/30/2014	06/30/2014	06/30/2013	06/30/2013
4.01	Net Income for the Period	358,435	696,872	76,968	352,235
4.03	Comprehensive Income for the Period	358,435	696,872	76,968	352,235
4.03.01	Attributed to Controlling Shareholders	264,298	508,256	42,089	278,665
4.03.02	Attributed to Non-Controlling Shareholders	94,137	188,616	34,879	73,570

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Consolidated Quarterly Financial Information / Statement of Cash Flows - Indirect Method****R\$ (in thousands)**

Code	Description	Year To	Year To
		Date	Date
		Current	Previous
		Period	Period
		01/01/2014	01/01/2013
		to	to
		06/30/2014	06/30/2013
6.01	Net Cash Flow Operating Activities	(721,016)	602,187
6.01.01	Cash Provided by the Operations	2,163,336	1,912,884
6.01.01.01	Net Income for the Period	696,872	352,235
6.01.01.02	Deferred Income and Social Contribution Taxes	63,395	(4,804)
6.01.01.03	Results from Disposal of Fixed Assets	23,661	13,813
6.01.01.04	Depreciation/Amortization	432,759	426,701
6.01.01.05	Net Finance Results	588,318	464,450
6.01.01.06	Adjustment to Present Value	35	1,724
6.01.01.07	Equity Pickup	(49,152)	(12,777)
6.01.01.08	Provision for Contingencies	180,963	287,614
6.01.01.09	Provision for Disposals and Impairment of Property and Equipment	2	2,773
6.01.01.10	Share-based Payment	24,128	23,653
6.01.01.11	Allowance for doubtful accounts	215,252	216,418
6.01.01.14	Provision for Obsolescence/breakage	(2,261)	(15,840)
6.01.01.15	Deferred revenue	(10,636)	(30,844)
6.01.01.16	Other operation expenses	-	187,768
6.01.02	Changes in Assets and Liabilities	(2,884,352)	(1,310,697)
6.01.02.01	Accounts Receivable	(179,816)	(77,194)
6.01.02.02	Inventories	(80,188)	(136,172)
6.01.02.03	Recoverable Taxes	(27,146)	(146,375)
6.01.02.05	Other Assets	(213,154)	(110,627)
6.01.02.06	Related Parties	(39,182)	(82,938)
6.01.02.07	Restricted Deposits for Legal Proceeding	(55,308)	(155,693)
6.01.02.08	Trade Accounts Payable	(1,794,246)	(370,827)
6.01.02.09	Payroll Charges	53,950	46,795
6.01.02.10	Taxes and Social Contributions Payable	(306,556)	(155,452)
6.01.02.11	Other Accounts Payable	(260,118)	(78,025)
6.01.02.12	Financial Investments	-	(22,977)
6.01.02.13	Contingencies	(47,234)	(21,212)
6.01.02.14	Deferred revenue	64,646	-
6.02	Net Cash Flow Investment Activities	(561,231)	(774,496)

6.02.01	Acquisition of Subsidiary	-	8,192
6.02.02	Capital Increase/Decrease on Subsidiaries	(152)	-
6.02.03	Acquisition of Property and Equipment	(503,384)	(768,278)
6.02.04	Increase Intangible Assets	(84,081)	(58,649)
6.02.05	Sales of Property and Equipment	26,386	44,239
6.03	Net Cash Flow Financing Activities	(1,728,999)	(1,876,691)
6.03.01	Capital Increase/Decrease	21,871	10,871
6.03.02	Loans Obtained	2,755,775	2,408,397
6.03.03	Payments	(3,633,441)	(3,782,204)
6.03.04	Interest Paid	(679,664)	(312,584)
6.03.05	Payment of Dividends	(186,356)	(201,171)
6.03.06	Acquisition of Subsidiary	(7,184)	-
6.05	Net Increase (Decrease) in Cash and Cash Equivalents	(3,011,246)	(2,049,000)
6.05.01	Cash and Cash Equivalents at the Beginning of Period	8,367,176	7,086,251
6.05.02	Cash and Cash Equivalents at the End of Period	5,355,930	5,037,251

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Consolidated Quarterly Financial Information / Statement of Changes in Shareholders' Equity 01/01/2014 to****R\$ (in thousands)**

Code	Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Accumulated Reserves Profit / Loss	com
5.01	Opening Balance	6,764,300	233,149	2,485,741	-
5.03	Restated Opening Balance	6,764,300	233,149	2,485,741	-
5.04	Capital Transactions with Shareholders	21,871	24,128	-	(35,792)
5.04.01	Capital Increases	21,871	-	-	-
5.04.03	Granted Options	-	24,128	-	-
5.04.06	Dividends	-	-	-	(35,792)
5.05	Total Comprehensive Income	-	-	-	508,256
5.05.01	Net Income for the Period	-	-	-	508,256
5.06	Internal Changes of Shareholders' Equity	-	-	(6,278)	-
5.06.04	Gain (Loss) in Equity Interest	-	-	262	-
5.06.05	Transactions With Non-controlling	-	-	(6,540)	-
5.07	Closing Balance	6,786,171	257,277	2,479,463	472,464

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Consolidated Quarterly Financial Information / Statement of Changes in Shareholders' Equity 01/01/2014 to**

R\$ (in thousands)

Code	Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Accumulated Reserves Profit / Loss	com
5.01	Opening Balance	6,710,035	228,459	1,556,231	-
5.03	Restated Opening Balance	6,710,035	228,459	1,556,231	-
5.04	Capital Transactions with Shareholders	48,896	(14,372)	-	(33,111)
5.04.01	Capital Increases	10,871	-	-	-
5.04.03	Granted Options	-	23,653	-	-
5.04.06	Dividends	-	-	-	(33,111)
5.04.08	Capitalization of reserve	38,025	(38,025)	-	-
5.05	Total Comprehensive Income	-	-	-	278,665
5.05.01	Net Income for the Period	-	-	-	278,665
5.06	Internal Changes of Shareholders' Equity	-	-	(873)	-
5.06.04	Gain (Loss) in Equity Interest	-	-	(873)	-
5.07	Closing Balance	6,758,931	214,087	1,555,358	245,554

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

ITR – Quarterly Financial Information – June 30, 2014 – COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Version: 1**Consolidated Quarterly Financial Information / Statement of Value Added**

R\$ (in thousands)

Code	Description	Year To	Year To
		Date	Date
		Current	Current
		Period	Period
		01/01/2014	01/01/2013
		to	to
		06/30/2014	06/30/2013
7.01	Revenues	33,304,807	29,857,524
7.01.01	Sales of Goods, Products and Services	33,507,321	29,964,231
7.01.02	Other Revenues	12,776	109,711
7.01.04	Allowance for/Reversal of Doubtful Accounts	(215,290)	(216,418)
7.02	Raw Materials Acquired from Third Parties	(25,800,379)	(23,057,634)
7.02.01	Costs of Products, Goods and Services Sold	(23,024,904)	(20,190,341)
7.02.02	Materials, Energy, Outsourced Services and Other	(2,775,475)	(2,867,293)
7.03	Gross Added Value	7,504,428	6,799,890
7.04	Retention	(432,759)	(426,701)
7.04.01	Depreciation and Amortization	(432,759)	(426,701)
7.05	Net Added Value Produced	7,071,669	6,373,189
7.06	Added Value Received in Transfer	382,103	283,451
7.06.01	Equity Pickup	49,152	12,777
7.06.02	Financial Revenue	332,951	270,674
7.07	Total Added Value to Distribute	7,453,772	6,656,640
7.08	Distribution of Added Value	7,453,772	6,656,640
7.08.01	Personnel	3,057,584	2,785,890
7.08.01.01	Direct Compensation	2,201,611	2,021,319
7.08.01.02	Benefits	525,448	496,144
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	217,311	179,529
7.08.01.04	Other	113,214	88,898
7.08.01.04.01	Interest	113,214	88,898
7.08.02	Taxes, Fees and Contributions	1,907,538	2,033,429
7.08.02.01	Federal	1,207,872	1,225,086
7.08.02.02	State	605,559	698,832
7.08.02.03	Municipal	94,107	109,511
7.08.03	Value Distributed to Providers of Capital	1,791,778	1,485,086
7.08.03.01	Interest	1,033,111	824,687
7.08.03.02	Rentals	758,667	660,399

7.08.04	Value Distributed to Shareholders	696,872	352,235
7.08.04.03	Retained Earnings/ Accumulated Losses for the Period	508,256	278,665
7.08.04.04	Noncontrolling Interest in Retained Earnings	188,616	73,570

2Q14 Earnings Release

São Paulo, Brazil, July 23, 2014 – GPA [BM&FBOVESPA: PCAR4 (PN); NYSE: CBD] announces its results for the second quarter of 2014. The comments refer to the consolidated results of the Group or of its business units.

Consolidated

Total net sales revenue increases 13.4%, or 9.5% on a same-store basis

Adjusted Net Income advances 26.3%, with net margin improving 30 basis points

- ◆ Revenue growth was driven by the performance of the Food businesses and Nova Pontocom. In the last 12 months, 116 new stores were opened;
- ◆ Adjusted EBITDA grew 21.1% to R\$1.155 billion, with adjusted EBITDA margin of 7.6%, increasing 50 basis points from 2Q13, due to margin gains at Via Varejo as well as Multivarejo.

Food Businesses (Multivarejo + Assaí)

Solid performance of Multivarejo and Assaí with net sales revenue growth of 14.5%, or 8.3% on a same-store basis

Adjusted net income advances 31.0%, with adjusted net margin expanding 40 basis points

- ◆ Gross margin impacted mainly by the higher contribution to sales by Assaí;

- ◆ Total operating expenses as a ratio of net revenue decreased from 21.7% in 2Q13 to 18.2% in 2Q14;
- ◆ Adjusted EBITDA increased 20.1% to R\$615 million, with margin of 7.3%, compared to 7.0% in 2Q13.

Via Varejo and Nova Pontocom

Adjusted EBITDA growth of 22.3% with EBITDA margin expansion of 60 basis points

- ◆ Net sales revenue growth of 12.0% to R\$6.791 billion;
- ◆ The increase in operating expenses lagged sales revenue growth in the period due to continued efficiency gains at Via Varejo;
- ◆ Adjusted net income of R\$183 million, up 20.9% from 2Q13.

(R\$ million) ⁽¹⁾	Consolidated						Food Businesses			Via Varejo + Nova Pontocom		
	2Q14	2Q13	Δ	1H14	1H13	Δ	2Q14	2Q13	Δ	2Q14	2Q13	Δ
Gross Revenue ⁽²⁾	16,869	14,950	12.8%	33,506	29,964	11.8%	9,133	8,014	14.0%	7,736	6,936	11.5%
Net Revenue ⁽²⁾	15,203	13,411	13.4%	30,212	26,821	12.6%	8,412	7,349	14.5%	6,791	6,062	12.0%
Gross Profit	3,949	3,532	11.8%	7,708	7,041	9.5%	2,073	1,840	12.7%	1,876	1,692	10.8%
Gross Margin	26.0%	26.3%	-30 bps	25.5%	26.3%	-80 bps	24.6%	25.0%	-40 bps	27.6%	27.9%	-30 bps
Total Operating Expenses ⁽²⁾	(2,884)	(2,941)	-2.0%	(5,619)	(5,607)	0.2%	(1,528)	(1,598)	-4.4%	(1,356)	(1,344)	0.9%
% of Net Revenue	19.0%	21.9%	-290 bps	18.6%	20.9%	-230 bps	18.2%	21.7%	-350 bps	20.0%	22.2%	-220 bps
EBITDA ⁽³⁾	1,090	609	79.1%	2,139	1,471	45.4%	558	253	121.0%	532	356	49.3%
EBITDA Margin	7.2%	4.5%	270 bps	7.1%	5.5%	160 bps	6.6%	3.4%	320 bps	7.8%	5.9%	190 bps
Adjusted EBITDA ⁽⁴⁾	1,155	953	21.1%	2,232	1,829	22.0%	615	512	20.1%	540	441	22.3%
Adjusted EBITDA Margin	7.6%	7.1%	50 bps	7.4%	6.8%	60 bps	7.3%	7.0%	30 bps	7.9%	7.3%	60 bps

Net Financial Revenue (Expenses)	(361)	(300)	20.5%	(700)	(554)	26.4%	(143)	(129)	10.3%	(219)	(170)	28.3%
% of Net Revenue	2.4%	2.2%	20 bps	2.3%	2.1%	bps	1.7%	1.8%	-10 bps	3.2%	2.8%	bps
Company's Net Profit	358	77	365.7%	697	352	97.8%	182	(18)	-	176	95	84.7%
Net Margin	2.4%	0.6%	180 bps	2.3%	1.3%	bps	2.2%	-0.3%	bps	2.6%	1.6%	bps
Adjusted Net Income ⁽⁵⁾	407	323	26.3%	770	610	26.1%	224	171	31.0%	183	152	20.9%
Adjusted Net Margin	2.7%	2.4%	30 bps	2.5%	2.3%	bps	2.7%	2.3%	40 bps	2.7%	2.5%	bps

(1) Totals and percentage changes are rounded off and all margins were calculated as percentage of net revenue.

(2) In 2Q14 revenues from the leasing of commercial galleries, which were previously recorded in selling expenses, started to be recognized as revenues. Revenues from previous periods have been adjusted for comparability purpose.

(3) Earnings before interest, taxes, depreciation and amortization.

(4) Adjusted EBITDA by excluding the Other Operating Revenue (Expenses), thereby eliminating nonrecurring income, expenses and other nonrecurring items.

(5) Adjusted Net Income by excluding the Other Operating Revenue (Expenses), so it eliminates nonrecurring expenses, revenues and other nonrecurring items.

Sales Performance

(R\$ million)	Gross Sales						Net Sales					
	2Q14	2Q13	Δ	1H14	1H13	Δ	2Q14	2Q13	Δ	1H14	1H13	Δ
Consolidated ⁽¹⁾	16,869	14,950	12.8%	33,506	29,964	11.8%	15,203	13,411	13.4%	30,212	26,821	12.6%
Food Businesses ⁽²⁾	9,133	8,014	14.0%	18,066	16,193	11.6%	8,412	7,349	14.5%	16,670	14,759	13.0%
Multivarejo ⁽³⁾	7,034	6,456	9.0%	13,996	13,208	6.0%	6,465	5,915	9.3%	12,893	12,020	7.3%
Assaí	2,099	1,558	34.7%	4,070	2,985	36.4%	1,947	1,434	35.8%	3,778	2,738	38.0%
Nova Pontocom ⁽⁴⁾	1,464	1,062	37.8%	2,930	2,014	45.5%	1,283	949	35.1%	2,591	1,806	43.4%
Via Varejo ⁽⁵⁾	6,290	5,877	7.0%	12,534	11,765	6.5%	5,525	5,116	8.0%	10,974	10,263	6.9%

	Gross 'Same-Store' Sales		Net 'Same-Store' Sales	
	2Q14	1H14	2Q14	1H14
Consolidated ⁽¹⁾	9.0%	7.7%	9.5%	8.5%
By category				
Food ⁽⁶⁾	9.1%	5.5%	9.7%	6.9%
Non-Food ⁽⁷⁾	9.0%	9.4%	9.3%	9.7%
By business				
Multivarejo + Assaí	7.8%	5.2%	8.3%	6.5%
Nova Pontocom ⁽⁴⁾	37.8%	45.5%	35.1%	43.4%
Via Varejo ⁽⁵⁾	5.7%	4.7%	6.8%	5.3%

(1) Excludes revenue from intercompany transactions; (2) Multivarejo + Assaí, including revenue from the leasing of commercial centers as from 2Q14. Prior periods were reclassified for comparison purposes; (3) Extra and Pão de Açúcar banners, includes revenue from the leasing of commercial centers as from 2Q14. Prior periods were reclassified for comparison purposes; (4) Includes revenue from the commissions of marketplace, not considering the volume of goods; (5) Includes revenue from intercompany transactions; (6) Includes the food categories of Multivarejo and Assaí and excludes the non-food categories of Multivarejo; (7) Includes the non-food categories of Multivarejo, Nova Pontocom and Via Varejo.

Sales Performance - Consolidated

Net sales revenue amounted to R\$15.2 billion, increasing 13.4% on the prior-year period, driven by the opening of 116 new stores in the last 12 months and by the 9.5% growth in same-store sales. The quarter's results also benefited from a positive calendar impact of 110 basis points.

A total of 25 stores were opened in the quarter, bringing the total number of new store openings in the first six months of the year to 46.

Performance by category:

ü **Food:** strong same-store sales growth of 9.7%; adjusted for the calendar effect, growth was still strong, at 7.8%. The best performing categories were grocery, beverages and seafood, all of which benefitted from the Easter holiday falling in the period this year.

ü **Non-food:** growth of 9.3%, led by technology products, especially TVs and smartphones.

Food Businesses (Multivarejo + Assaí)

ü Net sales revenue grew 14.5%, with 19 new stores opened in the period, of which 16 were neighborhood stores (including 15 Minimercados Extra and 1 Minuto Pão de Açúcar), 1 Pão de Açúcar, 1 Assaí and 1 drugstore. On a same-store basis, net sales revenue grew 8.3% and benefitted from the calendar effect. Adjusted for this effect, same-store sales grew 6.3% in the quarter.

ü At **Multivarejo**, the best-performing banners in the quarter were Pão de Açúcar and Minimercado Extra, which maintained the positive trend of prior periods. Private-label brands continued to register robust growth to account already for over 10% of the business unit's sales.

ü June marked the opening of the first Minuto Pão de Açúcar, a neighborhood store with approximately 300 m² and a unique assortment and services to meet the needs of higher income customers.

ü **Assaí** posted yet another quarter of strong net sales growth (35.8%), driven by solid same-store growth and the significant contribution from new store openings. The format's strategy continues to focus on expanding into strategic regions, such as Brazil's Northeast, which already has 12 stores (over 15% of total stores). In the last 12 months, 11 new stores were added, three of which were opened in the first six months of 2014. In the last six months of this year, Assaí plans to accelerate the number of store openings.

Nova Pontocom

ü Business volume at Nova Pontocom, which includes direct sales and the volume of marketplace goods, grew approximately 41% in 2Q14 compared to 2Q13, driven by strong growth in site traffic, better conversion rates and the higher contribution to sales by the marketplace business, which in this quarter alone registered sales volume one and a half times higher than in the whole of last year.

Via Varejo

ü Net sales revenue amounted to R\$5.5 billion, with total-store sales growing 8.0% and same-store sales growing 6.8%.

ü In line with the trend observed in recent quarters, the top performing categories were smartphones and TVs. Six new stores were opened in the quarter, all under the Casas Bahia banner, bringing the total number of stores opened in the last 12 months to 45.

Operating Performance

Consolidated

(R\$ million)	2Q14	2Q13	Δ	1H14	1H13	Δ
Gross Revenue ⁽¹⁾	16,869	14,950	12.8%	33,506	29,964	11.8%
Net Revenue ⁽¹⁾	15,203	13,411	13.4%	30,212	26,821	12.6%
Gross Profit	3,949	3,532	11.8%	7,708	7,041	9.5%
Gross Margin	26.0%	26.3%	-30 bps	25.5%	26.3%	-80 bps
Selling Expenses ⁽¹⁾	(2,522)	(2,235)	12.8%	(4,906)	(4,494)	9.2%
General and Administrative Expenses	(324)	(365)	-11.3%	(669)	(768)	-12.8%
Equity Income	27	4	600.4%	49	13	284.7%
Other Operating Revenue (Expenses)	(65)	(345)	-81.2%	(92)	(358)	-74.2%
Total Operating Expenses	(2,884)	(2,941)	-2.0%	(5,619)	(5,607)	0.2%
% of Net Revenue	19.0%	21.9%	-290 bps	18.6%	20.9%	-230 bps
Depreciation (Logistic)	24	18	-34.5%	50	37	-36.9%
EBITDA	1,090	609	79.1%	2,139	1,471	45.4%
EBITDA Margin	7.2%	4.5%	270 bps	7.1%	5.5%	160 bps
Adjusted EBITDA ⁽²⁾	1,155	953	21.1%	2,232	1,829	22.0%
Adjusted EBITDA Margin	7.6%	7.1%	50 bps	7.4%	6.8%	60 bps

(1) In 2Q14 revenues from the leasing of commercial galleries, which were previously recorded in selling expenses, started to be recognized as revenues. Revenues from previous periods have been adjusted for comparability purpose.

(2) Adjusted EBITDA by total "Other Operating Revenue (Expenses)", eliminating extraordinary Revenues and Expenses.

The higher share of Nova Pontocom and Assaí in the Company's sales mix contributed to the 30 basis point contraction in consolidated gross margin.

Selling, general and administrative expenses as a ratio of net sales revenue continued the downward trend of recent quarters, decreasing from 19.4% in 2Q13 to 18.7% in 2Q14, which is explained by efficiency gains at Via Varejo, the continuation of the plan to adopt greater discipline in spending and the streamlining of processes at Multivarejo.

EBITDA amounted to R\$1.090 billion, increasing 79.1% from 2Q13. Adjusted for the line Other Operating Income (Expenses), EBITDA amounted to R\$1.155 billion, increasing 21.1% on the prior-year period to outpace revenue growth. Adjusted EBITDA margin was 7.6%, which is explained by the margin gains at Via Varejo and Multivarejo.

In the first six months of the year, which neutralizes the calendar effect, adjusted EBITDA grew by 22.0% to R\$2.232 billion, with margin expanding from 6.8% in 1H13 to 7.4% in 1H14.

Multivarejo

(R\$ million)	2Q14	2Q13	Δ	1H14	1H13	Δ
Gross Revenue ⁽¹⁾	7,034	6,456	9.0%	13,996	13,208	6.0%
Net Revenue ⁽¹⁾	6,465	5,915	9.3%	12,893	12,020	7.3%
Gross Profit	1,803	1,639	10.0%	3,539	3,360	5.3%
Gross Margin	27.9%	27.7%	20 bps	27.5%	28.0%	-50 bps
Selling Expenses ⁽¹⁾	(1,142)	(1,002)	14.0%	(2,229)	(2,042)	9.1%
General and Administrative Expenses	(144)	(186)	-22.7%	(303)	(379)	-20.1%
Equity Income	19	3	622.4%	35	10	252.9%
Other Operating Revenue (Expenses)	(57)	(261)	-78.2%	(92)	(284)	-67.7%
Total Operating Expenses	(1,323)	(1,446)	-8.5%	(2,589)	(2,696)	-3.9%
% of Net Revenue	20.5%	24.4%	-390 bps	20.1%	22.4%	-230 bps
Depreciation (Logistic)	12	11	-9.7%	23	21	-10.2%
EBITDA	492	204	141.5%	973	685	42.0%
EBITDA Margin	7.6%	3.4%	420 bps	7.5%	5.7%	180 bps
Adjusted EBITDA ⁽²⁾	549	465	18.2%	1,065	969	9.9%
Adjusted EBITDA Margin	8.5%	7.9%	60 bps	8.3%	8.1%	20 bps

(1) In 2Q14 revenues from the leasing of commercial galleries, which were previously recorded in selling expenses, started to be recognized as revenues. Revenues from previous periods have been adjusted for comparability purpose.

(2) Adjusted EBITDA by total "Other Operating Revenue (Expenses)", eliminating extraordinary Revenues and Expenses.

In 2Q14, Multivarejo maintained its efforts to increase price competitiveness with the aim of capturing market share. The gross margin expansion of 20 basis points mainly reflects the higher share of revenue from commercial centers, which were previously classified as selling expenses and, as of this quarter, are now classified as revenue. Moreover, note that since the strategy to increase sales competitiveness was begun in 2Q13, gross margin is now comparable between the periods.

Selling, general and administrative expenses amounted to R\$1.286 billion, increasing 8.2% from 2Q13 and lagging sales revenue growth in the period, due to the continued adoption of greater discipline in corporate expenses and the efficiency gains captured at stores.

EBITDA amounted to R\$492 million, with EBITDA margin of 7.6%. EBITDA adjusted by Other Operating Income (Expenses) amounted to R\$549 billion, increasing 18.2% on the prior-year period to outpace sales revenue growth in the period. Adjusted EBITDA margin was 8.5%, expanding by 60 basis points from 2Q13. In the first six months of the year, which neutralizes the calendar effect, adjusted EBITDA amounted to R\$1.065 billion, growing by 9.9% to outpace sales revenue growth in the period.

(R\$ million)	Assaí					
	2Q14	2Q13	Δ	1H14	1H13	Δ
Gross Revenue	2,099	1,558	34.7%	4,070	2,985	36.4%
Net Revenue	1,947	1,434	35.8%	3,778	2,738	38.0%
Gross Profit	270	200	34.6%	513	375	36.6%
Gross Margin	13.9%	14.0%	-10 bps	13.6%	13.7%	-10 bps
Selling Expenses	(184)	(136)	35.9%	(354)	(259)	36.8%
General and Administrative Expenses	(20)	(17)	17.5%	(40)	(33)	21.9%
Other Operating Revenue (Expenses)	0	1	-93.4%	(0)	1	-
Total Operating Expenses	(204)	(152)	34.8%	(395)	(291)	35.8%
% of Net Revenue	10.5%	10.6%	-10 bps	10.4%	10.6%	-20 bps
Depreciation (Logistic)	1	0	N/A	1	0	N/A
EBITDA	66	49	35.4%	119	85	40.4%
EBITDA Margin	3.4%	3.4%	0 bps	3.2%	3.1%	10 bps
Adjusted EBITDA (1)	66	48	38.6%	119	84	42.7%
Adjusted EBITDA Margin	3.4%	3.3%	10 bps	3.2%	3.1%	10 bps

(1) Adjusted EBITDA by total "Other Operating Revenue (Expenses)", eliminating extraordinary Revenues and Expenseses.

In line with recent quarters, Assaí posted net sales revenue growth of 35.8% to R\$1.947 billion, driven by **solid same-store sales growth and the significant contribution from the expansion in the store network**. In the last 12 months, 11 new stores were added, three of which were opened in the first six months of 2014. In the last six months of this year, Assaí plans to accelerate the number of store openings.

EBITDA amounted to R\$66 million in the quarter, advancing 35.4% from 2Q13, which is in line with sales revenue growth in the period. Despite the investments in price competitiveness, the higher expenses to support the strong expansion plan and the stores still in the maturation phase, EBITDA margin was 3.4%, unchanged from the level in 2Q13.

In the first six months of 2014, EBITDA amounted to R\$119 million, increasing 40.4% on the prior-year period to outpace gross sales revenue growth in the period. EBITDA margin expanded by 10 basis points to 3.2% due to operational efficiency gains. The decrease in operating expenses as a ratio of net sales revenue surpassed by 10 basis points the contraction in gross margin in the six-month period.

(R\$ million)	Via Varejo + Nova Pontocom					
	2Q14	2Q13	Δ	1H14	1H13	Δ
Gross Revenue	7,736	6,936	11.5%	15,440	13,771	12.1%
Net Revenue	6,791	6,062	12.0%	13,541	12,062	12.3%
Gross Profit	1,876	1,692	10.8%	3,656	3,306	10.6%
Gross Margin	27.6%	27.9%	-30 bps	27.0%	27.4%	-40 bps
Selling Expenses	(1,196)	(1,098)	9.0%	(2,323)	(2,192)	5.9%
General and Administrative Expenses	(160)	(162)	-1.4%	(326)	(355)	-8.4%
Equity Income	8	1	552.3%	14	3	392.9%
Other Operating Revenue (Expenses)	(8)	(85)	-90.6%	(1)	(76)	-99.3%
Total Operating Expenses	(1,356)	(1,344)	0.9%	(2,635)	(2,621)	0.5%
% of Net Revenue	20.0%	22.2%	-220 bps	19.5%	21.7%	-220 bps
Depreciation (Logistic)	12	8	-60.7%	26	16	66.3%
EBITDA	532	356	49.3%	1,047	701	49.4%
EBITDA Margin	7.8%	5.9%	190 bps	7.7%	5.8%	190 bps
Adjusted EBITDA ⁽¹⁾	540	441	22.3%	1,048	776	34.9%
Adjusted EBITDA Margin	7.9%	7.3%	60 bps	7.7%	6.4%	130 bps

(1) Adjusted EBITDA by total "Other Operating Revenue (Expenses)", eliminating extraordinary Revenues and Expenses.

Net sales revenue in 2Q14 grew by 12.0% to R\$6.8 billion. The strong growth in the quarter enabled Nova Pontocom to increase its share in the sales mix.

EBITDA amounted to R\$532 million, increasing 49.3% from 2Q13. **Adjusted EBITDA excluding other operating income and expenses amounted to R\$540 million, increasing 22.3% from 2Q13, with EBITDA margin expanding from 7.3% to 7.9%.** This result was achieved despite the lower gross margin in the period and was driven by the change in the sales mix and particularly by the continued efficiency gains, such as in logistics and processes at stores, and the streamlining of corporate, telephony and IT expenses. Selling, general and administrative expenses as a ratio of net revenue decreased by 80 basis points in 2Q14 (20.0%) compared to 2Q13 (20.8%).

In the first six months of the year, adjusted EBITDA amounted R\$1.048 million, increasing 34.9% from the prior-year period. Adjusted EBITDA margin increased to 7.7%, an improvement of 130 basis points.

Indebtedness

(R\$ million)	Consolidated	
	06.30.2014	06.30.2013
Short Term Debt	(2,434)	(2,112)
Loans and Financing	(1,054)	(1,083)
Debentures	(1,380)	(1,029)
Long Term Debt	(3,273)	(4,545)
Loans and Financing	(1,673)	(1,649)
Debentures	(1,600)	(2,896)
Total Gross Debt	(5,706)	(6,657)
Cash	5,379	5,060
Net Cash (Debt)	(327)	(1,597)
EBITDA (1)	4,482	3,598
Net Debt / EBITDA(1)	0.07x	0.44x
Payment Book - Short Term	(2,624)	(2,463)
Payment Book - Long Term	(122)	(108)
Net Debt with payment book	(3,074)	(4,168)
Net Debt with Payment Book / EBITDA(1)	0.69x	1.16x

(1) EBITDA for the last 12 months.

Net debt declined by R\$1.270 billion from the balance at the end of June 2013, mainly due to the following factors:

- Higher cash flow from operating activities;
- Improvement in working capital needs;
- Inflow of the net proceeds from Via Varejo's public share offering.

As a result, the Net Debt/EBITDA ratio decreased from 0.44x to 0.07x.

Net debt including the payment book operation amounted to R\$3.074 billion, a reduction of R\$1.094 million from the balance at the end of June 2013. The Net Debt/EBITDA ratio including the payment book operation ended the quarter at 0.69x, down significantly from the ratio at the end of 2Q13.

Financial Result

(R\$ million)	Consolidated					
	2Q14	2Q13	Δ	1H14	1H13	Δ
Financial Revenue	154	128	20.3%	333	271	23.0%
Financial Expenses	(515)	(428)	20.5%	(1,033)	(825)	25.3%
Net Financial Revenue (Expenses)	(361)	(300)	20.5%	(700)	(554)	26.4%
% of Net Revenue	2.4%	2.2%	20 bps	2.3%	2.1%	20 bps
Charges on Net Bank Debt	(62)	(57)	8.1%	(107)	(109)	-1.9%
Cost of Discount of Receivables of Payment Book	(84)	(62)	34.2%	(164)	(123)	33.4%
Cost of Discount of Receivables of Credit Card	(182)	(140)	29.9%	(364)	(260)	40.4%
Restatement of Other Assets and Liabilities	(34)	(40)	-15.7%	(64)	(62)	3.7%
Net Financial Revenue (Expenses)	(361)	(300)	20.5%	(700)	(554)	26.4%

The increase of 20.5% in the net financial expense of R\$361 million in the quarter lagged the cumulative increase of 40.2% in interest rates (CDI) in the period. **As a ratio of net revenue, the net financial expense increased from 2.2% in 2Q13 to 2.4% in 2Q14.**

The main variations in net financial (income) expenses were:

- **R\$5 million in net debt charges**, which increased 8.1% driven by the higher interest rates (CDI) in the quarter, which was offset by the reduction in net debt from a year earlier.
- **Increase of R\$22 million or 34.2% in the cost of sales of payment book receivables**, which corresponded to 0.6% of net sales in 2Q14, compared to 0.5% in 2Q13, due to higher interest rates.
- **Increase of R\$42 million or 29.9% in cost of sales of credit card receivables**, mainly due to higher interest rates.

Note that all the following variations lagged the increase in the CDI rate in the period.

Total sales of receivables (cards and payment books) in 2Q14 increased by approximately 2.7% to R\$8.7 billion.

Net Income

Consolidated

(R\$ million)	2Q14	2Q13	Δ%	1H14	1H13	Δ%
EBITDA	1,090	609	79.1%	2,139	1,471	45.4%
Depreciation (Logistic)	(24)	(18)	34.5%	(50)	(37)	36.9%
Depreciation and Amortization	(191)	(195)	-2.0%	(383)	(390)	-1.9%
Net Financial Revenue (Expenses)	(361)	(300)	20.5%	(700)	(554)	26.4%
Income Before Income Tax	513	96	435.9%	1,006	490	105.3%
Income Tax	(154)	(19)	723.9%	(310)	(138)	124.5%
Company's net income	358	77	365.7%	697	352	97.8%
Net Margin	2.4%	0.6%	180 bps	2.3%	1.3%	100 bps
Net Income - Controlling Shareholders	264	42	527.9%	508	279	82.4%
Net Margin - Controllings Shareholders	1.7%	0.3%	140 bps	1.7%	1.0%	70 bps
Total Nonrecurring	(65)	(345)	-81.2%	(92)	(358)	-74.2%
Income Tax from Nonrecurring	16	99	-83.9%	20	100	-80.4%
Adjusted Net Income ⁽¹⁾	407	323	26.3%	770	610	26.1%
Adjusted Net Margin	2.7%	2.4%	30 bps	2.5%	2.3%	20 bps

(1) Adjusted Net Income by total "Other Operating Revenue (Expenses)", eliminating extraordinary Revenues and Expenses.

Net income amounted to R\$358 million in 2Q14, with net margin of 2.4%. Net Income adjusted by Other Operating Income and Expenses amounted to R\$407 million, an increase of 26.3% from the prior-year period, which reflects the operational improvements captured in the Company's business units.

Simplified Cash Flow Statement

(R\$ million)	Consolidated			
	2Q14	2Q13	1H14	1H13
Cash Balance at beginning of period	5,350	6,002	8,367	7,086
Cash Flow from operating activities	1,091	887	(721)	602
EBITDA	1,090	609	2,139	1,471
Cost of Sale of Receivables	(265)	(202)	(529)	(383)
Working Capital	233	165	(2,054)	(584)
Assets and Liabilities Variation	34	315	(277)	98
Cash flow from investment activities	(296)	(483)	(561)	(774)
Net Investment	(296)	(491)	(561)	(783)
Aquisition and Others	(0)	8	(0)	8
Change on net cash after investments	795	404	(1,282)	(172)
Cash Flow from financing activities	(789)	(1,369)	(1,729)	(1,877)
Dividends payments and others	(186)	(201)	(186)	(201)
Net Proceeds	(603)	(1,168)	(1,543)	(1,676)
Change on net cash	5	(965)	(3,011)	(2,049)
Cash Balance at end of period	5,356	5,037	5,356	5,037
Net debt	(327)	(1,597)	(327)	(1,597)

On June 30, 2014, the cash position stood at R\$5.356 billion, or virtually stable in comparison with the start of the quarter.

The main variations are explained by the operational improvements at business units, the greater discipline adopted in investment activities and the lower level of borrowing in the period.

Another highlight was the improvement in the Company's working capital needs, especially in the account inventories, which decreased from 54 days to 51 days ⁽¹⁾.

(1) In days of COGS.

Capital Expenditure

(R\$ million)	Consolidated						Food Businesses			Via Varejo + Nova Pontocom		
	2Q14	2Q13	Δ	1H14	1H13	Δ	2Q14	2Q13	Δ	2Q14	2Q13	Δ
New stores and land acquisition	114	201	-43.2%	222	401	-44.7%	87	184	-53.0%	27	17	62.5%
Store renovations and conversions	60	118	-48.9%	130	239	-45.4%	46	80	-42.8%	14	37	-62.0%
Infrastructure and Others	143	132	8.4%	242	202	19.6%	78	104	-25.6%	66	28	136.0%
Non-cash Effect												
Financing and Leasing Assets	(6)	68	-	(6)	(15)	-58.2%	(6)	68	-	-	-	-
Total	311	519	-40.0%	587	827	-29.0%	204	437	-53.3%	107	82	30.8%

Consolidated capital expenditure amounted to R\$311 million in 2Q14, of which 66% was invested in Food Businesses (Multivarejo + Assaí) and 34% was invested in Via Varejo and Nova Pontocom.

In 2Q14, a total of 19 new stores were delivered (15 Minimercado Extra, 1 Minuto Pão de Açúcar, 1 Pão de Açúcar, 1 Assaí and 1 drugstore). In addition to the stores at Food Businesses (Multivarejo + Assaí), another 6 new stores were opened at Via Varejo in the period, all of which under the Casas Bahia banner.

The reduction in capital expenditure in 2014 compared to 2013 is in line with the strategy to optimize investments, which has resulted in a reduction in capital expenditure per square meter, among other initiatives. The Company expects to invest R\$1.9 billion in line with the previous year, however with a larger number of stores opening due to these optimizations.

Dividends

The meeting of the Board of Directors held on July 22, 2014 approved the distribution of interim dividends based on the net income recorded on the balance sheet of July 31, 2014, in the amount of R\$35.8 million, which corresponds to R\$0.14 per preferred share and R\$0.127272 per common share. Shareholders of record on August 1, 2014 will be entitled to the payment. As of August 4, 2014, the shares will trade

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ex-dividends. The dividends will be paid on August 13, 2014.

CADE

In compliance with the Settlement (*Termo de Compromisso de Desempenho - TCD*) entered into with Brazil's antitrust agency CADE (*Conselho Administrativo de Defesa Econômica*) after the merger of Ponto Frio and Casas Bahia, Via Varejo closed 32 stores in 2Q14.

Appendix I - Definitions used in this document

Company's Business Units: The Company's business is divided into four units - food retail, cash and carry, electronics and home appliance retail (brick and mortar) and e-commerce – grouped as follows

Same-store sales: The basis for calculating same-store sales is defined by the sales registered in stores open for at least 12 consecutive months. Acquisitions are not included in the same-store calculation base in their first 12 months of operation.

Growth and changes: The growth and changes presented in this document refer to variations in comparison with the same period of the previous year, except where stated otherwise.

EBITDA: As of 4Q12, the results of Equity Income and Other Operating Income (Expenses) were included together with Total Operating Expenses in the calculation of EBITDA. This means that the calculation of EBITDA complies with Instruction 527 issued by the Securities and Exchange Commission of Brazil (CVM) on October 4, 2012. As from 1Q13, the depreciation recognized in the cost of goods sold, which essentially consists of the depreciation of distribution centers, began to be specified in the calculation of EBITDA.

Adjusted EBITDA: Measure of profitability calculated by excluding Other Operating Income and Expenses from EBITDA. Management uses this measure because it believes it eliminates nonrecurring expenses and revenues and other nonrecurring items that could compromise the comparability and analysis of results.

Adjusted net income: Measure of profitability calculated as net income excluding Other Operating Income and Expenses and discounting the effects from Income and Social Contribution Taxes. Management uses this measure because it believes it eliminates nonrecurring expenses and revenues and other nonrecurring items that could compromise the comparability and analysis of results.

BALANCE SHEET						
ASSETS						
(R\$ million)	Consolidated			Food Businesses		
	06.30.2014	03.31.2014	06.30.2013	06.30.2014	03.31.2014	06.30.2013
Current Assets	15,669	16,382	14,910	6,407	6,930	6,566
Cash and Marketable Securities	5,379	5,374	5,060	2,307	2,431	2,707
Accounts Receivable	2,497	2,410	2,501	158	222	326
Credit Cards	273	189	343	58	76	191
Payment book	2,259	2,245	2,127	-	-	-
Sales Vouchers and Others	174	167	230	79	111	119
Allowance for Doubtful Accounts	(231)	(227)	(214)	(1)	(1)	(0)
Resulting from Commercial Agreements	22	36	15	22	36	15
Inventories	6,464	7,166	5,896	3,468	3,785	2,992
Recoverable Taxes	760	760	958	174	149	317
Noncurrent Assets for Sale	26	41	51	8	24	25
Expenses in Advance and Other Accounts Receivables	544	630	443	292	320	199
Noncurrent Assets	19,793	19,576	18,492	15,373	15,266	15,333
Long-Term Assets	4,549	4,440	4,716	2,483	2,425	2,806
Accounts Receivables	97	103	99	-	-	-
Payment Book	106	112	99	-	-	-
Others	-	-	8	-	-	-
Allowance for Doubtful Accounts	(9)	(9)	(8)	-	-	-
Inventories	172	172	172	172	172	172
Recoverable Taxes	1,583	1,532	1,258	371	382	261
Financial Instruments	-	-	361	-	-	361
Deferred Income Tax and Social Contribution	870	918	1,057	351	358	387
Amounts Receivable from Related Parties	204	167	199	395	306	314
Judicial Deposits	883	844	950	528	530	714
Expenses in Advance and Others	738	704	619	666	676	596
Investments	359	331	374	243	223	280
Property and Equipment	9,187	9,107	8,506	7,913	7,866	7,485
Intangible Assets	5,699	5,698	4,897	4,735	4,752	4,761
TOTAL ASSETS	35,462	35,958	33,402	21,780	22,196	21,899

LIABILITIES						
	Consolidated			Food Businesses		
	06.30.2014	03.31.2014	06.30.2013	06.30.2014	03.31.2014	06.30.2013
Current Liabilities	14,597	14,295	13,310	6,499	5,856	6,573
Suppliers	6,753	7,005	5,857	2,936	3,019	2,716
Loans and Financing	1,054	901	1,083	997	838	1,005
Payment Book (CDCI)	2,624	2,667	2,463	-	-	-
Debentures	1,380	691	1,029	962	275	1,016

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Payroll and Related Charges	850	781	776	412	388	397
Taxes and Social Contribution Payable	769	720	728	326	293	282
Dividends Proposed	1	152	1	1	151	1
Financing for Purchase of Fixed Assets	46	35	102	46	35	102
Rents	66	70	48	66	70	48
Acquisition of Companies	72	70	68	72	70	68
Debt with Related Parties	23	25	49	395	361	426
Advertisement	71	71	82	32	35	47
Provision for Restructuring	4	23	3	4	23	3
Advanced Revenue	141	131	85	35	35	9
Others	741	953	935	215	261	451
Long-Term Liabilities	7,452	8,584	8,672	5,842	7,058	7,096
Loans and Financing	1,673	2,000	1,649	1,517	1,840	1,637
Payment Book (CDCI)	122	126	108	-	-	-
Debentures	1,600	2,399	2,896	1,200	1,999	2,096
Financing for Purchase of Assets	8	8	-	8	8	-
Acquisition of Companies	118	113	163	118	113	163
Deferred Income Tax and Social Contribution	1,042	1,061	1,111	1,039	1,058	1,108
Tax Installments	974	1,054	1,109	936	1,015	1,068
Provision for Contingencies	1,346	1,201	1,078	831	798	869
Advanced Revenue	483	514	441	108	120	40
Others	85	107	116	85	107	115
Shareholders' Equity	13,413	13,079	11,421	9,439	9,283	8,230
Capital	6,786	6,780	6,759	5,059	5,125	5,077
Capital Reserves	257	251	214	257	251	214
Profit Reserves	2,952	2,725	1,801	2,952	2,725	1,801
Minority Interest	3,418	3,323	2,647	1,171	1,182	1,138
TOTAL LIABILITIES	35,462	35,958	33,402	21,780	22,196	21,899

INCOME STATEMENT

R\$ - Million	Consolidated			Food Businesses			Multivarejo			Assaí			Via Varejo + Nova Pontocom		
	2Q14	2Q13	Δ	2Q14	2Q13	Δ	2Q14	2Q13	Δ	2Q14	2Q13	Δ	2Q14	2Q13	Δ
Gross Revenue (1)	16,869	14,950	12.8%	9,133	8,014	14.0%	7,034	6,456	9.0%	2,099	1,558	34.7%	7,736	6,936	11.5%
Net Revenue (1)	15,203	13,411	13.4%	8,412	7,349	14.5%	6,465	5,915	9.3%	1,947	1,434	35.8%	6,791	6,062	12.0%
Cost of Goods Sold	(11,230)	(9,861)	13.9%	(6,326)	(5,499)	15.0%	(4,650)	(4,265)	9.0%	(1,676)	(1,233)	35.9%	(4,903)	(4,362)	12.4%
Depreciation (Logistic)	(24)	(18)	34.5%	(12)	(11)	15.8%	(12)	(11)	9.7%	(1)	(0)	N/A	(12)	(8)	60.7%
Gross Profit	3,949	3,532	11.8%	2,073	1,840	12.7%	1,803	1,639	10.0%	270	200	34.6%	1,876	1,692	10.8%
Selling Expenses (1)	(2,522)	(2,235)	12.8%	(1,326)	(1,138)	16.6%	(1,142)	(1,002)	14.0%	(184)	(136)	35.9%	(1,196)	(1,098)	9.0%
General and Administrative Expenses	(324)	(365)	-11.3%	(164)	(203)	-19.3%	(144)	(186)	-22.7%	(20)	(17)	17.5%	(160)	(162)	-1.4%
Equity Income	27	4	600.4%	19	3	622.4%	19	3	622.4%	-	-	-	8	1	552.3%
Other Operating Revenue (Expenses)	(65)	(345)	-81.2%	(57)	(260)	-78.1%	(57)	(261)	-78.2%	0	1	-93.4%	(8)	(85)	-90.6%
Total Operating Expenses	(2,884)	(2,941)	-2.0%	(1,528)	(1,598)	-4.4%	(1,323)	(1,446)	-8.5%	(204)	(152)	34.8%	(1,356)	(1,344)	0.9%
Depreciation and Amortization	(191)	(195)	-2.0%	(154)	(161)	-4.3%	(135)	(148)	-8.6%	(19)	(13)	43.4%	(37)	(34)	9.3%
Earnings before interest and Taxes - EBIT	874	395	121.1%	392	81	385.2%	345	45	664.8%	46	36	30.6%	483	315	53.3%
Financial Revenue	154	128	20.3%	80	83	-3.0%	76	77	-1.0%	4	6	-29.8%	92	53	71.4%
Financial Expenses	(515)	(428)	20.5%	(223)	(212)	5.1%	(206)	(202)	1.7%	(17)	(10)	74.6%	(310)	(224)	38.6%
Net Financial Revenue (Expenses)	(361)	(300)	20.5%	(143)	(129)	10.3%	(130)	(125)	3.4%	(13)	(4)	223.6%	(219)	(170)	28.3%
Income Before Income Tax	513	96	435.9%	249	(49)	-	216	(80)	-	33	32	6.0%	264	144	83.0%
Income Tax	(154)	(19)	723.9%	(67)	30	-	(56)	41	-	(11)	(11)	3.8%	(88)	(49)	79.5%
Net Income - Company	358	77	365.7%	182	(18)	-	160	(39)	-	22	21	7.1%	176	95	84.7%
Minority Interest - Noncontrolling	94	35	169.9%	(11)	(13)	-14.1%	(11)	(13)	-14.1%	-	-	-	105	48	120.8%
Net Income - Controlling															
Shareholders (2)	264	42	527.9%	193	(6)	-	171	(26)	-	22	21	7.1%	71	48	48.8%
Earnings before Interest, Taxes, Depreciation, Amortization - EBITDA	1,090	609	79.1%	558	253	121.0%	492	204	141.5%	66	49	35.4%	532	356	49.3%
	1,155	953	21.1%	615	512	20.1%	549	465	18.2%	66	48	38.6%	540	441	22.3%

Adjusted
EBITDA ⁽³⁾

% of Net Revenue	Consolidated		Food Businesses		Multivarejo		Assai		Via Varejo + Nova Pontocom	
	2Q14	2Q13	2Q14	2Q13	2Q14	2Q13	2Q14	2Q13	2Q14	2Q13
Gross Profit	26.0%	26.3%	24.6%	25.0%	27.9%	27.7%	13.9%	14.0%	27.6%	27.9%
Selling Expenses (1)	16.6%	16.7%	15.8%	15.5%	17.7%	16.9%	9.5%	9.5%	17.6%	18.1%
General and Administrative Expenses	2.1%	2.7%	1.9%	2.8%	2.2%	3.1%	1.0%	1.2%	2.4%	2.7%
Equity Income	0.2%	0.0%	0.2%	0.0%	0.3%	0.0%	0.0%	0.0%	0.1%	0.0%
Other Operating Revenue (Expenses)	0.4%	2.6%	0.7%	3.5%	0.9%	4.4%	0.0%	0.1%	0.1%	1.4%
Total Operating Expenses	19.0%	21.9%	18.2%	21.7%	20.5%	24.4%	10.5%	10.6%	20.0%	22.2%
Depreciation and Amortization	1.3%	1.5%	1.8%	2.2%	2.1%	2.5%	1.0%	0.9%	0.5%	0.6%
EBIT	5.7%	2.9%	4.7%	1.1%	5.3%	0.8%	2.4%	2.5%	7.1%	5.2%
Net Financial Revenue (Expenses)	2.4%	2.2%	1.7%	1.8%	2.0%	2.1%	0.7%	0.3%	3.2%	2.8%
Income Before Income Tax	3.4%	0.7%	3.0%	0.7%	3.3%	1.4%	1.7%	2.2%	3.9%	2.4%
Income Tax	1.0%	0.1%	0.8%	0.4%	0.9%	0.7%	0.6%	0.8%	1.3%	0.8%
Net Income - Company	2.4%	0.6%	2.2%	-0.3%	2.5%	-0.7%	1.1%	1.4%	2.6%	1.6%
Minority Interest - noncontrolling	0.6%	0.3%	0.1%	0.2%	0.2%	0.2%	0.0%	0.0%	1.5%	0.8%
Net Income - Controlling Shareholders(2)	1.7%	0.3%	2.3%	0.1%	2.6%	0.4%	1.1%	1.4%	1.0%	0.8%
EBITDA	7.2%	4.5%	6.6%	3.4%	7.6%	3.4%	3.4%	3.4%	7.8%	5.9%
Adjusted EBITDA ⁽³⁾	7.6%	7.1%	7.3%	7.0%	8.5%	7.9%	3.4%	3.3%	7.9%	7.3%

(1) In 2Q14 revenues from the leasing of commercial galleries, which were previously recorded in selling expenses, started to be recognized as revenues. Revenues from previous periods have been adjusted for comparability purpose.

(2) Net Income after noncontrolling shareholders

(3) Adjusted EBITDA by excluding the Other Operating Revenue (Expenses), thereby eliminating nonrecurring income, expenses and other nonrecurring items.

INCOME STATEMENT

R\$ - Million	Consolidated			Food Businesses			Multivarejo			Assai			Via Varejo + Nova Pontocom		
	1H14	1H13	?	1H14	1H13	?	1H14	1H13	?	1H14	1H13	?	1H14	1H13	?
Gross Revenue (1)	33,506	29,964	11.8%	18,066	16,193	11.6%	13,996	13,208	6.0%	4,070	2,985	36.4%	15,440	13,771	12.1%
Net Revenue (1)	30,212	26,821	12.6%	16,670	14,759	13.0%	12,893	12,020	7.3%	3,778	2,738	38.0%	13,541	12,062	12.3%
Cost of Goods Sold	(22,454)	(19,743)	13.7%	(12,594)	(11,002)	14.5%	(9,330)	(8,639)	8.0%	(3,264)	(2,363)	38.1%	(9,859)	(8,741)	12.8%
Depreciation (Logistic)	(50)	(37)	36.9%	(24)	(21)	14.7%	(23)	(21)	10.2%	(1)	(0)	N/A	(26)	(16)	66.3%
Gross Profit	7,708	7,041	9.5%	4,052	3,736	8.5%	3,539	3,360	5.3%	513	375	36.6%	3,656	3,306	10.6%
Selling Expenses (1)	(4,906)	(4,494)	9.2%	(2,583)	(2,301)	12.3%	(2,229)	(2,042)	9.1%	(354)	(259)	36.8%	(2,323)	(2,192)	5.9%
General and Administrative Expenses	(669)	(768)	-12.8%	(344)	(412)	-16.7%	(303)	(379)	-20.1%	(40)	(33)	21.9%	(326)	(355)	-8.4%
Equity Income	49	13	284.7%	35	10	252.9%	35	10	252.9%	-	-	-	14	3	392.9%
Other Operating Revenue (Expenses)	(92)	(358)	-74.2%	(92)	(283)	-67.5%	(92)	(284)	-67.7%	(0)	1	-	(1)	(76)	-99.3%
Total Operating Expenses	(5,619)	(5,607)	0.2%	(2,984)	(2,986)	-0.1%	(2,589)	(2,696)	-3.9%	(395)	(291)	35.8%	(2,635)	(2,621)	0.5%
Depreciation and Amortization	(383)	(390)	-1.9%	(308)	(321)	-4.1%	(271)	(296)	-8.4%	(37)	(25)	45.7%	(74)	(69)	8.3%
Earnings before interest and Taxes - EBIT	1,707	1,044	63.4%	760	428	77.6%	679	368	84.3%	81	59	36.5%	947	616	53.6%
Financial Revenue	333	271	23.0%	182	177	2.8%	173	166	4.7%	9	11	-24.3%	178	107	67.1%
Financial Expenses	(1,033)	(825)	25.3%	(456)	(415)	10.1%	(422)	(395)	7.0%	(34)	(20)	72.4%	(604)	(423)	42.7%
Net Financial Revenue (Expenses)	(700)	(554)	26.4%	(274)	(237)	15.6%	(249)	(229)	8.7%	(25)	(8)	203.9%	(426)	(317)	34.5%
Income Before Income Tax	1,006	490	105.3%	486	190	155.1%	430	139	208.5%	56	51	9.1%	521	300	73.7%
Income Tax	(310)	(138)	124.5%	(131)	(33)	300.8%	(112)	(15)	663.0%	(19)	(18)	5.6%	(178)	(105)	69.4%
Net Income - Company	697	352	97.8%	354	158	124.8%	317	125	154.8%	37	33	11.0%	343	195	76.1%
Minority Interest - Noncontrolling	189	74	156.4%	(17)	(24)	-28.8%	(17)	(24)	-28.8%	-	-	-	206	97	111.1%
Net Income - Controlling Shareholders(2)	508	279	82.4%	371	181	104.6%	334	148	125.4%	37	33	11.0%	137	97	41.0%
Earnings before Interest, Taxes, Depreciation, Amortization - EBITDA	2,139	1,471	45.4%	1,092	770	41.8%	973	685	42.0%	119	85	40.4%	1,047	701	49.4%
	2,232	1,829	22.0%	1,184	1,053	12.5%	1,065	969	9.9%	119	84	42.7%	1,048	776	34.9%

Adjusted
EBITDA (3)

% Net Sales Revenue	Consolidated		Food Businesses		Multivarejo		Assaí		Via Varejo + Nova Pontocom	
	1H14	1H13	1H14	1H13	1H14	1H13	1H14	1H13	1H14	1H13
Gross Profit	25.5%	26.3%	24.3%	25.3%	27.5%	28.0%	13.6%	13.7%	27.0%	27.4%
Selling Expenses (1)	16.2%	16.8%	15.5%	15.6%	17.3%	17.0%	9.4%	9.5%	17.2%	18.2%
General and Administrative Expenses	2.2%	2.9%	2.1%	2.8%	2.4%	3.2%	1.1%	1.2%	2.4%	2.9%
Equity Income	0.2%	0.0%	0.2%	0.1%	0.3%	0.1%	0.0%	0.0%	0.1%	0.0%
Other Operating Revenue (Expenses)	0.3%	1.3%	0.6%	1.9%	0.7%	2.4%	0.0%	0.0%	0.0%	0.6%
Total Operating Expenses	18.6%	20.9%	17.9%	20.2%	20.1%	22.4%	10.4%	10.6%	19.5%	21.7%
Depreciation and Amortization	1.3%	1.5%	1.8%	2.2%	2.1%	2.5%	1.0%	0.9%	0.5%	0.6%
EBIT	5.6%	3.9%	4.6%	2.9%	5.3%	3.1%	2.1%	2.2%	7.0%	5.1%
Net Financial Revenue (Expenses)	2.3%	2.1%	1.6%	1.6%	1.9%	1.9%	0.7%	0.3%	3.1%	2.6%
Income Before Income Tax	3.3%	1.8%	2.9%	1.3%	3.3%	1.2%	1.5%	1.9%	3.8%	2.5%
Income Tax	1.0%	0.5%	0.8%	0.2%	0.9%	0.1%	0.5%	0.7%	1.3%	0.9%
Net Income - Company	2.3%	1.3%	2.1%	1.1%	2.5%	1.0%	1.0%	1.2%	2.5%	1.6%
Minority Interest - noncontrolling	0.6%	0.3%	0.1%	0.2%	0.1%	0.2%	0.0%	0.0%	1.5%	0.8%
Net Income - Controlling Shareholders(2)	1.7%	1.0%	2.2%	1.2%	2.6%	1.2%	1.0%	1.2%	1.0%	0.8%
EBITDA	7.1%	5.5%	6.6%	5.2%	7.5%	5.7%	3.2%	3.1%	7.7%	5.8%
Adjusted EBITDA (3)	7.4%	6.8%	7.1%	7.1%	8.3%	8.1%	3.2%	3.1%	7.7%	6.4%

(1) In 2Q14 revenues from the leasing of commercial galleries, which were previously recorded in selling expenses, started to be recognized as revenues. Revenues from previous periods have been adjusted for comparability purpose.

(2) Net Income after noncontrolling shareholders

(3) Adjusted EBITDA by excluding the Other Operating Revenue (Expenses), thereby eliminating nonrecurring income, expenses and other nonrecurring items.

STATEMENT OF CASH FLOW		
(R\$ million)	Consolidated	
	06.30.2014	06.30.2013
Net Income for the period	697	352
Adjustment for Reconciliation of Net Income		
Deferred Income Tax	63	(5)
Gain on disposal of fixed assets	24	14
Depreciation and Amortization	433	427
Interests and Exchange Variation	588	464
Adjustment to Present Value	0	2
Equity Income	(49)	(13)
Provision for Contingencies	181	288
Provision for low and losses of fixed assets	0	3
Share-Based Compensation	24	24
Allowance for Doubtful Accounts	215	216
Net profit/loss on shareholder interest	(2)	(16)
Net gains (losses) resulting from dilution of equity interest	-	-
Swap revenue	24	(31)
Deferred Revenue	-	188
	2,198	1,913
Asset (Increase) Decreases		
Accounts Receivable	(180)	(77)
Inventories	(80)	(136)
Taxes recoverable	(27)	(146)
Related Parties	(39)	(83)
Other assets	-	(23)
Swap revenue	30	-
Judicial Deposits	(55)	(156)
	(352)	(621)
Liability (Increase) Decrease		
Suppliers	(1,794)	(371)
Payroll and Charges	54	47
Taxes and Social Contributions Payable	(307)	(155)
Legal proceedings	(47)	(21)
Taxes and Contributions	(473)	(189)
	(2,567)	(689)
Net cash generated from (used in) operating activities	(721)	602

CASH FLOW FROM INVESTMENT AND FINANCING ACTIVITIES		
(R\$ million)	Consolidated	
	06.30.2014	06.30.2013
Increase of Capital in Subsidiaries	(0)	-
Net Cash Acquisition		

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Acquisition of Property and Equipment	(503)	(768)
Increase Intangible Assets	(84)	(59)
Sales of Property and Equipment	26	44
Net cash flow investment activities	(561)	(774)
Cash flow from financing activities		
Increase (Decrease) of Capital	22	11
Companies Acquisition	(7)	-
Funding and Refinancing	2,756	2,408
Payments	(3,633)	(3,782)
Interest Paid	(680)	(313)
Dividend Payments	(186)	(201)
Net Cash Generated from (used in) Financing Activities	(1,729)	(1,877)
Cash and cash equivalents at the beginning of the year	8,367	7,086
Cash and cash equivalents at the end of the year	5,356	5,037
Change in cash and cash equivalents	(3,011)	(2,049)

(R\$ million)	BREAKDOWN OF GROSS SALES BY BUSINESS									
	2Q14	%	2Q13	%	Δ	1H14	%	1H13	%	Δ
Pão de Açúcar ⁽¹⁾	1,681	10.0%	1,468	9.8%	14.5%	3,300	9.8%	2,977	9.9%	10.8%
Extra Hiper	3,515	20.8%	3,292	22.0%	6.8%	6,996	20.9%	6,803	22.7%	2.8%
Minimercado Extra	157	0.9%	108	0.7%	45.1%	307	0.9%	201	0.7%	53.2%
Minuto Pão de Açúcar	0	0.0%	-	-	-	0	0.0%	-	-	-
Extra Supermercado	1,243	7.4%	1,169	7.8%	6.3%	2,504	7.5%	2,405	8.0%	4.1%
Assaí	2,099	12.4%	1,558	10.4%	34.7%	4,070	12.1%	2,985	10.0%	36.4%
Other Businesses ⁽²⁾	437	2.6%	418	2.8%	4.5%	888	2.7%	822	2.7%	8.0%
Food Businesses	9,133	54.1%	8,014	53.6%	14.0%	18,066	53.9%	16,193	54.0%	11.6%
Pontofrio	1,428	8.5%	1,433	9.6%	-0.3%	2,930	8.7%	2,916	9.7%	0.5%
Casas Bahia	4,844	28.7%	4,441	29.7%	9.1%	9,579	28.6%	8,841	29.5%	8.3%
Nova Pontocom	1,464	8.7%	1,062	7.1%	37.8%	2,930	8.7%	2,014	6.7%	45.5%
Via Varejo + Nova Pontocom	7,736	45.9%	6,936	46.4%	11.5%	15,440	46.1%	13,771	46.0%	12.1%
Consolidated	16,869	100.0%	14,950	100.0%	12.8%	33,506	100.0%	29,964	100.0%	11.8%

(1) Includes Delivery sales.

(2) Includes Gas Station, Drugstores sales and revenues from the leasing of commercial galleries.

(R\$ million)	BREAKDOWN OF NET SALES BY BUSINESS									
	2Q14	%	2Q13	%	Δ	1H14	%	1H13	%	Δ
Pão de Açúcar ⁽¹⁾	1,541	10.1%	1,341	10.0%	14.9%	3,030	10.0%	2,701	10.1%	12.2%
Extra Hiper	3,179	20.9%	2,973	22.2%	6.9%	6,344	21.0%	6,100	22.7%	4.0%
Minimercado Extra	148	1.0%	102	0.8%	44.9%	290	1.0%	188	0.7%	54.0%
Minuto Pão de Açúcar	0	0.0%	-	-	-	0	0.0%	-	-	-
Extra Supermercado	1,167	7.7%	1,087	8.1%	7.3%	2,356	7.8%	2,221	8.3%	6.0%
Assaí	1,947	12.8%	1,434	10.7%	35.8%	3,778	12.5%	2,738	10.2%	38.0%
Other Businesses ⁽²⁾	430	2.8%	412	3.1%	4.3%	874	2.9%	809	3.0%	7.9%
Food Businesses	8,412	55.3%	7,349	54.8%	14.5%	16,671	55.2%	14,758	55.0%	13.0%
Pontofrio	1,257	8.3%	1,246	9.3%	0.9%	2,567	8.5%	2,535	9.5%	1.3%
Casas Bahia	4,251	28.0%	3,866	28.8%	10.0%	8,383	27.7%	7,721	28.8%	8.6%
Nova Pontocom	1,283	8.4%	949	7.1%	35.1%	2,591	8.6%	1,806	6.7%	43.4%
Via Varejo + Nova Pontocom	6,791	44.7%	6,062	45.2%	12.0%	13,541	44.8%	12,062	45.0%	12.3%
Consolidated	15,203	100.0%	13,411	100.0%	13.4%	30,212	100.0%	26,821	100.0%	12.6%

(1) Includes Delivery sales.

(2) Includes Gas Station, Drugstores sales and revenues from the leasing of commercial galleries.

SALES BREAKDOWN (% of Net Sales)

	Consolidated				Food Businesses			
	2Q14	2Q13	1H14	1H13	2Q14	2Q13	1H14	1H13
Cash	40.8%	41.1%	41.8%	41.8%	52.0%	52.9%	52.7%	53.3%
Credit Card	49.2%	48.5%	48.4%	48.1%	39.2%	38.8%	38.6%	38.5%
Food Voucher	5.0%	4.4%	4.8%	4.4%	8.8%	8.2%	8.6%	8.1%
Credit	5.1%	6.0%	5.1%	5.7%	0.0%	0.1%	0.0%	0.1%
Post-Dated Checks	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%
Payment Book	5.1%	5.9%	5.1%	5.7%	-	-	-	-

	STORE OPENINGS/CLOSINGS BY BANNER				06/30/2014
	03/31/2014	Opened	Closed	Converted	
Pão de Açúcar	166	1	(1)	-	166
Extra Hiper	141	-	(1)	(3)	137
Extra Supermercado	213	-	(1)	1	213
Minimercado Extra	168	15	(2)	2	183
Minuto Pão de Açúcar	-	1	-	-	1
Assaí	77	1	-	-	78
Other Business	242	1	(1)	-	242
<i>Gas Station</i>	<i>83</i>	-	-	-	<i>83</i>
<i>Drugstores</i>	<i>159</i>	<i>1</i>	<i>(1)</i>	-	<i>159</i>
Food Businesses	1,007	19	(6)	-	1,020
Pontofrio	393	-	(32)	-	361
Casas Bahia	608	6	(3)	-	611
Consolidated	2,008	25	(41)	-	1,992
Sales Area ('000 m²)					
Food Businesses	1,694				1,697
Consolidated	2,781				2,765
# of employees ('000)					
	157				154

2Q14 Results Conference Call and Webcast

Wednesday, July 24, 2014

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

Conference call in Portuguese (original language)

+55 (11) 2188-0155

Conference call in English (simultaneous translation)

+1 (646) 843-6054

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

Replay

+55 (11) 2188-0155

Access code for Portuguese audio: GPA

Access code for English audio: GPA

<http://www.gpari.com.br>

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The individual and parent company financial statements are presented in accordance with IFRS and the accounting practices adopted in Brazil and refer to the second quarter of 2014 (2Q14), except where stated otherwise, with comparisons in relation

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About GPA: GPA is Brazil's largest retailer, with a distribution network comprising approximately 2,000 points of sale as well as electronic channels. Established in 1948 in São Paulo, it maintains a head office in the city and operations in 19 Brazilian states and the Federal District of Brasília. With a

to the prior-year period.

Any and all non-accounting information or information based on non-accounting figures have not been reviewed by the independent auditors.

The calculation of "EBITDA" is based on earnings before interest, taxes, depreciation and amortization. The base used to calculate "same-store" gross sales revenue is determined by the sales made in stores open for at least 12 consecutive months and that did not remain closed for seven or more consecutive days in the period. Acquisitions in their first 12 months of operation are not included in the same-store calculation base.

GPA 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 2014 was 6.52%.

strategy of focusing its decisions on the customer and better serving them based on their consumer profile in the wide variety of shopping experiences it offers, GPA adopts a multi-business and multi-channel platform with brick-and-mortar stores and e-commerce operations divided into five business units: Multivarejo, which operates the supermarket, hypermarket and neighborhood store formats, as well as fuel stations and drugstores, under the Pão de Açúcar and Extra banners; Assaí, which operates in the cash and carry store segment; Via Varejo, with brick and mortar electronics and home appliance stores under the Casas Bahia and Pontofrio banners; Nova Pontocom, with e-commerce operations through the sites pontofrio.com, casabahia.com.br, extra.com.br, barateiro.com, partiuviagens.com.br and eHub.com.br; and GPA Malls, which is responsible for managing the Group's real estate assets, expansion projects and new store openings.

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 thus subject to change.

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Companhia Brasileira de Distribuição

Notes to the interim financial information

June 30, 2014

(In thousands of Brazilian reais, unless otherwise stated)

1. Corporate information

Companhia Brasileira de Distribuição ("Company", "CBD" or "GPA"), directly or by its subsidiaries ("Group") operates in the food retailer, clothing, home appliances, electronics and other products segment through its chain of hypermarkets, supermarkets, specialized and department stores principally under the trade names "Pão de Açúcar", "Minuto Pão de Açúcar", "Extra Hiper", "Extra Super", "Minimercado Extra", "Assai", "Ponto Frio" and "Casas Bahia", in addition to the e-commerce platforms "CasasBahia.com," "Extra.com", "Pontofrio.com", "Barateiro.com", "Partiuviagens.com" and "Conviva" which is the neighborhood's mall brand. Its headquarters are located at São Paulo, SP, Brazil.

Founded in 1948, the Company has 154 thousand employees, 1,992 stores in 19 Brazilian states and in the Federal District and a logistics infrastructure comprised of 56 distribution centers and commercial warehouses located in 15 states and Federal District at June 30, 2014. The Company's shares are listed in the Level 1 Corporate Governance trading segment of the São Paulo Stock Exchange ("BM&FBovespa"), code "PCAR4" and its shares are also listed on the New York Stock Exchange (ADR level III), code "CBD". The Company is also listed on the Luxembourg Stock Exchange, however, with no shares traded.

The Company is controlled by Wilkes Participações S.A. ("Wilkes") that is a controlled of Casino Guichard Perrachon ("Casino").

Corporate information about Morzan Empreendimentos e Participações Ltda. ("Morzan") arbitration, appraisal of the net assets of the Association between CBD and Casas Bahia Comercial Ltda. ("CB"), acquisition of interest in Nova Pontocom Comércio Eletrônico S.A ("Nova Pontocom") and acquisition of Indústria de Móveis Bartira Ltda. ("Bartira"), did not have any modification and were presented in the annual financial statements of 2013, in note 1.

a) Performance Commitment Agreement

The Company, its subsidiary Via Varejo and Casa Bahia Comercial Ltda. ("CB"), jointly Promisees, and the Brazilian Antitrust Agency ("CADE") entered into a Performance Commitment Statement ("PCS") to approve the Partnership Agreement signed between CBD and CB on December 4, 2009 and amended on July 1, 2010. As the main purpose of PCS, Via varejo had the major obligation of selling 74 stores located in 54 municipalities distributed in six states and the Federal District.

In compliance with PCS, 42 stores were sold, however the precedent conditions contained in the purchase agreements entered into with the buyers had not been yet complied with, which may have a substantial influence on the final sale price of the 42 stores. Any gain that may arise from this transaction will be recognized when the precedent conditions is fulfilled.

In April 2, 2014, CADE analyzed the fulfillment of one more PCS' step, determining the payment of a fee in amount of R\$11,645 as penalty for the 32 stores that had not been sold, authorizing their closing. During the months of May and June, in compliance with CADE's guidance, the Company closed the remaining 32 stores. The Company recorded all the lingering effects of non-realization of assets related to closed stores (note 29), and does not expect new effects.

The Company understands that had accomplished with the obligations stated in PCS and waits for a formal pronouncement from CADE.

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Companhia Brasileira de Distribuição

Notes to the interim financial information

June 30, 2014

(In thousands of Brazilian reais, unless otherwise stated)

1. Corporate information - continued

b) E-commerce business combination.

On June 4, 2014 the Boards of Directors of the Company and Via Varejo approved the project of combination of the e-Commerce businesses developed by the Companies through Nova Pontocom Comércio Eletrônico S.A. (“Nova”) with the e-commerce business developed by the controlling shareholder Casino, Guichard-Perrachon, S.A. (“Casino”) through Cdiscount S.A. and Cdiscount affiliates (“Cdiscount”)

Special Committees implemented by the Boards to evaluate the transactions, delivered a favorable recommendation with regards to the implementation of the e-Commerce Business Combination considering the following elements: (a) the commercial interests of the Companies in the eCommerce activities will be preserved; and (b) the potential for generation of value for the Companies and their shareholders through the integration of the e-Commerce activities currently developed by Nova and Cdiscount into one of the largest global e-Commerce companies, organized under the laws of the Netherlands, as Cnova N.V. (“Cnova”).

The Special Committees, following their review and analysis of the opinions issued by their respective financial advisors, recommended that the respective weights of Nova and Cdiscount be 53.5% (Company and Via Varejo) and 46.5% (Cdiscount). Thus, upon completion of the corporate reorganization necessary to implement the e-Commerce Business Combination, CBD and Via Varejo will indirectly hold 28.0% and 23.5% of the outstanding and voting capital stock of Cnova, respectively, and Casino (including its Colombian subsidiary Almacenes Exito S.A.) will hold 46.5% of the outstanding and voting capital stock of Cnova. The remainder of the capital of Cnova will be indirectly held by certain non-controlling shareholders of Nova.

Additional information about the transaction conditions, as preservation of the existing rights, additional conditions and management decisions were presented in material fact released to the market.

2. Basis of preparation

The consolidated quarterly financial information (“Interim Financial Information”) of the Company were prepared according to technical pronouncement IAS 34 - Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”) and CPC 21(R1) - Interim Financial Reporting, issued by Comitê de Pronunciamentos Contábeis (“CPC”) and, approved by Brazilian Securities and Exchange Commission (“CVM”).

The individual quarterly financial information of the Parent Company was prepared according to technical pronouncement CPC 21 (R1) approved by CVM and are presented in conjunction with consolidated quarterly financial information.

The quarterly financial information, individual and consolidated is also being presented in accordance with regulations issued by the CVM, applicable to the preparation of quarterly information.

In the individual quarterly financial statements, investments in subsidiaries were evaluated by the equity method, whereas under the International Financial Reporting Standards - IFRS would be by cost or fair value. However there is no difference between equity and consolidated profit or loss attributable to the Company's shareholders' and the Company's equity and profit or loss in the Parent Company financial statement.

The quarterly financial information, individual and consolidated, were prepared considering historical cost as basis for the amounts recorded and adjusted to fair value of financial assets and liabilities (including derivative instruments) measured at fair value through profit and loss.

(FREE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)**Companhia Brasileira de Distribuição**

Notes to the interim financial information

June 30, 2014

(In thousands of Brazilian reais, unless otherwise stated)

2. Basis of preparation – Continued

In cases when did not occur significant changes in the nature of the balances or Company's accounting policies, the details disclosed in the annual financial statements as of December 31, 2013, were not fully disclosed in this quarterly financial information. Therefore, this quarterly financial information should be read in conjunction with the annual financial statements disclosed on February 14, 2014.

The quarterly financial information for the six-month period ended June 30, 2014 was approved by the Board of Directors at July 22, 2014.

The Company made certain reclassifications in the statements of income, cash flows and value added for the six-month period ended June 30, 2013, presented for comparative purposes, in order to adapt them to the presentation criteria adopted in the current quarter. The reclassifications performed were:

	Parent Company			Consolidated		
	Previous balance	GPA Malls galleries	Current balance	Previous balance	Freight	GPA Malls galleries
and/or Services	10,154,048	40,939	10,194,987	26,765,785		5
d/or Services Sold	(7,402,606)		(7,402,606)	(19,681,982)	(97,662)	
	2,751,442	40,939	2,792,381	7,083,803	(97,662)	5
	(1,557,782)	(40,939)	(1,598,721)	(4,536,249)	97,662	(55

a) Reclassification of commercial galleries revenues, mainly related to rental of stores, which was recorded as a reduction of selling expenses, amounting R\$ 55,012, due to increased this activity in the retail segment and considering the release of new ventures "Conviva", this revenue was reclassified to "sales from goods and / or services" to better representation the of this activity in the interim financial information and because of the increase in expectation of future operations, the Company's management understands it is best to proceed with the current classification for comparison and final classification of this revenue.

b) Statement of income: reclassification of freight expenses of the subsidiary Nova Pontocom to cost of goods sold, in the amount of R\$97,662(consolidated)

c) Statement of cash flows: reclassification from “trade accounts receivable” in the amount of R\$193,089 (consolidated), to the account “allowance for doubtful accounts”, without effect in cash flow from operating activities;

d) Statement of Value Added: Reclassification related to item (a) above. In addition there was a reclassification of “other revenues(expenses)” to Materials, Energy, Outsourced Services and Other, in the amounting of R\$ 225,090, (Parent Company) and R\$ 298,350 (Consolidated).

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Notes to the interim financial information

June 30, 2014

(In thousands of Brazilian reais, unless otherwise stated)

3. Basis for consolidation

The Information regarding the basis for consolidation did not have any modification and was presented in the annual financial statements of 2013, in note 3.

a) Interest in subsidiaries and associated companies.

<u>Companies</u>	Investment interest - %			
	06.30.2014		12.31.2013	
	Company	Indirect interest	Company	Indirect interest
<u>Subsidiaries</u>				
Novasoc Comercial Ltda. ("Novasoc")	10.00	-	10.00	-
Sé Supermercados Ltda. ("Sé")	100.00	-	100.00	-
Sendas Distribuidora S.A. ("Sendas")	100.00	-	100.00	-
PA Publicidade Ltda. ("PA Publicidade")	100.00	-	100.00	-
Barcelona Comércio Varejista e Atacadista S.A. ("Barcelona")	82.75	17.25	82.75	17.25
CBD Holland B.V.	100.00	-	100.00	-
CBD Panamá Trading Corp.	-	100.00	-	100.00
Xantocarpa Participações Ltda. ("Xantocarpa")	-	100.00	-	100.00
Vedra Empreend. e Participações S.A.	99.99	0.01	99.99	0.01
Bellamar Empreend. e Participações Ltda.	100.00	-	100.00	-
Vancouver Empreend. e Participações Ltda.	100.00	-	100.00	-
Bruxellas Empreend. e Participações S.A.	-	71.45	99.99	0.01
Monte Tardeli Empreendimentos e Participações S.A.	99.91	0.09	99.91	0.09
GPA Malls & Properties Gestão de Ativos e Serviços Imobiliários Ltda. ("GPA M&P")	100.00	-	100.00	-
GPA 2 Empreend. e Participações Ltda.	99.99	0.01	99.99	0.01
GPA 4 Empreend. e Participações S.A.	99.91	0.09	99.91	0.09
GPA 5 Empreend. e Participações S.A.	99.91	0.09	99.91	0.09
GPA 6 Empreend. e Participações Ltda. (GPA Logística e Transporte Ltda)	100.00	-	99.99	0.01

ECQD Participações Ltda.	100.00		100.00	-
API SPE Planej. e Desenv. de Empreend. Imobiliários Ltda.	100.00	-	100.00	-
Posto Ciara Ltda.	-	100.00	-	100.00
Auto Posto Império Ltda.	-	100.00	-	100.00
Auto Posto Duque Salim Maluf Ltda.	-	100.00	-	100.00
Auto Posto Duque Santo André Ltda.	-	100.00	-	100.00
Auto Posto Duque Lapa Ltda.	-	100.00	-	100.00
Duque Conveniências Ltda.	-	100.00	-	100.00
Lake Niassa Empreend. e Participações Ltda.	-	43.35	-	43.35
Via Varejo S.A. ("Via Varejo")	43.35	-	43.35	-
Indústria de Móveis Bartira Ltda. ("Bartira")	-	43.35	-	43.35
Globex Administração e Serviços Ltda. ("GAS")	-	43.35	-	43.35

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3. Basis for consolidation – Continued

a) Interest in subsidiaries and associated companies– continued

<u>Companies</u>	06.30.2014		12.31.2013	
	Company	Indirect interest	Company	Indirect interest
Ponto Frio Adm. e Importação de Bens Ltda.	-	43.35	-	43.34
Rio Expresso Com. Atacad. de Eletrodoméstico Ltda.	-	43.35	-	43.35
Globex Adm. Consórcio Ltda.	-	43.35	-	43.35
PontoCred Negócio de Varejo Ltda.	-	43.35	-	43.35
Nova Extra Eletro Comercial Ltda (Átino Comunicação Ltda)	-	-	0.10	43.31
Nova Pontocom Comércio Eletrônico S.A. (“Nova Pontocom”) (*)	47.52	23.92	47.43	23.99
E-Hub Consult. Particip. e Com. S.A.	-	71.45	-	71.42
Nova Experiência Pontocom S.A.	-	71.45	-	71.42
Sabara S.A	-	43.35	-	43.35
Casa Bahia Contact Center Ltda.	-	43.35	-	43.35
<u>Associated companies</u>				
Financeira Itaú CBD S.A. - Crédito. Financiamento e Investimento (“FIC”)	-	41.93	-	41.93
Banco Investcred Unibanco S.A. (“BINV”)	-	21.67	-	21.67
FIC Promotora de Vendas Ltda.	-	41.93	-	41.93

(*) Excluding Treasury shares.

All interests are calculated considering the percentages held by CBD or its subsidiaries, except in cases in which CBD and its subsidiaries hold 100% of shareholders' equity, for which the consolidation, being integral, does not reflect these percentages.

b) Associates - BINV and FIC

The Company's investments FIC and BINV are accounted for under the equity method because they are entities over which the Company exercises significant influence, but not control, since (a) is a party of shareholders' agreement, indicating a portion of the directors and having the right to veto certain relevant decisions, (b) the operation and financial decisions of BINV and FIC belongs to Banco Itaú Unibanco S.A ("Itaú Unibanco").

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3. Basis for consolidation – Continued

FIC's summarized interim financial information is as follows:

	Consolidated	
	06.30.2014	12.31.2013
Current assets	3,548,631	3,521,684
Noncurrent assets	14,759	32,209
Total assets	3,563,390	3,553,893
Current liabilities	2,746,363	2,826,367
Noncurrent liabilities	12,956	23,192
Shareholders	804,071	704,434
Total liabilities and equity	3,563,390	3,553,893
<u>Income statement:</u>	06.30.2014	06.30.2013
Revenues	499,231	420,442
Operating income	178,779	36,913
Profit for the year	99,739	19,506

For the purposes of calculating the investment, the investee's equity should be deducted from the special goodwill reserve, which is the exclusive right of Itaú Unibanco.

4. Significant accounting policies

The main accounting policies adopted by the Company in the preparation of individual and consolidated quarterly financial information, are consistent with those adopted and disclosed in Note 4 of the financial statements for the year ended December 31, 2013, disclosed on February 14, 2014 and therefore should be read together.

5. New standards issued but not yet effective

a) Tax legislation

Provisional Presidential Decree 627/13 – in November 2013, the Provisional Presidential Decree MP 627 was issued, changing the tax legislation and eliminating the Transitory Tax Regimen – RTT. In May 2014, the Law 12,973 was issued, resulted from the conversion of the MP 627 in law. The Company, together with its external advisors, analyzed the MP 627 and the Law 12,973, to assess the implications of its anticipated application and the possible impact on the parent company and consolidated interim financial information for the six-month period ended June 30, 2014. Until the date of approval of this interim financial information, the Company has not identified any significant effects to be recognized as consequence of enactment of the Law 12,973.

b) Accounting Standards

IFRS 15 - Revenue from contracts with customers – replaces the International Accounting Standards (IAS)18, International Accounting Standards Committee(IFRIC) 13 and Standard Interpretations Committee (SIC) 31 (CPC30 R1), IAS11 (CPC17 R1), IFRIC15 (ICPC 02) e IFRIC18 (ICPC 11). IFRS 15 specifies how and when an entity will recognize revenue from contracts or relationship with customers as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides, in a single document, principles for revenue recognition applicable to all contracts and/or relationship with customers. IFRS 15 was issued in May 2014 and applies to an annual reporting period beginning on or after January 1, 2017. The Company still assessing the full impact of the new pronouncement on its annual financial statements.

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5. New standards issued but not yet effective - Continued

It does not exist other standards and interpretations issued by IASB and CPC but not yet effective that could have, in management's opinion, have significant impact in the income statement for the period or in the shareholders' equity in Management's opinion. Additionally, there are no significant impacts in the quarterly financial information in relation to the adoption of new standards, changes or interpretations of standards issued by IASB with mandatory application after January 1, 2014, as disclosed in the note 5 of the financial statements for the year ended December 31, 2013.

6. Significant accounting judgments, estimates and assumptions

Judgments, estimates and assumptions

The preparation of the individual and consolidated quarterly financial information of the Company requires Management to make judgments, estimates and assumptions that impact the reported amounts of revenue, 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 material adjustments to the carrying amount of the asset or liability impacted in future periods.

The significant assumptions and estimates for quarterly financial information for the six-month period ended June 30, 2014 were the same as those adopted in the consolidated and individual financial statements for the year ended December 31, 2013, presented on February 14, 2014, and therefore, should be read together, except for the impairment test, which is tested annually only observing indicators during the year as described in notes 15 and 16.

7. Cash and cash equivalents

The detailed information on cash and cash equivalents was presented in the annual financial statements of 2013, in note 7.

Rate (*)	Parent Company		Consolidated	
	<u>6.30.2014</u>	<u>12.31.2013</u>	<u>6.30.2014</u>	<u>12.31.2013</u>

Cash on hand and bank accounts		48,163	115,112	199,813	343,114
<u>Financial investments:</u>					
Itaú BBA	100.53%	188	527,521	109,570	778,881
Itaú – Delta Fund	101.60%	727	5,115	194,507	181,384
Banco do Brasil	101.50%	360,508	206,246	1,667,643	1,425,957
Bradesco	101.47%	31,175	824,736	626,936	2,051,130
Santander	102.04%	276,670	322,548	740,623	995,568
CEF	101.50%	11,612	99,031	679,765	732,424
Votorantim	102.09%	54,154	101,436	139,358	439,082
Safra	102.07%	19,840	356,477	494,385	645,197
Credit Agricole	102.58%	51,363	127,731	254,108	362,996
BNP	101.70%	4	105,100	210,606	279,469
Other	-	13,357	60,167	38,616	131,974
		867,761	2,851,220	5,355,930	8,367,176

(*) Weighted average rate of CDI

8. Trade accounts receivable

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The detailed information of trade accounts receivable was presented in the annual financial statements of 2013, in note 8.

	Parent Company		Consolidated	
	06.30.2014	12.31.2013	06.30.2014	12.31.2013
Credit card companies (a)	33,687	82,554	272,845	276,262
Sales vouchers	46,431	98,849	105,235	148,101
Consumer finance – CDCI	-	-	2,258,971	2,249,407
Credit sales with post-dated checks	1,401	2,076	1,882	3,018
Trade accounts receivable from wholesale customers	-	-	27,447	18,394
Private label credit card	7,815	13,545	7,809	13,539
Accounts receivable from related parties (Note 12 a)	69,571	105,047	-	-
Present value adjustment (b)	-	-	(7,299)	(7,264)
Loss in allowance for doubtful accounts (c)	(405)	(2,600)	(231,033)	(228,733)
Rebates	16,869	13,000	21,749	18,205
Other	-	-	39,244	24,737
Current	175,369	312,471	2,496,850	2,515,666
Consumer finance – CDCI	-	-	106,353	125,219
Loss in allowance for doubtful accounts (c)	-	-	(9,078)	(10,320)
Noncurrent	-	-	97,275	114,899
	175,369	312,471	2,594,125	2,630,565

(a) Credit card companies

During the six-month period ended at June 30, 2014 the Company and its subsidiaries sold credit card receivables to banks or credit card companies in the amount of R\$15,074,413 (R\$13,742,179 at June 30, 2013) without recourse or obligation related.

(b) Present value adjustment

The credit sales with the same cash value were carried to their present value on the transactions dates. In the six-month period ended June 30, 2014 these rates averaged 0.90% per month (0.72% per month at December 31, 2013).

(c) Loss in allowance for doubtful accounts

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

	Parent Company		Consolidated	
	06.30.2014	12.31.2013	06.30.2014	12.31.2013
At the beginning of the period	(2,600)	(81)	(239,053)	(198,480)
Loss /reversal in the period	2,195	(2,729)	(215,252)	(475,857)
Allowance write-off	-	210	214,194	435,284
At the end of the period	(405)	(2,600)	(240,111)	(239,053)
Current	(405)	(2,600)	(231,033)	(228,733)
Noncurrent	-	-	(9,078)	(10,320)

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8. Trade accounts receivable - Continued

Below is presented, the breakdown of consolidated trade accounts receivable by gross amount and maturity period:

	Total	Falling due	<30 days	Past-due receivables		
				30-60 days	61-90 days	>90 days
06.30.2014	2,834,236	2,507,457	151,900	59,038	41,648	74,193
12.31.2013	2,869,618	2,565,483	162,755	56,635	36,265	48,480

9. Other accounts receivable

The detailed information of other accounts receivable was presented in the annual financial statements of 2013, in note 10.

	Parent Company		Consolidated	
	06.30.2014	12.31.2013	06.30.2014	12.31.2013
Accounts receivable related to sale of fixed assets	13,942	16,609	49,429	55,320
Rebates	-	-	16,489	20,556
Advances to suppliers	-	-	21,575	28,965
Other advances	11,049	12,521	11,179	12,651
Accounts receivable – Audax	7,784	7,491	13,364	13,028
Amounts to be reimbursed	26,275	25,871	130,811	108,635
Rental receivable	20,220	15,455	28,812	22,346
Accounts receivable - Paes Mendonça	-	-	531,899	514,615
Rede Duque	-	-	49,737	49,255
Other	1,008	1,281	38,099	31,931
	80,278	79,228	891,394	857,302
Current	49,851	47,890	199,553	227,367
Noncurrent	30,427	31,338	691,841	629,935

10. Inventories

The detailed information of inventories was presented in the annual financial statements of 2013, in note 11.

	Parent Company		Consolidated	
	<u>06.30.2014</u>	<u>12.31.2013</u>	<u>06.30.2014</u>	<u>12.31.2013</u>
Stores	1,375,418	1,425,069	3,705,068	3,597,410
Distribution centers	849,676	752,930	2,808,680	2,836,150
Inventories under construction		-	172,280	172,280
Loss with obsolescence and breakage (a)	(5,608)	(12,390)	(49,755)	(52,016)
	2,219,486	2,165,609	6,636,273	6,553,824
Current	2,219,486	2,165,609	6,463,993	6,381,544
Noncurrent	-	-	172,280	172,280

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10. Inventories - Continued

(a) Loss with obsolescence and breakage

	Parent Company		Consolidated	
	<u>06.30.2014</u>	<u>12.31.2013</u>	<u>06.30.2014</u>	<u>12.31.2013</u>
At the beginning of the period	(12,390)	(8,141)	(52,016)	(53,126)
Additions	(2,277)	(11,219)	(12,051)	(64,898)
Write-offs / reversal	9,059	6,970	14,312	66,008
At the end of the period	(5,608)	(12,390)	(49,755)	(52,016)

11. Recoverable taxes

The detailed information of recoverable taxes was presented in the annual financial statements of 2013, in note 12.

	Parent Company		Consolidated	
	<u>06.30.2014</u>	<u>12.31.2013</u>	<u>06.30.2014</u>	<u>12.31.2013</u>
Current				
State value-added tax on sales and services – ICMS recoverable (a)	89,506	98,360	618,638	769,086
Social Integration Program/ Tax for Social Security Financing-PIS/COFINS recoverable	12,849	4,142	41,289	20,242
Income tax on Financial investments	22,834	43,112	47,324	50,864
Income and Social Contribution taxes	3,441	2,420	44,385	31,031
Social Security Contribution - INSS	-	-	-	30,796
Other	-	-	8,200	5,964
Total current	128,630	148,034	759,836	907,983
Noncurrent				
ICMS recoverable (a)	265,750	279,457	1,198,705	1,088,787
PIS/COFINS recoverable	-	-	265,639	254,228
Social Security Contribution- INSS	71,423	71,423	118,737	86,006
Total noncurrent	337,173	350,880	1,583,081	1,429,021
Total	465,803	498,914	2,342,917	2,337,004

(a) The full ICMS realization will occur as follows:

<u>In</u>	<u>Parent Company</u>	<u>Consolidated</u>
Up to one year	89,506	618,638
2015	78,714	408,506
2016	69,520	331,200
2017	53,150	326,594
2018	31,308	99,350
2019	33,058	33,055
	355,256	1,817,343

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12. Related parties

The detailed information of related parties was presented in the annual financial statements of 2013, in note 13.

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

	Parent Company		Consolidated	
	06.30.2014	12.31.2013	06.30.2014	12.31.2013
<u>Customers</u>				
<i>Subsidiaries:</i>				
Novasoc Comercial	89	36,386	-	-
Sé Supermercados	37,549	13,166	-	-
Sendas Distribuidora	28,377	49,856	-	-
Barcelona	2,711	2,577	-	-
Via Varejo	2	2,197	-	-
Nova Pontocom	843	865	-	-
	69,571	105,047	-	-
<u>Suppliers</u>				
<i>Controlling shareholder:</i>				
Casino	1,110	1,450	1,113	1,450
<i>Subsidiaries:</i>				
Novasoc Comercial	150	20,234	-	-
Sé Supermercados	1,709	2,235	-	-
Sendas Distribuidora	22,484	44,417	-	-
Barcelona	2,238	2,957	-	-
Xantocarpa	329	1,356	-	-
Via Varejo	940	3,151	-	-
Nova Pontocom	531	928	-	-
GPA logística	14,187	-	-	-
<i>Associated Companies:</i>				
FIC	7,016	10,904	13,114	12,897
<i>Other related parties:</i>				
Grupo Diniz (*)	-	1,706	-	1,811
Globalbev Bebidas e Alimentos (*)	-	101	-	285

Globalfruit (*)	-	44	-	44
Bravo Café (*)	-	224	-	225
Fazenda da Toca Ltda. (*)	-	185	-	205
Indigo Distribuidora	-	120	-	406
	50,694	90,012	14,227	17,323

(*) Balances were presented until the date of settlement considering that they are no longer considered as related parties as per note 1(a) in the consolidated financial statements presented in December 31, 2013

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12. Related parties – Continued

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

	Parent Company		Consolidated	
	06.30.2014	3.31.2013	06.30.2014	3.31.2013
<u>Sales</u>				
<i>Subsidiaries:</i>				
Novasoc Comercial	113,763	171,846	-	-
Sé Supermercados	105,047	25,828	-	-
Sendas Distribuidora	167,560	168,564	-	-
Via Varejo S.A.	-	234	-	-
Nova Pontocom	-	287	-	-
Nova Casa Bahia	-	176	-	-
Other	52	-	-	-
	386,422	366,935	-	-
<u>Purchases</u>				
<i>Subsidiaries:</i>				
Novasoc Comercial	1,628	2,718	-	-
Sé Supermercados	1,398	142	-	-
Sendas Distribuidora	133,244	113,287	-	-
E-Hub Consult. Particip. e Com. S.A.	-	920	-	-
Other	4	-	-	-
<i>Joint operation:</i>				
Indústria de Móveis Bartira Ltda.	-	-	-	260,443
<i>Other related parties:</i>				
Globalbev Bebidas e Alimentos (*)	-	2,274	-	2,589
Globalfruit (*)	-	1,319	-	1,319
Bravo Café (*)	-	458	-	458
Sykué Geração de Energia (*)	-	3,468	-	7,400
Fazenda da Toca Ltda. (*)	-	1,650	-	2,107
Indigo Distribuidora	-	731	-	884
	136,274	126,967	-	275,200

(*) Balances were presented until the date of settlement, September 7, 2013, considering that they are no longer considered as related parties as per note 1(a) in the consolidated financial statements presented in December 31, 2013

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12. Related parties – Continued

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

	Parent Company		Consolidated	
	06.30.2014	12.31.2013	06.30.2014	12.31.2013
<u>Assets</u>				
<i>Controlling shareholder:</i>				
Casino	641	2,738	641	3,404
<i>Subsidiaries:</i>				
Novasoc	59,135	80,890	-	-
Sendas Distribuidora	218,347	82,485	-	-
Xantocarpa	21,663	21,873	-	-
Nova Pontocom	355,456	259,553	-	-
GPA M&P	26,285	25,808	-	-
GPA logística & transportes	19,994	-	-	-
Vancouver	29,819	28,229	-	-
Posto Duque - Salim Maluf	1,243	980	-	-
Posto GPA - Santo André	669	503	-	-
Posto GPA - Império	1,788	1,416	-	-
Posto Duque - Lapa	775	651	-	-
Posto GPA - Ciara	1,002	816	-	-
Vedra	20	20	-	-
Bellamar	50	-	-	-
Barcelona	105,000	105,000	-	-
Other	393	349	-	-
<i>Associated Companies:</i>				
FIC	-	-	12,913	683
<i>Other related parties:</i>				
Casa Bahia Comercial Ltda.(*)	-	-	152,487	134,112
Management of Nova Pontocom	36,246	34,307	36,246	34,307
Rede Duque	-	-	158	158
Instituto Grupo Pão de Açúcar	41	3	36	-
Other	1,396	857	1,395	172
	879,963	646,478	203,876	172,836

Liabilities*Controlling shareholder:*

Wilkes participações	740	-	740	-
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Subsidiaries:

Sé Supermercados	1,399,034	1,410,685	-	-
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Barcelona	350,355	430,549	-	-
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Via Varejo	363,423	338,371	-	-
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PontoCred Negócios	722	1,491	-	-
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Bellamar	16,866	16,867	-	.
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P.A. Publicidade	23,727	19,863	-	-
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Posto Duque – Loja Conveniência	9	9	-	-
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Associated companies:

FIC	2,353	6,180	2,261	9,012
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Other related parties:

Casa Bahia Comercial Ltda	-	-	20,342	23,609
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	2,157,229	2,224,015	23,343	32,621
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(*) GPA received, approximately R\$ 100,000 from existing balances in 2013.

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12. Related parties – Continued

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

	Parent Company		Consolidated	
<u>Revenues (Expenses)</u>	<u>06.30.2014</u>	<u>06.30.2013</u>	<u>06.30.2014</u>	<u>06.30.2013</u>
<i>Controlling shareholder:</i>				
Casino	(11,918)	(12,372)	(12,030)	(12,372)
Wilkes Participações	(1,461)	(958)	(1,461)	(958)
<i>Subsidiaries:</i>				
Novasoc	2,982	4,546	-	-
Sé Supermercados	2,812	1,216	-	-
Sendas Distribuidora	21,140	25,827	-	-
Via Varejo	(32,635)	(15,926)	-	-
PontoCred Negócios	769	-	-	-
Nova Pontocom	16,977	10,448	-	-
<i>Associates:</i>				
FIC	14,004	8,794	8,624	9,016
Dunnhumby	-	(195)	-	(195)
<i>Other related parties:</i>				
Fundo Península	-	(74,755)	-	(78,432)
Grupo Diniz (*)	-	(9,761)	-	(10,388)
Sykué Consultoria em Energia Ltda. (*)	-	(127)	-	(241)
Casa Bahia Comercial Ltda.	-	-	(124,535)	(98,286)
Management of Nova Pontocom	1,939	1,303	1,939	1,303
Habile Segurança e Vigilância Ltda.	-	-	-	(4,673)
Pão de Açúcar S.A. Indústria e Comércio	-	(516)	-	(516)
Audax SP	-	(8,637)	-	(8,638)
Audax Rio	-	(1,618)	-	(5,491)
Instituto Grupo Pão de Açúcar	(2,981)	(3,381)	(2,966)	(3,378)
Viaw Consultoria Ltda (a)	(186)	-	(2,353)	-
	11,442	(76,112)	(132,782)	(213,249)

(*) Balances were presented until the date of settlement considering that they are no longer considered as related parties as per note 1(a) in the consolidated financial statements presented in December 31, 2013

a) Consulting services

The company hired Viaw Consultoria Ltda. to render services in the managerial consulting area, as well as information technology area, in market conditions. The partners of Viaw are members of Management of the Company.

b) Management, Fiscal Council and Audit Committee's compensation

The expenses related to the compensation of senior management (officers appointed pursuant to the Bylaws, the Board of Directors and its advisory committees) and Fiscal Council, recorded in the Company statement of income for the six-month period ended June 30, 2014 and 2013, were as follows:

In relation to total compensation at June 30, 2014

	Base salary	Variable compensation	Stock option plan	Total
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Board of directors (**)