BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD
Form 6-K
November 05, 2008

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 November, 2008

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

Av. Brigadeiro Luiz Antonio,
3126 São Paulo, SP 01402-901
Brazil
(Address of Principal Executive Offices)

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

Form 20-F _X_ Form 40-F___

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

Yes ___ No _X_

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

Yes ___ No _X_

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

Yes ___ No _X_

(A free translation of the original in Portuguese)

FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)

QUARTERLY FINANCIAL INFORMATION (ITR)
COMMERCIAL, INDUSTRIAL AND OTHER

September 30, 2008 Brazilian Corporate Law

REGISTRATION WITH CVM SHOULD NOT BE CONSTRUED AS AN APPRECIATION ON THE COMPANY. COMPANY MANAGEMENT IS RESPONSIBLE FOR THE INFORMATION PROVIDED.

01.01 - IDENTIFICATION

1 - CVM CODE **01482-6**	2 - COMPANY NAME **COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO**	3 - CNPJ (Corporate Taxpayer s ID) **47.508.411/0001-56**
4 - NIRE (Corporate Registry ID) **35.300.089.901**		

01.02 - HEADQUARTERS

1 ADDRESS Avenida Brigadeiro Luís Antônio, 3142	2 - DISTRICT Jardim Paulista			
3 ZIP CODE 01402-901	4 CITY SÃO PAULO		5 STATE SP	
6 AREA CODE 011	7 TELEPHONE 3886-0421	8 TELEPHONE -	9 TELEPHONE -	10 TELEX
11 AREA CODE 011	12 FAX 3884-7177	13 FAX -	14 - FAX -	
15 E-MAIL gpa.ri@grupopaodeacucar.com.br				

01.03 - INVESTORS RELATIONS OFFICER (Company Mailing Address)

1 NAME Daniela Sabbag				
2 - ADDRESS Av. Brigadeiro Luís Antônio, 3142	3 DISTRICT Jardim Paulista			
4 - ZIP CODE 01402-901	5 CITY SÃO PAULO			6 STATE SP
7 AREA CODE 011	8 TELEPHONE 3886-0421	9 TELEPHONE -	10 - TELEPHONE -	11 TELEX
12 - AREA CODE 011	13 FAX 3884-7177	14 FAX -	15 - FAX -	

16 - E-MAIL gpa.ri@grupopaodeacucar.com.br

01.04 ITR REFERENCE AND AUDITOR INFORMATION

CURRENT YEAR		CURRENT QUARTER			PRIOR QUARTER		
1-BEGINNING	2-END	3-QUARTER	4-BEGINNING	5-END	6-QUARTER	7-BEGINNING	8-END
1/1/2008	12/31/2008	3	7/1/2008	9/30/2008	2	4/1/2008	6/30/2008

9 INDEPENDENT AUDITOR Ernst & Young Auditores Independentes S/S	10-CVM CODE 00471-5
11-TECHNICIAN IN CHARGE Sergio Citeroni	12- TECHNICIAN'S CPF (INDIVIDUAL TAXPAYER'S ID) 042.300.688-67

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01.05 CAPITAL STOCK

Number of shares (in thousands)	1 – CURRENT QUARTER 9/30/2008	2 – PREVIOUS QUARTER 6/30/2008	3 – SAME QUARTER, PREVIOUS YEAR 9/30/2007
Paid-up Capital			
1 Common	99,680	99,680	99,680
2 Preferred	135,569	135,522	128,091
3 Total	235,249	235,202	227,771
Treasury Stock			
4 Common	0	0	0
5 Preferred	0	0	0
6 Total	0	0	0

01.06 - COMPANY PROFILE

1 - TYPE OF COMPANY Commercial, Industrial and Other
2 - STATUS Operational
3 - NATURE OF OWNERSHIP Private National
4 - ACTIVITY CODE 1190 – Trade (Wholesale and Retail)
5 - MAIN ACTIVITY Retail Trade
6 - CONSOLIDATION TYPE Partial
7 TYPE OF REPORT OF INDEPENDENT AUDITORS Unqualified

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 ITEM	2 CNPJ (Corporate Taxpayer's ID)	3 COMPANY NAME
01	07.170.934/0001-10	DALLAS EMPREEND E PARTICIPAÇÕES S/A
02	07.145.976/0001-00	VANCOUVER EMPREEND. E PARTICIPAÇÕES LTDA
03	06.950.710/0001-69	BELLAMAR EMPREEND E PARTICIPAÇÕES LTDA
04	07.170.938/0001-07	BRUXELAS EMPREEND E PARTICIPAÇÕES S/A
05	07.170.941/0001-12	VEDRA EMPREEND E PARTICIPAÇÕES S/A

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

1 - ITEM	2 - EVENT	3 APPROVAL	4 - TYPE	5 - DATE OF PAYMENT	6 - TYPE OF SHARE	7 - AMOUNT PER SHARE

01.09 SUBSCRIBED CAPITAL AND CHANGES IN THE CURRENT YEAR

1 ITEM	2 DATE OF DATE	3 - CAPITAL STOCK (In thousands of Reais)	4 - AMOUNT OF CHANGE (In thousands of Reais)	5 - NATURE OF CHANGE	7 - NUMBER OF SHARES ISSUED (thousand)	8 - SHARE PRICE WHEN ISSUED (In Reais)
01	4/27/2007	4,140,787	186,157	Profit Reserve	0	0.0000000000
02	5/15/2007	4,146,418	5,631	Subscription in Assets or Credits	97,470	0.0577700000
03	7/10/2007	4,147,232	814	Public Subscription	16,645	0.0489300000
04	12/17/2007	4,149,858	2,626	Public Subscription	149	17.6241600000
05	3/10/2008	4,157,421	7,563	Public Subscription	509	14.8585500000
06	4/30/2008	4,218,357	60,936	Expansion and Profit Reserve	0	0.0000000000
07	5/27/2008	4,222,668	4,311	Public Subscription	272	15.8500000000
08	6/10/2008	4,232,153	9,485	Public Subscription	357	26.5600000000
09	6/27/2008	4,450,014	217,861	Public Subscription	6,144	35.4600000000
10	7/22/2008	4,450,437	422	Public Subscription	29	14.5692170000
11	9/11/2008	4,450,725	289	Public Subscription	18	15.9834010000

01.10 INVESTORS RELATIONS OFFICER

1 DATE	2 SIGNATURE

3

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

1 - CODE	2 DESCRIPTION	3 9/30/2008	4 6/30/2008
1	Total Assets	10,642,653	10,558,232
1.01	Current Assets	3,364,660	3,296,717
1.01.01	Cash and Cash Equivalents	977,869	1,039,898
1.01.01.01	Cash and Banks	42,953	51,308
1.01.01.02	Marketable Securities	934,916	988,590
1.01.02	Receivables	1,236,296	1,093,729
1.01.02.01	Clients	766,071	644,536
1.01.02.02	Sundry Receivables	470,225	449,193
1.01.02.02.01	Advance to Suppliers and Employees	63,664	33,343
1.01.02.02.02	Recoverable Taxes	321,110	273,158
1.01.02.02.03	Deferred Income Tax	48,791	94,641
1.01.02.02.04	Other Receivables	36,660	48,051
1.01.03	Inventories	1,131,508	1,130,154
1.01.04	Other	18,987	32,936
1.01.04.01	Prepaid Expenses	18,987	32,936
1.02	Noncurrent Assets	7,277,993	7,261,515
1.02.01	Long-term Receivables	1,253,652	1,237,789
1.02.01.01	Sundry Receivables	900,883	862,242
1.02.01.01.01	Investment Funds in Credit Rights	78,357	71,423
1.02.01.01.02	Recoverable Taxes	127,876	124,748
1.02.01.01.03	Deferred Income Tax and Social Contribution	529,679	504,044
1.02.01.01.04	Deposits for Judicial Appeals	141,839	137,804
1.02.01.01.05	Other Receivables	23,132	24,223
1.02.01.02	Credits with Related Parties	346,046	367,607
1.02.01.02.01	In Direct and Indirect Associated Companies	0	0
1.02.01.02.02	Subsidiaries	291,789	0
1.02.01.02.03	Other Related Parties	54,257	367,607
1.02.01.03	Other	6,723	7,940
1.02.01.03.01	Prepaid Expenses	6,723	7,940
1.02.02	Permanent Assets	6,024,341	6,023,726
1.02.02.01	Investments	1,434,728	1,413,567
1.02.02.01.01	In Direct/Indirect Associated Companies	0	0
1.02.02.01.02	In Direct/Indirect Associated Companies - Goodwill	0	0
1.02.02.01.03	In Subsidiaries	1,434,647	1,413,484
1.02.02.01.04	In Subsidiaries - Goodwill	0	0
1.02.02.01.05	Other Investments	81	83
1.02.02.02	Property and Equipment	4,178,109	4,168,868
1.02.02.03	Intangible Assets	345,378	371,534
1.02.02.04	Deferred Charges	66,126	69,757

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

1 - CODE	2 - DESCRIPTION	3 9/30/2008	4 6/30/2008
2	Total liabilities	10,642,653	10,558,232
2.01	Current liabilities	2,047,466	2,063,806
2.01.01	Loans and Financings	152,972	144,280
2.01.02	Debentures	8,573	29,129
2.01.03	Suppliers	1,464,722	1,456,571
2.01.04	Taxes, Fees and Contributions	60,376	56,248
2.01.05	Dividends Payable	55	882
2.01.06	Provisions	15,724	20,899
2.01.06.01	Provision for Unsecured Liabilities	15,724	20,899
2.01.07	Debts with Related Parties	11,160	10,997
2.01.08	Other	333,884	344,800
2.01.08.01	Payroll and Social Contributions	185,100	155,033
2.01.08.02	Public Services	3,800	4,314
2.01.08.03	Rents	17,725	16,628
2.01.08.04	Advertising	13,732	11,497
2.01.08.05	Insurances	15	887
2.01.08.06	Financing due to Purchase of Assets	28,707	37,839
2.01.08.07	Other Accounts Payable	84,805	118,602
2.02	Noncurrent Liabilities	3,164,244	3,146,707
2.02.01	Long-term Liabilities	3,164,244	3,146,707
2.02.01.01	Loans and Financings	1,011,820	1,012,490
2.02.01.02	Debentures	779,650	779,650
2.02.01.03	Provisions	0	0
2.02.01.04	Debts with Related Parties	0	0
2.02.01.05	Advance for Future Capital Increase	0	0
2.02.01.06	Other	1,372,774	1,354,567
2.02.01.06.01	Provision for Contingencies	1,159,503	1,129,911
2.02.01.06.02	Tax Installments	205,012	215,519
2.02.01.06.03	Other Accounts Payable	8,259	9,137
2.02.02	Deferred Income	0	0
2.04	Shareholders' Equity	5,430,943	5,347,719
2.04.01	Paid-in Capital	4,450,725	4,450,014
2.04.02	Capital Reserves	517,331	517,331
2.04.02.01	Special Goodwill Reserve	517,331	517,331
2.04.03	Revaluation Reserves	0	0
2.04.03.01	Own Assets	0	0
2.04.03.02	Subsidiaries/Direct and Indirect Associated Companies	0	0
2.04.04	Profit Reserves	283,868	283,868
2.04.04.01	Legal	133,617	133,617
2.04.04.02	Statutory	0	0
2.04.04.03	For Contingencies	0	0

1 - CODE	2 - DESCRIPTION	3 9/30/2008	4 6/30/2008
2.04.04.04	Unrealized Profits	0	0
2.04.04.05	Retained Earnings	150,251	150,251
2.04.04.06	Special Reserve for Undistributed Dividends	0	0
2.04.04.07	Other Profit Reserves	0	0
2.04.05	Retained Earnings/Accumulated Losses	179,019	96,506
2.04.06	Advance for Future Capital Increase	0	0

03.01 STATEMENT OF INCOME (in R$ thousand)

1 - CODE	2 - DESCRIPTION	3 7/1/2008 to 9/30/2008	4 - 1/1/2008 to 9/30/2008	3 7/1/2007 to 9/30/2007	4 - 1/1/2007 to 9/30/2007
3.01	Gross Sales and/or Services	3,515,453	10,335,585	3,023,596	9,161,086
3.02	Deductions	(456,525)	(1,442,084)	(479,380)	(1,465,193)
3.03	Net Sales and/or Services	3,058,928	8,893,501	2,544,216	7,695,893
3.04	Cost of Sales and/or Services Rendered	(2,223,085)	(6,484,296)	(1,809,611)	(5,506,542)
3.05	Gross Profit	835,843	2,409,205	734,605	2,189,351
3.06	Operating Income/Expenses	(729,975)	(2,173,344)	(688,857)	(2,043,906)
3.06.01	Selling	(471,865)	(1,388,870)	(448,998)	(1,343,504)
3.06.02	General and Administrative	(94,949)	(284,907)	(85,547)	(229,474)
3.06.03	Financial	(56,074)	(155,387)	(42,446)	(125,918)
3.06.03.01	Financial Income	60,110	168,911	45,467	125,549
3.06.03.02	Financial Expenses	(116,184)	(324,298)	(87,913)	(251,467)
3.06.04	Other Operating Income	0	0	0	0
3.06.05	Other Operating Expenses	(128,216)	(383,222)	(124,051)	(352,786)
3.06.05.01	Taxes and Fees	(17,381)	(50,041)	(13,523)	(44,610)
3.06.05.02	Depreciation/Amortization	(116,010)	(346,080)	(114,045)	(315,288)
3.06.05.03	Losses on Investment in subsidiary	5,175	12,899	3,517	7,112
3.06.06	Equity in the results of subsidiary and associated companies	21,129	39,042	12,185	7,776
3.07	Operating Profit	105,868	235,861	45,748	145,445
3.08	Non-Operating Result	(372)	(2,439)	(1,555)	(9,180)
3.08.01	Revenues	0	0	39	39
3.08.02	Expenses	(372)	(2,439)	(1,594)	(9,219)
3.09	Income Before Taxation/Profit Sharing	105,496	233,422	44,193	136,265
3.10	Provision for Income Tax and Social Contribution	(32,424)	(77,097)	(1,360)	(14,015)
3.11	Deferred Income Tax	12,210	30,627	(5,548)	(16,279)
3.12	Statutory Profit Sharing /Contributions	(2,769)	(7,933)	(2,582)	(7,744)
3.12.01	Profit Sharing	(2,769)	(7,933)	(2,582)	(7,744)
3.12.02	Contributions	0	0	0	0

1 - CODE	2 - DESCRIPTION	3 7/1/2008 to 9/30/2008	4 - 1/1/2008 to 9/30/2008	3 7/1/2007 to 9/30/2007	4 - 1/1/2007 to 9/30/2007
3.13	Reversal of Interest on Shareholders Equity	0	0	0	0
3.15	Income/Loss for the Period	82,513	179,019	34,703	98,227
	No. SHARES, EX-TREASURY (in thousands)	235,249	235,249	227,771	227,771
	EARNINGS PER SHARE (in reais)	0.35075	0.76098	0.15236	0.43125
	LOSS PER SHARE (in reais)				

04.01 NOTES TO THE QUARTERLY FINANCIAL INFORMATION

In thousands of reais, except when indicated otherwise.

1. Operations

Companhia Brasileira de Distribuição (Company or GPA) operates primarily as a retailer of food, clothing, home appliances and other products through its chain of hypermarkets, supermarkets, specialized and department stores principally under the trade names Pão de Açúcar , Comprebem , Extra , Extra Eletro , Extra Perto , Extra Fácil , and Assai .

At September 30, 2008, the Company had 581 stores in operation, as follows:

	Number of stores	
Company	**09.30.2008**	**06.30.2008**
Companhia Brasileira de Distribuição	404	400
Novasoc Comercial Ltda. (Novasoc)	6	6
Sé Supermercados Ltda. (Sé)	51	51
Sendas Distribuidora S.A. (Sendas Distribuidora)	102	102
Barcelona Com. Var. e Atacadista S.A. (Barcelona)	18	16
	581	**575**

a) Sendas Distribuidora

Sendas Distribuidora operations began at February 1, 2004 through the Investment and Partnership Agreement, entered into in December 2003 with Sendas S.A. ("Sendas"). This subsidiary concentrates retailing activities of the Company and of Sendas in the entire state of Rio de Janeiro.

b) Partnership with Itaú

At July 27, 2004, a Memorandum of Understanding was signed between Banco Itaú Holding Financeira S.A. ("Itaú") and the Company with the objective of setting up Financeira Itaú CBD S.A. ("FIC"). FIC structures and trades financial products, services and related items to GPA customers on an exclusive basis (see Note 9 (d)). The Company has 50% shareholding of the FIC capital through its subsidiary Miravalles Empreendimentos e Participações S.A. (Miravalles).

c) Acquisition of Barcelona - (ASSAI)

At November 1, 2007, GPA , by means of a company controlled by Sé (Sevilha Empreendimentos e Participações Ltda. Sevilha), purchased shares representing 60% of the total and voting capital of Barcelona, recipient company of the spun-off assets of Assai Comercial e Importadora Ltda. (Assai) related to activities previously carried out by Assai in the wholesale market. With this partnership, GPA now operates in the cash & carry segment (atacarejo), thus, reinforcing its multiformat positioning.

2. Basis of Preparation and Presentation of the Financial Statements

The individual and consolidated Financial Statements were prepared based on the rules of the Brazilian Securities Commission (CVM) applicable to the preparation of the Quarterly Information (ITR), including CVM Instruction 469/08.

The authorization for the conclusion of the preparation of this quarterly information took place at the audit committee s meeting held on October 28, 2008.

At December 28, 2007, Law 11,638 was enacted, amending, revoking and introducing new provisions to Law 6,404 as of December 15, 1976 and Law 6,385 as of December 7, 1976. The main purpose is to update the Brazilian Corporate Law in order to allow the convergence of the accounting practices adopted in Brazil with the international accounting practices defined by the rules issued by International Accounting Standards Board IASB.

The requirements of this Law apply to the financial statements related to the fiscal years starting as of January 1, 2008. These requirements do not qualify as changes in circumstances or estimates and, therefore, the adoption of new practices introduced by Law 11,638/07 should be, as a general rule, shown retrospectively, that is, by means of the application of these new accounting practices as if these practices were in use during all periods, observing the rule which deals with Accounting Practices, Changes in Accounting Estimates and Correction of Mistakes , approved by the Brazilian Securities and Exchange Commission (CVM), by means of Resolution 506.

Thus, changes in accounting practices are recorded in accounting books as adjustments from previous years, therefore, its impact is allocated to each of the periods presented. In the specific case of the Company, in which the financial statements for the year ended at December 31, 2008 will be presented as comparison with the 2007 figures, adjustments will be demonstrated at opening balances (January 1, 2007), so that both years will be presented observing the same accounting practices.

This procedure was also adopted in the preparation and presentation of 2008 Quarterly Information (ITR), so that the effects of changes in accounting practices are being allocated in each of the periods presented.

On May 2, 2008, CVM issued Ruling 469, which partially ruled Law 11,638/07, establishing minimum requirements to be observed in the presentation of quarterly information (ITR) during 2008. This Ruling, under certain conditions, authorized the full adoption of the provisions in said Law. The Company s management did not choose this alternative, and thus applied Law 11,638/07 in the minimum extension required by Ruling CVM 469/08 in the presentation of its quarterly information (ITR) during 2008.

2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

Among the main changes in accounting rules introduced by said Law, below are those which, in a preliminary analysis made by the Management, could significantly affect the Company s and its subsidiaries accounting statements for the year ended at December 31, 2008:

i) Analysis of the recovery of property and equipment, intangible and deferred assets as established by Pronouncement 1 of CPC, approved by CVM Deliberation 527. This procedure is adopted by the Company in the assessment of its property and equipment and deferred and intangible assets. Specifically regarding the analysis on the correct useful life of property and equipment, the Company takes a physical inventory every two years and considers the results in the definition of the correct useful life of the assets.

ii) Compensation of Officers and employees based on shares As mentioned in Note 18 (e), the Company has a stock option plan for managers and main executive officers. These benefits were recorded in shareholders equity only upon the exercise of options, by capital increase, while as of December 31, 2008 they will be recorded as expenses on the date of concession. This subject was not ruled by CVM, although based on the IFRS 2 criteria of IASB, the Company measured the effects in the income for the period and shareholders equity with the application of this change and presented these effects in the chart below.

iii) Leasing of assets used in business maintenance The Company has many financial leasing agreements which, in accordance with item IV of article 179 of the Brazilian Corporate Law, amended by Law 11,638/07, become eligible and classified as depreciable property and equipment, recording the existing liability, while previously the payment of considerations which were accounted as rental expenses. The Company measured the effects in the shareholders equity for the period with the application of this change and presented these effects in the chart below.

iv) Long-term assets and liabilities should be adjusted at present value. Other balances should be adjusted at present value only when there is a material effect in financial statements. CVM, by means of the Notice to the Market as of May 12, 2008, determined that, when and if relevant, adjustment at present value shall be accounted in quarterly financial statements. Based on the analyses made and in the Management s best estimate, the Company concluded that the adjustment at present value of balances classified in current assets is not material as to quarterly information taken as a whole.

2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

v) The preparation of cash flow statements and added value statements for 2008 becomes compulsory, with no indication of amounts corresponding to the previous year, substituting the statements of changes in financial position. The Company already adopts the procedure of disclosing on a quarterly basis the cash flow and added value statements, in comparison with the previous periods.

As of the quarter ended at March 31, 2008, the Company chose not to present statements of changes in financial position any longer.

vi) Requirements that the financial investments, including derivatives are recorded: (i) by their market value or corresponding amount, when we refer to investments for trading or available for sale ; and (ii) by the acquisition cost or issue value, restated according to legal or contractual provisions, adjusted at the probable value of realization, when this is shorter. Currently, asset and derivative financial instruments are recorded and measured initially at cost value and subsequently restated according to the clauses of agreements in effect, so as they reflect the changes in variations occurred up to the balance sheet dates (effective rate method or curve method). Based on accounting pronouncements available and on the Management s best estimate, the Company measured the effects in the income for the period in shareholder s equity with the application of this change and presented these effects in the chart below.

In compliance with CVM requirements by means of Ruling 469/08 and the Notice to the Market of May 12, 2008, the Company presents in the following chart its best estimate on impacts in consolidated shareholder s equity and the consolidated income for the period of this quarterly information and previous periods for comparison purposes, referring to the amendments introduced by Law 11,638/07 applicable to the Company. This preliminary measurement is subject to changes due to the issue of new accounting pronouncements on these matters, as well as additional interpretations from regulatory agencies.

2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

	Balance at	
	09.30.2008	**09.30.2007**
Consolidated shareholders' equity before amendments introduced by Law 11,638/07	**5,430,943**	**4,946,799**
Compensation of officers and employees (item "(ii)" of the note above)	-	-
Leasing (item "(iii)" of the note above)	(13,966)	(9,923)
Market valuation of financial instruments (item "(vi)"of the note above)	28,333	(10,054)
Deferred income tax and social contribution on restatements above	(3,592)	4,994
Net effects resulting from full application of Law 11,638/07	**10,775**	**(14,983)**
Consolidated shareholders' equity upon full application of Law 11,638/07	**5,441,718**	**4,931,816**

	Three-month period ended at 09.30.2008	**Nine-month period ended at 09.30.2008**	**Three-month period ended at 09.30.2007**	**Nine-month period ended at 09.30.2007**
Consolidated shareholders' equity before amendments introduced by Law 11,638/07	**82,513**	**179,019**	**34,703**	**98,227**
Compensation of officers and employees (item "(ii)" of the note above)	(4,415)	(14,935)	(2,641)	(8,281)
Leasing (item "(iii)" of the note above)	(253)	(1,762)	396	(1,426)
Market valuation of financial instruments (item "(vi)"of the note above)	5,707	2,914	3,599	3,022
Deferred income tax and social contribution on restatements above	(1,364)	(288)	(999)	(399)
Net effects resulting from full application of Law 11,638/07	**(325)**	**(14,071)**	**355**	**(7,084)**
Consolidated shareholders' equity upon full application of Law 11,638/07	**82,188**	**164,948**	**35,058**	**91,143**

Other amendments introduced by Law no. 11,638/07 should not present material effects to the financial statements as of December 31, 2008, or they are not applicable.

Certain assets, liabilities, revenues and expenses are determined on the basis of estimates when preparing the financial statements. Accordingly, the financial statements of the Company and the consolidated financial statements include various estimates, among which are those relating to calculation of allowance for doubtful accounts, depreciation and amortization, asset valuation allowance, realization of deferred taxes, contingencies and other estimates. Actual results may differ from those estimated.

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

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2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

a) Cash and cash equivalents

(i) Cash and Banks

Cash and cash equivalents include the cash and checking account balances.

(ii) Marketable securities

Securities are recorded at cost, accrued of earnings verified up to the balance sheet dates and not exceeding the market value and are redeemable at any time.

b) Accounts receivable

Accounts receivable are stated at estimated realizable values. An allowance for doubtful accounts is provided in an amount considered by Management to be sufficient to meet probable future losses related to uncollectible accounts.

The setting up of provision is mainly based on the historic average of losses, in addition to specific accounts receivable deemed as uncollectible. The Company s installment sales occur with the intermediation of FIC and financing receivables not remaining in GPA (Note 9 (d)).

The Company carries out securitization operations of the accounts receivable with a special purpose entity, over which it has shared control, the PAFIDC (*Pão de Açúcar Fundo de Investimento em Direitos Creditórios*) (Note 4 (b) and Note 7).

c) Inventories

Inventories are carried at the lower of cost or market value, whichever is the shorter. The cost of inventories purchased directly by the stores is based on the last purchase price, which approximates the First In, First Out (FIFO) method. The cost of inventories purchased through the warehouse is recorded at average cost, including warehousing and handling costs.

Inventories are also stated by the net value of allowance for losses and breakage, which are periodically reviewed and evaluated as to their efficiency.

2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

d) Other current and noncurrent assets

Other assets and receivables are stated at cost, including, when applicable, contractual indexation accruals, net of allowances to reflect realizable amounts, if necessary.

e) Investments

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

f) Property and equipment

These assets are shown at acquisition or construction cost, monetarily restated until December 31, 1995, deducted from the related accumulated depreciation, calculated on a straight-line basis at the rates mentioned in Note 10, which take into account the economic useful lives of the assets or the leasing term, in case of leasehold improvements, whichever is shorter.

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

Expenditures for repairs and maintenance that do not significantly extend the useful lives of related assets are charged to expense as incurred. Expenditures that significantly extend the useful lives of existing facilities and equipment are added to the property and equipment value.

g) Intangible assets

Intangible assets include goodwill derived from the acquisition of companies and amounts related to acquisition of commercial rights and outlets. These amounts are supported by appraisal reports issued by independent experts, based on the expectation of future profitability, and are amortized in accordance with projected profitability over a maximum period of ten years.

2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

h) Deferred charges

The expenditures related to the implementation of projects and development of new products and business models were recorded based on feasibility studies and are amortized for a term not exceeding five years.

i) Other current and noncurrent liabilities

These liabilities are stated at known or estimated amounts including, when applicable, accrued charges and interest or foreign exchange variations.

j) Derivative financial instruments

The Company uses derivative financial instruments to reduce its exposure to market risk resulting from fluctuations in interest and foreign currency exchange rates. In the case of financial assets instruments, these are accounted for at the lower of cost or market value, whichever is the shorter (Note 20).

k) Taxation

Revenues from sales and services are subject to taxation by State Value-Added Tax (ICMS), Services Tax (ISS), Social Contribution Tax on Gross Revenue for Social Integration Program (PIS) and Social Contribution Tax on Gross Revenue for Social Security Financing (COFINS) at rates prevailing in each region and are presented as sales deductions in the statement of income.

The credits derived from non-cumulative PIS and COFINS are shown deducted from cost of goods sold in the statement of income. The debits derived from financial income and credits derived from financial expenses are shown deducted in these proper items of the statement of income.

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

The taxation on income comprises the Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL), which are calculated based on taxable income (adjusted income), at rates applicable according to the prevailing laws 15%, accrued of 10% over the amount exceeding R$240 yearly for IRPJ and 9% for CSLL.

Deferred IRPJ and CSLL assets were recorded under the item deferred IRPJ and CSLL from tax losses, negative basis of social contribution and temporary

2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

k) Taxation (continued)

differences, taking into account the prevailing rates of said taxes, pursuant to the provisions of CVM Deliberation 273, as of August 20, 1998, CVM Ruling 371, as of June 27, 2002 and taking into account the history of profitability and the expectation of generating future taxable income based on a technical feasibility study, annually approved by the Board of Directors.

l) Provision for contingencies

As per CVM Deliberation 489/05, the Company adopted the concepts established in NPC 22 on Provisions, Liabilities, Gains and Losses on Contingencies when setting up provisions and disclosures on matters regarding litigation and contingencies. The balances of provisions are presented net of the respective court deposits, when applicable (Note 16).

Provision for contingencies is set up based on legal counsel opinions, in amounts considered sufficient to cover losses and risks considered probable.

m) Revenues and expenses

Revenues from sales are recognized when customer receives/withdraws the goods. Financial income arising from credit sales is accrued over the credit term. Expenses and costs are recognized on the accruals basis. Volume bonuses and discounts received from suppliers in the form of product are recorded as zero-cost additions to inventories and the benefit recognized as the product is sold. Cost of merchandise includes warehousing and handling costs in the warehouses.

n) Earnings per share

The calculation is made in accordance with the Net income / Number of outstanding shares ratio, pursuant to the Brazilian Corporate Law. Earnings may be: distributed, used for capital increase, or in the composition of the profit reserve for expansion, based on capital budget.

2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

o) Consolidated financial statements

The consolidated financial statements were prepared in conformity with the consolidation principles prescribed by the Brazilian Corporate Law and CVM Ruling 247, and include the annual information of the Company and its subsidiaries Novasoc, Sé, Sendas Distribuidora, PAFIDC, PA Publicidade Ltda. (PA Publicidade), Barcelona, CBD Panamá Trading Corp. (CBD Panamá) and CBD Holland B.V. (CBD Holland). The direct or indirect subsidiaries, included in the consolidation and the percentage of parent company s interest comprise:

					Interest in Investees - %		At September 30, 2008	
Investor Companies	**Novasoc**	**Sé**	**Sendas Distribuidora**	**PAFIDC**	**PA Publicidade**	**Barcelona**	**CBD Holland**	**CBD Panamá**
Direct								
CBD	10.00	93.05	14.86	7.94	99.99	-	100.00	-
Indirect								
Novasoc	-	6.95	-	0.62	-	-	-	-
Sé	-	-	42.57	0.31	-	60.00	-	-
Holland	-	-	-	-	-	-	-	100.00

					Interest in Investees - %		At June 30, 2008	
Investor Companies	**Novasoc**	**Sé**	**Sendas Distribuidora**	**PAFIDC**	**PA Publicidade**	**Barcelona**	**CBD Holland**	**CBD Panamá**
Direct								
CBD	10.00	93.05	14.86	7.52	99.99	-	100.00	-
Indirect								
Novasoc	-	6.95	-	0.59	-	-	-	-
Sé	-	-	42.57	0.29	-	60.00	-	-
Holland	-	-	-	-	-	-	-	100.00

Although the Company s interest in Novasoc is represented by 10% of Novasoc s quotas of interest, Novasoc is included in the consolidated financial statements as the Company effectively has control over a 99.98% beneficial interest in Novasoc. The other members have no effective veto or other participating or protective rights. Under the Bylaws of Novasoc, the appropriation of its net income does not need to be proportional to the quotas of interest held in the company.

2. Basis of Preparation and Presentation of the Financial Statements
(Continued)

p) Consolidated financial statements (continued)

The subsidiary Sendas Distribuidora was fully consolidated, in accordance with the shareholders agreement, which establishes the operating and administrative management by the Company.

The proportional investment of the Parent Company in the income of the investee, the balances payable and receivable, revenues and expenses and the unrealized profit originated in transactions between the consolidated companies were eliminated in the accounting financial statements.

Pursuant to CVM Ruling 408 as of August 18, 2004, the Company as of the first quarter of 2005, started to consolidate PAFIDC s financial statements, as it understood this is a special purpose entity, organized with exclusive purpose of conducting the securitization of receivables of the Company and its subsidiaries, and most of risks and benefits related to the fund profitability are linked to subordinated quotas, maintained by the Company.

Since prevailing decisions related to the operational management of Miravalles lies on another partner quotaholder, Miravalles is not consolidated in the Company s financial statements.

3. Marketable Securities

The marketable securities at September 30, 2008 and June 30, 2008 earn interest mainly at the Interbank Deposit Certificate (CDI) rate.

4. Trade Accounts Receivable

a) Breakdown

	Parent Company		Consolidated	
	09.30.2008	**06.30.2008**	**09.30.2008**	**06.30.2008**
Current				
Resulting from sales through:				
Credit card companies	**298,356**	194,958	**408,775**	279,519
Sales vouchers and others	**54,093**	47,046	**65,194**	56,893
Credit sales with post-dated checks	**22,257**	25,302	**33,362**	37,610
Accounts receivable - subsidiaries	**101,767**	98,272	**-**	-
Allowance for doubtful accounts	**(4,485)**	(3,495)	**(6,662)**	(5,091)
Resulting from commercial agreements	**294,083**	282,453	**325,807**	320,941
	766,071	644,536	**826,476**	689,872
Accounts receivable - PAFIDC	**-**	-	**753,912**	933,112
	-	-	**753,912**	933,112
Total current	**766,071**	644,536	**1,580,388**	1,622,984
Accounts Receivable - Paes Mendonça	**-**	-	**370,084**	370,352
Total noncurrent	**-**	-	**370,084**	370,352

Credit card sales are receivable in cash from the credit card companies, except for electronic devices, which are received in up to 12 installments. Credit sales settled with post-dated checks bear interest of up to 6.50% per month (ditto at June 30, 2008) for settlement within 60 days.

The balance of subsidiaries accounts receivable refers to the Company s sale of goods for the supply of subsidiaries stores. The operation derives from the Company s warehouse and was made at cost.

b) Accounts receivable - PAFIDC

The Company carries out securitization operations of its credit rights, represented by credit sales with tickets and credit card company receivables, to PAFIDC. The volume of operations stood at R$1,820,836 in the quarter ended at September 30, 2008 (R$2,082,070 in the quarter ended at June 30, 2008), in which the responsibility for services rendered and subordinated interests was retained. The securitization costs of such receivables amounted to R$33,325 (R$33,863 in the quarter ended at September 30, 2007), recognized as financial expenses in income for the quarter ended at September 30, 2008 and 2007, respectively. Services rendered, which are not remunerated, include credit analysis and the assistance by the collection department to the fund s manager.

4. Trade Accounts Receivable (Continued)

b) Accounts receivable PAFIDC (Continued)

The outstanding balance of these receivables at September 30, 2008 and June 30, 2008 was R$753,912 and R$933,112, respectively, net of allowance.

c) Accounts receivable Paes Mendonça

The accounts receivable balance of Paes Mendonça relates to credits deriving from the payment of liabilities performed by the subsidiaries Novasoc and Sendas. Pursuant to contractual provisions, these accounts receivable are monetarily restated and guaranteed by commercial rights of certain stores currently operated by the Company, Novasoc and Sendas. Maturity of accounts receivable is linked to lease agreements (Note 9 (b) (i)).

d) Accounts receivable under commercial agreements

Accounts receivable under commercial agreements result from current transactions carried out between the Company and its suppliers, having the volume of purchases as benchmark.

e) Allowance for doubtful accounts

The allowance for doubtful accounts is based on average actual losses in previous periods complemented by Management's estimates of probable future losses on outstanding receivables:

	Parent Company		**Consolidated**	
	09.30.2008	**06.30.2008**	**09.30.2008**	**06.30.2008**
Resulting from:				
Credit sales with post-dated checks	**(849)**	(954)	**(1,232)**	(1,472)
Corporate sales	**(3,261)**	(2,261)	**(4,333)**	(3,212)
Other accounts receivable	**(375)**	(280)	**(1,097)**	(407)
	(4,485)	(3,495)	**(6,662)**	(5,091)

5. Inventories

	Parent Company		Consolidated	
	09.30.2008	**06.30.2008**	**09.30.2008**	**06.30.2008**
Stores	733,460	696,650	1,054,721	1,028,339
Warehouses	398,048	433,504	460,272	503,244
	1,131,508	1,130,154	**1,514,993**	1,531,583

6. Recoverable Taxes

The balances of taxes recoverable at September 30, 2008 and June 30, 2008 refer basically to credits from IRRF (Withholding Income Tax), PIS (Social Contribution Tax on Gross Revenue for Social Integration Program), COFINS (Social Contribution Tax on Gross Revenue for Social Security Financing) and ICMS (State Value-Added Tax):

	Parent Company		Consolidated	
	09.30.2008	**06.30.2008**	**09.30.2008**	**06.30.2008**
Current				
Taxes on sales	**206,656**	176,095	**312,831**	275,961
Income tax and others	**114,454**	97,063	**124,383**	109,897
	321,110	273,158	**437,214**	385,858
Noncurrent				
Taxes on sales	**73,990**	64,459	**80,792**	71,240
ICMS and others	**53,886**	60,289	**55,751**	62,271
	127,876	124,748	**136,543**	133,511
Total of taxes recoverable	**448,986**	397,906	**573,757**	519,369

7. Pão de Açúcar Receivables Securitization fund PAFIDC

PAFIDC is a receivables securitization fund formed in compliance with CVM Rulings 356 and 393 for the purpose of acquiring the Company and its subsidiaries trade receivables, arising from sales of products and services to their customers, except for receivables from installment system and post-dated checks.

A letter proposal was signed at February 22, 2008 to extend the fund maturity from May 26, 2008 to May 16, 2010.

The capital structure of the fund, at September 30, 2008, is composed of 10,256 senior quotas, held by third parties in the amount of R$899,500, which represent 91.13% of the fund s equity (91.60% at June 30, 2008) and 2,864 subordinated quotas, held by the Company and subsidiaries in the amount of R$87,526, which represent 8.87% of the fund s equity (8.40% at June 30, 2008).

7. Pão de Açúcar Receivables Securitization fund PAFIDC (Continued)

The net assets of PAFIDC at September 30, 2008 and June 30, 2008 are summarized as follows:

	09.30.2008	06.30.2008
Assets		
Cash and cash equivalents	**247,543**	84,651
Accounts receivable	**753,912**	933,112
Other amounts	**8,432**	-
Total assets	**1,009,887**	1,017,763
Liabilities		
Accounts payable	**22,861**	67,781
Shareholders' equity	**987,026**	949,982
Total liabilities	**1,009,887**	1,017,763

The subordinated quotas were attributed to the Company and are recorded in the non-current assets as participation in the securitization fund, the balance of which at September 30, 2008 was R$78,357 (R$71,423 at June 30, 2008). The retained interest in subordinated quotas represents the maximum exposure to loss under the securitization transactions.

The compensation of senior quotas is shown below:

09.30.2008	06.30.2008
Redeemable	