



BM&FBOVESPA S.A. announces earnings for the second quarter of 2010

2Q10 net income, as adjusted by items with no impact on cash flow, reached R\$424.4 million (Adjusted EPS of R\$0.21), a 30.4% climb from the same period one year ago. 2Q10 GAAP net income totaled R\$305.7 million, with earnings per share of R\$0.15, a 62.5% rise from the same period in the prior year.

2Q10 net revenues of R\$473.6 million rose 25.2% year on year, driven by 54.2% volume growth at BM&F Segment and 28.2% at BOVESPA Segment

As adjusted by expenses with the stock option plan, depreciation and provision for doubtful accounts, 2Q10 adjusted operating expenses amounted to R\$124.4 million, up 20.4% from the second quarter one year ago (R\$103.3 million).

GAAP operating expenses in the second quarter amounted to R\$145.4 million, up 13.4% year on year and 6.4% quarter on quarter.

The 2010 budget for adjusted operating expenses has been revised downward by 5.4%, to R\$520.3 million from R\$550.0 million earlier, whereas the budget for CAPEX dropped 10.0% to R\$272.0 million from R\$302 million previously.

As adjusted by expenses with the stock option plan, 2Q10 adjusted EBITDA reached R\$348.7 million, up 27.5% from the year before, with adjusted EBITDA margin of 73.6%. 2Q10 EBITDA of R\$341.7 million climbed 31.4% year on year, whereas the EBITDA margin rose to 72.1% from 68.7% one year ago.

The board of directors approved:

The distribution of R\$243.6 million: R\$45.0 million by way of interest on shareholders' equity and R\$198.6 million as Dividends, which combined represent 80% of GAAP net income for the second quarter 2010; and

Buyback Program was approved: a maximum of 31 million of common shares shall be repurchased, representing 1.55% of the free float.



FINANCIAL HIGHLIGHTS

2Q10 adjusted net income rose 30.4% year on year to R\$424.4 million (EPS of R\$0.21).

GAAP net income for 2Q10 surged 62.5% year on year to R\$305.7 million (EPS of R\$0.15).

- 2Q10 adjusted net income: amounted to R\$118.7 million and comprise two items with no impact on cash flow, which correlate with recognition of deferred tax liabilities related to amortization of goodwill for tax purposes and the expenses with stock options plan;

- 2Q09 adjusted net income: amounted to R\$137.2 million are attributable to items with no impact on cash flow, meaning recognition of deferred tax liabilities related to amortization of goodwill for tax purposes in the six months to June 2009 (R\$79.6 million for each of the first and second quarters), plus expenses with the stock options plan, and elimination of tax assets derived from tax losses absorbed through the merger with Bovespa Holding.

RECONCILIATION OF THE ADJUSTED NET INCOME

BRL Millions	2Q10	2Q09	% 2Q10/ 2Q09	1Q10	% 2Q10/ 1Q10	1H10	1H09	% 1H10/ 1H09
Adjusted Net Income	424.4	325.4	30.4%	403.2	5.2%	827.6	571.1	44.9%
Adjusts:								
(-) Deferred Tax Liabilities	111.6	159.3		111.6		223.3	159.3	
(-) Stock Options Plan	7.0	13.4		9.0		16.0	32.2	
(+) Tax Losses		35.5					35.5	
GAAP Net Income	305.7	188.1	62.5%	282.6	8.2%	588.3	415.1	41.7%

Net revenues for the second quarter increased 25.2% year on year due primarily to the soaring volumes traded on both Bovespa and BM&F segments, but particularly so in the BM&F segment, which hit unprecedented record highs.

2Q10 operating expenses totaled R\$145.4 million and were up 13.4% year on year from R\$128.2 million, and 6.4% quarter on quarter from R\$136.6 million.

This year on year increase in operating expenses is due primarily to a 20.2% climb in data processing expenses and the 80.3% surge in marketing and promotion expenses.

Adjusted operating expenses for the quarter went up 20.4% year on year, to R\$124.4 million from R\$103.3 million earlier, and climbed 8.6% quarter on quarter. The adjustments to operating expenses correlate mainly with expenses from:

- ✓ The stock option plan;
- ✓ Depreciation; and
- ✓ Provision for doubtful accounts.

RECONCILIATION OF THE ADJUSTED OPERATING EXPENSES

BRL Millions	2Q10	2Q09	% 2Q10/ 2Q09	1Q10	% 2Q10/ 1Q10	1H10	1H09	% 1H10/ 1H09
Adjusted Operating Expenses	124.4	103.3	20.4%	114.6	8.6%	239.0	204.9	16.6%
(+) Stock Option Plan	7.0	13.4		9.0		16.0	32.2	
(+) Depreciation	13.5	9.9		12.1		25.6	18.8	
(+) Severance Expenses							18.0	
(+) Provision for Doubtful Accounts	0.5	1.6		0.9		1.4	3.0	
Operating Expenses	145.4	128.2	13.4%	136.6	6.4%	282.0	277.0	1.8%

Summary of Income Statement

(in BRL Thousands)*	2Q10	2Q09	% 2Q10/2Q09	1Q10	% 2Q10/1Q10	1H10	1H09	% 1H10/1H09
Net operating revenues	473,621	378,242	25.2%	459,128	3.2%	932,749	694,790	34.2%
Operating expenses	(145,403)	(128,198)	13.4%	(136,632)	6.4%	(282,035)	(276,958)	1.8%
Operating Income	328,218	250,044	31.3%	322,496	1.8%	650,714	417,832	55.7%
Net income for the period	305,705	188,130	62.5%	282,601	8.2%	588,306	415,110	41.7%
Net Margin	64.5%	49.7%	14.8 pp	61.6%	3.0 pp	63.1%	59.7%	3.3 pp
EBITDA	341,671	259,931	31.4%	334,626	2.1%	676,297	436,670	54.9%
EBITDA Margin	72.1%	68.7%	3.4 pp	72.9%	-0.7pp	72.5%	62.8%	9.7 pp
Earnings per share	0.152223	0.093950	62.0%	0.140782	8.1%	0.292941	0.207301	41.3%
Adjusted operating expenses	(124,418)	(103,303)	20.4%	(114,582)	8.6%	(239,000)	(204,944)	16.6%
Adjusted net income	424,363	325,363	30.4%	403,248	5.2%	827,611	571,102	44.9%
Adjusted EBITDA	348,682	273,377	27.5%	343,626	1.5%	692,308	468,875	47.7%
Adjusted EBITDA Margin	73.6%	72.3%	1,3 pp	74.8%	-1,2 pp	74.2%	67.5%	6,7 pp
Adjusted earnings per share	0.211308	0.162482	30.0%	0.200885	5.2%	0.412101	0.285201	44.5%

*except for earnings per share and adjusted earnings per share.

QUOTES ON THE COMPANY'S PERFORMANCE

“Our 2Q10 figures unveil the outstanding growth in volumes from high frequency trading which in May hit unprecedented highs. As for corporate affairs, the highlight was our successful issuance of global senior notes, whose proceeds were allocated to funding our purchase of additional shares in the CME Group, bringing to 5% our aggregate ownership interest in CME shares, as part of our mutual strategic partnership,” says the chief executive officer Edemir Pinto. He also noted the Company has been actively engaged in market development actions. “We expect our markets will grow further and volumes will benefit from initiatives as the term sheet we agreed with Chi-X for joint development of a software which will enable the trading of equities listed in Brazilian markets in foreign currencies by foreign investors, in addition to our new pricing policy for high frequency trading,” he adds.

The Chief Financial and Investor Relations Officer, Eduardo Refinetti Guardia, notes we have recently approved a new buyback program and revised our 2010 budget forecast. “The approved buyback program and the 80% payout combined with the 2010 budget

revision evidence our efforts towards greater efficiency and show our commitment to increase the returns for our shareholders.”

OTHER FINANCIAL HIGHLIGHTS

- **Cash and cash equivalents:** short- and long-term cash and cash equivalents at the end of the quarter to June 2010 amounted to R\$3.7 billion, comprised of third-party collaterals pledged to our clearing facilities and others in the amount of R\$938.7 million, and R\$487.0 million in own financial resources of restricted use for being tied to our clearing safeguards structure. The quarter on quarter drop correlates mainly with decreased volume of third party collaterals pledged to our clearing facilities (R\$1.17 billion in the first quarter) and the payment of dividends and interest on equity during the second quarter, which amount to R\$248 million and R\$137 million, respectively.
- **Interest income, net:** net interest income for the second quarter of 2010 was R\$77.5 million, a 41.4% climb when compared to the same period one year ago, with quarterly financial revenues up to R\$83.6 million from R\$68.0 million one year ago. This climb is due to the increase in the interest rates to which the financial investments are indexed, and financial expenses down to R\$6.1 million from R\$13.1 million in the prior year (which was impacted mainly because of the appreciation of the Brazilian real against the U.S. dollar from April 2009 to June 2009).
- **CAPEX:** investments on the order of R\$67.6 million were capitalized in the quarter to June 2010, wherein R\$59.9 million are investments in technology and R\$7.7 million are investments in other projects (related to assets as our facilities and equipment, utensils and vehicles). As a result, Capex for the six months to June 2010 totaled R\$94.0 million.

ANALYSIS OF REVENUES AND EXPENSES LINES

Operating revenues

Second quarter gross operating revenues climbed 25.3%, to R\$527.0 million from R\$420.6 million in the same period one year ago, primarily due to the rebound in volumes traded on our markets and, thus, in revenues from transactions.

- Revenues from trading and settlement activities in the Bovespa segment, which accounted for 50.0% of the overall revenues, amounted to R\$263.5 million and were up 29.2% from the same period one year ago. This climb correlates with a 28.2% year on year rise in volumes traded on Bovespa segment; and
- Revenues from trading and settlement activities in the BM&F segment, which accounted for 35.1% of the overall revenues, amounted to R\$184.9 million and were up 26.5% from the same period one year before. This climb likewise correlates with a 54.2% year on year rise in volumes traded on BM&F markets, which however were partially offset by the lower rate per contract for the segment.

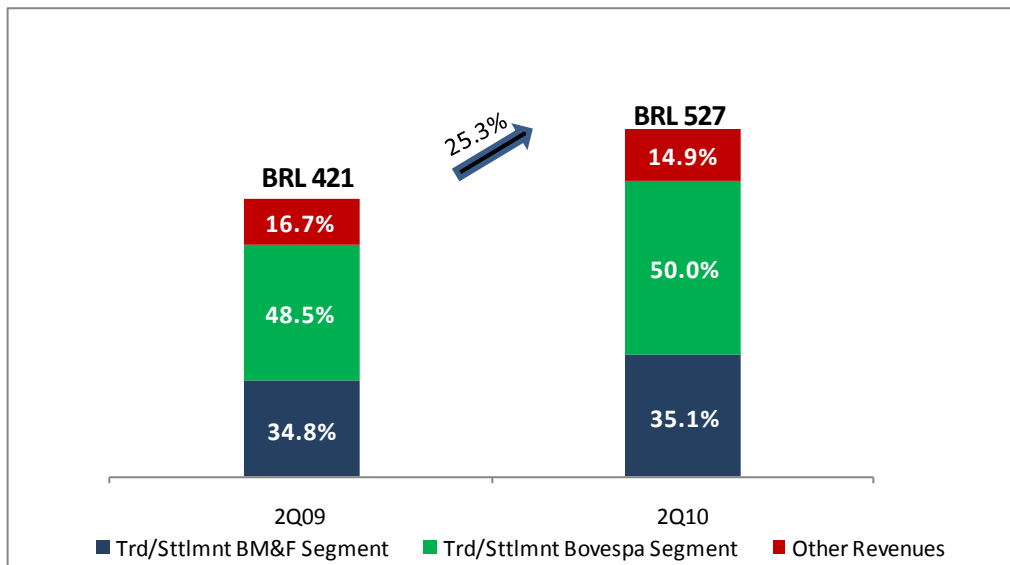
Thus, revenues from trading and settlement activities in both equities and derivatives markets thus accounted for 85.1% of our total revenues, as compared to 83.3% in the quarter to June one year ago.



As measured in basis points (bps), our margins dropped on a quarter on quarter basis due primarily to a change in the mix of investors actively trading on Bovespa segment in the quarter to June when compared to the quarter before.

The volumes traded in equities by local institutional investors, from whom we charge lower fee rates, rose in the quarter to June 2010. This rebound correlates mainly with the recovery of the local hedge fund industry. Local Institutional investors accounted for 34.6% of the overall volume for the quarter, as compared to 29.9% in the prior quarter. This rise however accounted for a decline in average margin, which ended the quarter at 6.36 bps from 6.56 bps one quarter earlier.

Gross Revenue – 2Q09 X 2Q10 (BRL millions)



Source: BM&FBOVESPA

Including dividends we received from the CME¹, revenues unrelated to trading and settlement activities reached R\$78.5 million, or 14.9% of our total revenues for the quarter to June 2010, which is up 11.5% from R\$70.4 million for the same quarter a year earlier, when it accounted for 16.7% of our total revenues for the period. The main business lines unrelated to trading and settlement activities are:

- Market data (vendors): revenues of R\$14.6 million, accounted for 2.8% of the overall revenues, having dropped 16.7% year on year. While the average number of broadcast terminals and customers with access to our market data has increased by 4.0% year on year, revenues still fell primarily because appreciation of the Brazilian *real* against the U.S. dollar, led to a decline in revenues from fees charged to international customers.
- Revenues from access fees charged to market participants: revenues of R\$11.6 million in this line item, accounted for 2.2% of the total, as compared to R\$10.2 million one year ago, a 13.8% year on year rise. This climb is attributable to increased demand from

¹ Revenues from dividends paid by the CME Group amounted to R\$2,484 thousand in 2Q10 versus R\$2,459 thousand in 2Q09 and.

brokerage firms for access at more expensive ranges that allow for greater number of trades and larger order flows, which in turn correlate with the increase in trading activity.

- Depository, custody and back office services: revenues from depository, custody and back-office services surged 31.9% year on year, to R\$21.4 million from R\$16.2 million in the second quarter one year ago, and accounted for 4.1% of total revenues. Specifically, revenues derived by our central depository facility grew by 13.2%, to R\$16.6 million from R\$14.6 million in the earlier year, mainly due to the additional fee based on value of assets held in custody for resident investors holding accounts in excess of R\$300.0 thousand, the impact of which has been felt starting from May 2009. In addition, the average number of custody accounts at the end of the quarter to June 2010 (580.1 thousand) went up 7.2% from one year ago (541.0 thousand), and the average value of assets held in custody (not including ADRs and foreign investors' custody) soared 20.8% year on year to R\$435.2 billion in June 2010 from R\$360.2 billion earlier, thus positively swaying revenues derived from this additional fee.

- Securities lending: at R\$12.3 million, this revenue line accounted for 2.3% of total revenues in 2Q10 and a 65.4% year on year gain (R\$7.5 million in 2Q09), primarily as a result of the increase in average financial value of open interest positions, which totaled R\$19.9 billion in the quarter, a climb of 78.2% when compared to R\$11.2 billion one year before.

- Listing: revenues from listing, in the amount of R\$10.8 million rose by 15.2% year on year and accounted for 2.0% of total revenues. The increase in revenues is due to a higher number of filings for IPOs and Follow Ons, which have an analysis fee, to new listed companies in the last 12 months, and to the discount reductions rendered to the listed companies.

Operating expenses

Second quarter operating expenses totaled R\$145.4 million, picking up 13.4% from the same period one year ago and 6.4% higher when compared with 1Q10. Adjusted operating expenses of R\$124.4 million increased 20.4% year on year and 8.6% quarter on quarter.

This rise is due mainly to changes in the following line items:

Personnel: expenses of R\$64.4 million for the quarter fell 3.0% from the prior year primarily due to fall in expenses with the stock option program in the 2Q10 (to R\$7.0 million versus R\$13.4 million in 2Q09).

As adjusted by expenses with the stock option plan, personnel expenses rose by 8.4%, to R\$57.4 million from 52.9 million one year ago. This is due mainly to new hiring in the first half of 2010 and to the effects of the annual salary adjustment required under our collective bargaining agreement, which calls for adjustments to take place in August of each year. As compared to the first quarter of 2010, adjusted personnel expenses went up 4.8% due to the increase in number of employees.

Data processing: data processing expenses of R\$24.6 million for the quarter were up 20.2% from the year before mainly due to rent expenses related to the start of operations of our new contingency site and to expenses with projects related to the network structure implementation;



Marketing and promotion: this expense line amounted to R\$9.9 million and soared 80.3% from the same quarter one year ago, as a result mainly of the cost to boost our financial education programs and market popularization campaigns, in line with our strategy to educate and promote the investments in our markets; and

Sundry: second quarter sundry expenses amounted to R\$8.5 million versus R\$5.3 million one year ago, a 60.0% year on year surge correlated with a R\$1.8 million write off of receivables attributable to BVRJ (Bolsa de Valores do Rio de Janeiro) in connection with brokers in litigation process, in addition to R\$1.1 million in intangibles written off (reversal of Capex) and R\$0.5 million related to the contingent liability provision associated with civil lawsuits.

In the first semester of 2010, the adjusted operating expenses achieved BRL239 million, including BRL8.5 million in nonrecurring expenses: write off of receivable attributable to BVRJ in connection with brokers in litigation process (BRL3.7 million) and reversal of Capex (BRL4.8 million).

MAIN RECENT DEVELOPMENTS

Pricing Policy

We have recently announced to the market the new pricing policy for high frequency trading (HFT) on both BM&F and Bovespa segments. Pursuant to this policy, high frequency traders will hold HFT registration accounts and the granting of progressive discounts based on ranges of volume traded will hinge on the account under which an investor registered as high frequency trader. The pricing policy implementation will be in two phases, the first on November 1st 2010, and the second on January 3rd, 2011.

CHI X

BM&FBOVESPA and Chi-X, a company specialized in electronic trading systems, recently executed a Term Sheet contemplating the joint development of data feed and order routing software system designed to convert stock quotes into different foreign currencies in real time, and give foreign investors the ability to transmit orders to the Brazilian exchange in their local currencies. This transaction is part of our initiative to offer foreign investors, in particular retail investors, an efficient tool to simplify the trading of Brazilian equities on their local market. This order routing software will be designed to convert quotes from Brazilian reais into foreign currency at exchange rates provided in real time by local banks adhering to the project, for these quotes to be displayed in foreign currency in data feeds sent to brokerage firms, which will then display them to customers. Already Bradesco, Citibank, HSBC and Itaú have adhered to the project, while other banks consider adhering.

Continuing market popularization programs

We are proceeding with our market popularization programs, which focus primarily on educating future and prospective retail investors through mass media initiatives (including free-to-air television, radio broadcasts and the Internet), in particular the “Financial Education TV Show”, “Radio Web,” free online courses, the “Simulação” (investment simulator), a radio channel for our Mulheres em Ação (“Women in Action”) gateway, courses, Q&A sessions, lectures, and other education actions, such as Desafio



BM&FBOVESPA (BM&FBOVESPA Challenge, a student contest), Dinheiro no Bolso (“Saving Money”), and our sponsorship of the Brazilian government’s program known as National Financial Education Strategy (Estratégia Nacional de Educação Financeira), or ENEF.

BDRs

By end-April 2010 we announced the first ten local listings of Un-sponsored Level I BDRs, which will trade on our Exchange and will be deposited with Deutsche Bank. We have conducted a bidding process to list ten additional BDR issuances, thus ensuring fair conditions are extended to institutions that wish to tap into this market. This bidding process was carried out with three bidders, with Citibank Distribuidora de Títulos e Valores Mobiliários S.A emerging as the winning bidder.

New ETFs

On June 4, 2010, we announced bidding processes to register new ETFs. The first such bidding process took place for the launch of an ETF that mirrors the Financial Services Index (IFNC) and Itau-Unibanco S.A. won the bidding process and obtained a 3-year exclusive license for the use of the IFNC and the creation of its ETF (ETF IFNC).

Technology developments

In addition to initiatives related to pricing policies and new products, we invest continually in developing our trading platforms and the network for access to our markets, and in cutting latency down for efficient traffic. Technology development highlights for the period include:

- BVMF-CME joint development of multi-asset class trading platform: work is ongoing for development in cooperation with the CME Group of an electronic platform for the trading of equities, derivatives, foreign currency and fixed income securities. It has been designed as a fully integrated platform, which we will develop on the basis of the existing Globex technology. When fully implemented, this multi-asset class trading platform is expected to replace our GTS, MegaBolsa, Sisbex and BovespaFix systems. The joint project team includes 200 experienced professionals, each party contributing half of the team. Phase 1 of the project (derivatives and FX modules for replacement of the GTS system) is set to be implemented in the first quarter of 2011.
- DMA modalities 2, 3 and 4: the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários or CVM) has approved the implementation of the Direct Market Access trading platforms in BOVESPA segment, which will be offered ‘via Provider’, ‘via Direct Connection’ and ‘via Co-location (investor model),’ or DMA modalities 2, 3 and 4, respectively. Thus, starting as of September 1, 2010.
- Throughput capacity: we are now working to boost our systems’ throughput capacity to 3 million daily transactions in the Bovespa segment (from 1.5 million presently) and 400 thousand daily transactions in the BM&F segment (from the current 200 thousand). Implementation is set to take place in 4Q10.



CME

Dated June 22, 2010, BM&FBOVESPA and the CME Group, Inc. executed the transaction documents contemplated in a February 11 Term Sheet, which implement our mutual global preferred strategic partnership. These documents include (i) a Share Purchase Agreement whereby we will increase to 5% (from 1.78%) our ownership interest in CME shares; (ii) a Technology Agreement contemplating the joint development of a multi-asset class electronic trading platform; and (iii) a Preferred Strategic Partnership Agreement whereby we agree to cooperate in identifying strategic co-investment opportunities, including commercial partnerships with other international exchanges, which operate equities and derivatives markets.

Bond offering

Dated July 16, 2010, BM&FBOVESPA completed a US\$612 million global notes issuance. The notes will pay interest every six months, in January and July, at the annual rate of 5.50%. The proceeds of this offering were invested in our purchase of CME shares.

Credit Ratings

- Moody's. On May 27, 2010, Moody's Investors Service assigned a local currency issuer ratings of A1 on the global scale and Aaa.br on the Brazilian national scale to BM&FBOVESPA. The outlook on the ratings is stable. Also, Moody's assigned a Baa2 long-term foreign currency debt rating to the notes, with a positive outlook.
- Standard & Poor's: Dated June 22, 2010, Standard & Poor's Ratings Services assigned its 'BBB+ (long-term)' and 'A-2 (short-term)' counterparty credit ratings to BM&FBOVESPA. The outlook on the ratings is stable.

Review of 2010 forecast budget for adjusted operating expenses and CAPEX

We conducted in June a budget review of the forecasts for adjusted operating expenses (OPEX) and investments (CAPEX). As a result (i) the budget forecast regarding adjusted operating expenses dropped 5.4%, to R\$520.3 million from R\$550 million earlier; and (ii) the forecast for capital expenditures decreased 10%, to R\$272 million from prior R\$302 million.

The table below sets forth data on the forecast budget before and after our review.

	Originally forecast (in R\$ millions)	Revised forecast (in R\$ millions)	(%)
Adjusted operating expenses*	550	520.3	-5.4%
Capital Expenditures	302	272	-10%

*Exclude expenses with the stock option plan, depreciation expenses and provision for doubtful accounts.

ANALYSIS OF OPERATING DATA

BM&F Segment

- Average daily volume traded: the average daily volume traded in the quarter soared 54.2% year on year to 2.52 million contracts from 1.64 million earlier. As compared

to the quarter to March 2010, the average daily volume traded rose 2.8%. The highlight of the period was a 70.5% surge in volume traded in BRL interest rate contracts, which increased to average 1,635.7 thousand contracts from 959.3 thousand in the same period one year ago. Volumes traded in Fx contracts, stock index contracts and mini contracts rose 33%, 24% and 55% year on year, respectively.

- Average Rate per Contract (RPC): average RPC of R\$1.14 in the quarter to June 2010 fell 17.5% year on year, but was up 1.7% quarter on quarter. This year on year drop correlates mainly with :
 - ✓ the greater volume of trading in BRL interest rate contracts, which have a lower RPC in comparison with the RPC of the other products;
 - ✓ the 18% appreciation of the Brazilian real against the U.S. dollar, which adversely impacted revenues from Fx, USD interest rate and commodities contracts, as the fee rates for these contracts are based on the foreign exchange rate, therefore having resulted in 21.2%, 29.3% and 10.7% reductions in the average rate for these particular contracts, respectively;
 - ✓ the fact that increases in volume correlate with drops in average rate per contract, as our pricing policy includes progressive discounts which apply as trading volume ranges go up; and
 - ✓ the fee rate discounts we give to DMA and high frequency trading activities, regarding which volumes have been rising significantly in the last few months.
- DMA (Direct Market Access): while our Traditional DMA channel continues to account for most of the DMA trading activity, the volume of trading via DMA (Direct Market Access) has been increasing consistently and accounted for 17.6% of the overall volume in the second quarter, with record high average daily volume of 889 thousand contracts (both sides of the trade included).
- High frequency trading: high frequency flows have been increasing consistently and in May 2010 registered record high volumes with average 410 thousand contracts traded daily (both buy and sell sides included), which accounted for nearly 9% of the overall volume for BM&F markets. High frequency flows for the quarter accounted for 6.0% of the overall volume. Moreover, in June 2010, high frequency accounted for 23.5% of the volume traded in index-based contracts, 57.6% of the volume traded in mini contracts and 11.9% of the volume traded in Fx contracts.

Bovespa Segment

- Average daily traded value: second quarter average daily trading value of R\$6.7 billion was up 28.2% year over year and 1.3% quarter on quarter. While the overall volume traded in Bovespa segment went up 4.6% quarter on quarter, this was due to the difference in number of trading sessions, as there were 62 business days in the quarter to June 2010 versus 60 business days in the quarter to March 2010.
- Turnover velocity: fell to 69.2% in the quarter from 70.6% one year earlier, but was higher than 1Q10, when achieved 64.7%.



- Average daily number of trades: the average daily number of trades for the quarter grew 32.0% year on year, to 431 thousand trades versus 326 thousand trades one year ago.
- Investors: the number of active custody accounts closed the quarter at 580 thousand, or 6.7% up from 543 thousand accounts one year earlier, and virtually unchanged from 581 thousand accounts in the prior quarter.
- Capital Raising Activity: totaled R\$4.5 billion in 2Q10, as Mills and Julio Simões carried through with their market debuts, while Even, JBS and Hypermarcas conducted follow-on offerings. In addition, early in July Renova launched its IPO and Banco do Brasil a follow-on offering, such that total proceeds from offerings in 2010 already add to R\$23.5 billion. Moreover, eight additional offerings are in the pipeline for 2010 seven IPOs and Petrobras' follow-on offering (that released to the market its intention).

CONSOLIDATED INCOME STATEMENT

in thousands of BRL	2Q10	2Q09	% 2Q10/2Q09	1Q10	% 2Q10/1Q10	1H2010	1H2009	% 1H2010/1S2009
Operational Revenues	526,986	420,581	25.3%	510,660	3.2%	1,037,646	772,499	34.3%
Trading / Clearing Systems - BM&F	187,902	149,512	25.7%	173,948	8.0%	361,850	280,059	29.2%
Derivatives	179,585	140,678	27.7%	166,203	8.1%	345,788	262,112	31.9%
Foreign Exchange	5,320	5,463	-2.6%	4,704	13.1%	10,024	11,155	-10.1%
Securities	20	69	-71.0%	28	-28.6%	48	113	-57.5%
Brazilian Commodities Exchange	1,056	1,250	-15.5%	1,114	-5.2%	2,170	2,656	-18.3%
BM&F Bank	1,921	2,052	-6.4%	1,899	1.2%	3,820	4,023	-5.0%
Trading / Clearing Systems-Bovespa	319,640	247,154	29.3%	314,823	1.5%	634,463	447,657	41.7%
Trading fees	189,952	150,752	26.0%	190,930	-0.5%	380,882	264,484	44.0%
Clearing fees	73,582	53,179	38.4%	68,905	6.8%	142,487	97,643	45.9%
Securities Lending	12,345	7,463	65.4%	10,520	17.3%	22,865	13,590	68.2%
Listing	10,754	9,332	15.2%	11,511	-6.6%	22,265	19,953	11.6%
Depository and custody	21,386	16,214	31.9%	20,436	4.6%	41,822	32,298	29.5%
Trading access (Brokers)	11,621	10,214	13.8%	12,521	-7.2%	24,142	19,689	22.6%
Other Operational Revenues	19,444	23,915	-18.7%	21,889	-11.2%	41,333	44,783	-7.7%
Vendors	14,574	17,490	-16.7%	15,941	-8.6%	30,515	29,011	5.2%
Commodities classification fees	209	1,285	-83.7%	277	-24.5%	486	1,500	-67.6%
Others	2,177	2,681	-18.8%	3,236	-32.7%	5,413	6,442	-16.0%
Dividends	2,484	2,459	1.0%	2,435	2.0%	4,919	7,830	-37.2%
Revenue deductions	(53,365)	(42,339)	26.0%	(51,532)	3.6%	(104,897)	(77,709)	35.0%
PIS and Cofins	(47,325)	(37,967)	24.6%	(45,887)	3.1%	(93,212)	(69,033)	35.0%
Service tax	(6,040)	(4,372)	38.2%	(5,645)	7.0%	(11,685)	(8,676)	34.7%
Net Operational Revenues	473,621	378,242	25.2%	459,128	3.2%	932,749	694,790	34.2%
Operational Expenses	(145,403)	(128,198)	13.4%	(136,632)	6.4%	(282,035)	(276,958)	1.8%
Personel	(64,371)	(66,337)	-3.0%	(63,718)	1.0%	(128,089)	(151,799)	-15.6%
Data processing	(24,642)	(20,494)	20.2%	(21,266)	15.9%	(45,908)	(47,177)	-2.7%
Deprec. and Amortization	(13,453)	(9,887)	36.1%	(12,130)	10.9%	(25,583)	(18,838)	35.8%
Third Party Services	(10,126)	(9,703)	4.4%	(9,637)	5.1%	(19,763)	(18,822)	5.0%
Maintenance	(2,332)	(2,566)	-9.1%	(2,682)	-13.0%	(5,014)	(5,392)	-7.0%
Communication	(6,470)	(5,249)	23.3%	(5,971)	8.4%	(12,441)	(10,240)	21.5%
Leases	(678)	(665)	2.0%	(665)	2.0%	(1,343)	(1,490)	-9.9%
Supplies	(764)	(580)	31.7%	(472)	61.9%	(1,236)	(1,057)	16.9%
Marketing	(9,870)	(5,475)	80.3%	(5,328)	85.2%	(15,198)	(7,767)	95.7%
Taxes	(2,340)	(339)	590.3%	(1,145)	104.4%	(3,485)	(834)	317.9%
Board Compensation	(1,830)	(1,572)	16.4%	(1,048)	74.6%	(2,878)	(2,701)	6.6%
Sundry	(8,527)	(5,331)	60.0%	(12,570)	-32.2%	(21,097)	(10,841)	94.6%
Operating Income	328,218	250,044	31.3%	322,496	1.8%	650,714	417,832	55.7%
Financial Income	77,546	54,857	41.4%	67,696	14.6%	145,242	122,716	18.4%
Financial Revenues	83,642	67,979	23.0%	72,771	14.9%	156,413	142,282	9.9%
Financial Expenses	(6,096)	(13,122)	-53.5%	(5,075)	20.1%	(11,171)	(19,566)	-42.9%
Income before Taxes	405,764	304,901	33.1%	390,192	4.0%	795,956	540,548	47.2%
Income Tax and Social Contribution	(637)	35,173	-101.8%	(495)	28.7%	(1,132)	34,039	-103.3%
Income Tax	(396)	25,929	-101.5%	(307)	29.0%	(703)	25,194	-102.8%
Social Contribution	(241)	9,244	-102.6%	(188)	28.2%	(429)	8,845	-104.9%
Def. Inc.Tax and Soc. Contribution	(99,848)	(152,195)	-34.4%	(107,348)	-7.0%	(207,196)	(159,433)	30.0%
Deferred income tax	(73,418)	(112,308)	-34.6%	(78,932)	-7.0%	(152,350)	(118,030)	29.1%
Deferred social contribution	(26,430)	(39,887)	-33.7%	(28,416)	-7.0%	(54,846)	(41,403)	32.5%
Minority Interest	426	251	69.7%	252	69.0%	678	(44)	-1640.9%
Net Income	305,705	188,130	62.5%	282,601	8.2%	588,306	415,110	41.7%
Net Margin	64.5%	49.7%	14.8 pp	61.6%	3.0 pp	63.1%	59.7%	3.3 pp
EBITDA	341,671	259,931	31.4%	334,626	2.1%	676,297	436,670	54.9%
EBITDA Margin	72.1%	68.7%	3.4 pp	72.9%	-0.7 pp	72.5%	62.8%	9.7 pp
Sharecount	2,008,271,970	2,002,454,141	-	2,007,361,225	-	2,008,271,970	2,002,454,141	-
Earnings per share	0.15222291	0.09394972	62.0%	0.14078233	8.1%	0.29294140	0.20730063	41.3%
Adjusted Net Income	424,363	325,363	30.4%	403,248	5.2%	827,611	571,102	44.9%
Adjusted Operational Expenses	(124,418)	(103,303)	20.4%	(114,582)	8.6%	(239,000)	(204,944)	16.6%
Adjusted EBITDA	348,682	273,377	27.5%	343,626	1.5%	692,308	468,875	47.7%
Adjusted EBITDA Margin	73.6%	72.3%	1.3 pp	74.8%	-1.2 pp	74.2%	67.5%	6.7 pp
Adjusted earnings per share	0.21130754	0.16248212	30.0%	0.20088462	5.2%	0.41210106	0.28520104	44.5%



CONSOLIDATED BALANCE SHEET

(In thousands of BRL)

ASSETS	6/30/2010	3/31/2010	LIABILITIES AND SHAREHOLDERS' EQUITY	6/30/2010	3/31/2010
Current Assets	<u>3,206,195</u>	<u>3,532,520</u>	Current Liabilities	<u>1,355,491</u>	<u>1,645,579</u>
Cash and cash equivalents	91,121	48,238	Collateral for transactions	901,658	1,171,426
Financial investments	2,925,482	3,320,428	Earnings / rights on securit. in custody	33,040	31,490
Accounts receivable - net	61,580	72,565	Suppliers	57,678	27,588
Other receivables - net	19,096	19,054	Salaries and social charges	52,841	37,916
Taxes recoverable and prepaid	78,491	56,487	Provision for taxes and contrib. payable	20,575	23,972
Deferred inc. tax and social contrib.	23,038	9,057	Income tax and social contribution	1,186	780
Prepaid expenses	7,387	6,691	Financing	6,669	9,065
			Divid. and interest on own cap. payable	3,751	62,816
Non-current Assets	<u>18,549,210</u>	<u>18,469,670</u>	Redemption of preferred shares	1,839	1,839
			Other accounts payable	255,482	246,992
Long-term receivables	<u>774,620</u>	<u>749,176</u>	Revenues to appropriate	20,772	31,695
Financial investments	642,676	616,412			
Other receivables - net	2,930	4,745	Non-current Liabilities	<u>537,962</u>	<u>424,727</u>
Deferred income tax and social contri	39,661	41,860			
Judicial deposits	88,400	86,159	Financing	-	163
Prepaid Expenses	953	-	Deferred Income Tax and Social Contrib.	484,415	372,784
			Prov. for conting. and legal obligations	53,547	51,780
Investments	<u>1,319,327</u>	<u>1,319,386</u>			
Investment in subsidiary company	-	-	Minority interest in subsidiaries	15,679	16,378
Other Investments	1,319,327	1,319,386			
			Shareholders' Equity	<u>19,846,273</u>	<u>19,915,506</u>
Property and equipment	305,920	278,277	Capital	2,540,239	2,540,239
			Capital reserve	16,682,500	16,675,489
Intangible assets	<u>16,149,343</u>	<u>16,122,831</u>	Revaluation reserves	23,261	23,406
Goodwill	16,064,309	16,064,309	Legal reserve	3,453	3,453
Software and projects	85,034	58,522	Statutory reserves	458,119	706,119
			Treasury stock	(209,549)	(214,889)
			Retained earnings	348,250	181,689
TOTAL ASSETS	<u>21,755,405</u>	<u>22,002,190</u>	TOTAL LIAB. AND SHAREHOLDERS' EQUITY	<u>21,755,405</u>	<u>22,002,190</u>


OPERATING DATA FOR THE BM&F SEGMENT
BM&F Segment- ADTV (thousands of contracts)

	2Q10	2Q09	1Q10	% 2Q10/2Q09	% 2Q10/1Q10	1H10	1H09	% 1H10/1H09
Interest Rates in BRL	1,635.7	959.3	1,605.8	70.5%	1.9%	1,621.0	910.5	78.0%
FX Rates	603.5	452.6	589.8	33.3%	2.3%	596.8	415.6	43.6%
Stock Indices	99.3	80.1	85.2	24.1%	16.6%	92.3	76.4	20.9%
Interest Rates in USD	84.5	73.9	77.9	14.3%	8.5%	81.2	83.2	-2.4%
Commodities	10.1	9.4	11.5	7.2%	-12.2%	10.8	9.8	10.7%
Mini Contracts	79.5	51.2	68.2	55.2%	16.6%	73.9	51.2	44.4%
OTC	10.8	9.8	15.3	9.7%	-29.6%	13.0	7.3	78.0%
Total	2,523.4	1,636.3	2,453.6	54.2%	2.8%	2,489.0	1,554.0	60.2%

BM&F Segment - Revenue per Contract (BRL)

	2Q10	2Q09	1Q10	% 2Q10/2Q09	% 2Q10/1Q10	1H10	1H09	% 1H10/1H09
Interest Rates in BRL	0.91	0.94	0.84	-3.8%	8.0%	0.87	0.91	-4.6%
FX Rates	1.84	2.33	1.93	-21.2%	-4.7%	1.88	2.37	-20.7%
Stock Indices	1.52	1.78	1.53	-14.8%	-0.8%	1.52	1.68	-9.2%
Interest Rates in USD	1.16	1.64	1.22	-29.3%	-4.5%	1.19	1.60	-25.6%
Commodities	2.11	2.36	1.88	-10.7%	12.1%	1.99	2.21	-10.2%
Mini Contracts	0.13	0.20	0.13	-34.0%	-3.4%	0.13	0.19	-31.0%
OTC	1.77	1.76	1.53	0.9%	16.1%	1.63	1.90	-14.2%
Total	1.14	1.39	1.13	-17.5%	1.7%	1.14	1.37	-17.0%

OPERATING DATA FOR THE BOVESPA SEGMENT

AVERAGE DAILY TRADED VALUE (BRL MILLIONS)

	2Q10	2Q09	1Q10	% 2Q10/2Q09	% 2Q10/1Q10	1H10	1H09	% 1H10/1H09
Stocks and Equity Deriv.	6,679.6	5,211.6	6,598.2	28.2%	1.2%	6,639.6	4,558.9	45.6%
Cash market	6,166.3	4,916.1	6,110.1	25.4%	0.9%	6,138.7	4,269.3	43.8%
Derivatives	513.3	295.5	488.1	73.7%	5.2%	500.9	289.6	73.0%
Forward market	134.9	71.5	157.9	88.6%	-14.6%	146.2	69.1	111.7%
Options market (stocks / indices)	378.4	224.0	330.2	68.9%	14.6%	354.7	220.6	60.8%
Fixed income and other spot securities	3.0	0.9	1.4	225.4%	123.1%	2.2	1.4	61.7%
Total	6,682.6	5,212.6	6,599.6	28.2%	1.3%	6,641.8	4,560.3	45.6%

AVERAGE DAILY NUMBER OF TRADES

	2Q10	2Q09	1Q10	% 2Q10/2Q09	% 2Q10/1Q10	1H10	1H09	% 1H10/1H09
Stocks and Equity Deriv.	431,120	325,774	406,420	32.3%	6.1%	418,973	302,049	38.7%
Cash market	348,130	267,397	326,660	30.2%	6.6%	337,571	242,021	39.5%
Derivatives	82,990	58,377	79,761	42.2%	4.0%	81,402	60,028	35.6%
Forward market	1,485	1,103	1,923	34.6%	-22.8%	1,700	1,020	66.7%
Options market (stocks / indices)	81,505	57,274	77,838	42.3%	4.7%	79,702	59,008	35.1%
Fixed income and other spot securities	13	6	10	116.1%	21.3%	12	7	70.8%
Total	431,133	325,779	406,431	32.3%	6.1%	418,984	302,055	38.7%

OTHER OPERATIONAL STATISTICS

	2Q10	2Q09	1Q10	% 2Q10/2Q09	% 2Q10/1Q10	1H10	1H09	% 1H10/1H09
End of period Market Cap. (BRL billions)	2,078	1,788	2,356	16.2%	-11.8%	2,078	1,788	16.2%
Average Market Cap. (BRL billions)	2,202	1,713	2,331	28.6%	-5.5%	2,265	1,577	43.6%
End of period Ibovespa	60,936	51,465	70,372	18.4%	-13.4%	60,936	51,465	18.4%
Average Ibovespa	65,152	49,297	67,975	32.2%	-4.2%	66,540	44,519	49.5%
Value under custody (BRL billions)	1,006	844	1,037	19.2%	-3.0%	1,006	844	19.2%
Number of custody accounts (thousands)	580	543	581	6.7%	-0.3%	580	543	6.7%
Securities Lending (End of period of Open Interest - BRL billions)	20	13	19	57.4%	4.5%	20	13	57.4%
# Companies listed	466	433	469	7.6%	-0.6%	466	433	7.6%
Turnover Velocity (annualized)	69.2%	70.6%	64.7%	-1.4 pp	4.4 pp	66.9%	66.6%	0.3 pp

TRADING MARGINS (basis points)

Market	2Q10	2Q09	1Q10
Stocks and Equity Derivatives	6.342	6.410	6.560
Cash Market	5.647	5.929	5.964
Derivatives	14.701	14.398	14.017
Forward Market	12.998	12.998	12.998
Options Market	15.308	14.845	14.505
Total BOVESPA	6.361	6.414	6.562