



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

3Q10 net revenues of R\$486.9 million increased 27.1% year-over-year, primarily due to a 70.7% surge in volumes traded in the BM&F segment. 3Q10 adjusted net income reached R\$389.2 million (Adjusted EPS of R\$0.194), rising 15% year-over-year.

3Q10 GAAP net income totaled R\$293.2 million, with earnings per share of R\$0.146, climbing 18.8% from the same period one year ago.

The highlights of the period include the rights issue carried out by the Brazilian oil and gas giant, Petrobras, grossing proceeds of R\$120 billion, and the recovery Bovespa trading volumes towards the end of September, which continued in October, with the highest average daily trading value on record, at R\$7.77 billion.

The number of active custody accounts at our Central Securities Depository soared 14% quarter-on-quarter, to 661 thousand from 580 thousand in the quarter ended June 2010.

As part of our market popularization program, this quarter saw the start of a wide campaign designed to improve financial education and knowledge about the Brazilian capital markets amongst local prospective retail investors.

Technology developments include completion of the first phase of the project for development and implementation of a multi-asset class trading platform. The project module designed for the trading of derivatives and spot FX contracts, which is now being tested, is set to start in the first quarter of 2011.

3Q10 adjusted operating expenses amounted to R\$145.8 million, up 35.0% from the third quarter in the prior year (R\$108.1 million). This rise correlates mainly with a higher number of employees and an escalation in IT and marketing activities

3Q10 adjusted EBITDA (adjusted to exclude expenses with the stock option plan) reached R\$341.9 million, increasing 24.8% from the year before, with adjusted EBITDA margin of 70.2%. 3Q10 EBITDA of R\$336.4 million climbed 28.4% year-over-year, whereas the EBITDA margin kept at 69.1%.

Our board of directors approved the distribution of R\$235.9 million as dividends, which represents 80% of GAAP net income for the third quarter 2010.

The Company updated the Adjusted Opex Budget from R\$520 million to a range from R\$540 million to R\$545 million and the Capex Budget from R\$272 million to a range from R\$250 million to R\$272 million, both for 2010.

QUOTES ON THE COMPANY'S PERFORMANCE

"The third quarter witnessed the Petrobras offering with gross proceeds of R\$120 billion" said Mr. Edemir Pinto, chief executive officer, who went on to emphasize the unprecedented volume of foreign capital flowing to the country on account of this offering, noting that this offering jumpstarts a second wave of investments in Brazil. "The stock exchange will see new IPOs; our value closely correlates with the growth potential of Brazilian companies," he added. In addition, the Company has launched the ad campaign "*Quer ser sócio?*" (Want to be a partner?) on TV and radio stations, in newspapers, in movie theaters, etc., in keeping with our strategy of widening the retail investor base. "It is an education campaign," Mr. Pinto noted.

The chief financial and investor relations officer, Mr. Eduardo Refinetti Guardia, underscored the rebound in volumes traded in the Bovespa segment, in particular after the Petrobras offering completed, including the record average trading volumes of R\$7.77 billion in the month of October. "The Company is highly focused on its technology projects, and in strengthening its growth potential," Mr. Guardia added.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Summary of the Income Statement

(in thousands of BRL)	3Q10	3Q09	Change 3Q10/3Q09	2Q10	Change 3Q10/2Q10	9M10	9M09	Change 9M10/9M09
Operational Revenues	541,609	426,505	27.0%	526,986	2.8%	1,579,255	1,199,004	31.7%
Trading / Clearing Systems - BM&F	186,802	132,017	41.5%	184,139	1.4%	541,154	403,930	34.0%
Trading / Clearing Systems-Bovespa	274,812	219,019	25.5%	259,309	6.0%	790,615	575,534	37.4%
Other Operational Revenues	79,995	75,469	6.0%	83,538	-4.2%	247,486	219,540	12.7%
Revenue deductions	(54,743)	(43,510)	25.8%	(53,365)	2.6%	(159,640)	(121,219)	31.7%
Net Operational Revenues	486,866	382,995	27.1%	473,621	2.8%	1,419,615	1,077,785	31.7%
Operating Expenses	(167,561)	(132,502)	26.5%	(143,494)	16.8%	(444,839)	(409,460)	8.6%
Operating Income	319,305	250,493	27.5%	330,127	-3.3%	974,776	668,325	45.9%
Equity account	23,142	-	-	-	-	23,142	-	-
Financial Income	77,407	57,042	35.7%	77,546	-0.2%	222,649	179,758	23.9%
Income before Taxes	419,854	307,535	36.5%	407,673	3.0%	1,220,567	848,083	43.9%
Net Income	293,208	246,795	18.8%	307,614	-4.7%	882,643	661,949	33.3%
<i>Net Margin</i>	60.2%	64.4%	-4.2 pp	64.9%	-4.7 pp	62.2%	61.4%	0.8 pp
EBITDA	336,375	262,039	28.4%	341,671	-1.5%	1,012,672	698,709	44.9%
<i>EBITDA Margin</i>	69.1%	68.4%	0.7 pp	72.1%	-3.1 pp	71.3%	64.8%	6.5 pp
Adjusted Net Income	389,205	338,377	15.0%	426,272	-8.7%	1,217,945	909,523	33.9%
<i>Adjusted net Margin</i>	79.9%	88.4%	-8.4 pp	90.0%	-10.1 pp	85.8%	84.4%	1.4 pp
Adjusted Operational Expenses	(145,846)	(108,062)	35.0%	(124,418)	17.2%	(384,846)	(313,006)	23.0%

ANALYSIS OF REVENUES AND EXPENSES LINES
Revenues

3Q10 gross operating revenues climbed 27.0% year-over-year, to 541.6 million from R\$426.5 million one year ago, due to the rebound in volumes traded on our markets and the clearing and settlement services we provided in connection with the Petrobras and Banco do Brasil offerings.

- Revenues of R\$232.9 million from trading and settlement activities in the Bovespa segment, increased 10.8% from the same period one year ago and accounted for 43.0% of the overall 3Q10 revenues. This climb correlates with a 13.3% year-over-year rise in overall volume traded, however partially off-set by a drop in revenue margin, to 6.16 basis points from 6.30 bps one year ago, due to changes in the mix of

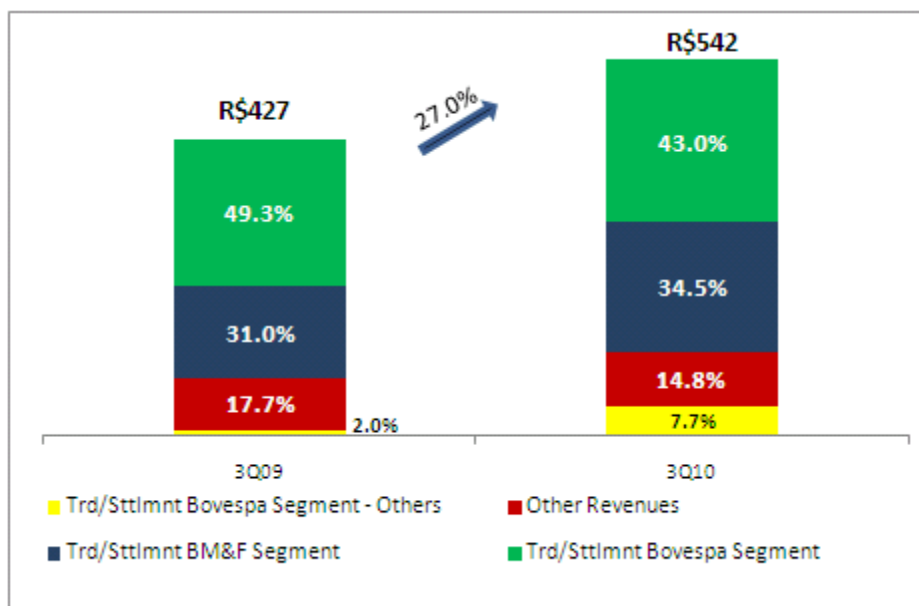


investors actively trading in Bovespa segment, where a larger share of the volume traded in the quarter is attributable to local institutional investors.

- Revenues from trading and settlement activities on the BM&F segment totaled R\$186.8 million, soaring 41.5% from the same period one year before, and accounted for 34.5% of the overall revenues. This rise is due primarily to a 70.7% year-over-year surge in overall volume traded, partially off-set by a drop in average rate per contract, which declined 16.1% from the prior year.
- Moreover, revenues from clearing and settlement services, particularly for Petrobras and Banco do Brasil offerings, totaled R\$39.7 million (7.3% of total revenues), which combined with other revenues from other clearing and settlement activities (R\$2.2 million) accounted for 7.7% of our overall revenues.

The combined revenues from trading and settlement activities in both the Bovespa and BM&F segments accounted for 85.2% of the overall revenues (as compared to 82.3% one year ago).

Gross Revenues – 3Q10 versus 3Q09 (in R\$ millions)



Source: BM&FBOVESPA.

Other operating revenues unrelated to trading and settlement activities amounted to R\$80.0 million (14.8% of total revenues), rising 6.0% from R\$75.5 million (17.7% of the overall revenues one year ago).

Set forth below is a brief discussion of other operating revenues from activities unrelated to trading and settlement.

- **Market data sales:** revenues of R\$15.4 million from fees for distribution of market data to vendors and other customers accounted for 2.8% of total revenues and were down 4.5% year-over-year and 8.7% quarter-on-quarter. These declines are attributable primarily to the reasons set forth below.



- Starting August 2010, we implemented our new pricing policy, which seeks to encourage individuals to access market data online through the Home Broker system, as part of our efforts to widen trading by retail investors; The quarter-on-quarter drop in revenues from market data sales is due mainly to a 2.8% decline in the average number of terminals or customers with access to our market data;
- The exchange rate for the Brazilian *real* against the U.S. dollar appreciated 6.4% year-over-year and 2.4% quarter-on-quarter, negatively affecting our revenues to foreign customers, which account for approximately one third of the revenues from market data sales.
- Revenues from market access fees: revenues of R\$11.3 million from fees charged for access to our trading systems accounted for 2.1% of total revenues and were down 1.5% from R\$11.5 million one year ago and 13.2% from R\$13.0 million in the prior quarter. This drop is due mainly to the new pricing policy (effective starting August 2010) for the technology packages supplied to market participants for access to our markets.
- Depository/Custody services: at R\$21.4 million, this revenue line surged 24.4% from R\$17.2 million one year ago, and accounted for 4.0% of total revenues. Specifically, 3Q10 revenues from our central securities depository grew by 18.5% to R\$17.9 million from R\$15.1 million in the earlier year, mainly due to a 17.8% year-over-year increase in the average number of custody accounts, to 638.6 thousand from 542.1 thousand previously, coupled with a 25.9% year-over-year climb in average value of assets held in custody (not including ADRs and stocks held in custody for foreign investors), which rose to R\$480.1 billion from R\$381.3 billion one year ago, once we charge additional fee from resident investors holding accounts worth in excess of R\$300 thousand.
- Securities lending: at R\$12.7 million, this revenue line soared 43.4% from R\$8.9 million in the prior year, and accounted for 2.3% of total revenues, primarily as a result of a 37.9% increase in average financial value of open interest positions, to R\$20.8 billion at the end of the quarter from R\$15.1 billion one year earlier.
- Listings: revenues from offering registration, listing and annual fees totaled R\$10.9 million, a 14.3% year-on-year increase, and accounted for 2.0% of total revenues. This growth is attributable mainly to the reasons set forth below.
 - revenues from offering registration fees increased 100.0% year-over-year and 140.1% quarter-on-quarter;
 - revenues from listing fees in the third quarter increased by 12.1% year-over-year and correspond to fees paid by new companies (12 companies) conducting initial public offerings in the last 12 months; and
 - reduction in discounts on annual fees charged to listed issuers.



Operating Expenses

Third quarter operating expenses totaled R\$167.6 million, climbing 26.5% from the same period one year ago and 16.8% from the prior quarter. Adjusted operating expenses totaled R\$145.8 million, increasing 35% year-over-year and 17.2% quarter-on-quarter. This rise correlates mainly with a higher number of employees and an escalation in IT and marketing activities. These three expense groups (personnel, IT and marketing expenses) accounted for 72.4% of the increase in operating expenses, between the 3Q10 and the 3Q09.

The main changes in Operating Expenses lines are set forth below.

Personnel: personnel expenses of R\$71.7 million were up 12.2% from the same period one year ago and 11.4% quarter-on-quarter, primarily as a result of:

- a 6% increase over our August 2010 payroll, as required under the collective bargaining agreement entered into with the workers' union;
- increase in headcount (20,1%¹ year-over-year and 9.1%² quarter-on-quarter), which is in line with our growth strategy. Consistent with this strategy, most of our new employees have been hired to work in the technology and business development areas.

This rise in personnel expenses was partially off-set by a 54% year-over-year decline in stock option expenses, down to R\$5.5 million from R\$11.9 million one year ago.

Adjusted to eliminate 3Q10 recognized expenses from the stock option plan, personnel expenses amounted to R\$66.2 million, up 27.4% year-over-year and 15.4% quarter-on-quarter.

Data processing: data processing expenses of R\$27.4 million for the quarter were up 13.1% from the year before, mainly due to rent expenses related to the operations of our contingency site and expenses with projects under development for improvements in throughput capacity and the performance of our trading and settlement systems.

Marketing and promotion: these expenses amounted to R\$15.8 million, increasing 170.0% from the same quarter in the prior year and 59.8% quarter-on-quarter, mainly as a result of the costs to bolster our financial education programs and market popularization campaigns, in line with our strategy to educate and attract prospective retail investors and boost trading activities.

Outsourced services: this line item totaled R\$12.3 million, up 31.2% year-over-year and 21.4% quarter-on-quarter, as a result mainly of lawyers' fees paid in connection with our international partnerships and other international activities.

Other: third quarter other expenses amounted to R\$8.9 million (versus R\$5.7 million one year ago), a 56.4% year-on-year increase primarily related to higher in donations and contributions and travelling expenses.

¹ Refers to the average headcount for each of 3Q10 and 3Q09.

² Refers to the average headcount for each of 3Q10 and 2Q10.



RECONCILIATION OF ADJUSTED NET INCOME TO GAAP NET INCOME

3Q10 adjusted net income of R\$389.2 million (adjusted EPS of R\$0.194) was 15% higher than 3Q09 adjusted net income. 3Q10 GAAP net income totaled R\$293.2 million (EPS of R\$0.146), climbing 18.8% year-over-year.

The adjustments to net income comprised of deferred liabilities related to the amortization of goodwill, expenses with the stock options program, and our investment in the CME Group, which we recognize and account for pursuant to the equity method of accounting (net of taxes).

RECONCILIATION OF ADJUSTED NET INCOME

(in R\$ millions)

	3Q10	3Q09	% 3Q10 vs. 3Q09	2Q10	% 3Q10 vs. 2Q10	9M10	9M09	% 9M10 vs. 9M09
Adjusted Net Income	389.2	338.4	15.0%	426.3	-8.7%	1,217.9	909.5	33.9%
Adjustments:								
(-) Deferred liabilities	111.6	79.6		111.6		334.9	238.9	
(-) Stock option program	5.5	11.9		7.0		21.5	44.1	
(+) Other deferred credits							(35.5)	
(+) Net Share of gain from investment in associate (equity method applied)	(21.1)					(21.1)		
GAAP net income	293.2	246.8	18.8%	307.6	-4.7%	882.6	661.9	33.3%

3Q10 operating expenses totaled R\$167.6 million, rising 26.5% from R\$132.5 million one year ago and 16.8% from R\$143.5 million in the prior quarter.

3Q10 adjusted operating expenses of R\$145.8 million rose 35% year-over-year, from R\$108.1 million, and 17.2% quarter-on-quarter. The adjustments are related to expenses from the stock options program, depreciation, provisions for doubtful accounts and tax related to the equity accounting.

RECONCILIATION OF ADJUSTED OPERATING EXPENSES

(in R\$ millions)

	3Q10	3Q09	% 3Q10 vs. 3Q09	2Q10	% 3Q10 vs. 2Q10	9M10	9M09	% 9M10 vs. 9M09
Adjusted Operating Expenses	145.8	108.1	35.0%	124.4	17.2%	384.8	313.0	23.0%
(+) Stock Options Program	5.5	11.9		7.0		21.5	44.1	
(+) Depreciation	15.1	11.5		11.5		35.9	30.4	
(+) Severances	-	-		-			18.0	
(+) Provisions for doubtful accounts	-0.8	1.0		0.5		0.6	3.9	
(+) tax related to the equity accounting.	2.0					2.0		
Operating Expenses	167.6	132.5	26.5%	143.5	16.8%	444.8	409.5	8.6%



OTHER FINANCIAL HIGHLIGHTS

- Cash and cash equivalents: short- and long-term cash and cash equivalents at the end of the quarter to September 2010 amounted to R\$3.7 billion, including third-party collaterals pledged to our clearing facilities and others in the amount of R\$1.02 billion, and R\$491 million of our own restricted financial resources, which are tied to our clearing safeguards structure.
- Interest income, net: net interest income for the third quarter of 2010 was R\$77.4 million, a 35.7% climb when compared to the same period one year ago, with quarterly financial revenues up to R\$100.6 million from R\$65.9 million one year ago, reflecting the increase in the interest rates paid on financial investment and the higher amount of average cash invested. This increase in financial revenues was partially off-set by the increase in financial expenses, which grew to R\$23.2 million from R\$8.8 million one year ago, primarily due to interest paid in connection with our bond offering completed in July 2010.
- Capital expenditures: investments of R\$44.1 million were capitalized in the quarter ended September 2010, consisting of R\$36.2 million for investments in technology and R\$7.9 million for investments in non-technology projects (related to our facilities and equipment). Total capital expenditures for the nine months ended September 2010 totaled R\$138.1 million.

RECENT DEVELOPMENTS

Technology developments

We have invested continually in developing our trading platforms and enhancing the network for access to our markets to reduce latency and improve the performance of our trading and clearing and settlement systems. Technology development highlights for the period include:

- BVMF-CME joint development of multi-asset class trading platform: we continue to work in cooperation with the CME Group to develop and implement a multi-asset class electronic platform for the trading of equities, derivatives, foreign currency and fixed income securities. Phase 1 of the project (derivatives and Fx modules for replacement of the GTS system) is currently undergoing technology tests and is set to be implemented in the first quarter of 2011.
- DMA via Provider and via Co-location for the Bovespa segment: the CVM recently authorized us to implement additional Direct Market Access channels for the Bovespa segment, consisting of DMA via Provider, via Direct Connection and via Investor Co-location arrangements. These additional DMA channels started operating on September 1, 2010. Currently, we have 36 racks allocated to co-location arrangements already agreed with investors.
- Throughput capacity: as a result of continued work to boost our trading systems' throughput capacity, implementation has now been completed in the BM&F segment permitting throughput of 400 thousand daily trades. In the Bovespa segment technology improvements are set to be implemented in the fourth quarter 2010, with throughput increasing to 3 million daily trades from 1.5 million presently.

In addition, we have also implemented in the third quarter the new unified interface for market data distribution, which allows market data to flow from all of our markets to be integrated for distribution through a single terminal.



OTHER 3Q10 HIGHLIGHTS

New pricing policy

We have recently announced the new pricing policy for high frequency trading (HFT) on both BM&F and Bovespa segments. Pursuant to this policy, the first phase is valid since November 1, 2010 and the second will start on January 3, 2011, investors will register HFT accounts to engage in high frequency trading and, will be granted progressive discounts based on trading volume bands.

Continuing market popularization programs

We recently launched the market popularization campaign named "*Quer ser sócio?*" ("Want to be a partner?"), which focuses primarily on educating future and prospective retail investors through mass media initiatives (including free-to-air television, radio broadcasts and the Internet). Other education and popularization campaigns include the "Financial Education TV Show", "Radio Web," free online courses, "Simulação" (an investment simulator), a radio channel for our *Mulheres em Ação* ("Women in Action") gateway, Q&A sessions, lectures and other financial and investment education actions, such as *Desafio BM&FBOVESPA* (BM&FBOVESPA Challenge, a student contest), *Dinheiro no Bolso* ("Saving Money") and our sponsorship of the program known as National Financial Education Strategy (*Estratégia Nacional de Educação Financeira*), or ENEF.

Stock Buy Back Program

According to the Share Buyback Program approved at a meeting of our Board of Directors held on August 12, 2010, as of September 30, 2010, we had repurchased a total of 13,930,000 outstanding shares, at an average price per share of R\$13.46.

The table below sets forth a summary of these repurchases:

Periods	Number of Shares	Average Price (R\$)	Total (R\$)
August 2010	5,650,000	12.83	72,466,569
September 2010	8,280,000	13.89	115,044,628
Total	13,930,000	13.46	187,511,197

In October, 12,447,900 shares were bought, at an average price of R\$14.02, amounting to R\$174.5 million. The total number of shares bought back through October was 26,377,900, at an average price of R\$13.72, amounting to R\$362,088,666.

Under the Share Buyback Program, the Company has been authorized to repurchase up to 31,000,000 common outstanding shares, representing approximately 1.55% of the free float. The buyback period extends through December 31, 2010.

BDRs

On October 5, 2010, the first ten local listings of Unsponsored Level I BDRs began to trade on Bovespa segment, with 54 trades registered and financial value traded of R\$2.87 million on this first trading day. The issuer of these ten listings is Deutsche Bank.

Financial institutions, investment funds, portfolio managers and certain CVM licensed professional traders are permitted to trade these unsponsored BDRs (the latter two are only permitted to trade for their respective managed or proprietary portfolios. In addition, retail investors are permitted to trade through investment funds holding unsponsored BDR portfolios. Unsponsored Level I BDRs trade on the organized OTC market operated within the Bovespa segment.



ANALYSIS OF OPERATING DATA

Bovespa segment

Average daily trading value: 3Q10 average daily trading value was up 13.3% year-over-year primarily due to the overall higher average market capitalization of listed issuers, which increased by 18.0% from the same period one year ago, partially off-set by a decline in turnover velocity. On a quarter-on-quarter basis, the average daily trading value fell by a 11.6%, impacted by a global decline in volumes traded and the market overhang related to the Petrobras rights issue. Average daily value traded in July and August amounted to R\$5.4 billion and R\$5.6 billion, respectively, whereas in September, when the Petrobras offering overhang was removed, volumes bounced back to close the month at R\$6.7 billion.

In October 2010 the average trading volumes was R\$7.77 billion, the highest daily value ever recorded in a single month.

- Turnover velocity: turnover velocity plummeted to 60.1% from 62.6% one year ago and 69.2% in the prior quarter, primarily due to (i) market overhang in the months preceding the Petrobras offering, which resulted in substantially thinner trading volumes, and (ii) the global slowdown in trading activities.

However, in October, after the Petrobras offering completed, the volume of trading started to bounce back with annualized turnover reaching 71% in Oct'10.

- Related to the market overhang and the reduction in Petrobras volume traded, options on single stocks experienced lower trading volumes in the quarter, down 30.1% from the prior quarter. Options on Vale and Petrobras shares, which otherwise are more actively traded options contracts, were particularly affected.

- Average daily number of trades: As measured in number of trades, the third quarter daily average increased 24.6% year-over-year to 416.7 thousand daily trades, but dropped 3.3% quarter-on-quarter. However, the rebound in market activity following the Petrobras offering resulted in a record number of trades on October 13 with 800,223 trades.

- Investors: The number of active custody accounts closed the quarter with a record high of 660,934, having climbed 22.8% year-over-year and 14.0% quarter-on-quarter.

- Securities offerings: Third quarter offerings included the IPO conducted by Renova and the follow-on equity offerings of Banco do Brasil and Brazilian oil and gas giant Petrobras (resulting in gross proceeds of R\$120.2 billion).

BM&F segment

- Average daily volume traded: At 2.43 million contracts, the average daily trading volume for the quarter soared 70.7% year-over-year, but fell 3.8% quarter-on-quarter. The high level of year-over-year growth was primarily the result of a 119.8% surge in volumes traded in BRL interest rate contracts, which accounted for 68.4% of the overall volume traded in the quarter.

- Average Rate per Contract (RPC): At R\$1.167, the third quarter average rate per contract fell 16.1% year-over-year, primarily due to the following factors:



- the greater volume of trading in BRL interest rate contracts, for which we charge a lower fee rate when compared to other contracts, increased their share of the overall volume traded on BM&F markets to 68.4% from 53.1% in the prior year;
- the 6.4%³ appreciation of the Brazilian real against the U.S. dollar, which adversely impacted revenues from trading in foreign currency, USD interest rate and commodities contracts, as the fee rates for these contracts are denominated in U.S. dollars;
- the fact that increases in trading volumes result in lower average rates per contract, as our pricing policy includes progressive discounts that apply as trading volumes go up; and
- the fee rate discounts we give to trading via DMA and to high frequency traders, both of which have experiencing rising volumes levels during the last few months.

In a quarter-on-quarter comparison, the average rate per contract rose 1.9% mainly due to:

- the impact of Fx contracts, as the RPC for these contracts increased 8.2%, partially due to lower high frequency trading in Fx contracts, which fell to 4.7% of the volume from 6.4% previously; and
- the impact of the 5.1% increase in average RPC for BRL interest rate contracts, due to the higher volume of trading in BRL interest rate futures expiring at the fourth and fifth maturity dates of the year, the average rate for which is higher than for contracts with other maturity dates⁴.

DMA evolution: The volume of trading via DMA (Direct Market Access) has been increasing consistently and accounted for 16.0%⁵ of the overall volume for the third quarter. While our Traditional DMA channel continues to account for most DMA trading, increasingly in the last few months other models, such as DMA via Provider and, more specifically, via co-location arrangements, have been registering higher volumes levels. Trading via co-location arrangements reached a record high in September 2010, having accounted for 4.1% of the overall volume for the BM&F segment.

▪ **High frequency trading:** Trading volume from high frequency trader order flow accounted for 4.4% of the overall volume traded at BM&F segment in the third quarter, with an average of 207 thousand contracts (buy and sell sides of the trade). The most actively traded contracts continue to be Fx contracts, equity index-based and mini contracts.

³ The average exchange rate for Fx futures and options on exchange rate fell to R\$1.75 from R\$1.87 in the prior year period.

⁴ The Interest Rates in BRL contracts indexed in the ID (Interbank Deposit), which are the most heavily traded contracts, are distributed in five maturities (1st of 21 working days / 2nd of 42 days / 3rd of 63 days / 4th of 84 days / 5th of 105 days).

⁵ We determine this percentage by dividing the volume of contracts by two (2), as we take into account both sides of the trade, i.e. buy side and sell side, which is an industry practice adopted by exchanges across the world.

CONSOLIDATED INCOME STATEMENT

(in thousands of BRL)	3Q10	3Q09	Change 3Q10/3Q09	2Q10	Change 3Q10/2Q10	9M10	9M09	Change 9M10/9M09
Operational Revenues	541,609	426,505	27.0%	526,986	2.8%	1,579,255	1,199,004	31.7%
Trading / Clearing Systems - BM&F	186,802	132,017	41.5%	184,139	1.4%	541,154	403,930	34.0%
Derivatives	181,387	127,457	42.3%	178,799	1.4%	525,667	388,102	35.4%
Foreign Exchange	5,391	4,534	18.9%	5,320	1.3%	15,415	15,689	-1.7%
Securities	24	26	-7.7%	20	20.0%	72	139	-48.2%
Trading / Clearing Systems-Bovespa	274,812	219,019	25.5%	259,309	6.0%	790,615	575,534	37.4%
Trading fees	173,780	158,308	9.8%	185,739	-6.4%	547,148	417,227	31.1%
Clearing fees	59,110	51,809	14.1%	68,277	-13.4%	191,624	144,316	32.8%
Others	41,922	8,902	370.9%	5,293	692.0%	51,843	13,991	270.5%
Other Operational Revenues	79,995	75,469	6.0%	83,538	-4.2%	247,486	219,540	12.7%
Securities Lending	12,714	8,866	43.4%	12,345	3.0%	35,579	22,456	58.4%
Listing	10,928	9,562	14.3%	10,754	1.6%	33,193	29,515	12.5%
Depository and custody	21,447	17,235	24.4%	22,270	-3.7%	64,607	50,537	27.8%
Trading access (Brokers)	11,317	11,491	-1.5%	13,031	-13.2%	37,194	34,557	7.6%
Vendors	15,352	16,082	-4.5%	16,819	-8.7%	51,799	47,774	8.4%
Commodities classification fees	2,328	1,716	35.7%	209	1013.9%	2,814	3,216	-12.5%
Brazilian Commodities Exchange	1,762	3,535	-50.2%	1,056	66.9%	3,932	6,191	-36.5%
BM&F Bank	2,117	2,194	-3.5%	1,921	10.2%	5,937	6,217	-4.5%
Others	2,030	4,788	-57.6%	5,133	-60.5%	12,431	19,077	-34.8%
Revenue deductions	(54,743)	(43,510)	25.8%	(53,365)	2.6%	(159,640)	(121,219)	31.7%
PIS and Cofins	(48,683)	(38,406)	26.8%	(47,325)	2.9%	(141,895)	(107,439)	32.1%
Service tax	(6,060)	(5,104)	18.7%	(6,040)	0.3%	(17,745)	(13,780)	28.8%
Net Operational Revenues	486,866	382,995	27.1%	473,621	2.8%	1,419,615	1,077,785	31.7%
Operational Expenses	(167,561)	(132,502)	26.5%	(143,494)	16.8%	(444,839)	(409,460)	8.6%
Personel	(71,687)	(63,883)	12.2%	(64,371)	11.4%	(199,776)	(215,682)	-7.4%
Data processing	(27,400)	(24,233)	13.1%	(24,642)	11.2%	(73,308)	(71,410)	2.7%
Deprec. and Amortization	(15,067)	(11,546)	30.5%	(11,544)	30.5%	(35,893)	(30,384)	18.1%
Third Party Services	(12,293)	(9,370)	31.2%	(10,126)	21.4%	(32,056)	(28,192)	13.7%
Maintenance	(2,529)	(2,750)	-8.0%	(2,332)	8.4%	(7,543)	(8,142)	-7.4%
Communication	(6,622)	(6,219)	6.5%	(6,470)	2.3%	(19,063)	(16,459)	15.8%
Leases	(700)	(558)	25.4%	(678)	3.2%	(2,043)	(2,048)	-0.2%
Supplies	(699)	(713)	-2.0%	(764)	-8.5%	(1,935)	(1,770)	9.3%
Marketing	(15,772)	(5,841)	170.0%	(9,870)	59.8%	(30,970)	(13,608)	127.6%
Taxes	(4,353)	(495)	779.4%	(2,340)	86.0%	(7,838)	(1,329)	489.8%
Board Compensation	(1,507)	(1,184)	27.3%	(1,830)	-17.7%	(4,385)	(3,885)	12.9%
Sundry	(8,932)	(5,710)	56.4%	(8,527)	4.7%	(30,029)	(16,551)	81.4%
Operating Income	319,305	250,493	27.5%	330,127	-3.3%	974,776	668,325	45.9%
Equity account	23,142	-	-	-	-	23,142	-	-
Financial Income	77,407	57,042	35.7%	77,546	-0.2%	222,649	179,758	23.9%
Financial Revenues	100,570	65,870	52.7%	83,642	20.2%	256,983	208,152	23.5%
Financial Expenses	(23,163)	(8,828)	162.4%	(6,096)	280.0%	(34,334)	(28,394)	20.9%
Income before Taxes	419,854	307,535	36.5%	407,673	3.0%	1,220,567	848,083	43.9%
Income Tax and Social Contribution	(126,646)	(60,740)	108.5%	(100,485)	26.0%	(337,924)	(186,134)	81.5%
Current	(885)	(544)	62.7%	(637)	38.9%	(2,017)	33,495	-106.0%
Defferred	(125,761)	(60,196)	108.9%	(99,848)	26.0%	(335,907)	(219,629)	52.9%
Net Income	293,208	246,795	18.8%	307,614	-4.7%	882,643	661,949	33.3%
<i>Net Margin</i>	<i>60.2%</i>	<i>64.4%</i>	<i>-4.2 pp</i>	<i>64.9%</i>	<i>-4.7 pp</i>	<i>62.2%</i>	<i>61.4%</i>	<i>0.8 pp</i>
Attribute to:								
BM&FBOVESPA's Shareholders	292,981	245,766	19.2%	307,614	-4.8%	883,094	660,876	33.6%
Minority Interest	(227)	(1,029)	-77.9%	426	-153.3%	451	(1,073)	-142.0%
EBITDA	336,375	262,039	28.4%	341,671	-1.5%	1,012,672	698,709	44.9%
<i>EBITDA Margin</i>	<i>69.1%</i>	<i>68.4%</i>	<i>0.7 pp</i>	<i>72.1%</i>	<i>-3.1 pp</i>	<i>71.3%</i>	<i>64.8%</i>	<i>6.5 pp</i>
Sharecount	2,003,688,557	2,002,462,000		2,008,271,970		1,995,455,795	2,002,813,266	
Earnings per share	0.146221	0.122732	19.1%	0.152223	-3.9%	0.442327	0.330510	33.8%
Adjusted Net Income	389,205	338,377	15.0%	426,272	-100.0%	1,217,945	909,523	33.9%
Adjusted Operational Expenses	(145,846)	(108,062)	35.0%	(124,418)	-100.0%	(384,846)	(313,006)	23.0%
Adjusted EBITDA	341,864	273,976	24.8%	348,682	-100.0%	1,034,172	742,851	39.2%
<i>Adjusted EBITDA Margin</i>	<i>70.2%</i>	<i>71.5%</i>	<i>-1.3 pp</i>	<i>73.6%</i>	<i>-3.4 pp</i>	<i>72.8%</i>	<i>68.9%</i>	<i>3.9 pp</i>
Adjusted earnings per share	0.194244	0.168980	15.0%	0.212258	-29.6%	0.610359	0.454123	34.4%



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of reais)

Assets	9/30/2010	12/31/2009	Liabilities and shareholders' equity	9/30/2010	12/31/2009
Current assets	3,143,141	3,474,540	Current	1,422,836	1,142,076
Cash and cash equivalents	42,890	50,779	Collateral for transactions	984,766	810,317
Financial investments	2,917,792	3,295,356	Earnings and rights on securities in custody	33,412	31,897
Accounts receivable - net	55,810	40,205	Suppliers	35,353	21,444
Other receivables	18,046	22,656	Salaries and social charges	49,277	43,237
Taxes recoverable and prepaid	87,071	51,143	Provision for taxes and contributions payable	25,976	24,616
Deferred income tax and social contribution	11,546	5,688	Income tax and social contribution	2,126	3,697
Prepaid expenses	9,986	8,713	Financing	19,151	9,295
			Dividends and interest on own capital payable	2,655	839
Non-current	19,217,204	17,383,299	Redemption of preferred shares to be settled	1,839	1,839
			Other liabilities	257,858	194,895
Long-term receivables	1,099,771	973,305	Unearned discount	10,423	-
Financial investments	727,517	605,648			
Other receivables - net	3,001	4,626	Non-current	1,698,725	352,872
Deferred income tax and social contribution	277,339	278,136	Financing	1,027,188	2,495
Judicial deposits	90,004	84,895	Deferred income tax and social contribution	616,448	300,930
Prepaid expenses	1,910	-	Provision for contingencies and legal obligations	55,089	49,447
Investments	1,643,962	39,723	Shareholders' equity	19,238,784	19,362,891
Interest in subsidiaries	1,605,373	-	Capital and reserves attributable to parent's shareholders		
Other investments	38,589	39,723	Capital	2,540,239	2,540,239
			Capital reserve	16,533,760	16,512,260
Property and equipment	287,869	241,939	Revaluation reserves	23,116	23,551
			Statutory reserves	155,191	403,191
Intangible assets	16,185,602	16,128,332	Treasury shares	(390,014)	(230,102)
Goodwill	16,064,309	16,064,309	Valuation Adjustments	(36,525)	77,396
Software and projects	121,293	64,023	Additional Dividends proposed	-	20,000
			Retained earnings	397,112	-
Total assets	22,360,345	20,857,839		19,222,879	19,346,535
			Interest of non-controlling shareholders	15,905	16,356
			Total liabilities and shareholders' equity	22,360,345	20,857,839


OPERATING STATISTICAL DATA FOR THE BOVESPA SEGMENT
AVERAGE DAILY TRADED VALUE (BRL MILLIONS)

	3Q10	3Q09	2Q10	3Q10/3Q09 %	3Q10/2Q10 %	9M10	9M09	9M10/9M09 %
Stocks and Equity Deriv.	5,904.5	5,212.4	6,679.6	13.3%	-11.6%	6,386.7	4,783.8	33.5%
Cash market	5,508.2	4,885.6	6,166.3	12.7%	-10.7%	5,921.7	4,481.4	32.1%
Derivatives	396.4	326.8	513.3	21.3%	-22.8%	464.9	302.4	53.7%
Forward market	132.0	113.0	134.9	16.8%	-2.2%	141.3	84.2	67.8%
Options market (stocks / indices)	264.4	213.8	378.4	23.7%	-30.1%	323.6	218.2	48.3%
Fixed income and other spot securities	1.3	2.1	3.0	-39.1%	-58.8%	1.9	1.6	17.3%
Total	5,905.8	5,214.4	6,682.6	13.3%	-11.6%	6,388.5	4,785.4	33.5%

AVERAGE DAILY NUMBER OF TRADES

	3Q10	3Q09	2Q10	3Q10/3Q09 %	3Q10/2Q10 %	9M10	9M09	9M10/9M09 %
Stocks and Equity Deriv.	416,700	334,356	431,120	24.6%	-3.3%	418,191	313,165	33.5%
Cash market	338,481	279,924	348,130	20.9%	-2.8%	337,884	255,063	32.5%
Derivatives	78,219	54,432	82,990	43.7%	-5.7%	80,307	58,102	38.2%
Forward market	1,390	1,441	1,485	-3.6%	-6.4%	1,593	1,165	36.8%
Options market (stocks / indices)	76,829	52,991	81,505	45.0%	-5.7%	78,713	56,938	38.2%
Fixed income and other spot securities	12	6	13	86.0%	-7.6%	12	7	75.8%
Total	416,712	334,362	431,133	24.6%	-3.3%	418,202	313,172	33.5%

OTHER OPERATIONAL STATISTICS

	3Q10	3Q09	2Q10	3Q10/3Q09 %	3Q10/2Q10 %	9M10	9M09	9M10/9M09 %
End of period Market Cap. (BRL billions)	2,488.9	2,093.4	2,077.9	18.9%	19.8%	2,488.9	2,093.4	18.9%
Average Market Cap. (BRL billions)	2,265.2	1,918.9	2,202.3	18.0%	2.9%	2,265.5	1,694.8	33.7%
End of period Ibovespa	69,430	61,518	60,936	12.9%	13.9%	69,430	61,518	12.9%
Average Ibovespa	66,177	66,415	65,152	-0.4%	1.6%	66,415	48,477	37.0%
Value under custody (BRL billions)	1,241	752	1,006	65.0%	23.4%	1,241	752	65.0%
Number of custody accounts (thousands)	660,934	538,029	579,570	22.8%	14.0%	660,934	538,029	22.8%
Securities Lending (End of period of Open Interest - BRL billions)	22.0	16.5	20.3	33.5%	8.0%	22.0	16.5	33.5%
# Companies listed	468	433	466	8.1%	0.4%	468	433	8.1%
Turnover Velocity (annualized)	60.1%	62.6%	69.2%	-2.6 bp	-9.1 bp	64.6%	65.0%	-0.5 bp

TRADING MARGINS (basis points)

Market	3Q10	3Q09	2Q10
Stocks and Equity Derivatives	6.147	6.293	6.113
Cash Market	5.605	5.789	5.398
Derivatives	13.680	13.828	14.701
Forward Market	14.020	14.266	15.308
Options Market	12.998	12.998	12.998
Total BOVESPA	6.162	6.296	6.131

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

	3Q10	3Q09	2Q10	3Q10/3Q09 %	3Q10/2Q10 %	9M10	9M09	9M10/9M09 %
Interest Rates in BRL	1,661.0	755.6	1,635.7	119.8%	1.5%	1,634.8	857.2	90.7%
FX Rates	481.3	463.0	603.5	4.0%	-20.2%	557.0	431.9	29.0%
Stock Indices	84.4	69.6	99.3	21.2%	-15.0%	89.6	74.1	21.0%
Interest Rates in USD	95.8	64.4	84.5	48.7%	13.3%	86.2	76.7	12.4%
Commodities	15.0	10.1	10.1	47.5%	47.9%	12.2	9.9	23.7%
Mini Contracts	76.5	50.7	79.5	50.8%	-3.8%	74.8	51.0	46.6%
OTC	14.1	8.8	10.8	59.7%	31.4%	13.4	7.8	70.9%
Total	2,428.1	1,422.3	2,523.4	70.7%	-3.8%	2,468.1	1,508.7	63.6%

BM&F Segment - Revenue per Contract (BRL)

	3Q10	3Q09	2Q10	3Q10/3Q09 %	3Q10/2Q10 %	9M10	9M09	9M10/9M09 %
Interest Rates in BRL	0.951	1.068	0.905	-10.9%	5.1%	0.900	0.961	-6.4%
FX Rates	1.989	2.031	1.838	-2.1%	8.2%	1.914	2.247	-14.8%
Stock Indices	1.499	1.559	1.515	-3.8%	-1.1%	1.514	1.641	-7.8%
Interest Rates in USD	1.076	1.178	1.163	-8.6%	-7.5%	1.146	1.474	-22.3%
Commodities	2.181	2.440	2.106	-10.6%	3.6%	2.068	2.292	-9.8%
Mini Contracts	0.125	0.175	0.129	-28.5%	-3.4%	0.129	0.185	-30.3%
OTC	1.687	1.485	1.772	13.6%	-4.8%	1.650	1.738	-5.0%
Total	1.167	1.391	1.145	-16.1%	1.9%	1.146	1.375	-16.7%