BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD
Form 6-K
December 26, 2012

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer

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

For the month of December, 2012

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

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

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

Form 20-F X Form 40-F___

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

Yes ___ No X

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

Yes ___ No X

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

Yes ___ No X

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Authorized-Capital Publicly-Held Company

CNPJ/MF n.º 47.508.411/0001 56

NIRE 35.300.089.901

GENERAL SHAREHOLDERS MEETING TO BE HELD ON DECEMBER 28, 2012, AT 11 A.M.

MANAGEMENT PROPOSAL

Dear shareholders,

The management of Companhia Brasileira de Distribuição ("Company" or "CBD"), under the terms of Law No. 6.404, of December 15, 1976, as amended ("Lei das S.A."), and under the terms of CVM Instruction No. 481, of December 17, 2009, as amended ("ICVM 481/09"), hereby present, for discussion on the general shareholders meeting ("AGE") to be held on the December 28th, 2012, at 11:00am, at the Company's registered offices, at Avenida Brigadeiro Luís Antonio, No. 3.142, sala 1, at the city and state of São Paulo, a proposal as hereunder ("Proposal"):

1. SCOPE

The scope of the present Proposal is to consolidate the terms and conditions in connection with the required activities for the corporate restructuring of Grupo Pão de Açúcar, as following: (**i**) partial and discretionary spin-off of Sendas Distribuidora S.A. ("Sendas"), followed by the merger of the assets spun-off of Sendas by the Company; (**ii**) partial spin-off of Barcelona Comércio Varejista e Atacadista S.A. ("Barcelona"), followed by the merger of the assets spun-off of Barcelona by Sendas; (**iii**) subscription of new shares on the capital of Barcelona, by means of the capitalization of credits held by the Company against Barcelona; (**iv**) exchange of all the shares of Barcelona, held by the Company, for all quotas of Sé Supermercados Ltda. ("Sé"), held by Novasoc Comercial Ltda. ("Novasoc"); (**v**) partial spin-off of Sé, followed by the merger of the assets spun-off of Sé by the Company ("Restructuring Operation").

2. CORPORATE RESTRUCTURING

Means the restructuring of Grupo Pão de Açúcar by means of a sequence of corporate acts in connection with the hereunder companies, directly or indirectly, by the Company.

(i) **Sendas Distribuidora S.A.**, incorporate company, headquartered at City of São João do Meriti, State of Rio de Janeiro, at Rua João Antonio Sendas, No. 286, José Bonifácio, registered under the CNPJ/MF No. 06.057.223/0001-71, dully incorporated at Board Trade of Rio de Janeiro under the No. 33.300.272.909 ("Sendas");

(ii) **Barcelona Comércio Varejista e Atacadista S.A.**, incorporate company, headquartered at City of São Paulo, State of São Paulo, at Rua Manilha, nº 42, Sobreloja, Vila Carrão, registered under the CNPJ/MF No. 07.170.943/0001-01, dully incorporated at Board Trade of Rio de Janeiro under the No. 35.300.320.590 ("Barcelona");

(iii) **Sé Supermercados Ltda.**, incorporate company, headquartered at City of São Paulo, State of São Paulo, at Av. Brigadeiro Luis Antônio, No. 3.172, Jardim Paulista, CEP 01402-002, registered under the CNPJ/MF No. 01.545.828/0001-98, dully incorporated at Board Trade of Rio de Janeiro under the No. 35.215.818.694 ("Sé"); and

(iv) **Novasoc Comercial Ltda.**, incorporate company, headquartered at City of São Paulo, State of São Paulo, at Av. Brigadeiro Luis Antônio, No. 3.126, 2nd floor, Jardim Paulista, CEP 01402-002, registered under the CNPJ/MF No. 03.139.761/0001-17, dully incorporated at Board Trade of Rio de Janeiro under the No. 35.215.667.106 ("Sé").

2.1. General Description of the Restructuring Operation

The Restructuring Operation refers to companies within the same economic group of the Company and takes part on a major restructuring of Grupo Pão de Açúcar, which shall be fully implemented between 2013 and 2014 and targets, mainly, considerable benefits for administrative, economic and financial scopes, mainly by means of the rationalization and simplification of the corporate structure of Grupo Pão de Açúcar, which may enable the consolidation and reduction of operational costs, enabling, also, operational and tax synergies for companies within the Group.

2.2. Protocols

As established by Lei das S.A., the terms and conditions regarding mergers and acquisitions shall count with a protocol previous negotiated and signed between the management of each entity or between the shareholders of the companies involved into.

Such protocol shall include the hereunder information: (i) the number, species and class of the shares to be used in substitution of shareholders rights that shall be terminated and the criteria taken into account to establish the substitution affairs; (ii) the resources and liabilities that shall perform each part of the company's asset, in case of spin-off; (iii) the evaluation criteria for net worth, the evaluation date, and the procedures for further asset value variation; (iv) eventual explanation to be taken regarding the shares or quotas that one company held from another company; (v) the capital of the companies to be created or the reduction of capital of companies involved into the operation; (vi) draft or drafts of bylaws, of bylaws amendments, that shall be approved in order to complete the operation; (vii) all further conditions that the operation are bound to.

Besides the protocol, the regulation requires the preparation of a reasoning of the operation to be subject to shareholders meeting appreciation of the involved companies, which shall scrutiny: (i) the motivation or purposes of the operation and the interest of the company on accomplishing it; (ii) the preferred shares that the shareholders shall own and the purposes for the modification of their rights, if so; (iii) the composition, after the operation, considering kind and class of the shares of the capital of the companies that shall issue shares in substitution of those to be extinguished; and (iv) the reimbursement amount for the stock that the dissident shareholders have rights of.

In compliance with legal requirements, on December 28th, 2012 was undertaken an "Agreement for Protocol and Justification for the Partial and Discretionary Spin-off of Sendas Distribuidora S.A., followed by the merger of the asset spun-off by Companhia Brasileira de Distribuição" (Exhibit I); on December 28th, 2012 was undertaken an "Agreement for Protocol and Justification for the Partial and Discretionary Spin-off of Barcelona Comércio Varejista e Atacadista S.A., followed by the merger of the asset spun-off by Sendas Distribuidora S.A." (Exhibit II); and on December 28th, 2012 was undertaken an "Agreement for Protocol and Justification for the Partial and Discretionary Spin-off of Sé Supermercados Ltda, followed by the merger of the asset spun-off by Companhia Brasileira de Distribuição" (Exhibit III); together they perform the terms, conditions and justification for each of the referred corporate operations.

Reference is made to the "Agreement for Protocol and Justification for the Partial and Discretionary Spin-off of Sendas Distribuidora S.A., followed by the merger of the asset spun-off by Companhia Brasileira de Distribuição" and the "Agreement for Protocol and Justification for the Partial and Discretionary Spin-off of Sé Supermercados Ltda, followed by the merger of the asset spun-off by Companhia Brasileira de Distribuição", which are available for the shareholder at the headquarters of the Company and on the respective webpages of Brazilian Securities and Exchange Commission ("CVM") and on webpage of BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros ("BM&FBOVESPA").

2.3. Information regarding the Evaluation Companies

The board of the Company, for purposes of Article 21 of ICVM481/09, discloses the hereunder information in connection with Magalhães Andrade S/S Auditores Independentes, registered on CNPJ/MF under the No. 62.657.242/0001-00, registered on CRC/SP under the No. 2SP000233/O-3, headquartered at headquartered at City of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 1893, 6º floor, Jardim Paulistano ("Magalhães Andrade"), hired as an evaluation company in charge for the preparation of accounting reports in connection with Reestructuring Operation

ü **Recommended Evaluator**: For purposes of preparation of the evaluation report or the net book value in connection with Restructuring Operation , the board of the Company recommended the hiring of the independent firm Magalhães Andrade.

ü **Description of the technical background of Magalhães Andrade.** The description of the technical background of Magalhães Andrade for purposes of preparation of the accounting evaluation reports follows attached as Exhibit IV.

ü **Presented Work Proposal.** The present work proposal follows attached as Exhibit V to this document.

ü **Relation between Magalhães Andrade, the Company and Related Parts on the last 3 (three) years.** There is not any material relationship between Magalhães Andrade, the Company and Related Parts.

The board of the Company, for purposes of Article 32 of ICVM 481/09, presenteds the hereunder information regarding PricewaterhouseCoopers Corporate Finance & Recovery Ltda., registered on CNPJ/MF under the No. 05.487.514/0001-37, headquartered at the City of São Paulo, State of São Paulo, at Avenida Francisco Matarazzo, 1400, 1˚ floor ("PWC"), hired as evaluator company in charge for the preparation of economic reports in connection with the Restructuring Operation:

ü **Recommended Evaluator**. In order to accomplish the economic evaluation reports in connection with the Restructuring Operation, the board of the Company recomended the hiring of the independente firm PWC.

ü **Description of the technical background of PWC.** The description of the technical background of PWC for purposes of preparation of the accounting evaluation reports follows attached as Exhibit VI.

ü **Presented Work Proposal.** The present work proposal follows attached as Exhibit VI to this document.

ü **Relation between PWC, the Company and Related Parts on the last 3 (three) years.** There is not any material relationship between Magalhães Andrade, the Company and Related Parts.

2.4. Partial and Discritionary Spin-offof Sendas

Due the partial and discretionary of Sendas, its capital shall be reduced in R$504,017.00 (five hundred and four thousand and seventeen Reais), corresponding to the net book value of the spun-off asset, by means of the termination, based on the economic relation between the spun-off asset and the total asset of Sendas, under the terms of the economic evaluation report, in 157,082,802 (one hundred fifty-seven million, eighty-two thousand, eight hundred and two) preferred shares issued by Sendas, all owned by CBD, performing a raising from the current R$835,677,000.00 (eight hundred thirty-five million six hundred and seventy-seven thousand Reais), represented by 700,002,000(seven hundred million and two thousand) common shares and 157.082.802 (one hundred fifty-seven million, eight two thousand eight hundred and two) preferred shares, to R$835,172,983. 00 (eight hundred and thirty five million, one hundred seventy-two thousand, nine hundred eight-three Reais), represented by 700,002,000 (seven hundred million and two thousand) common shares, without par value, wich shall perform the hereunder ownership structure frame of Sendas:

Shareholders	**Common Shares**	
	Nº	**%**
Sé Supermercados Ltda.	450,000,000	64.29
Barcelona Comércio Varejista e Atacadista S.A.	250,001,000	35.71
Companhia Brasileira de Distribuição	1,000	0.00
Total Shares	700,002,000	
Capital (R$)	835,172,983.00	

The evaluation report of the net assets of Sendas to be transferred to the Company ("Evaluation Report of Sendas") pursuant to Article 226 of lei das SAs was accomplished by Magalhães Andrade, independent evaluation firm hired by the management. Under the terms of corporate law, hiring Magalhães Andrade shall be approved by the Company's shareholders and Sendas, by means of a Special Shareholders Meeting summoned for this sole purpose.

In accordance with the Evaluation Report of Sendas, the net asset to be transferred to the Company, evaluated on the base of 09/30/2012, is R$504,017. 00 (five hundred and for thousand and seventeen Reais). Reference is made that, under the terms of the Protocol, CBD shall effort any variations in equity or assets of Sendas occurred between the base date of evaluation and the effective date of merger of the split-off asset.

The Evaluation Report of Sendas is available to shareholders at the Company's and Sendas' headquarters and on the respective webpages of CVM and BM&FBOVESPA.

2.5. Partial Spin-off of Barcelona

Due to the partial spin-off of Barcelona, its capital will be reduced by R$552,430.00 (five hundred fifty-two thousand, four hundred and thirty Reais), corresponding to the net book value of the spun-off asset, upon cancellation, based on the economic relationship between the spun-off assets and total Barcelona acquits under a valuation report from 3,846,438 (three million, eight hundred forty-six thousand, four hundred thirty-eight) common shares, without par value, all owned by Sé, causing the capital of Barcelona to raise from the current R$109,328,798.41 (one hundred and nine million, three hundred twenty-eight thousand, seven hundred ninety-eight Reais and forty one cents), represented by 21,703,453 (twenty one million, seven hundred and three thousand, four hundred and fifty three) common shares, without par value, to R$108,776,368.41 (one hundred and eight million, seven hundred seventy-six thousand, three hundred and sixty-eight Reais and forty one cents), represented by 17,857,015 (seventeen million, eight hundred and fifty-seven thousand and fifteen) common shares, without par value, distributed among its shareholders as below:

Shareholders	**Common Shares**	
	Nº	**%**
Sé Supermercados Ltda.	17.857.005	100
Companhia Brasileira de Distribuição	10	0,00
Total of Shares	17.857.015	
Capital (R$)	108.776.368,41	

The evaluation report of the net assets of Barcelona to be transferred to Sendas ("Valuation Report from Barcelona"), pursuant Article 226 of the Lei das SAs, was prepared by Magalhães Andrade, independent evaluation firm hired by the board. Under corporate law, hiring Magalhães Andrade shall be approved by shareholders of Sendas and Barcelona by means of a Special General Shareholder Meeting summoned for this sole purpose.

In accordance with the Evaluation Report of Barcelona, Barcelona net assets to be transferred to Sendas, evaluated on the base date of 09/30/2012, is R$552,430.00 (five hundred fifty-two thousand, four hundred and thirty Reais). Reference is made that, under the terms of the Protocol, Sendas shall effort any equity or asset variations occurring between the Barcelona-based assessment date and the effective date of merger of the split-off.

2.6. Subscription of New Shares in the Capital of Barcelona for CBD

The Company will subscribe 3,722,470 (three million, seven hundred twenty-two thousand, four hundred and seventy) preferred shares, nominative and with no par value, on the capital of Barcelona, all issued with the price of R$149.7752836 per share, in a total amount of R$557,534,000.00 (five hundred fifty-seven million, five hundred thirty-four thousand Reais), performing a raise on the capital of Barcelona from R$108,776,368.41 (one hundred and eight million, seven hundred seventy-six thousand three hundred and sixty-eight Reais and forty-one cents) to R$666,310,368.41 (six hundred sixty-six million, three hundred and ten thousand, three hundred and sixty-eight Reais and forty-one cents), distributed into 17,857 .015 (seventeen million, eight hundred and fifty-seven thousand and fifteen) common shares and 3,722,470 (three million, seven hundred twenty-two thousand, four hundred and seventy) preferred shares, all nominative and without par value.

The payment of the preferred shares to be subscribed by the Company will be made through the capitalization of loans held by the Company against Barcelona.

2.7. Exchange of Investment Held by Novasoc in Sé for all Shares of Barcelona Held by CBD

As a result of the exchange of 3,722,470 (three million, seven hundred twenty-two thousand, four hundred and seventy) preferred shares and ten (10) common shares, all nominative and without par value, representing 17.25% (seventeen point two five percent) of the total capital of Barcelona held by CBD, represented for 99,680,669 (ninety-nine million, six hundred and eighty thousand, six hundred and sixty-nine) shares, with nominal value of R$1.00 (one Real) each, representing 6.9% (six point nine percent) of the total and voting capital of Sé, CBD will own all the shares in the capital of Sé.

2.8. Partial Spin-off of Sé

Due to the partial spin-off of Sé, its capital shall be reduced by R$ 514,615.91 (five hundred and fourteen thousand, six hundred and fifteen Reais and ninety one cents), corresponding to the net book value of the spun-off asset, upon cancellation, based the economic relationship between the spun-off assets and total assets of Sé, under the terms of the economic evaluation report, of 1,078,389,334 (one billion, seventy-eight million, three hundred and eighty-nine thousand, three hundred and thirty four) quptas issued by Sé and held by CBD, performing a raise in the capital of Sé

from the current R$1,444,656,368.00 (one billion, four hundred forty-four million, six hundred fifty-six thousand, three hundred sixty-eight Reais) represented by 1,444,656,368 (one billion, four hundred forty-four million, six hundred and fifty-six thousand, three hundred and sixty-eight) shares, to R$1,444,141,752.09 (one billion, four hundred forty-four million, one hundred and forty-one thousand seven hundred and fifty-two Reais and nine cents), represented by 366,267,034 (three hundred sixty-six million, two hundred and sixty-seven thousand and thirty-four) shares with a par value of $ 3, 94286577287 each, changing the ownership structure of Sé as set hereunder:

Partners	**Quotas Before the Split**		**Quotas Extinct with the Split**	**Final Position**	
	Nº	**%**	**Nº**	**Nº**	**%**
Companhia Brasileira de Distribuição	1.444.656.368	100	1.078.389.334	366.267.034	100
Total of Quotas	1.444.656.368		1.078.389.334	366.267.034	
Capital (R$)	1.444.656.368,00		514.615,91	1.444.141.752,09	

The evaluation report of the net assets of Sé to be transferred to the Company ("Valuation Report of Sé"), pursuant Article 226 of the Lei das SAs., was prepared by Magalhães Andrade, independent evaluation firm hired by the board. Under corporate law, hiring Magalhães Andrade shall be approved by the Company's shareholders, by means of a Special general Shareholders Meeting, and by shareholders of Sé, be means of Quota Holders Meeting, both summoned by this sole purpose..

In accordance with the evaluation report of Sé, the net assets of Sé to be transferred to the Company, evaluated on the base date of 30/09/2012, is R$514,615.91 (five hundred and fourteen thousand, six hundred and fifteen Reais and ninety-one cents). Reference is, under the terms of the Protocol, CBD shall effort any variantions in equity and assets of Sé occurred between the base date of the evaluation and the effective date of merger of the split-off.

The evaluation report - Sé is available to shareholders at the Company's headquarters and the respective webpages of the Company, the CVM and BM&FBOVESPA.

2.9. Further Applicable Conditions

It is up to the board of each company in connection with the Restructuring Operation to perform all actions, records and approvals necessary for the implementation of the Restructuring Operation.

3. CORPORATE APPROVALS

This proposal was approved by the Board of Directors of the Company at its meeting held on December 12, 2012, and the Company's Audit Committee meeting held on December 6, 2012, as their minutes that are at your disposition at Company's headquarters and on the respective webpages of CVM and on webpage of BM&FBOVESPA.

4. CONCLUSIONS

For the reasons hereafter and in accordance with Brazilian regulation, Company's Bylaws and the provisions of this Proposal, the Company's board recommends your approval for the herein matters at the Special General Meeting of the Company to be held on December 28, 2012:

(i) approval of the merger of the spun-off assets of Sendas by CBD;

(ii) approval of the merger of the spun-off assets of Sé by CBD;

(iii) approval of the hiring of Magalhães Andrade and PWC by the Company;

(iv) approval of the evaluation reports prepared by Magalhães Andrade and PWC;

(v) approval of Protocols, and;

(vi) approval of further operations that compose the Restructuring Operation, as described on the Proposal

For the Shareholders whose mean to be represented by means of Power of Attorneys at the Special General Meeting scalled herein, we kindly require the submission of such documents with 72 (seventy two) hours in advance of the date of the general Meeting. The documents shall be forwarded to the Company's Corporate Legal Department, at Avenida Brigadeiro Luís Antonio, No. 3,142, City of São Paulo, Estate of São Paulo, as protocol.

At least, the board states that this proposal, as well as the Call Notice to Special General Meeting referred to, are available at Company's headquarters and on the respective webpages of CVM and on webpage of BM&FBOVESPA.

São Paulo, December 5, 2012

MANAGEMENT

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Authorized-Capital Publicly-Held Company

CNPJ/MF n.º 47.508.411/0001 56

NIRE 35.300.089.901

SPECIAL SHAREHOLDERS MEETING TO BE HELD

ON DECEMBER 28, 2012, AT 11 A.M.

EXHIBIT I TO THE MANAGEMENT PROPOSAL

Agreement for Protocol and Justification for the Partial and Discretionary spin-off of Sendas Distribuidora S.A., followed by the merger of the spun-off asset by Companhia Brasileira de Distribuição

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Agreement for Protocol and Justification of Partial and Discretionary Split-Off of Sendas Distribuidora S.A., followed by the merger of the Spun-off Assets Spun-off by

Companhia Brasileira de Distribuição

By this private instrument and pursuant to law, the management of companies,

(A) **Sendas Distribuidora S.A.**, an incorporated company (*sociedade por ações*), with its headquarters in the City of São João do Meriti, State of Rio de Janeiro, at Rua João Antônio Sendas, Nº 286, José Bonifácio, enrolled in the CNPJ/MF under Nº 06.057.223/0001-71, herein represented by its bylaws by Messrs. **José Roberto Coimbra Tambasco**, Brazilian, divorced, business administrator, bearer of Identity Card R.G. Nº 7.659.908-5 SSP/SP, enrolled in the CPF/MF under Nº 966.121.508-15, and **Vitor Fagá de Almeida**, Brazilian, married, economist, bearer of Identity Card R.G. nº 25.209.660-5 SSP/SP, enrolled in the CPF/MF under Nº 204.156.108-42, both resident and domiciled in the City of São Paulo, State of São Paulo, with its commercial address at Av. Brigadeiro Luis Antônio, Nº 3172, Jardim Paulista, henceforth referred to as "Sendas" or "Split Company"; and

(B) **Companhia Brasileira de Distribuição**, a publicly held company (*sociedade por ações de capital aberto*), with its headquarters in the City of São Paulo, State of São Paulo, at Av. Brigadeiro Luis Antônio, Nº 3142, Jardim Paulista, CEP 01.402-000, enrolled in the CNPJ/MF under Nº 47.508.411/0001-56, herein represented by its bylaws by Messrs. **Enéas César Pestana Neto**, Brazilian, married, accountant, bearer of Identity Card R.G. Nº 11.383.698-3 SSP/SP, enrolled in the CPF/MF under Nº 023.327.978-40, and **Christophe José Hidalgo**, French, married, accountant, bearer of Identity Card Nº V194572-X, enrolled in the CPF/MF under Nº 214.455.098-06, both resident and domiciled in the City of São Paulo, State of São Paulo, with its commercial address at Av. Brigadeiro Luis Antônio, Nº 3172, Jardim Paulista, henceforth referred to as "CBD" or "Acquiring Company";

The Split Company and the Acquiring Company henceforth individually referred to as "Party" and, jointly, as "Parties",

HAVE DECIDED to execute this "Agreement for Protocol and Justification of Partial and Discretionary Split-Off of Sendas Distribuidora S.A., followed by the merger of the Assets Spun-off by Companhia Brasileira de DistribuiçãoDiscretionarySpun-off Assets" (the "Protocol"), pursuant to Articles 224 and 225 of Law Nº 6,404 of December 15 1976, as amended ("Brazilian Corporate Law"), in compliance with the terms, clauses and conditions evidenced ahead.

1. Description of intended operation

1.1. The Protocol herein has the purpose of making evident the substance of the justifications, terms and conditions of the partial and discretionary split-off of Sendas, with allocation of part of its assets, which shall be conveyed to CBD, with the resulting extinguishing of the interest of CBD preferred shares issued by Sendas, as provided for under articles 227 and 229 of the Brazilian Corporate Law (the "Operation").

1.2. Sendas is a incorporated company (*sociedade por ações*) whose corporate capital is eight hundred and thirty-five million six hundred and seventy-seven thousand *Reais* (R$835,677,000.00), represented by seventy hundred million and two thousand (700,002,000) common shares and one hundred and fifty-seven million eight-two thousand eight hundred and two (157,082,802) preferred shares, all registered and without par value.

1.3. CBD is a publicly held corporation (*sociedade por ações de capital aberto*), whose corporate capital is six billion seven hundred and seven million five hundred and ninety-four thousand five hundred and seventy-six *Reais* and thirty-one cents of *Reais* (R$6,707,594,576.31), represented by two hundred and sixty-three million three hundred and five thousand seven hundred and sixty-five (263,305,765) shares without par value, of which ninety-nine million six hundred and seventy-nine thousand eight hundred and fifty-one (99,679,851) are common shares and one hundred and sixty-three million six hundred and twenty-five thousand nine hundred and fourteen (163,625,914) are preferred shares.

1.4. CBD holds one thousand (1,000) common shares and one hundred and fifty-seven million eighty-two thousand eight hundred and two (157,082,802) preferred shares, all issued by Sendas.

1.5. The Spun-off Assets of Sendas to be incorporated by CBD is formed by stores, inventory, financial assets and fixed assets of stores (the "Spun-off Assets"").

2. Justification of the Operation

2.1. The signatory parties to this Protocol are companies that belong to the same economic group, and the Operation is part of a larger project for restructuring the group that shall be fully implemented from year 2013 to year 2014 and that mainly aims at obtaining considerable administrative, economic and financial benefits, mainly by means of rationalization and simplification of the corporate structure of the group, making it possible to consolidate and write down operational costs and expenses and make it feasible to seize operational and tax synergies of the Parties. It is thus justified the lawful interests of the Split Company and of the Acquiring Company, as well as of their shareholders and administrators, in implementing the Operation.

3. Valuation of the Spun-off Assets and Base date of the Operation

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3.1. Equity Version and Valuation. Because of the Operation, the Spun-off Assets shall be transferred to CBD. For purposes of the Operation, the Spun-off Assets shall be valuated based on their book value and their respective report (the "Evaluation Report") shall be prepared by specialized firm Magalhães Andrade S/S Auditores Independentes, enrolled in the CNPJ/MF under Nº 62.657.242/0001-00, registered with the registry of the CRC/SP under Nº 2SP000233/O-3, with its headquarters in the City of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 1893, 6º andar, Jardim Paulistano, CEP 01452-001 (the "Evaluation Firm"), which has represented that there is no conflict or pooling of interests, current or potential, with the shareholders of Sendas or of CBD. The Evaluation Report shall be attached to this Protocol as Exhibit 3.1. All valuations prepared for purposes of the Operation had as base date September 30 2012 (the "Base Date").

3.2. Equity Changes: The equity changes between the Base date and the date of the effective incorporation of the Spun-off Assets shall be absorbed by CBD.

4. Reduction in the Corporate Capital of Sendas

4.1. Reduction in the Corporate Capital of Sendas. As a result of the partial and discretionary split-off and consequent transfer of the Spun-off Assets, the corporate capital of the Split Company shall be reduced by five hundred and four thousand seventeen *Reais* (R$504,017.00), corresponding to the net book value of the Spun-off Assets, upon cancellation, based on the economic relation existing between the Spun-off Assets and the total assets of Sendas, in accordance with the terms of the Economics Evaluation Report, attached to this Protocol as Exhibit 4.1 (the "Economics Evaluation Report"), of one hundred and fifty-seven million eighty-two thousand eight hundred and two (157,082,802) preferred shares issued by the Split Company and held by the Acquiring Company. The corporate capital of the Split Company shall go from its current eight hundred and thirty-five million six hundred and seventy-seven thousand *Reais* (R$835,677,000.00), represented by seventy hundred million and two thousand (700,002,000) common shares and one hundred and fifty-seven million eighty-two thousand eight hundred and two (157,082,802) preferred shares, to eight hundred and thirty five million one hundred and seventy-two thousand nine hundred and eighty-three *Reais* (R$835,172,983.00), represented by seventy hundred million and two thousand (700,002,000) common shares, registered and without par value, and thus the corporate structure of the Split Company has now the following composition:

Shareholders	**Common Shares**	
	N	%
Sé Supermercados Ltda.	450,000,000	64.29
Barcelona Comércio Varejista e Atacadista S.A.	250,001,000	35.71
Companhia Brasileira de Distribuição	1,000	0.00
Total of Shares	700,002,000	
Corporate capital (R$)	835,172,983.00	

4.2. The Economic Evaluation Report shall be prepared by specialized firm PricewaterhouseCoopers Corporate Finance & Recovery Ltda., enrolled in the CNPJ/MF under Nº 05.487.514/0001-37, with its headquarters in the City of São Paulo, State of São Paulo, at Avenida Francisco Matarazzo, 1400, 1˚ Floor, CEP 05001-100.

5. Lack of increase in the Corporate capital of CBD

5.1. Lack of increase in the Corporate capital of CBD. The Operation shall not bring about changes in the corporate capital of the Acquiring Company, as the net book value of the Spun-off Assets conveyed to CBD is equivalent to the economic value of the preferred shares issued by Sendas held by CBD, which shall be cancelled in accordance with the terms of the item 4.1 above.

6. Further conditions Applicable to the Operation

6.1. Amendment to the do Bylaws of Sendas. The Bylaws of Sendas shall be amended in order to evidence the reduction in capital to which this Protocol refers.

6.2. Amendment to the Bylaws of CBD. The Bylaws of CBD shall not be amended in view that the Operation shall not bring about any changes to its corporate capital.

6.3. Implementation. It shall be incumbent on the administrators of the Split Company and of the Acquiring Company to carry out all acts, registrations and annotations needed to implement the Operation.

6.4. Succession in Rights and Obligations. CBD shall succeed Sendas only in its rights and obligations transferred as a result of the incorporation of the Spun-off Assets, with no joint liability with regard to the remaining equity of Sendas, as allowed by the sole paragraph of Article 233 of the Brazilian Corporate Law.

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1. Description of intended operation

6.5. Corporate Acts to resolve on the Operation. There shall be called and held extraordinary general meetings of both the Split Company and the Acquiring Company to appreciate the Protocol herein, to ratify the retaining of the Evaluation Firm, to approve the Evaluation Report and to approve the Operation.

6.6. Approval. This Protocol contains the conditions required by the Brazilian Corporate Law, for the proposal of Partial Split-off of Sendas and incorporation of the Spun-off Assets by CBD and shall be submitted to appreciation and approval of the shareholders of the Parties assembled at an extraordinary general meeting.

6.7. Effects. Should the Operation be approved, it shall produce effects as of December 31 2012.

IN WITNESS WHEREOF, the parties execute this instrument in six (6) counterparts of the same content and to one sole effect, together with the two witnesses below, present throughout.

São Paulo, November 28 2012

Split Company:

Sendas Distribuidora S.A.

_____	_____
José Roberto Coimbra Tambasco	Vitor Fagá de Almeida
Chief Executive Officer	Executive Officer

Acquiring Company:

Companhia Brasileira de Distribuição

_____	_____
Enéas César Pestana Neto	Christophe José Hidalgo
Chief Executive Officer	Executive Officer for Corporate Finance and Services

Witnesses:

1. _____	2. _____
Name:	Name:
R.G.:	R.G.:

Agreement for Protocol and Justification of Partial and Discretionary Split-Off of Sendas Distribuidora S.A., followed by Incorporation of the Spun-off Assets by

Companhia Brasileira de Distribuição

Exhibit 3.1

ACCOUNTING EVALUATION REPORT OF THE

SPUN-OFF ASSETS OF SENDAS DISTRIBUIDORA S.A.

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1. Description of intended operation 30

SENDAS DISTRIBUIDORA S.A.

Evaluation report at book value for spin-off and incorporation purposes

11.28.12 1 00 069/12

MAGALHÃESANDRADE S/S Auditores Independentes

Av. Brigadeiro Faria Lima, 1893 – 6º andar – Jardim Paulistano – 01452-001 São Paulo SP

Phone (55 11) 3814-3377 Fax: (55 11) 3813-4822 magalhaesandrade@magalhaesandrade.com.br

www.magalhaesandrade.com.br

Dear Messrs. Shareholders of

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO and

SENDAS DISTRIBUIDORA S.A.

MAGALHÃES ANDRADE S/S AUDITORES INDEPENDENTES, an audit and consulting company, registered in the Regional Accounting Council in the State of São Paulo, under number 2SP000233/O-3 and secondary registration in the Regional Accounting Council in the State of Rio de Janeiro, registered with the National Directory of Legal Entities (CNPJ/MF) under No. 62.657.242/0001-00 and located at Av. Brigadeiro Faria Lima, 1893 – 6andar, Jardim Paulistano, São Paulo, Capital, appointed by you as the expert appraiser to carry out the evaluation of **SENDAS DISTRIBUIDORA S.A.**net worth for spin-off purposes with incorporation in the net worth of **COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO**, in compliance with the diligences and verifications necessary for the execution of its assignment, does hereby present the

EVALUATION REPORT

duly undersigned.

São Paulo, November 28th, 2012.

MAGALHÃES ANDRADE S/S

Auditores Independentes

CRC2SP000233/O-3

GUY ALMEIDA ANDRADE

Partner

Accountant CRC1SP116758/O-6

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1. Description of intended operation

EVALUATION REPORT

INTRODUCTION

1. This merger operation is derived from the corporate reorganization process, with the alignment of operational activities and it shall present advantages to the companies involved due to the administrative and management simplification, saving operational costs and enabling the development and streamlining of activities performed independently.

2. SENDAS DISTRIBUIDORA S.A. (SENDAS),and **COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO (CBD)** are companies that belong to the same economic group and the merger, by the second company, of a split portion from the first company, is part of a group restructuration project, which shall by fully implemented between 2013 and 2014, and it is especially aimed to obtain considerable benefits of administrative, economic and financial nature, especially through the rationalization and simplification of the group's corporate structure, enabling the consolidation and reduction of operational expenses and expenditures, as well as the capture of operational and tax synergies.

3. Therefore, the purpose of this **REPORT** is to determine the book value of the equity to be incorporated, taking into account the equity status of **SENDAS** as of September 30th, 2012.

4. The Report is being issued in compliance with the audit review of **SENDAS** balance sheets prepared for this purpose as of September 30th, 2012. The company's management is responsible for the preparation and fair presentation of this financial statement in compliance with the accounting practices adopted in Brazil and by the internal controls the company deemed necessary in order to allow the preparation of said financial statements free of material misstatement, whether due to fraud or error.

5. Our review was performed in compliance with the Brazilian and international audit standards. These standards require the fulfillment of ethical requirements by the auditors and that the audit is planned and performed in order to obtain a reasonable safety that the financial statements are free of any material misstatement.

6. An audit involves the execution of procedures selected to obtain evidence regarding the values and disclosures presented in the financial statements. The procedures selected depend on the auditor's judgment, including the

evaluation of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

7. We believe the audit evidence we have obtained is sufficient and appropriate to provide the basis for our opinion.

EQUITY STATUS OF SENDAS

8. **SENDAS** equity is comprised of assets and liabilities derived from its operations.

9. The evaluation is performed at book value, in compliance with the sections 226 of Law 6404/76 and based on the equity status reflected in the Balance sheet prepared as of September 30th, 2012, stated in **EXHIBIT 1** and whose equity status is summarized as follows:

ASSETS	4,378,555,184.68
(-) LIABILITIES	4,097,562.015.34
NET WORTH	280,993,169.34

10. Said balance sheet was prepared in compliance with the accounting practice adopted in Brazil and, for evaluation purposes, on a going concern basis, according to the concept of going concern.

11. **SENDAS** maintains its regular bookkeeping, its operations are recorded in a proper book and its balances are duly composed and reconciled.

12. **EXHIBIT 2** lists **SENDAS** assets and liabilities balances, which shall be split-off and incorporated to the **CBD** equity.

EQUITY STATUS IN THE SURVIVING COMPANY

13. **CBD** balance sheet, prepared as of September 30th, 2012 is presented in **EXHIBIT 3**, whose equity status, in thousand Brazilian Reais, is summarized as follows:

ASSETS	19,144,005
(-) LIABILITIES	10,923,231

NET WORHT	8,220,774

SPLIT-OFF EFFECT IN SENDAS

14. The equity split-off effect is stated in **SENDAS** balance sheet after the split-off, presented in **EXHIBIT 4**, and it presents the following summarized equity status:

ASSETS	4,073,853,836.21
(-) LIABILITIES	3,793,364,683.87
NET WORHT	280,489,152.34

CONCLUSION

15. Given the findings and statements, we conclude that the net assets of **SENDAS DISTRIBUIDORA S.A.**, as of September 30th, 2012, to be incorporated to the equity of **COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO**, which is summarized below, is R$ 504,017.00 and it shall increase the **CBD** net worth in this amount, in compliance with the provisions of section 226 of Law 6404/76.

ASSETS	304,701,348.47
(-) LIABILITIES	304,197,331.47
NET WORHT	504,017.00

DECLARATIONS

16. The evaluation company expressly declares that she does not have any direct or indirect interest in **SENDAS** or **CBD** or even in the operation, not having any other circumstance deemed as conflict of interest. She also informs that **SENDAS** and **CBD** managers did not limit, make difficult or perform any act that could have jeopardized the access, the use or the knowledge of information, properties, documents or methodologies of work relevant for the quality of respective conclusions.

This **REPORT** is issued in 6 (six) counterparties and it is comprised of 4 (four) pages and 4 (four) exhibits printed just on the front page and initialed by the undersigned expert.

São Paulo, November 28th, 2012.

MAGALHÃES ANDRADE S/S

Auditores Independentes

CRC2SP000233/O-3

GUY ALMEIDA ANDRADE

Partner

Accountant CRC1SP116758/O-6

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1. Description of intended operation

EXHIBIT 1

SENDAS DISTRIBUIDORA S.A.

Balance Sheet as of September 30th, 2012

(amounts in Brazilian Reais)

ASSETS	
Current Assets	
Cash and cash equivalents	759,862,795.63
Trade accounts receivable	41,258,056.16
Inventories	304,139,887.35
Taxes to Recover	28,666,670.35
Prepaid Expenses	13,899,877.77
Others	69,281,018.35
Total Current Assets	1,217,108,305.61
Non-Current Assets	
Long-term Assets	
Accounts Receivable from Related Parties	1,969,729,730.04
Deposits for Judicial Appeals	181,348,143.21
Others	1,957,151.14
Taxes to Recover	263,318,110.52
	2,416,353,134.91
Investments	19,880,728.65
Property, Plant and Equipment	544,996,748.70
Intangible	180,216,266.81
Total Non-Current Assets	3,161,446,879.07
TOTAL ASSETS	4,378,555,184.68

EXHIBIT 1 (continued)

SENDAS DISTRIBUIDORA S.A.

Balance Sheet as of September 30th, 2012

(amounts in Brazilian Reais)

LIABILITIES AND NET WORTH	
LIABILITIES	
Current Liabilities	
Suppliers	302,988,911.33
Suppliers – Related Parties	36,727,345.14
Salaries and Social Charges	50,492,736.01
Taxes and Contributions to Collect	9,459,734.94
Other Accounts Payable	43,618,307.08
Obligations with related parties	3,328,070,720.18
Loans	238,137.58
Total Current Liabilities	3,771,595,892.26
Non-Current Liabilities	
Accounts Payable from Related Parties	63,546,407.65
Provision for Contingencies	54,867,564.99
Loans and Financings	6,136,518.80
Others	201,415,631.64
Total Non-Current Liabilities	325,966,123.08
TOTAL LIABILITIES	4,097,562,015.34
NET WORTH	280,993,169.34
TOTAL LIABILITIES AND NET WORTH	4,378,555,184.68

EXHIBIT 2

SENDAS DISTRIBUIDORA S.A.

Assets to be split-off and incorporated by CBD

(amounts in Brazilian Reais)

ASSETS	
Current Assets	
Cash and cash equivalents	250,500,000.00
Trade accounts receivable	1,786,121.64
Inventories	8,725,610.09
Prepaid Expenses	412,978.71
Others	121,576.13
Total Current Assets	261,546,286.57
Non-Current Assets	
Deposits for Judicial Appeals	8,496,245.83
Property, Plant and Equipment	34,658,816.07
Total Non-Current Assets	43,155,061.90
TOTAL ASSETS	304,701,348.47
LIABILITIES AND NET WORTH	
LIABILITIES	
Current Liabilities	
Suppliers	3,418,984.40
Suppliers – Related Parties	658,952.34
Salaries and Social Charges	2,282,572.33
Taxes and Contributions to Collect	514,129.02
Other Accounts Payable	1,183,791.59
Obligations with Related Parties	292,314,801.69
Total Current Liabilities	300,373,231.37
Non-Current Liabilities	
Provision for Contingencies	1,931,166.00
Others	1,892,934.10
Total Non-Current Liabilities	3,824,100.10
TOTAL LIABILITIES	304,197,331.47

NET ASSETS	504,017.00

1. Description of intended operation

EXHIBIT 3

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Balance sheet prepared as of September 30th, 2012

(amounts in Brazilian Reais)

ASSETS	
Current Assets	
Cash and cash equivalents	2,478,853
Clients	678,004
Other accounts receivable	14,020
Inventories	1,909,516
Tax credits	160,348
Prepaid expenses	63,912
Other credits	21,258
Total Current Assets	5,325,911
Non-Current	
Long-term assets	
Accounts receivable	19,290
Deferred IR and CSLL	201,472
Prepaid expenses	42,673
Related parties	1,855,490
Receivables securitization fund	128,457
Tax credits	243,191
Judicial deposits	476,747
	2,967,320
Investments	4,625,882
Net property, plant and equipment	5,351,641
Intangible	873,251
Total Non-Current Assets	13,818,094
TOTAL ASSETS	19,144,005

EXHIBIT 3 (continued)

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Balance sheet prepared as of September 30th, 2012

(amounts in Brazilian Reais)

LIABILITIES AND NET WORTH	
LIABILITIES	
Current Liabilities	
Social and labor obligations	352,251
Suppliers	1,954,891
Tax obligations	53,921
Loans and Financings	1,830,380
Other obligations	372,111
Provisions	167,528
Total Current Liabilities	4,731,082
Non-Current	
Loans and Financings	4,760,993
Taxes paid in installments	1,140,082
Other obligations	30,716
Provisions for tax, civil and labor contingencies	260,358
Total Non-Current Liabilities	6,192,149
TOTAL LIABILITIES	10,923,231
NET WORTH	
Capital stock	6,701,818
Capital reserves	211,231
Profit reserves	753,587
Retained Earnings	554,138
TOTAL NET WORTH	8,220,774
TOTAL LIABILITIES AND NET WORTH	19,144,005

EXHIBIT 4

SENDAS DISTRIBUIDORA S.A.

Balance Sheet after the split-off

(amounts in Brazilian Reais)

ASSETS	
Current Assets	
Cash and cash equivalents	509,362,795.63
Trade Accounts Receivable	39,471,934.52
Inventories	295,414,277.26
Taxes to recover	28,666,670.35
Prepaid expenses	13,486,899.06
Others	69,159,442.22
Total Current Assets	955,562,019.04
Non-Current	
Long-term assets	
Accounts receivable from Related Parties	1,969,729,730.04
Deposits for Judicial Appeals	172,851,897.38
Others	1,957,151.14
Taxes to recover	263,318,110.52
	2,407,856,889.08
Investments	19,880,728.65
Property, plant and equipment	510,337,932.63
Intangible	180,216,266.81
Total Non-Current Assets	**3,118,291,817.17**
TOTAL ASSETS	**4,073,853,836.21**

EXHIBIT 4 (continued)

SENDAS DISTRIBUIDORA S.A.

Balance Sheet after the split-off

(amounts in Brazilian Reais)

LIABILITIES AND NET WORTH	
LIABILITIES	
Current Liabilities	
Suppliers	299,569,926.93
Suppliers – Related Parties	36,068,392.80
Salaries and Social Charges	48,210,163.68
Taxes and Contributions to Collect	8,945,605.92
Other Accounts Payable	42,434,515.49
Obligations with related parties	3,035,755,918.49
Loans	238,137.58
Total Current Liabilities	3,471,222,660.89
Non-Current Liabilities	
Accounts Payable from Related Parties	
Provision for Contingencies	52,936,398.99
Loans and Financings	6,136,518.80
Others	263,069,105.19
Total Non-Current Liabilities	322,142,022.98
TOTAL LIABILITIES	3,793,364,683.87
NET WORTH	280,489,152.34
TOTAL LIABILITIES AND NET WORTH	4,073,853,836.21

Agreement for Protocol and Justification of Partial and Discretionary Split-Off of Sendas Distribuidora S.A., followed by Incorporation of the Spun-off Assets by

Companhia Brasileira de Distribuição

Exhibit 4.2

ECONOMICS EVALUATION REPORT OF THE SPUN-OFF ASSETS AND

OF THE TOTAL ASSETS OF SENDAS DISTRIBUIDORA S.A.

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1. Description of intended operation

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1. Description of intended operation

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1. Description of intended operation

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1. Description of intended operation

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Authorized-Capital Publicly-Held Company

CNPJ/MF n.º 47.508.411/0001 56

NIRE 35.300.089.901

SPECIAL SHAREHOLDERS MEETING TO BE HELD

ON DECEMBER 28, 2012, AT 11 A.M.

EXHIBIT II TO THE MANAGEMENT PROPOSAL

Agreement for Protocol and Justification for the Partial and Discretionary spin-off of Barcelona Comércio Varejista e Atacadista S.A., followed by the merger of the spun-off asset by Sendas Distribuidora S.A.

Agreement for Protocol and justification of Partial Split-off of Barcelona Comércio Varejista e Atacadista S.A., followed by the merger of the Assets Spun-off by Sendas Distribuidora S.A.

By this private instrument and pursuant to law, the managers of companies,

(A) **Barcelona Comércio Varejista e Atacadista S.A.**, an incorporated company (*sociedade por ações)*, with its headquarters in the City of São Paulo, State of São Paulo, at Rua Manilha, Nº. 42, Sobreloja, Vila Carrão, enrolled in the CNPJ/MF under Nº 07.170.943/0001-01, herein represented by its bylaws by Messrs. **José Roberto Coimbra Tambasco**, Brazilian, divorced, business administrator, bearer of Identity Card R.G. Nº 7.659.908-5 SSP/SP, enrolled in the CPF/MF under Nº 966.121.508-15, and **Enéas César Pestana Neto**, Brazilian, married, accountant, bearer of Identity Card R.G. Nº 11.383.698-3 SSP/SP, enrolled in the CPF/MF under Nº 023.327.978-40, both resident and domiciled in the City of São Paulo, State of São Paulo, with its commercial address at Av. Brigadeiro Luís Antônio, Nº 3172, Jardim Paulista, henceforth referred to as "Barcelona" or "Split Company"; and

(B) **Sendas Distribuidora S.A.**, an incorporated company (*sociedade por ações)*, with its headquarters in the City of São João de Meriti, State of Rio de Janeiro, at Rua João Antônio Sendas, 286, José Bonifácio, enrolled in the CNPJ/MF under Nº 06.057.223/0001-71, herein represented by its bylaws by Messrs. **José Roberto Coimbra Tambasco**, identified above, and **Vitor Fagá de Almeida**, Brazilian, married, economist, bearer of Identity Card R.G. nº 25.209.660-5 SSP/SP, enrolled in the CPF/MF under Nº 204.156.108-42, resident and domiciled in the City of São Paulo, State of São Paulo, at Avenida Brigadeiro Luís Antonio, nº 3172, both resident and domiciled in the City of São Paulo, State of São Paulo, with its commercial address at Av. Brigadeiro Luís Antônio, Nº 3172, Jardim Paulista, henceforth referred to as "Sendas" or "Acquiring Company";

The Split Company and the Acquiring Company henceforth individually referred to as "Party" and jointly as "Parties",

HAVE DECIDED to execute this "Agreement for Protocol and justification of Partial Split-off of Barcelona Comércio Varejista e Atacadista S.A., followed by the merger of the Assets Spun-off by Sendas Distribuidora S.A." (the "Protocol"), pursuant to Articles 224 and 225 of Law Nº 6,404 of December 15 1976, as amended ("Brazilian Corporate Law"), in compliance with the terms, clauses and conditions evidenced ahead.

1. Description of intended operation

1.1. The Protocol herein has the purpose of making evident the substance of the justifications, terms and conditions of the operation of Partial Split-off of Barcelona, with allocation of part of its assets, which shall be conveyed to Sendas, as provided for under articles 227 and 229 of the Brazilian Corporate Law (the "Operation").

---

1. Description of intended operation

1.2. Barcelona is a incorporated company (*sociedade por ações*) whose corporate capital is one hundred and nine million three hundred and twenty-eight thousand seven hundred and ninety-eight *Reais* and forty-one cents of *Reais* (R$109,328,798.41), represented by twenty-one million seven hundred and three thousand four hundred and fifty-three (21,703,453) common shares, all registered and without par value.

1.3. Sendas is an incorporated company (*sociedade por ações*) whose corporate capital is eight hundred and thirty-five million six hundred and seventy-seven thousand *Reais* (R$835,677,000.00), represented by seventy hundred million and two thousand (700,002,000) common shares and one hundred and fifty-seven million eighty-two thousand eight hundred and two (157,082,802) preferred shares, all registered and without par value.

1.3.1. Before the implementation of the Operation, Sendas shall have suffered the partial split-off, in accordance with the terms of the Agreement for Protocol and Justification of Partial Split-off of Sendas Distribuidora S.A., followed by the merger of the Assets Spun-off by Companhia Brasileira de Distribuição, executed between Sendas and Companhia Brasileira de Distribuição ("CBD"), so that CBD will no longer be a shareholder of Sendas ("Sendas Split-Off").

1.4. Barcelona holds two hundred and fifty million and one thousand (250,001,000) common shares issued by Sendas.

1.5. The portion of the assets of Barcelona to be incorporated by Sendas is formed by financial assets and liabilities, corporate interest in Sendas and intangible assets (the "Spun-off Assets"").

2. Justification of the Operation

2.1. The signatory parties to this Protocol are companies that belong to the same economic group, and the Operation is part of a larger project for restructuring the group that shall be fully implemented from year 2013 to year 2014 and that mainly aims at obtaining considerable administrative, economic and financial benefits, mainly through the rationalization and simplification of the corporate structure of the group, making it possible to consolidate and write down operational costs and expenses and make it feasible to seize operational and tax synergies of the Parties. It is thus justified the lawful interests of the Split Company and of the Acquiring Company, as well as of their shareholders and administrators, in implementing the Operation.

3. Valuation of the Spun-off assets and Base date of the Operation

3.1. Equity Version and Valuation. Because of the Operation, the Spun-off Assets shall be transferred to Sendas. For purposes of the Operation, the Spun-off Assets shall be valuated based on their book value and their respective report (the "Evaluation Report") shall be prepared by specialized firm Magalhães Andrade S/S Auditores Independentes, enrolled in the CNPJ/MF under Nº 62.657.242/0001-00, registered with the registry of the CRC/SP under Nº 2SP000233/O-3, with its headquarters in the City of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 1893, 6º floor, Jardim Paulistano, CEP 01452-001 (the "Evaluation Firm"), which has represented that there is no conflict or pooling of interests, current or potential, with the shareholders of Barcelona or with the shareholders of Sendas. The Evaluation Report shall be attached to this Protocol as Exhibit 3.1. All valuations prepared for purposes of the Operation had as base date September 30 2012 (the "Base Date").

3.2. Equity Changes: The equity changes between the Base date and the date of the effective incorporation of the Spun-off Assets shall be absorbed by Sendas.

4. Reduction in the Corporate Capital of Barcelona

4.1. Reduction in the Corporate Capital of Barcelona. As a result of the transfer of the Spun-off Assets to Sendas, the corporate capital of Barcelona shall be reduced by five hundred and fifty-two thousand four hundred and thirty *Reais* (R$552,430.00), corresponding to the net book value of the Spun-off Assets, upon cancellation, based on the economic relation existing between the Spun-off Assets and the total assets of Barcelona, in accordance with the terms of the Economics Evaluation Report, attached to this Protocol as Exhibit 4.1 (the "Economic EvaluationEvaluation Report"), of three million eight hundred and forty-six thousand four hundred and thirty-eight (3,846,438) common shares, registered and without face value, all held by SÉ Supermercados Ltda. ("SÉ"). The corporate capital of the Split Company shall go from its current one hundred and nine million three hundred and twenty-eight thousand seven hundred and ninety-eight *Reais* and forty-one cents of *Reais* (R$109,328,798.41), represented by twenty-one million seven hundred and three thousand four hundred and fifty-three (21,703,453) common shares, registered and without face value, to one hundred and eight million seven hundred and seventy-six thousand three hundred and sixty-eight *Reais* and forty-one cents of *Reais* (R$108,776,368.41), represented by seventeen million eight hundred and fifty-seven thousand fifteen (17,857,015) common shares, registered and without face value, distributed among its shareholders as follows:

Shareholders	**Common shares**	
	Nº	**%**
Sé Supermercados Ltda.	17,857,005	100
Companhia Brasileira de Distribuição	10	0,00
Total of Shares	17,857,015	
Corporate capital (R$)	108,776,368.41	

Página 3 de 6

4.2. The Economic Evaluation Report shall be prepared by specialized firm PricewaterhouseCoopers Corporate Finance & Recovery Ltda., enrolled in the CNPJ/MF under Nº 05.487.514/0001-37, with its headquarters in the City of São Paulo, State of São Paulo, at Avenida Francisco Matarazzo, 1400, 1˚ andar, CEP 05001-100.

5. Lack of increase in the Corporate capital of Sendas

5.1. Lack of increase in the Corporate capital of Sendas. The Operation shall not bring about changes in the corporate capital of the Acquiring Company, as the net book value of the Spun-off Assets conveyed to Sendas is equivalent to the economic value of the shares issued by Sendas held by Barcelona. Such shares held by Barcelona shall be cancelled, replaced by new shares issued by Sendas and delivered to the shareholder of Barcelona. SÉ, which, because of the partial split-off of Barcelona, had a portion of its shares cancelled, as shown in the prior item. Therefore, the shares that used to be owned by Barcelona shall be owned by SÉ, and the Sendas ownership structure, already taking into account the Split-Off Sendas, shall have the following composition:

Shareholders	**Common shares**	
	Nº	**%**
Sé Supermercados Ltda.	700,001,000	100
Total of Shares	700,001,000	
Corporate capital (R$)	835,172,983.00	

6. Further conditions Applicable to the Operation

6.1. Amendment to the do Bylaws of Barcelona. The Bylaws of Barcelona shall be amended in order to evidence the Reduction in the Corporate Capital of Barcelona provided for in this Protocol.

6.2. Amendment to the do Bylaws of Sendas. The Bylaws of Sendas shall not be amended in view that the Operation shall not bring about any change to its corporate capital.

6.3. Implementation. The administrators of both the Split Company and the Acquiring Company shall practice all further acts that may be necessary to the perfect regularization of what has been established in the Protocol herein, including, but not limited to, registrations, filings, and annotations with the qualified public bodies.

6.4. Succession in Rights and Obligations. Sendas shall succeed Barcelona only in its rights and obligations transferred as a result of the incorporation of the Spun-off Assets, without any joint liability regarding the remaining equity of Barcelona, as allowed by the sole paragraph of Article 233 of the Brazilian Corporate Law.

6.5. Corporate Acts to Resolve on the Operation. There shall be called and held the extraordinary general meetings of the Split Company and of the Acquiring Company to appreciate the Protocol herein, to ratify the retaining of the Evaluation Firm, to approve the Valuation Report and to approve the Operation.

6.6. Approval. This Protocol contains the conditions required by the Brazilian Corporate Law for the proposal of Partial Split-off of Barcelona and incorporation of the Spun-off Assets by Sendas, and shall be submitted to appreciation and approval of the shareholders of the Parties assembled at an extraordinary general meeting.

6.7. Effects. Should the Operation be approved, it shall produce effects as of December 31 2012.

IN WITNESS WHEREOF, the parties execute the instrument herein in six (6) counterparts of the same content and to one sole effect, with the two witnesses below present throughout.

São Paulo, November 28 2012

Split Company:

Barcelona Comércio Varejista e Atacadista S.A.

José Roberto Coimbra Tambasco
Chief Executive Officer

Enéas César Pestana Neto
Executive Officer

Acquiring Company:

Sendas Distribuidora S.A.

José Roberto Coimbra Tambasco
Chief Executive Officer

Vitor Fagá de Almeida
Executive Officer

Witnesses:

1. _____

Name:

R.G.:

CPF/MF:

2. _____

Name:

R.G.:

CPF/MF:

Agreement of Protocol and justification of Partial Split-off of Barcelona Comércio Varejista e Atacadista S.A., followed by the Merger of the Spun-off assets by Sendas Distribuidora S.A.

EXHIBIT 3.1

ACCOUNTING EVALUATION REPORT OF THE SPUN-OFF ASSETS

OF BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.

BARCELONA COMÉRCIO
VAREJISTA E ATACADISTA S.A.

Evaluation Report of the equity value
for purposes of spin-off and merger

11.28.12 1 00 070/12

Magalhães Andrade S/S Auditores Independentes

Av. Brigadeiro Faria Lima, 1893 – 6 andar - Jardim Paulistano - 01452-001 São Paulo SP Tel. (55 11) 3814-3377 Fax: (55 11) 3813-4822 magalhaesandrade@magalhaesandrade.com.br

www.magalhaesandrade.com.br

Dear Shareholders of

SENDAS DISTRIBUIDORA S.A. e

BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.

MAGALHÃES ANDRADE S/S AUDITORES INDEPENDENTES, an audit and consulting firm, registered with the Regional Board of Accountancy of the State of São Paulo under no. 2SP000233/O-3 and secondary registration with the Regional Board of Accountancy of the State of Rio de Janeiro, registered with the Brazilian Ministry of Finance under Brazilian Federal Employer Taxpayer Identification Number 62.657.242/0001-00 and with registered office located at Av. Brigadeiro Faria Lima, 1893 - 6° andar, Jardim Paulistano, São Paulo, Capital City, appointed by you as an expert appraiser for performing an appraisal of the book value of the net worth of **BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.**, for purposes of spin-off with merger into the equity of **SENDAS DISTRIBUIDORA S.A.**, subject to the diligences and verifications required to the delivery of the work, hereby presents the following within

Evaluation Report

In witness whereof, the undersigned has hereunto set his name and seal.

São Paulo, on the 28th day of November, 2012.

MAGALHÃES ANDRADE S/S
Auditores Independentes
CRC2SP000233/O-3

GUY ALMEIDA ANDRADE

Partner

Accountant CRC1SP116758/O-6

Evaluation Report

INTRODUCTION

1. This merger operation is a result of the process of corporate reorganization, with alignment of the operating activities, and shall provide an advantage to the companies involved by reason of administrative and management simplification, saving operating costs and enabling the development and streamlining of activities now undertaken in an independent manner.

2. **BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A. (BARCELONA) and SENDAS DISTRIBUIDORA S.A. (SENDAS)**, are companies belonging to the same economic group and the merger into the latter of a spun-off portion from the first one is part of a project for restructuring the group, which must be fully implemented between the years 2013 and 2014 aiming particularly to obtain considerable benefits in administrative, economic and financial fields, specially by streamlining and simplifying the corporate structure of the group, so enabling the strengthening and reduction of expenditures and operating expenses and making feasible the capture of tax and operating synergies.

3. This **REPORT**, therefore, is intended to determine the book value of the equity to be merged, taking into account the equity position of **BARCELONA** as of September 30th, 2012.

4. The Report is being issued in connection with the audit examination of the balance sheets of **BARCELONA**, prepared for such purpose on September 30th, 2012. The company's management is responsible for the preparation and proper presentation of such account statement in accordance with accounting practices adopted in Brazil and for the internal controls as the management has determined as necessary to enable the preparation of accounting statements accounting statements with no material misrepresentation, regardless of if it is a result of fraud or error.

5. Our examination was performed in accordance with the Brazilian and international audit standards. Such standards require the compliance with ethical requirements by auditors and the audit to be planned and performed intending to obtain reasonable assurance about if the accounting statements are free of material misrepresentation.

6. An audit involves performing selected procedures to obtain evidence about the amounts and disclosures presented in the accounting statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misrepresentation in accounting statements, regardless of if it is a result of fraud or error. In such risk assessment, the auditor considers internal controls relevant to the preparation and proper

presentation of the accounting statements of the Company in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls of the Company. An audit also includes evaluating the appropriateness of accounting practices used and the reasonableness of accounting estimates performed by the management, as well as evaluating the presentation of the accounting statements taken as a whole.

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7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a ground for our opinion.

EQUITY POSITION OF BARCELONA

8. The equity of **BARCELONA** is composed by assets and liabilities arising from their operations.

9. The assessment is made in a book value basis, in compliance with the provisions of section 226 of Law 6.404/76 and based on the assets position reflected on the Balance Sheet prepared as of September 30th, 2012, shown in **EXHIBIT 1** and whose equity position is summarized below:

ASSET	2,157,364,967
(-) LIABILITY	1,835,185,911
NET WORTH	322,179,056

10. Such balance has been prepared in accordance with accounting practices adopted in Brazil and taken into account, for purposes of assessment, the company running, according to the concept of continuance of ordinary business.

11. **BARCELONA** keeps its accounting regular, its operations being entered in proper book and its balances properly composed and reconciled.

12. It was resolved to formalize a credit assignment agreement between **CBD** and **BARCELONA**, under which **BARCELONA** shall undertake the debt of **CBD** to **SENDAS**. The Management intends to include such liability in spun-off net asset; it is the reason why we consider a pro forma balance sheet, taking into account the aforesaid credit assignment.

13. In **EXHIBIT 2** appears an accounting adjustment and a new equity position and financial standing of **BARCELONA** as of September 30th, 2012, which is summarized as follows:

ASSET	2,439,327,022

(-) LIABILITY	2,117,147,966
NET ASSET	322,179,056

14. The **EXHIBIT 3** shows the net asset that shall be spun off and which is summarized below:

ASSET	492,962,055
(-) LIABILITY	492,409,625
NET ASSET	552,430

EQUITY POSITION OF THE SURVIVING COMPANY

15. The balance sheet of **SENDAS** prepared as of September 30th, 2012, is shown in **EXHIBIT 4**, whose equity position is summarized below:

ASSET	4,378,555,184.68
(-) LIABILITY	4,097,562,015.34
NET WORTH	280,993,169.34

16. Taking this opportunity, but due to previous act, **SENDAS** was subject-matter of a total spin-off, based on the same balance sheet as of September 30th, 2012.

17. As a result, the equity position of **SENDAS** as of September 30th, 2012 which shall absorb the spun-off net asset of **BARCELONA** is shown in **EXHIBIT 5**, which is summarized below:

ASSET	4,073,853,836.21
(-) LIABILITY	3,793,364,683.87
NET WORTH	280,489,152.34

EFFECT RESULTING FROM THE SPIN-OFF IN BARCELONA

18. The effect resulting from the spin-off in the equity appears on the balance sheet of **BARCELONA** "after spin-off", shown in **EXHIBIT 6**, having the following equity position summarized below:

ASSET	1,946,364,967
(-) LIABILITY	1,624,738,341
NET WORTH	321,626,626

EFFECT RESULTING FROM THE MERGER IN SENDAS

19. The effect resulting from merger appears on the balance sheet of the **SURVIVING COMPANY** after merger, shown in **EXHIBIT 7**, having the following equity position summarized below:

ASSET	4,284,853,836
(-) LIABILITY	4,003,812,254
NET WORTH	281,041,582

20. Among the accounts merged there is an outstanding balance payable to **SENDAS**, which is compared to an active balance in the balance sheet of **SENDAS**, canceling it. **CONCLUSION**

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21. Given the findings and assertions, we conclude that the net asset of **BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.**, as of September 30th, 2012, based on the pro forma balance sheet and that shall be merged into the equity of **SENDAS DISTRIBUIDORA S.A.**, is summarized below, amounting to R$ 552,430, in compliance with the provisions of section 226 of Law 6.404/76.

Asset	492,962,055
(-) Liability	492,409,625
Net asset	552,430

REPRESENTATIONS

22. The expert appraiser expressly represents that it has no interest, whether directly or indirectly, in **BARCELONA** or **SENDAS** , or even in the operation, and there is no other circumstance that might characterize conflict of interests. It also informs that the administrators of **BARCELONA** and **SENDAS** have not limited, hindered or performed any acts that could have compromised the access, use or knowledge of information, assets, documents or work methodologies relevant to the quality of the respective conclusions.

This **REPORT** is issued in six (6) counterparts and has five (5) pages and seven (7) exhibits, printed on the front page and initialed by the undersigned expert.

São Paulo, on the 28th day of November, 2012.

MAGALHÃES ANDRADE S/S
Auditores Independentes
CRC2SP000233/O-3

GUY ALMEIDA ANDRADE

Partner

Accountant CRC1SP116758/O-6

EXHIBIT 1

BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.
Balance Sheet as of September 30th, 2012
(amounts in BRL)

ASSET

	306,527,440
	38,501,461
	6,784,000
	3,067,333
	3,313,869
	393,968,293
	20,778,155
	67,647,094
	16,309,377
	641,136
	857,538,158
	418,407,493
	3,416,201
	(26,136,413)
	395,687,281
	81,962,055
	345,581,700
	476,595,773
	1,299,826,809
TOTAL ASSET	2,157,364,967

EXHIBIT 1 (Continuation)

BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.
Balance Sheet as of September 30th, 2012
(amounts in BRL)

LIABILITY AND NET WORTH

TOTAL LIABILITY AND NET WORTH	2,157,364,967

EXHIBIT 2

BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.
Balance Sheet as of September 30th, 2012 Pro Forma
(amounts in BRL)

	Balance on 09/30/2012	Debit	Credit	Pro Forma Balance
ASSET				
	306,527,440			306,527,440
	38,501,461			38,501,461
	6,784,000			6,784,000
	3,067,333			3,067,333
	3,313,869			3,313,869
	393,968,293			393,968,293
	20,778,155			20,778,155
	67,647,094			67,647,094
	16,309,377			16,309,377
	641,136			641,136
	857,538,158			857,538,158
	418,407,493	281,962,055		700,369,548
	3,416,201			3,416,201
	(26,136,413)			(26,136,413)
	395,687,281			677,649,336
	81,962,055			81,962,055
	345,581,700			345,581,700
	476,595,773			476,595,773
	1,299,826,809			1,581,788,864
	2,157,364,967			2,439,327,022

EXHIBIT 2 (Continuation)

BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.
Balance Sheet as of September 30th, 2012 Pro Forma
(amounts in BRL)

	Balance on 09/30/2012	Debit	Credit	Pro Forma Balance
LIABILITY AND NET WORTH				
	368,898,131			368,898,131
	40,947,540			40,947,540
	116,007,757			116,007,757
	809,230,742		281,962,055	1,091,192,797
	343,846,873			343,846,873
	1,678,931,043			1,960,893,098
	3,885,297			3,885,297
	2,701,444			2,701,444
	149,668,127			149,668,127
	156,254,868			156,254,868
	1,835,185,911			2,117,147,966
	322,179,056			322,179,056
TOTAL LIABILITY AND NET WORTH	2,157,364,967			2,439,327,022

EXHIBIT 3

BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.
Assets to be spun off and merged into Sendas
(amounts in BRL)

ASSET

NET ASSET	552,430

EXHIBIT 4

SENDAS DISTRIBUIDORA S.A.
Balance sheet as of September 30th, 2012
(amounts in BRL)

ASSET

759,862,795.63
41,258,056.16
304,139,887.35
28,666,670.35
13,899,877.77
69,281,018.35
1,217,108,305.61

1,969,729,730.04
181,348,143.21
1,957,151.14
263,318,110.52
2,416,353,134.91
19,880,728.65
544,996,748.70
180,216,266.81
3,161,446,879.07
4,378,555,184.68

EXHIBIT 4 (Continuation)

SENDAS DISTRIBUIDORA S.A.
Balance Sheet as of September 30th, 2012
(amounts in BRL)

LIABILITY AND NET WORTH

302,988,911.33
36,727,345.14
50,492,736.01
9,459,734.94
43,618,307.08
3,328,070,720.18
238,137.58
3,771,595,892.26

54,867,564.99

6,136,518.80
264,962,039.29
325,966,123.08
4,097,562,015.34
280,993,169.34
4,378,555,184.68

EXHIBIT 5

SENDAS DISTRIBUIDORA S.A.
Balance Sheet after spin-off for merger into CBD
(amounts in BRL)

ASSET

509,362,795.63
39,471,934.52
295,414,277.26
28,666,670.35
13,486,899.06
69,159,442.22
955,562,019.04

1,969,729,730.04
172,851,897.38
1,957,151.14
263,318,110.52
2,407,856,889.08
19,880,728.65
510,337,932.63
180,216,266.81
3,118,291,817.17
4,073,853,836.21

EXHIBIT 5 (Continuation)

SENDAS DISTRIBUIDORA S.A.
Balance Sheet after spin-off for merger into CBD
(amounts in BRL)

LIABILITY AND NET WORTH

	299,569,926.93
	36,068,392.80
	48,210,163.68
	8,945,605.92
	42,434,515.49
	3,035,755,918.49
	238,137.58
	3,471,222,660.89
	52,936,398.99
	6,136,518.80
	263,069,105.19
	322,142,022.98
	3,793,364,683.87
	280,489,152.34
	4,073,853,836.21

EXHIBIT 6

BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.
Balance sheet after spin-off
(amounts in BRL)

	Pro Forma	Spin-off		
ASSET	**Balance**	**Debit**	**Credit**	**Balance after spin-off**
	306,527,440		211,000,000	95,527,440
	38,501,461			38,501,461
	6,784,000			6,784,000
	3,067,333			3,067,333
	3,313,869			3,313,869
	393,968,293			393,968,293
	20,778,155			20,778,155
	67,647,094			67,647,094
	16,309,377			16,309,377
	641,136			641,136
	857,538,158			646,538,158
	700,369,548			700,369,548
	3,416,201			3,416,201
	(26,136,413)			(26,136,413)
	677,649,336			677,649,336
	81,962,055		81,962,055	-
	345,581,700			345,581,700
	476,595,773		200,000,000	276,595,773
	1,581,788,864			1,299,826,809
	2,439,327,022			1,946,364,967
	368,898,131			368,898,131
	40,947,540			40,947,540
	116,007,757	60,779,443		55,228,314
	1,091,192,797	281,962,055		809,230,742
	343,846,873			343,846,873
	1,960,893,098			1,618,151,600
	3,885,297			3,885,297
	2,701,444			2,701,444
	149,668,127	149,668,127		-
	156,254,868			6,586,741

2,117,147,966			1,624,738,341
322,179,056	552,430		321,626,626
2,439,327,022	492,962,055	492,962,055	1,946,364,967

EXHIBIT 7

SENDAS DISTRIBUIDORA S.A.
Balance sheet after merger
(amounts in BRL)

	Base Balance	Debit	Credit	Balance after merger
ASSET				
	509,362,796	211,000,000		720,362,796
	39,471,935			39,471,935
	295,414,277			295,414,277
	28,666,670			28,666,670
	13,486,899			13,486,899
	69,159,442			69,159,442
	955,562,019			1,166,562,019
	1,969,729,730		281,962,055	1,687,767,675
	172,851,897			172,851,897
	1,957,151			1,957,151
	263,318,111			263,318,111
	2,407,856,889			2,125,894,834
	19,880,729	81,962,055		101,842,784
	510,337,933			510,337,933
	180,216,267	200,000,000		380,216,267
	3,118,291,817			3,118,291,817
	4,073,853,836			4,284,853,836
	299,569,927			299,569,927
	36,068,393			36,068,393
	48,210,164			48,210,164
	8,945,606			8,945,606
	42,434,515		60,779,443	103,213,958
	3,035,755,918			3,035,755,918
	-		149,668,127	149,668,127
	238,138			238,138
	3,471,222,661			3,681,670,231
	52,936,399			52,936,399
	6,136,519			6,136,519
	263,069,105			263,069,105
	322,142,023			322,142,023
	3,793,364,684			4,003,812,254
	280,489,152		552,430	281,041,582

	4,073,853,836	492,962,055	492,962,055	4,284,853,836

Agreement of Protocol and justification of Partial Split-off of Barcelona Comércio Varejista e Atacadista S.A., followed by the Merger of the Spun-off assets by Sendas Distribuidora S.A.

EXHIBIT 4.2

ECONOMICS EVALUATION REPORT OF THE SPUN-OFF ASSETS AND OF THE TOTAL ASSETS OF BARCELONA COMÉRCIO VAREJISTA E ATACADISTA S.A.

PLEASE CHECK ANNEX 4.2 OF EXHIBIT I OF THE HERETO PROPOSAL

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Authorized-Capital Publicly-Held Company

CNPJ/MF n.º 47.508.411/0001 56

NIRE 35.300.089.901

SPECIAL SHAREHOLDERS MEETING TO BE HELD

ON DECEMBER 28, 2012, AT 11 A.M.

EXHIBIT III TO THE MANAGEMENT PROPOSAL

Agreement for Protocol and Justification for the Partial and Discretionary spin-off of Sé Supermercados Ltda, followed by the merger of the spun-off asset by Companhia Brasileira de Distribuição

---

Agreement for Protocol and justification of Partial split-off of Sé Supermercados Ltda., followed by the merger of the Assets Spun-off by

Companhia Brasileira de Distribuição

By this private instrument and pursuant to law, the administrators of companies,

(A) **Sé Supermercados Ltda.**, a Brazilian limited-liability company, with its headquarters in the City of São Paulo, State of São Paulo, at Av. Brigadeiro Luis Antônio, Nº 3172, Jardim Paulista, CEP 01402-002, enrolled in the National Register of Legal Entities of the Ministry of Finance - CNPJ/MF under Nº 01.545.828/0001-98, herein represented by its articles of association by Messrs. **Enéas César Pestana Neto**, Brazilian, married, accountant, bearer of Identity Card R.G. Nº 11.383.698-3 SSP/SP, enrolled in the Individual Taxpayers' Register CPF/MF under Nº 023.327.978-40; and **Aymar Giglio Junior**, Brazilian, married, business administrator, bearer of Identity Card R.G. Nº 10.546.999-3, SSP-SP, enrolled in the CPF/MF under Nº 021.861.958-59, both resident and domiciled in the City of São Paulo, State of São Paulo, with commercial address at Av. Brigadeiro Luis Antônio, Nº 3172, Jardim Paulista, henceforth referred to as "SÉ" ou "Split Company";

(B) **Companhia Brasileira de Distribuição**, a publicly held company (*sociedade por ações de capital aberto*), with its headquarters in the City of São Paulo, State of São Paulo, at Av. Brigadeiro Luis Antônio, Nº 3142, Jardim Paulista, CEP 01.402-000, enrolled in the CNPJ/MF under Nº 47.508.411/0001-56, herein represented through its bylaws by Messrs. **Enéas César Pestana Neto**, identified above; and **Christophe José Hidalgo**, French, married, accountant, bearer of Identity Card Nº V194572-X, enrolled in the CPF/MF under Nº 214.455.098-06, resident and domiciled in the City of São Paulo, State of São Paulo, with commercial address at Av. Brigadeiro Luis Antônio, Nº 3172, Jardim Paulista, henceforth referred to as "CBD" or "Acquiring Company";

The Split Company and the Acquiring Company will be henceforth individually referred to as "Party" and, jointly, as "Parties",

and further as Intervening Consenting Party:

(C) **Novasoc Comercial Ltda**., a Brazilian limited-liability company, with headquarters in the City of São Paulo, State of São Paulo, at Av. Brigadeiro Luís Antônio, Nº 3126, 2nd floor, Jardim Paulista, CEP 01402-001, enrolled in the CNPJ/MF under the Nº 03.139.761/0001-17, with its certificate of incorporation registered with the Trade Board of the State of São Paulo under NIRE 35.215.667.106, on May 5 1999, herein represented by its Executive Officer

Vitor Fagá de Almeida, identified above ("Novasoc");

HAVE DECIDED to execute this "Agreement forProtocol and Justification of Partial Split-off of Sé Supermercados Ltda., followed by the Merger of the Spun-off Assets by Companhia Brasileira de Distribuição" (the "Protocol"), pursuant to Articles 224 and 225 of Law Nº 6,404 of December 15 1976, as amended ("Brazilian Corporate Law"), in compliance with the terms, clauses and conditions evidenced ahead.

1. Description of intended operation

1.1. The Protocol herein has the purpose of making evident the substance of the justifications, terms and conditions of the operation of Partial Split-off of SÉ, with allocation of part of its assets, that shall be conveyed to CBD, as provided for under articles 227 and 229 of the Brazilian Corporate Law.

1.2. SÉ is a Brazilian limited-liability company, whose corporate capital, fully subscribed and paid up, is one billion four hundred and forty-four million six hundred and sixty-eight thousand (R$1,444,656,368.00) represented by one billion four hundred and forty-four million six hundred and fifty-six thousand three hundred and sixty-eight (1,444,656,368) quotas of ownership, at par value of one *Real* (R$1.00) each, being one billion three hundred and forty-four million nine hundred and seventy-five thousand six hundred and ninety-nine (1,344,975,699) quotas of ownership held by CBD and ninety-nine million six hundred and eighty thousand six hundred and sixty-nine (99,680,669) quotas of ownership held by Novasoc.

1.2.1. Before implementing the Operation, (i) Novasoc shall have had transferred the total amount of quotas of ownership representing the corporate capital of SÉ, of which it is the owner, to CBD, in accordance with the terms of the Exchange Agreement to be executed by CBD and Novasoc, whereby CBD becomes the sole member of SÉ; and (ii) Sendas Distribuidora S.A. shall have undergone partial split-off, in accordance with the terms of the Private Instrument of Protocol and Justification of Partial and Selective Split-Off of Sendas Distribuidora S.A., followed by Incorporation of the Spun-off Assets by Companhia Brasileira de Distribuição, executed between Sendas and CBD, so that CBD shall no longer hold preferred shares of Sendas.

1.3. CBD is a public held company (*sociedade por ações de capital aberto*), whose corporate capital is six billion seven hundred and seven million five hundred and ninety-four thousand five hundred and seventy-six *Reais* and thirty-one cents of *Reais* (R$6,707,594,576.31), represented by two hundred and sixty-three million three hundred and five thousand seven hundred and sixty-five (263,305,765) shares without par value, being ninety-nine million six hundred and seventy-nine thousand eight hundred and fifty-one (99,679,851) common shares and one hundred and sixty-three million six hundred and twenty-five thousand nine hundred and fourteen (163,625,914) preferred shares.

1.4. The Spun-off Assets of SÉ to be incorporated by CBD is formed by stores, inventory, financial assets, fixed assets of stores and corporate interest in affiliate and controlled companies (the "Spun-off Assets"").

2. Justification of the Operation

2.1. The signatory parties to this Protocol are companies that belong to the same economic group, and the Operation is part of a larger project for restructuring its economic group that shall be fully implemented from year 2013 to year 2014 and that mainly aims at obtaining considerable administrative, economic and financial benefits, mainly through the rationalization and simplification of the corporate structure of the group, making it possible to consolidate and write down operational costs and expenses and make it feasible to seize operational and tax synergies of the Parties. It is thus justified the lawful interests of the Split Company and of the Acquiring Company, as well as of their shareholders and administrators, in implementing the Operation.

3. Valuation of the Spun-off Assets and Base date of the Operation

3.1. Equity Version and Valuation. Because of the Operation, the Spun-off Assets shall be transferred to CBD. For purposes of the Operation, the Spun-off Assets shall be valuated based on their book value and their respective report (the "Valuation Report") shall be prepared by specialized firm Magalhães Andrade S/S Auditores Independentes, enrolled in the CNPJ/MF under Nº 62.657.242/0001-00, registered with the registry of the CRC/SP under Nº 2SP000233/O-3, with its headquarters in the City of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 1893, 6º floor, Jardim Paulistano, CEP 01452-001 (the "Valuation Firm"), which has represented that there is no conflict or pooling of interests, current or potential, with the members of SÉ or with the shareholders of CBD, and shall be attached to this Protocol as Exhibit 3.1. All valuations prepared for purposes of the Operation had as base date September 30 2012 (the "Base Date").

3.2. Equity Changes: The equity changes between the Base Date and the date of the effective incorporation of the Spun-off Assets shall be absorbed by CBD.

4. Reduction in the Corporate Capital of SÉ

4.1. Reduction in the Corporate Capital of SÉ. As a result of the partial split-off and consequent transfer of the Spun-off Assets, the corporate capital of the Split Company shall be reduced by five hundred and fourteen

thousand six hundred and fifteen *Reais* and ninety-one cents of *Reais* (R$514,615.91), corresponding to the net book value of the Spun-off Assets, upon cancellation, based on the economic relation existing between the Spun-off Assets and the total assets of SÉ, in accordance with the terms of the Economics Evaluation Report, attached to this Protocol as Exhibit 4.1 (the "Economics Evaluation Report"), of one billion seventy-eight millon three hundred and eighty-nine thousand three hundred and thirty-four (1,078,389,334) quotas of ownership issued by the Split Company and held by the Acquiring Company. The corporate capital of the Split Company shall go from its current one billion four hundred and forty-four million six hundred and fifty-six thousand three hundred and sixty-eight *Reais* (R$1,444,656,368.00), represented by one billion four hundred and forty-four million six hundred and fifty-six thousand three hundred and sixty-eight (1,444,656,368) quotas of ownership, to one billion four hundred and forty-four million one hundred and forty-one thousand seven hundred and fifty-two *Reais* and nine cents of *Reais* (R$1,444,141,752.09), represented by three hundred and sixty-six million two hundred ans sixty-seven thousand thirty-four (366,267,034) quotas of ownership, with face value of R$3.94286577287 each, and the corporate structure of the Split Company shall be composed as follows:

Members	**Quotas of ownership before Split-Off**		**Quotas of ownership wiped out by the Split-Off**	**Closing Balance**	
	Nº	**%**	**Nº**	**Nº**	**%**
Companhia Brasileira de Distribuição	1,444,656,368	100	1,078,389,334	366.267.034	100
Total de Quotas of Ownership	1,444,656,368		1,078,389,334	366.267.034	
Corporate capital (R$)	1,444,656,368.00		514,615.91	1,444,141,752.09	

4.2. The Economic Evaluation Report shall be prepared by specialized firm PricewaterhouseCoopers Corporate Finance & Recovery Ltda., enrolled in the CNPJ/MF under Nº 05.487.514/0001-37, with its headquarters in the City of São Paulo, State of São Paulo, at Avenida Francisco Matarazzo, 1400, 1˚ floor, CEP 05001-100.

5. Lack of increase in the Corporate capital of CBD

5.1. Lack of increase in the Corporate Capital of CBD. The Operation shall not bring about changes in the corporate capital of the Acquiring Company, as the net book value of the Spun-off Assets conveyed to CBD is equivalent to the economic value of the quotas of ownership issued by SÉ then held by CBD, which shall be cancelled in accordance with the terms of item 4.1 above.

6. Further conditions Applicable to the Operation

6.1. Amendment to the Articles of Association of SÉ. The Articles of Association of SÉ shall be amended in order to evidence the reduction in capital to which this Protocol refers.

6.2. Amendment to the do Bylaws of CBD. The Bylaws of CBD shall not be amended in view that the Operation shall not bring about any change to its corporate capital.

6.3. Implementation. It shall be incumbent on administrators of the Split Company and of the Acquiring Company to carry out all acts, registrations and annotations needed to implement the Operation.

6.4. Succession in Rights and Obligations. CBD shall succeed SÉ only in its rights and obligations transferred as a result of the incorporation of the Spun-off Assets, with no joint liability with regard to SÉ's remaining equity, as allowed by the sole paragraph of Article 233 of the Brazilian Corporate Law.

6.5. Corporate Acts to resolve on the Operation. There shall be called and held an extraordinary general meeting of the Acquiring Company and a Meeting of the Members of the Split Company to appreciate the Protocol herein, ratify the retaining of the Evaluation Company, approve the Valuation Report and approve the Operation.

6.6. Approval. This Protocol contains the conditions required by the Brazilian Corporate Law, for the proposal of Partial Split-off of SÉ and incorporation of the Spun-off Assets by CBD, and shall be submitted to appreciation and approval of CBD'S shareholders and SÉ's members, assembled at an extraordinary general members' meeting, respectively .

6.7. Effects. Should the Operation be approved, it shall produce effects as of December 31 2012.

IN WITNESS WHEREOF, the parties execute the instrument in six (6) counterparts of the same content and to one sole effect, together with the two witnesses below, present throughout.

São Paulo, November 28 2012

Split Company:

Sé Supermercados Ltda.

Enéas César Pestana Neto	Aymar Giglio Junior
Executive Officer	Executive Officer

Acquiring Company:

(Signature page of Private Instrument of Agreement for Protocol and justification of Partial split-off of Sé Supermercados Ltda., followed by the merger of the Assets Spun-off by Companhia Brasileira de Distribuição, executed on November 28 2012)

Companhia Brasileira de Distribuição

Enéas César Pestana Neto	Christophe José Hidalgo
Chief Executive Officer	Executive Officer de Finanças e Serviços Corporativos

Intervening Consenting Party

Novasoc Comercial Ltda.

_____

Vitor Fagá de Almeida

Executive Officer

Witnesses:

1. _____

Name:

R.G.:

2. _____

Name:

R.G.:

Agreement of Protocol and justification of Partial Split-off of Sé Supermercados Ltda., followed by the Merger of the Spun-off assets by Companhia Brasileira de Distribuição

EXHIBIT 3.1

ACCOUNTING EVALUATION REPORT OF THE SPUN-OFF ASSETS

OF SÉ SUPERMERCADOS LTDA.

SÉ SUPERMERCADOS LTDA.

Evaluation Report of the Equity Value
for purposes of spin-off and merger

11.28.12 1 00 072/12

Magalhães Andrade S/S Auditores Independentes

Av. Brigadeiro Faria Lima, 1893 – 6 floor - Jardim Paulistano - 01452-001 São Paulo SP
Tel. (55 11) 3814-3377 Fax: (55 11) 3813-4822
magalhaesandrade@magalhaesandrade.com.br

www.magalhaesandrade.com.br

Dear Shareholders of

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO and
SÉ SUPERMERCADOS LTDA.

MAGALHÃES ANDRADE S/S AUDITORES INDEPENDENTES, an audit and consulting firm, registered with the Regional Board of Accountancy of the State of São Paulo under no. 2SP000233/O-3 and secondary registration with the Regional Board of Accountancy of the State of Rio de Janeiro, registered with the Brazilian Ministry of Finance under Brazilian Federal Employer Taxpayer Identification Number 62.657.242/0001-00 and with registered office located at Av. Brigadeiro Faria Lima, 1893 - 6° floor, Jardim Paulistano, São Paulo, Capital City, appointed by you as an expert appraiser for performing an evaluation of the book value of the net worth of **SÉ SUPERMERCADOS LTDA**., for purposes of spin-off with merger into the equity of **COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO**, subject to the diligences and verifications required to the delivery of the work, hereby presents the following within

Evaluation Report

In witness whereof, the undersigned has hereunto set his name and seal.

São Paulo, on the 28th day of November, 2012.

MAGALHÃES ANDRADE S/S
Auditores Independentes
CRC2SP000233/O-3

[illegible signature]

GUY ALMEIDA ANDRADE

Partner

Accountant CRC1SP116758/O-6

Evaluation Report

INTRODUCTION

1. This merger operation is a result of the process of corporate reorganization, with alignment of the operating activities, and shall provide an advantage to the companies involved by reason of administrative and management simplification, saving operating costs and enabling the development and streamlining of activities now undertaken in an independent manner.

2. **SÉ SUPERMERCADOS LTDA. (SÉ), and COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO** (**CBD**) are companies belonging to the same economic group and the merger into the latter of a spun-off portion from the first one is part of a project for restructuring the group, which must be fully implemented between the years 2013 and 2014 aiming particularly to obtain considerable benefits in administrative, economic and financial fields, specially by streamlining and simplifying the corporate structure of the group, so enabling the strengthening and reduction of expenditures and operating expenses and making feasible the capture of tax and operating synergies.

3. This **REPORT**, therefore, is intended to determine the book value of the equity to be merged, taking into account the equity position of **SÉ** as of September 30th, 2012.

4. The Report is being issued in connection with the audit examination of the balance sheets of **SÉ**, prepared for such purpose on September 30th, 2012. The company's management is responsible for the preparation and proper presentation of such account statement in accordance with accounting practices adopted in Brazil and for the internal controls as the management has determined as necessary to enable the preparation of accounting statements with no material misrepresentation, regardless of if it is a result of fraud or error.

5. Our examination was performed in accordance with the Brazilian and international audit stfloords. Such stfloords require the compliance with ethical requirements by auditors and the audit to be planned and performed intending to obtain reasonable assurance about if the accounting statements are free of material misrepresentation.

6. An audit involves performing selected procedures to obtain evidence about the amounts and disclosures presented in the accounting statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misrepresentation in accounting statements, regardless of if it is a result of fraud or error. In such risk assessment, the auditor considers internal controls relevant to the preparation and proper presentation of the accounting statements of the Company in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls of the Company. An audit also includes evaluating the appropriateness of accounting practices used and the reasonableness of accounting estimates performed by the management, as well as evaluating the presentation of the accounting statements taken as a whole.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a ground for our opinion.

EQUITY POSITION OF SÉ

8. The equity of **SÉ** is composed by assets and liabilities arising from their operations.

9. The assessment is made in a book value basis, in compliance with the provisions of Section 226 of Law 6.404/76 and based on the equity position reflected on the Balance Sheet prepared as of September 30th, 2012, shown in **EXHIBIT 1** and whose equity position is summarized below:

ASSET	3,396,217,724
(-) LIABILITY	1,301,725,686
NET WORTH	2,094,492,038

10. Such balance has been prepared in accordance with accounting practices adopted in Brazil and taken into account, for purposes of assessment, the company running, according to the concept of continuance of ordinary business.

11. **SÉ** keeps its accounting regular, its operations being entered in proper book and its balances properly composed and reconciled.

12. The **EXHIBIT 2** lists asset and liability balances of **SÉ**, which shall be spun off and merged into the equity of **CBD**. The net asset will increase the net worth of **CBD** in R$ 514,616.

EQUITY POSITION OF THE SURVIVING COMPANY

13. The balance sheet of **CBD** prepared as of September 30th, 2012, is shown in **EXHIBIT 3**, whose equity position, in thousands of Brazilian Reais, is summarized below:

ASSET	19,144,005
(-) LIABILITY	10,923,231
NET WORTH	8,220,774

EFFECT RESULTING FROM THE SPIN-OFF IN SÉ

14. The effect resulting from the spin-off in the equity appears on the balance sheet of **SÉ** "after spin-off", shown in **EXHIBIT 4**, having the following equity position summarized below:

ASSET	2,155,280,438
(-) LIABILITY	61,303,015
NET WORTH	2,093,977,422

CONCLUSION

15. Given the findings and assertions, we conclude that the net asset of **SÉ SUPERMERCADOS LTDA**., as of September 30th, 2012, to be merged into the equity of **COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO**, which is summarized below, amounts to **R$ 514,616.00** and will increase the net worth of **CBD** for the respective amount, in compliance with the provisions of section 226 of Law 6.404/76.

	1,240,937,286
ASSET	
(-) LIABILITY	1,240,422,670
NET WORTH	514,616

REPRESENTATIONS

16. The expert appraiser expressly represents that it has no interest, whether directly or indirectly, in **SÉ** or **CBD**, or even in the operation, and there is no other circumstance that might characterize conflict of interests. It also informs that the administrators of **SÉ** and **CBD** have not limited, hindered or performed any acts that could have compromised the access, use or knowledge of information, assets, documents or work methodologies relevant to the quality of the respective conclusions.

This **REPORT** is issued in six (6) counterparts and has five (5) pages and five (5) exhibits, printed on the front page and initialed by the undersigned expert.

São Paulo, on the 28th day of November, 2012.

MAGALHÃES ANDRADE S/S
Auditores Independentes
CRC2SP000233/O-3

GUY ALMEIDA ANDRADE

Partner

Accountant CRC1SP116758/O-6

EXHIBIT 1

SÉ SUPERMERCADOS LTDA.

Balance Sheet as of September 30th, 2012
(amounts in BRL)

ASSET
Current

10,404,893
380,696,473
17,270,494
1,957,280
909,916
3,184,892
87,739,530
11,285,124
34,195,396
2,164,087
1,130,639
550,938,724

5,010,034
1,612,691,268
98,527,429
53,703,404
26,266,058
1,796,198,192
677,820,948
198,127,250
173,132,610
2,845,279,000
3,396,217,724

EXHIBIT 1 (Continuation)

SÉ SUPERMERCADOS LTDA.

Balance Sheet as of September 30th, 2012
(amounts in BRL)

LIABILITY AND EQUITY
NET LIABILITY

EXHIBIT 2

SÉ SUPERMERCADOS LTDA.

Assets to be spun off and merged into CBD
(amounts in BRL)

ASSET	
Current	
Cash and Bank	8,988,686.70
Financial Investments	8,600,000.00
Receivables - Customers	15,811,522.97
Receivables - Others	1,867,617.27
Inventory	76,080,635.36
Taxes to Refund	6,689,828.94
Anticipated Expenses	2,015,786.17
Others	1,127,995.85
Total Current Asset	122,091,989.28
Non-Current	
Long-term assets	
Taxes to Refund	24,584,087.00
Deposits for Legal Remedies	53,221,549.60
Others	457,614.64
	78,263,251.24
Property, plant and equipment	189,628,487.83
Total Non-Current Asset	1,118,845,296.72
TOTAL ASSET	1,240,937,286.00
LIABILITY AND NET WORTH	
LIABILITY	
Current	
Suppliers	19,595,147.76
Suppliers - Related Parties	66,537,383.18
Salaries and Social Security Contributions	16,632,196.55
Other Payables	6,117,336.60
Total Current Liability	108,882,064.09
Non-Current	
Amounts Payable to Related Parties	1,080,277,263.89
Contingency Reserve	50,034,746.45
Others	1,228,595.66
Total Non-Current Liability	1,131,540,606.00
TOTAL LIABILITY	1,240,422,670.09
NET ASSET	514,615.91

EXHIBIT 3

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Balance sheet as of September 30th, 2012
(amounts in thousands of BRL)

ASSET	
Current	
Cash and cash equivalents	2,478,853
Customers	678,004
Other receivables	14,020
Inventory	1,909,516
Tax credit	160,348
Anticipated expenses	63,912
Other credits	21,258
Total Current Asset	5,325,911
Non-Current	
Long-term assets	
Receivables	19,290
Income Tax and Social Contribution on Net Income (CSLL)	201,472
Anticipated expenses	42,673
Related parties	1,855,490
Securitization fund of receivables	128,457
Tax credit	243,191
Court deposits	476,747
	2,967,320
Investments	4,625,882
Net property, plant and equipment	5,351,641
Intangible	873,251
Total Non-Current Asset	13,818,094
TOTAL ASSET	19,144,005

EXHIBIT 3 (Continuation)

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Balance sheet as of September 30th, 2012
(amounts in thousands of BRL)

LIABILITY AND NET WORTH	
LIABILITY	
Current	
Labor and social security obligations	352,251
Suppliers	1,954,891
Tax obligations	53,921
Loans and financings	1,830,380
Others obligations	372,111
Reserves	167,528
Total Current Liability	4,731,082
Non-Current	
Loans and financings	4,760,993
Taxes to pay in installments	1,140,082
Others obligations	30,716
Tax, civil and labor contingencies reserve	260,358
Total Non-Current Liability	6,192,149
TOTAL LIABILITY	10,923,231
NET WORTH	
Equity capital	6,701,818
Capital Reserves	211,231
Profit Reserves	753,587
Retained earnings	554,138
TOTAL NET WORTH	8,220,774
TOTAL LIABILITY AND NET WORTH	19,144,005

EXHIBIT 4

SÉ SUPERMERCADOS LTDA.

Balance Sheet after spin-off
(amounts in BRL)

ASSET	
Current	
Cash and Bank	1,416,206
Financial Investments	372,096,473
Receivables - Customers	1,458,971
Receivables - Others	89,663
Receivables – Related Parties	3,184,892
Inventory	11,658,894
Taxes to Refund	4,595,295
Dividends to Receive	34,195,396
Anticipated Expenses	148,301
Total Current Asset	428,846,734
Non-Current	
Long-term assets	
Financial Investments	5,010,034
Amounts Receivable from Related Parties	1,612,691,268
Taxes to Refund	73,943,342
Deposits for Legal Remedies	481,854
Others	25,808,443
	1,717,934,941
Property, plant and equipment	8,498,762
Total Non-Current Asset	1,726,433,703
TOTAL ASSET	2,155,280,438
LIABILITY AND NET WORTH	
LIABILITY	
Current	
Suppliers	4,714,715
Suppliers - Related Parties	5,668,476
Salaries and Social Security Contributions	1,415,045
Taxes and Contributions to Collect	3,876,945
Taxes to Pay in Installments	4,400,895
Other Payables	112,936
Total Current Liability	20,189,012
Non-Current	
Taxes and Contributions to Collect	1,063,460
Taxes to Pay in Installments	40,038,276
Contingency Reserve	12,267
Total Non-Current Liability	41,114,003
TOTAL LIABILITY	61,303,015
NET WORTH	2,093,977,422
TOTAL LIABILITY AND NET WORTH	2,155,280,438

Agreement of Protocol and justification of Partial Split-off of Sé Supermercados Ltda. followed by the Merger of the Spun-off assets by Companhia Brasileira de Distribuição

EXHIBIT 4.2

ECONOMICS EVALUATION REPORT OF THE SPUN-OFF ASSETS AND OF THE TOTAL ASSETS OF SÉ SUPERMERCADOS LTDA.

PLEASE CHECK ANNEX 4.2 OF EXHIBIT I OF THE HERETO PROPOSAL

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Authorized-Capital Publicly-Held Company

CNPJ/MF n.º 47.508.411/0001 56

NIRE 35.300.089.901

SPECIAL SHAREHOLDERS MEETING TO BE HELD

ON DECEMBER 28, 2012, AT 11 A.M.

EXHIBIT IV TO THE MANAGEMENT PROPOSAL

Description of technical background of Magalhães Andrade

1

Qualification

MAGALHÃES ANDRADE S/S AUDITORES INDEPENDENTES was founded in 1943 and operates as an independent auditor and consultant in areas of its expertise. The person in charge of preparing the Valuation Reports is Mr. Guy Almeida Andrade, partner of Magalhães Andrade, accountant filed with the Regional Accounting Committee of São Paulo (CRC1SP) under no. 116.758/O-6.

Mr. Guy Almeida Andrade joined Magalhães Andrade in 1974 and has over 35 years of expertise in auditing, internal control, corporative governance, accounting and tax consulting, and corporate finance areas, having worked in Brazil and abroad. He is currently Chairman of the Board of Directors of IBRACON (*Instituto dos Auditores Independentes do Brasil*), having even worked in the capacity of President of the National Board of Executives from 2002 to 2004. He was also a member of the Board of the International Federation of Accountants – IFAC (2000 to 2006), having worked in the capacity of Chairman of the Audit Committee of that organization (2003 to 2006). Still as a member of IFAC, he was a member of the Nominating Committee (2006 to 2010). Upon invitation by the General Secretary Mr. Kofi Annan, Guy Almeida Andrade became member of the Steering Committee in charge of the review of governance and supervision of the Organization of the United Nations – UN, its funds, programs and specialized agencies (2006). He furthers acts as a member of the Auditing Committee of two major Brazilian organizations and as Vice-Chairman of the Board of Directors of important company in the liquor industry.

Mr. Guy Almeida Andrade participated in several consolidation, merger, spin-off, acquisition and corporate restructuring operations carried out by MAGALHÃES ANDRADE by drawing up evaluation reports, giving advice on the structuring of the operation or even leading said operations. In the performance of such works MAGALHÃES ANDRADE operates with a multi-professional team that works with each one´s role in each of the processes: (1) auditing the information that will serve as basis for evaluations; (2) preparing the book value report; (3) assessing the scenarios and development of premises for preparing the estimates for future possibilities; (4) preparing the evaluation report at economic value; (5) drafting agreements, 15 protocols and justifications; or even (6) helping the negotiation between the parties.

Recent works on companies´ evaluations, share value, the value of shareholders´ equity include, but are not limited to, the following evaluations:

Economic evaluation:

- Ellenco Construções Ltda. 2000 (for the disposal of minority interest)

- ABC Supermercados S.A. 2001 (in order to justify the capital contribution in excess of par value in the Companhia Brasileira de Distribuição)

- Laboratório Sanobiol Ltda. 2004 (for negotiating the company´s disposal)

- Companhia Pernambucana de Alimentos 2004 (in order to justify the capital contribution in excess of par value in the Companhia Brasileira de Distribuição)

- AD Comércio Importação e Exportação Ltda. 2007 (sale of control)

- Bauma Equipamentos Industriais Ltda. 2007 e 2008 (in order to negotiate the company´s disposal)

- Companhia Brasileira de Distribuição 2008 (as a justification of the amount paid for the place of business)

2

- Ellenco Construções Ltda. 2011 (for corporate restructuring)
- Ellenco Empreendimentos Imobiliários Ltda. 2011 (for corporate restructuring)
- Alta Comercial de Veículos Ltda. 2012 (Corporate restructuring)
- HPoint Comercial Ltda. 2012 (Corporate restructuring)
- Alta Imobiliária Ltda. 2012 (Corporate restructuring)
- Alta Locadora Ltda. 2012 (Corporate restructuring)
- Malabar Comercial de Veículos Ltda. 2012 (Corporate restructuring)

Evaluation of the owners´/shareholders´ equity

- Messina Empreendimentos e Participações Ltda. 2007 (merger by Sé Supermercados S.A.)

- Assai Comercial e Importadora Ltda. 2007 (spin-off with merger by Barcelona Comércio Varejista e Atacadista S.A.)

- Christensen Roder Produtos e Serviços de Petróleo Ltda. 2008 (merger of affiliated company)

- Agra empreendimentos Imobiliários S.A. 2008 (merger by Cyrela Brazil Realty S.A. Empreendimentos e Participações)

- Sevilha Empreendimentos e Participações Ltda. 2008 (merger by Barcelona Comércio Varejista e Atacadista S.A.)

- Goldsztein Participações S.A. 2009 (merger by Cyrela Brazil Realty S.A. Empreendimentos e Participações)

- Mandala Empreendimentos e Participações S.A. 2009 (merger by Globex Utilidades S.A.

- Nerano Empreendimentos e Participações S.A. 2009 (merger by Barcelona Comércio Varejista e Atacadista S.A.)

- Sendas Distribuidora S.A. 2009 (evalutation of property, plant and equipment at book value for payment to Xantocarpa Participações S.A).

- Kayseri Participações Ltda. 2011 (merger by Archem Química Ltda.

- Ibratexpo Feiras e Eventos Ltda. 2011 (merger by Informa Exhibitions Ltda.)

- BTS Brazil Trade Shows Partners Participações S.A. and Informa Exhibitons Brasil Ltda. 2011 (merger by BTS Feiras, Eventos e Editora Ltda.)

- Zabaleta Participações Ltda. 2011 (spin-off with merger in seven successors)

- Fruto do Sol Alimentos Orgânicos Ltda. 2011 (merger by Fazenda da Toca Ltda.)

- Península Participações Ltda. 2011 (investment spin-off)

Valuation of shares at market value

- Companhia Brasileira de Distribuição 2010, 2011 and 2012 (valuation at market value to pay up to Wilkes Participações S.A.)

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Authorized-Capital Publicly-Held Company

CNPJ/MF n.º 47.508.411/0001 56

NIRE 35.300.089.901

SPECIAL SHAREHOLDERS MEETING TO BE HELD

ON DECEMBER 28, 2012, AT 11 A.M.

EXHIBIT V TO THE MANAGEMENT PROPOSAL

Work Proposal presented by Magalhães Andrade

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Proposal for professional works - Evaluation Reports

11/19/12 1 00 060/12

MAGALHÃES ANDRADE S/S Auditores Independentes

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São Paulo, November 19, 2012.

To

Companhia Brasileira de Distribuição

Av. Brigadeiro Luiz Antonio, 3235

01506-000 São Paulo - SP

Attn.: Sr. Fernando Zancopé

Director

Dear Sirs:

In reply to your request, here is our understanding in relation to the provision of professional services related to the issuance of evaluation reports on the accounting net worth of Sendas Distribuidora S.A. (SENDAS), Sé Supermercados Ltda. (SÉ), Barcelona Comércio Varejista e Atacadista S.A. (BARCELONA) to be used in the process of incorporation, as well as to determine the accounting value of balances in current accounts held between SENDAS and BARCELONA with Companhia Brasileira de Distribuição (CBD) to be used for capital increase of these companies for the benefit of CBD.

I SCOPE OF OUR PROPOSAL

The scope of the present proposal is the audit of the accounting statements of SENDAS, SÉ and BARCELONA for the last nine months to be elaborated on September 30, 2012 and which shall serve as basis for evaluation, as well as for determination of the value of the accounting net worth of each company on that date, according to the accounting practices adopted in Brazil.

These companies shall be audited by other independent auditors and their balances were the object of review by company's independent auditors, in accordance with NBC TR 2410, but under the perspective of CBD's consolidated balance sheet, with a quite limited scope. The independent auditors have informed in their conclusion, that they were not aware of any fact that "could lead them to believe that the stand-alone interim accounting information included in the previously mentioned quarterly information were not elaborated, in all their relevant aspects, in accordance with CPC 21 (R1), applicable to the elaboration of Quarterly Information - ITR, and presented in accordance with the norms issued by CVM".

Our audit work on the financial statements of SENDAS, SÉ and BARCELONA should include access to paperworks of these companies' independent auditors, so as to get to know the risks identified and the responses to such risks and to develop our independent tests.

In this sense, we hereby emphasize the need for you to authorize our access to those paperworks.

II EVALUATION APPROACH

The evaluations for spin off with incorporation purposes shall be made at accounting value, in compliance with the provisions of the Civil Code and the Brazilian corporate law, in special, the provisions under article 226 of Law 6.404/76 and Instruction CVM 319/99, with the amendments promoted by Instructions CVM 320/99 and 349/01, as well as, article 8 of Law 6.404/76.

The evaluations of the credits held by CBD in its invested companies, to be used as capital increase of the invested companies for the benefit of CBD, shall be made at accounting value, in compliance with article 8 of Law 6.404/76, considering its later amendments.

It is essential that the accounting of the companies involved in this operation is updated and that the accounting statements at the base date reflect the equity and financial position of the company evaluated, on such date. The accounting books and records must be kept on an orderly and adequate basis, and must represent the totality of operations of the societies, with their balances duly compound, conciliated and correct.

Spin-off and capital increase operations, as we have been instructed, are being carried out in the following order and required that five Evaluation Reports be submitted:

a) SENDAS spin off, with incorporation of the net assets by CBD;

b) BARCELONA spin off, with incorporation of the net assets by SENDAS;

c) Capital increase by CBD at BARCELONA, with the balance being kept at the current account;

d) SÉ spin off, with incorporation of the net assets by CBD; and

e) Capital increase by CBD at SENDAS, with the balance being kept at the current account;

III CONTENT OF THE REPORTS AT ACCOUNTING VALUE

After our examinations and diligence are closed, we shall issue the Evaluation Report at the accounting value of SENDAS, SÉ and BARCELONA net worth to be incorporated as described above.

Whenever necessary, the Reports shall indicate any eventual adjustments and eliminations from the accounts resulting from operations and transactions between companies.

The Reports shall also present the effects of the incorporation on the incorporators.

The reports shall be prepared in six counterparts, to be delivered to the addressee of this proposal.

IV DEADLINE FOR DELIVERY

The delivery of the Reports depends upon the collaboration to be provided for obtaining the information and data and timely and full delivery of all the information requested. In case of an eventual lack of information, it is essential that we are informed, so be able to evaluate other alternative data.

V FEES

As you already know, our fees are calculated with basis on the time effectively spent and on the category of personnel used for execution of the works. Our fees were also set up taking into account the currently existing tax burden and social charges.

The proposed fees to perform the services described herein amount to BRL100,000.00 (one hundred thousand Brazilian reais) to be paid in a lump sum, upon delivery of our Evaluation Reports.

After the invoice due date, the amount shall be subject to a conventional penalty of 1% for each ten days of delay, limited to a maximum of 20%, as well as to interest on arrears at 0.33% per day.

Any eventual change to the extension and deadline, which implies consumption of additional hours, shall be informed and approved by CBD before their execution. Any deviations which lead us to unavoidably incur time of expenses above to initial estimations, shall be immediately informed to you, so that the economic-financial balance of our proposal can be maintained.

VI TRAVELLING AND EVENTUAL EXPENSES

Travelling, accommodations and meals, as well as any other eventual expenses (mail, fax, phone calls) shall be on account of or reimbursed by CBD, in accordance with the rules to be established by mutual agreement.

VII EXTERNAL REVIEW OF AUDIT QUALITY CONTROL

The new rules on quality control of audit companies, required by the Brazilian Securities and Exchange Commission - CVM and published by the Federal Accounting Council - CFC, requires auditors to be periodically submitted to external review of quality control on the audit process. Such review, to be made by another audit company and monitored by the CFC, examines the practice of each company and includes a review of a few audit works performed. In this sense, we alert that the work resulting from the present contract may, eventually, be chosen for the mentioned review. We assure you, however, that the auditors are subject to the same rules of professional secrecy we are bound to and that the matters they eventually take notice of shall be treated within professional secrecy rules and shall not be used for any purposes other than those foreseen in the norm published by CFC for quality control external review.

VIII UNILATERAL RESCISSION

Our contract may be unilaterally terminated by either parties, however, in case of the rescission to be decided after we have started our works, we reserve ourselves the right to charge the hours effectively incurred.

IX INDEPENDENCE AND CONFIDENTIALITY

In our relationships with our clients, we keep an adequate financial and ethical independence. Therefore, by appointing us to execute this work, you agree in not to promote any act that may compromise our independence.

Confidential Information means any information not public which one of the parties defines as “confidential”. It is not considered as confidential information any information which (i) is already known to us or which is obtained from a public source; (ii) is disclosed without restrictions to any person or entity (including governmental agencies); or (iii) is developed by us, on an independent basis, without the use of confidential information. Magalhães Andrade binds itself to protect the confidential information which it comes to have access to, as a result of the work which is the object of this proposal, except if required under the law or by judicial notice. In this hypothesis, we shall inform you on this fact, in advance.

You also agree to follow the present confidentiality provisions with respect to our methodology and in relation to the outcome of our work, as provided for in item “d” of item X below.

X RESPONSIBILITIES AND LIMITATIONS

It is worth clarifying that the events and circumstances listed below are inherent to the works defined in this proposal and shall not, under no hypotheses, be considered as insufficiency or deficiency of any nature in the carrying out of the services:

a) The herein proposed services or their results do not constitute an independent audit on accounting statements and should not be interpreted as such, or used for the same purposes as those of an audit process or any result therefrom.

b) The scope of the proposed works does not include the specific and determined obligation to detect frauds in the operations, processes, records and documents of the companies listed in item 1 of this proposal. However, in case the existence of such element is verified or the simple existence of an environment propitious to its occurrence, such fact shall be immediately reported.

c) The services informed and subsidized by legal and regulatory norms shall be rendered with basis on the laws and regulations in force at the time of the service provision. The scope of this proposal does not include any update of the services and of the opinions and reports resulting therefrom, in case of legal or regulatory changes which validity is started after conclusion of the services.

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d) Our Evaluation Report is being issued only to subsidize the operations which involve the companies listed in item 1 of this proposal. The Reports shall not be used for any purpose other than the one established and their results shall not be delivered to third parties outside the sphere of the incorporations in course.

CBD, SENDAS, SÉ and BARCELONA shall observe that: (i) the data to be delivered shall exhaustively express the transactions, processes or operations they refer to and must be timely presented; (ii) the responsibility for preparation of the information to be liberated to us, shall be under the exclusive competence of your Administration; and (iii) as part of the services, we are entitled to obtain, in writing, a confirmation of verbal declarations and information provided to us.

In the capacity of service providers, we are not responsible for any inadequate or unauthorized use which comes to be made of the reports and opinions resulting from the services described in this proposal.

XI TERM OF ACCEPTANCE, VALIDITY AND COURT

The manifestation of acceptance of this proposal shall take place upon return of a copy duly signed by your legal representative, including by initialing each page of the present proposal.

In case you do not express your acceptance as indicated above, but authorize the start up the provision of the services described in this proposal, verbally or in writing, without expressly recording any restriction to the terms and conditions of the present proposal, such act shall represent implicit adherence of the companies included herein to the terms and conditions set forth in this proposal and, therefore, the contractual relationship to be established between the parties shall be regulated, in any hypothesis, by the present document.

Upon receipt of your confirmation, we shall start to plan the works, so that we can place the adequate resources at your service.

The court chosen to settle any eventual disagreement, of any nature between the parties shall be the court of the District of the Municipality of São Paulo, in the State of São Paulo.

We hope the above information is sufficient to clarify any eventual doubts. However, we shall remain at your disposal for any additional clarifications you may require.

MAGALHÃES ANDRADE S/S

Independent Auditors

CRC 2SP000233/O -3

GUY ALMEIDA ANDRADE

Partner

Accountant CRC 1SP116758/O -6

We agree:

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

___/___/2012

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Authorized-Capital Publicly-Held Company

CNPJ/MF n.º 47.508.411/0001 56

NIRE 35.300.089.901

SPECIAL SHAREHOLDERS MEETING TO BE HELD

ON DECEMBER 28, 2012, AT 11 A.M.

EXHIBIT VI TO THE MANAGEMENT PROPOSAL

Description of technical background of PWC

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Authorized-Capital Publicly-Held Company

CNPJ/MF n.º 47.508.411/0001 56

NIRE 35.300.089.901

SPECIAL SHAREHOLDERS MEETING TO BE HELD

ON DECEMBER 28, 2012, AT 11 A.M.

EXHIBIT VII TO THE MANAGEMENT PROPOSAL

Work Proposal presented by PWC

Confidential

November 16th, 2012

Attention : Mr. Fernando Zancopé e Fábio Calpacci Leone

Companhia Brasileira de Distribuição

Grupo Pão de Açúcar

São Paulo - SP

Dear Sirs,

Following our recent discussions, PricewaterhouseCoopers Corporate Finance & Recovery Ltda. (a Brazilian company registered under CNPJ/MF nº 05.487.514/0001-37 "PwC" or "us" or "we") is pleased to provide this proposal to assist Grupo Pão de Açúcar ("GPA") in the economic valuation of the following companies: Sendas Distribuidoras S.A. ("Sendas"), Barcelona Comércio Varejista e Atacadista S.A. ("Barcelona"), and Sé Supermercados Ltda. ("Sé") and some Spun off assets of these companies, as detailed in the section "Scope and Objectives" of this document.

The scope, fees, limitations of responsibility and other conditions of our work are described in the following sections of this proposal.

We are pleased to have the opportunity to work with you, and would greatly appreciate the return of a signed copy of this proposal, acknowledging your acceptance, for our files.

If we are requested to commence the performance of our advisory services prior to the execution of this agreement, this agreement shall be effective as of the commencement of such services.

Yours sincerely,

PricewaterhouseCoopers

Corporate Finance & Recovery Ltda.

_____

_____

Rogério R. Gollo Andréa B. Fuga

Accepted and agreed:

_____

Companhia Brasileira de Distribuição

Grupo Pão de Açúcar

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Background

GPA is the largest retailer in Latin America, with revenues of approximately R$ 53 billion (US$ 26.5 billion) in 2011 and 1.8 thousand points of sale, being focused on the commercialization of food, clothing goods and electronics, amongst other.

Its structure comprises the operations of supermarkets (Pão de Açúcar), hypermarkets (Extra), electronics stores (Ponto Frio, Extra Eletro and Casas Bahia), convenience stores (Extra Fácil), wholesale and retail (Assaí), drugstores, gas stations and e-commerce.

Due to operational synergies, the management of GPA ("Management"), is analyzing a possible corporate restructuring, which includes de spin off of some operations, assets and liabilities of Sé, Sendas and Barcelona (jointly referred as "Companies"), with subsequent incorporation by Companhia Brasileira de Distribuição ("CBD").

In September 30th, 2012, the companies subject to this study were part of the corporate structure displayed on the side box.

To the effect of the annulment of quotas and other subsequent actions to this restructuring, it is necessary to determine the percentile of value of the operations that shall be spun off ("Splits") in relation to the Companies, based on the economic value of each of the parts.

Scope and Objective

In this context, you have requested PwC to present this proposal to assist you in the valuation of the Companies and of the Splits, based on the future earning methodology.

Given GPA corporate structure, our work will comprise the following valuations, which the results will be presented in one single report:

ü Sendas

ü Sé

ü Barcelona

ü Xantocarpa (Sendas' integral subsidiary)

ü FIC (Sé's indirect subsidiary, through the stake in Bellamar)

ü GPA Malls & Properties ("GPA M&P", Sé's indirect subsidiary)

ü Sendas' Demerged Parcel

ü Barcelona's Demerged Parcel

ü Sé's Demerged Parcel

Therefore, we estimate that 6 economic valuation models will be elaborated, in order for us to calculate the value of the each one of the Companies and of the Splits.

As the final product of our work, a Valuation Report will be presented, with the analysis of the entire value of operations of the Companies and also the analysis of the economic value of the Splits, for the base date of September 30th, 2012. The report will present the valuations and the effects of the several operations of spin off and incorporation, following the structure informed by Management.

Management will be responsible for the definition of the operations, assets and liabilities of the Companies that will be part of the Splits, as well as for the sequence of spin offs and merges. We would like to emphasize that the results of our analysis are valid exclusively to the scenario defined by Management.

Our report will be developed for GPA Management, for the objective of internal approval and registration processes. If necessary, our report can be presented to Brazilian tax authorities and to the local independent auditors of GPA.

The work herein proposed is exclusively for the development of an economic valuation of the Companies and of the Splits and does not include any kind of purchase price allocation for accounting or tax purposes, nor the development of any tax structuring.

Our work will not include any analysis of potential discounts that could be applied to the value of the Companies due to lack of liquidity or marketability, or discounts that could be applied to minority interests.

Methodology

Our economic valuation of the Companies and Splits will be based on the future earnings method, using essentially the discounted cash flow approach.

Alternatively, a valuation could be performed based on the market value of net tangible assets, or on the liquidation value. Both these concepts consider a static situation of the company and not its capacity of generating future earnings. The scope of our work does not include the consideration of value of the Companies or the Splits by any of these methodologies and, therefore, it does not include the valuation of any assets (fixed or not) or liabilities of the Companies separately.

Approach

Our valuation work will be developed with the base date of September 30th, 2012, and it will comprise the following activities:

ü analysis of Companies' historical financial statements and managerial data for the last three reporting periods 2010, 2011 and months incurred in 2012. Specific information from previous periods can be required, depending on our analysis needs;

ü review of published or available market data related to the sector of the Companies;

ü interviews with the main executives responsible for the Companies;

ü analysis and discussion of the operating projections provided by Management. These projections shall reflect Management's best estimate of future results, for the periods after the base date;

ü processing of the projections in our valuation model;

ü identification, analysis and discussion of the main risks related to the assumptions defined by Management;

ü analysis of the results obtained and development of sensitivity studies as deemed necessary;

ü research of multiples of quoted comparable companies and of comparable transactions in terms of business valuation;

ü complementation of our analysis, confirmation of results and preparation of an Executive Summary presenting the valuation results;

ü preparation and delivery of a draft and a final version of our valuation report, detailing major assumptions and our conclusions in Portuguese.

The valuation work will be based on projections provided by Management. Therefore, it will be crucial for the development of our work that Management has the ability to provide us such projections. Our work will include critical analysis about such estimates and questions to the Management about its reasonability.

We would like to point out that a valuation process should reflect the current conditions of a company, including its future growth perspectives. In the case the projections provided by Management consider a significant change in terms of size or profitability of the business that would request substantial change in the current characteristics of the Companies, our report may include sensitivity analysis and comments with this respect.

In addition, our conclusions may be based on the base case scenario, as per Management's assumptions, or on our sensitivity analysis.

At the moment, the Companies share some costs and expenses, which are allocated to them based on certain criteria. During the execution of our work we will discuss and understand Management allocation criteria, but Management will be responsible for the definition of these criteria, including the criteria applicable to the Splits. Therefore, we will consider the permanence of the criteria defined by Management for valuation purposes. The result of our work will consider that costs and expenses will continue being shared among the Companies and the Splits, including with other companies within GPA.

Timeframe

Based on the deadline informed by the GPA, and considering our knowledge about some of the operations to be valued, we estimate that we will be in condition of issuing an Executive Summary, describing the results of our work, to the date of November 28th, 2012, and emitting of a complete Report until December 7th, 2012.

We emphasize that in order to comply with the timeframe and cost established we will need to have full cooperation from Management in granting us access to and understanding of the historical results, management reports and of short and long term operational projections. It may also be necessary for part of our work to be carried out at the Company's facilities.

Team

The assignment will be conducted by a team of valuation specialists in Brazil, under the overall leadership of a partner and with the day-to-day activities conducted by a senior manager and a supervisor.

Staff will be allocated based on the fit of the professionals to the assignment and on the availability of personnel at the approval date. This allocation will observe the absolute independence of the professionals involved. GPA will be assured during the execution of this assignment the exclusivity of the staff for the development of this type of service in its industry segment, in the situations where a potential conflict of interest may exist.

This allocation procedure and the use of "Ethical Walls" between professionals and teams allocated to different assignments, when necessary, avoid situations of conflicts of interest.

Fees and expenses

In accordance with our usual practice to this kind of work, the fees will be charged based in the time effectively spent by our professionals at current rates.

Based on our experience on previous works, we estimate our fees at R$ 630,000.00 (six hundred and thirty thousand Reais). This value is subject to Services Taxes ("ISS") equivalent to 5% of total gross value invoiced.

Our fees will be billed in one installment, issued on the date of delivery of the draft of our Report. Our fees will be billed for Companhia Brasileira de Distribuição (company belonging to the GPA).

Expenses incurred in the development of our work such as transportation, travel, lodging, meals, printing and communications will be charged separately, at cost. We emphasize that our team to be allocated to this project is based in the cities of Sao Paulo or Barueri.

Limitations of Responsibility

We would like to point out that our economic valuation is only one of the several factors to be considered in arriving at a final value of a company, which is only determinable by free negotiation between a willing buyer and a willing seller, in an open and unrestricted market, when neither is under obligation to buy or to sell and both have reasonable knowledge of the relevant facts.

Our valuation will not consider eventual synergies, strategic motivations, gains of scale, or any other benefits that eventual stakeholders might have or loose in the case of changes in the control of the Companies or of the Splits.

During the development of our work, we will rely on unaudited historical and projected data provided to us either verbally or in writing by Management or to be obtained from specific sources. This information will be subject of our critical analysis that shall base our conclusions. Specifically, to the Splits, the initial balance sheets will be provided by Management, according to its studies for the present restructuring.

Investment projections will be based solely on Management information and will not be submitted to or reviewed by specialized independent engineers or experts. Furthermore, as all forecasts are subjective and are subject to uncertainties, we will not present the projections as specific results to be attained. Therefore, we will not be able to express, and will not express an opinion on the historical data, projections and other information that support the conclusions or which are included in our report.

As our work will not include due diligence procedures, it will not take into consideration any type of contingency, overprovided or off-balance sheet asset or liability, which is not formally informed to us or not recorded in the Companies' balance sheet of the base date of our work. Consequently our conclusions will not consider their effect, if any, on future results and on the value of the Companies.

During the engagement we may wish to communicate electronically with each other. However, the electronic transmission of information cannot be guaranteed to be secure or virus or error free and consequently such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. We shall not have any liability from or in connection with the electronic communication of information between us or our reliance on such information.

As already mentioned, our report will be issued in order to support Management in the corporate restructuring, as described in section Scope and Objective of this document. Therefore, (i) our work (including analysis, results, conclusions, Reports and any other information) shall not be used for purposes other than the aforementioned, and (ii) our Report shall not be published, circulated, reproduced or disclosed to third parties without our written consent, which we may or may not conceive, or conceive with observations of determined conditions. In the case that we grant access to our report to a third party, we will always request that (i) such third party sign a hold harmless letter to PwC before having access to our report (it is agreed that the terms of such letter are to be determined exclusively by PwC); and (ii) that the final valuation report be disclosed in full. The access to our Report by the GPA auditor e by Brazilian tributary authorities is previously allowed, provided that it is used to meet the objectives described above.

Neither PwC name, nor all or any part of the contents of the report shall be disseminated or referred to the public through advertising, public relations, news or sales media, or any other public means of communication, or referenced in any publication, including any private or public offerings, including but not limited to those filed with the Brazilian Securities Commission (CVM), the Securities Exchange Commission (SEC), or other governmental agency, without our prior written consent and approval, which we may grant, withhold, or grant subject to conditions.

Draft reports and preliminary presentations will be issued for discussion purposes only and should not be considered as final documents. Therefore they should not be used for any purpose other than for discussions between PwC and the Management, as they may suffer significant change. Valid conclusions of our valuation work will be expressed only in our final signed report.

Before the delivery of our final valuation report, we will request Management to confirm in writing the main information supplied, including information to the effect that Management is not aware of any fact or information that was not included in our draft report and which could significantly affect our conclusions.

Should we become aware, at any time, of any fact or information which had not been supplied to us before the issuance of our final report, we reserve the right to review the calculations, the results and our conclusions. We do not assume any responsibility to update our report due to the occurrence of events or circumstances after the date of its issuance.

We do not assume any responsibility for losses caused to GPA, to CBD, to Sé, to Sendas, to Barcelona, its subsidiaries or related entities, its shareholders, directors or to any other parties as a consequence of our use of data and information provided by the Companies or gathered with another sources, as well as the publication, reproduction, disclosure or use of our drafts or final reports, or of the data contained thereon, in a manner contrary to the provisions in the preceding paragraphs.

Under no circumstances will PwC, its partners, delegates or employees be responsible to indemnify any party that may feel directly or indirectly damaged by the services rendered by us, unless in the unlikely hypothesis that those damages are caused by a willful misconduct or fraudulent behavior by PwC and directly related to the services rendered. Under no circumstances PwC will be responsible for values that exceed the fees agreed upon in this letter and actually paid to us during the development of our work. Therefore, you agree to indemnify us to the fullest extent permitted by law against all liabilities, losses, claims, demands and reasonable expenses, including but not limited to legal fees and expenses, brought against us or any PricewaterhouseCoopers Entity by any party or person, in connection with or arising out of the engagement.

Other Conditions

The property of all material developed and issued to Management in the scope of this proposal will pertain to GPA. However, the working papers and the models developed by PwC will be our exclusive property.

Ideas, concepts, know-how, techniques, innovations and improvements developed by the professionals from PwC during the course of the aforementioned work can be used by us in any way we consider appropriate, including, with no limitations, to serve any of our clients. PwC provides advisory services for a range of clients and GPA understands that we will keep doing these activities. Therefore, nothing in this proposal will preclude PwC to provide advisory services to other clients, including similar services to those provided to GPA.

During discussions with potential clients, it is a common practice for professional services firms such as ours, to refer to past engagements as examples of our experience, and we would like to do the same in respect with this work. Except if you pronounce in contrary, we understand that we can refer to this work to third parties, including in PwC or other PricewaterhouseCoopers Entities publications.

This contract shall be governed by Brazilian law. The parties irrevocably agree that the courts of the state of São Paulo shall have exclusive jurisdiction of any claims arising out of this engagement. Each part resigns irrevocably the use of any other court, as privileged as it is or will be.

This proposal reflects the full agreement between GPA and PwC, related to the services herein described, becoming the instrument of our engagement by GPA. It replaces and supersedes any proposals, correspondence and agreements, written or oral, previously made in relation to the service herein described and shall prevail even after termination or expiration of our work.

SIGNATURES

Pursuant to the requirement of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Date: December 26, 2012

By: /s/ Enéas César Pestana Neto
Name: Enéas César Pestana Neto
Title: Chief Executive Officer

By: /s/ Vitor Fagá de Almeida
Name: Vitor Fagá de Almeida
Title: Investor Relations Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates offuture economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.