

BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD

Form 6-K

January 19, 2016

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## 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 January, 2016

Brazilian Distribution Company

(Translation of Registrant's Name Into English)

Av. Brigadeiro Luiz Antonio,  
3142 São Paulo, SP 01402-901

Brazil

(Address of Principal Executive Offices)

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

Form 20-F  Form 40-F

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

Yes  No

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

Yes  No

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

Yes  No

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Publication Date: January 18, 2016

Press Release

**Rating 'brAA+' assigned to Companhia Brasileira de Distribuição (CBD) placed on negative CreditWatch to reflect the same rating action taken for Casino**

Primary analyst: Wendell Sacramoni, CFA, São Paulo, 55 (11) 3039-9741,  
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Additional analyst contact: Luísa Vilhena, São Paulo 55-11-3039-9727, [luisa.vilhena@standardandpoors.com](mailto:luisa.vilhena@standardandpoors.com)

Ratings committee leader: Luísa Vilhena, São Paulo 55-11-3039-9727, [luisa.vilhena@standardandpoors.com](mailto:luisa.vilhena@standardandpoors.com)

**Summary**

- On January 15, 2016, Standard & Poor's Ratings Services placed the 'BBB-' ratings of Casino on CreditWatch negative.
- We placed CBD's rating on CreditWatch negative because, in accordance with the methodology adopted by the group, a company's rating may not be higher than that attributed to its parent company.
- The CreditWatch negative listing means that we could affirm or downgrade by one notch CBD's rating if Casino's ratings are affirmed or downgraded by one notch; or that we could downgrade the company's ratings by one or more notches if Casino's rating is downgraded by two notches.

**Rating Action**

**São Paulo (Standard & Poor's), January 18, 2016** – Standard & Poor's Ratings Services placed today the rating of 'brAA+' on the Brazilian National Scale assigned to **Companhia Brasileira de Distribuição ("CBD")** on the CreditWatch negative list, reflecting the same action taken for the 'BBB-' ratings of its controlling group **Casino Guichard-Perrachon & Cie S.A.** (Casino: BBB-/CW Neg./A-3).

**Fundamentals**

The action reflects our belief that the rating of a subsidiary (e.g., CBD) may not be higher than the rating of its parent company, reflecting the risk of the latter interfering negatively in the subsidiary in a stress scenario. Accordingly, a downgrading of Casino's ratings could lead to a similar move in CBD's rating.

Based on our group's rating methodology, we consider CBD to be a subsidiary of “strategic importance” to Casino, given our belief that the company is important to the group’s long-term strategy and accounts for a significant portion of its revenue and EBITDA generation, and as such is unlikely to be sold.

**CreditWatch**

CreditWatch negative means that in the next 90 days we may affirm or downgrade by one notch CBD's rating if Casino's ratings are affirmed or downgraded by one notch, or that we could downgrade CBD’s rating by one or more notches if Casino’s ratings are downgraded by two notches, which is in line with our mapping table on the Brazil National Scale.

**Criteria and Related Articles**

**Criteria**

- Standard & Poor's National and Regional Scales Mapping Tables, September 30, 2014.
- National and Regional Scale Credit Ratings, September 22, 2014.
- General Criteria: Group Ratings Methodology, November 19, 2013.
- Corporate Ratings Methodology, November 19, 2013.
- General Criteria: Use of CreditWatch and Outlook, September 14, 2009.

**Articles**

- Retailer Casino 'BBB-/A-3' Ratings On CreditWatch Negative On Weak Trading In Brazil, In The Context Of High Debt Level, January 15, 2016.
- Companhia Brasileira de Distribuição (CBD) ratings reaffirmed at 'brAA+'; outlook remains positive, September 18, 2015.

**LIST OF RATINGS**

	<b>CreditWatch Action</b>	
Credit Rating of Issuer	From	To
Brazil National Scale	brAA+/Positive/--	brAA+/CW Neg./--

<b>Issuer</b>	<b>Date Rating was Initially Assigned</b>	<b>Date of Previous Rating Action</b>
<b>Companhia Brasileira de Distribuição</b>		

*Credit Rating of Issuer*

Brazil National Scale, Long Term

July 21, 2009

December 22, 2015

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### **Additional regulatory information**

#### **Other services rendered to the issuer**

No other services were provided for this issuer, click [here](#) for more information.

#### **Attributes and limitations of credit rating**

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In connection with the analysis for this credit rating(s), Standard & Poor's Ratings Services believes it has sufficient information of a satisfactory quality to enable it to reach its credit rating opinion. Assignment of a credit rating to an issuer or an issue by Standard & Poor's Ratings Services should not be viewed as a guarantee of accuracy, completeness or timeliness of (i) the information that Standard & Poor's Ratings Services relied on in connection with the credit rating or (ii) the results that could be obtained using the credit rating or related information.

#### **Sources of information**

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#### **Frequency of ratings reviews**

Standard & Poor's monitoring of its credit ratings is addressed in:

- General Description of the Credit Rating Process (Credit Ratings Review section)  
<http://www.standardandpoors.com/ratings/articles/pt/la/?articleType=PDF&assetID=1245338484985>

- Monitoring Policy  
<http://www.standardandpoors.com/ratings/articles/pt/la/?articleType=PDF&assetID=1245319078197>

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**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: January 19, 2016

By: /s/ Ronaldo Iabrudi  
Name: Ronaldo Iabrudi  
Title: Chief Executive Officer

By: /s/ Daniela Sabbag  
Name: Daniela Sabbag  
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 of future 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.

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