

## BM&FBOVESPA Announces Results For The First Quarter 2011

BM&F trading volume sets new record, driving revenues; Traction from new initiatives with High Frequency Trading (HFT) and Exchange Traded Fund (ETF) volumes showing double-digit growth in the Bovespa Segment

# 1Q11

**MARKET CAPITALIZATION**  
R\$24.1 million (at 05/11/11)

**WEIGHTED AVERAGE SHARE COUNT**  
1,963,806,622 (1Q11)

**RATINGS**  
**Standard & Poor's**  
BBB+ (CPP credit rating)  
A-2 (Issuer)

**Moody's**  
A1 (global scale issuer)  
Aaa.br (Brazilian scale issuer)  
Baa2 (global notes)

**STOCK PERFORMANCE**  
Quarter to Mar 2011: -9.4%

### CONFERENCES

**Date: May 13, 2011**

#### • In English

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**SAO PAULO, Brazil** – May 12, 2011. BM&FBOVESPA S.A. (BVMF3) today reported first quarter earnings, ending March 31, 2011. Performance in derivatives was driven by robust growth in interest-rate contract volumes, while equities posted double-digit growth in HFT and ETF volumes as these new products continue to gain traction. Adjusted operating expenses<sup>1</sup> for the quarter are in line with the budget guidance range for the year as presented to the market, and declined 11.6% compared to 4Q10.

- 1Q11 net revenue of R\$472.2 million increased by 2.5% year-over-year.
- Adjusted net income<sup>2</sup> was R\$384.2 million (adjusted EPS of R\$0.196), compared to R\$405.1 million for 1Q10, as a result of planned increases in operating expenses for new strategic growth initiatives.
  - Average daily trading (purchases + sales) by high frequency traders in the Bovespa segment increased by 52.3% following the introduction of a new pricing policy in November 2010, (representing 6.1% of the total value traded).
  - ETF trading continued to grow, with average daily trading volume reaching R\$39.5 million, up 59% from 1Q10.
  - Payment of R\$100.0 million in interest on capital and R\$66.6 million in dividend was announced, having achieved 80% of GAAP net income in 1Q10.

“We have made important strides toward strengthening our business model. Specifically, we began the process to rebalance our trading and post-trade fee rates, which is a key step toward reducing cross subsidies embedded in product prices across businesses lines. We have also achieved significant progress in developing our new multi-asset class trading platform and implementing the integration of our clearing facilities, which are aimed at offering greater efficiency for market participants. The combination of these initiatives, and the products and markets that we are planning to develop, should further enhance our competitive position and strengthen our foundation toward delivering future sustainable growth,” said Chief Executive Officer Edemir Pinto.

Chief Financial and Investor Relations Officer Eduardo Refinetti Guardia said, “Adjusted first quarter expenses are in line with our 2011 annual budget range. Record high volumes in derivatives and high frequency trading activities in equities underscore BM&FBOVESPA’s capacity to grow and highlight progress we have made over the last few years.”

(in millions of BRL)	1Q11	1Q10	Change 1Q11/1Q10	4Q10	Change 1Q11/4Q10
<b>Net Operational Revenues</b>	<b>472.2</b>	<b>460.5</b>	<b>2.5%</b>	<b>470.1</b>	<b>0.4%</b>
<b>Operating Expenses</b>	<b>(188.7)</b>	<b>(133.8)</b>	<b>41.0%</b>	<b>(188.7)</b>	<b>0.0%</b>
<b>Operating Income</b>	<b>283.4</b>	<b>326.7</b>	<b>-13.2%</b>	<b>281.5</b>	<b>0.7%</b>
<b>Financial Income</b>	<b>63.2</b>	<b>66.3</b>	<b>-4.7%</b>	<b>75.4</b>	<b>-16.2%</b>
<b>Income before Taxes</b>	<b>384.2</b>	<b>393.0</b>	<b>-2.3%</b>	<b>371.9</b>	<b>3.3%</b>
<b>Net Income attributable to shareholders</b>	<b>270.8</b>	<b>284.5</b>	<b>-4.8%</b>	<b>261.5</b>	<b>3.6%</b>
<i>Net Margin</i>	57.3%	61.8%	-4.3 pp	55.6%	1.8 pp
<b>EBITDA</b>	<b>308.1</b>	<b>336.0</b>	<b>-8.3%</b>	<b>302.4</b>	<b>1.9%</b>
<i>EBITDA Margin</i>	65.2%	73.0%	-7.7 pp	64.3%	0.9 pp
<b>Adjusted EBITDA</b>	<b>332.6</b>	<b>345.0</b>	<b>-3.6%</b>	<b>311.8</b>	<b>6.7%</b>
<i>Adjusted EBITDA Margin</i>	<b>70.4%</b>	<b>74.9%</b>	<b>-4.5 pp</b>	<b>66.3%</b>	<b>4.1 pp</b>
<b>Adjusted Net Income</b>	<b>384.2</b>	<b>405.1</b>	<b>-5.2%</b>	<b>368.0</b>	<b>4.4%</b>
<b>Adjusted Operating Expenses</b>	<b>(140.6)</b>	<b>(115.5)</b>	<b>21.8%</b>	<b>(159.0)</b>	<b>-11.6%</b>

<sup>1</sup> Operating expenses have been adjusted to eliminate expenses with the stock options plan, depreciation and allowance for doubtful accounts, and tax on dividends from CME Group.

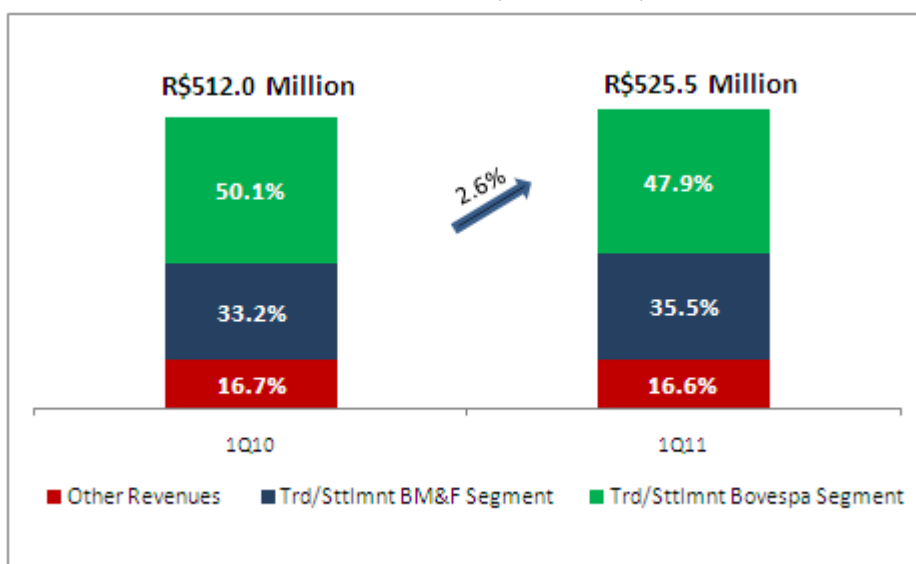
<sup>2</sup> Net income has been adjusted to eliminate deferred liability recognized in correlation with temporary differences from amortization of goodwill for tax purposes, the impact of the stock options plan and the investment in associate (CME Group) accounted for under the equity method of accounting, net of taxes.

REVENUES

Gross operating revenues rose 2.6% to R\$525.5 million in 1Q11 from R\$512.0 million in 1Q10 primarily due to growth in volumes traded on the BM&F segment.

- Revenues from trading and settlement activities in the Bovespa segment amounted to R\$251.7 million (47.9% of total revenues), down 1.9% compared to 1Q10. The Average Daily Trading Value (ADTV) increased by 2.1% year-over-year to R\$6.7 billion in 1Q11 from R\$6.6 billion in 1Q10. This volume gain was offset by a drop in revenue margins to 6.017 basis points (bps) from 6.361 bps in 1Q10. This is the result of a larger share of volumes traded by local institutional investors, who are charged lower tariffs, and the growth in HFT for which we charge discounted fee rates.
- Revenues from trading and settlement activities in the BM&F segment reached R\$186.7 million (35.5% of total revenues), up 9.7% over 1Q10. The daily average of 2.9 million contracts traded was a record for the segment, representing a year-over-year growth of 16.8%. This volume gain was partially offset by a 7.6% drop in the average rate-per-contract (RPC), attributable mainly to a greater portion of Brazilian-interest rate futures contracts traded, which are priced lower than the average BM&F contracts, and to the reduction of the FX futures volumes, which have higher than average RPC.

Gross Revenues – 1Q11 versus 1Q10



Revenue not related to trading and settlement activities amounted to R\$87.1 million (16.6% of total revenues) in 1Q11, 2.1% higher than 1Q10. The most relevant lines of business not related to trading / settlement were:

- Securities lending:** Revenues reached R\$15.4 million (2.9% of total revenues) in 1Q11, a sequential increase of 46.4%, primarily as a result of the higher volume of lending services required in connection with open interest positions; overall financial value of the open interest rose 35.5% year-over-year.
- Depository and custody services:** Revenues reached R\$22.1 million (4.2% of total revenues), a 5.8% increase compared to 1Q10. Revenues for central securities depository services rose to R\$17.7 million from R\$16.2 million in the year-ago quarter due mainly to an 8.2% increase in the average number of custody accounts and a 9.4% rise in the average financial value of assets held in custody (not including ADRs and stocks held in custody for foreign investors).
- Market data sales (Vendors):** Revenues reached R\$16.2 million (3.1% of total revenues) in 1Q11, down 17.3% from 1Q10. This decline is attributable to the lower market data pricing policy implemented in August 2010, which reduced market data prices for retail investors trading through online Home Broker systems by 33.3%, and a 7.4% year-over-year appreciation of the Brazilian Real against the U.S. dollar, resulting in a drop in revenues from foreign customers (which represent approximately one-third of this revenue line).

## OPERATING EXPENSES

Operating expenses totaled R\$188.7 million, up 41.0% over 1Q10 and flat in comparison to 4Q10.

Adjusted operating expenses reached R\$140.6 million in the quarter:

- Up 21.8% compared to 1Q10, mainly due to increased headcount, investment in IT infrastructure and our financial education campaign to grow the retail investor market, a component of the Company's growth strategy; and
- Down 11.6% compared to 4Q10, primarily due to the concentration of IT projects in final quarter of last year and additional profit-sharing distribution to employees in 4Q10.

The adjusted operating expenses for 1Q11 are in line with the budget range guided for FY11 (from R\$615 million to R\$635 million).

Adjusted Operating Expenses			<i>(In R\$ millions)</i>		
	1Q11	1Q10	1Q11/1Q10 (%)	4Q10	1Q11/4Q10 (%)
<b>Operating expenses</b>	188.7	133.8	41.0%	188.7	0.0%
(-) Stock options plan	24.5	9.0	172.7%	9.4	160.5%
(-) Depreciation	22.3	9.3	139.7%	18.9	17.8%
(-) Allowance for doubtful accounts	-1.1	-		-0.7	56.3%
(-) Tax on dividends from CME Group	2.3	-		2.0	17.8%
<b>Adjusted operating expenses</b>	140.6	115.5	21.8%	159.0	-11.6%

**Personnel:** Expenses of R\$97.5 million were up 52.9% over 1Q10 and 7.9% higher compared to 4Q10, mainly due to increases in headcount and recognition of stock option expenses:

- the average headcount increased by 28.3% year-over-year to strengthen the business development and technology departments in line with the Company's growth strategy;
- the August 2010 salary increase required under the existing collective bargaining agreement, which represented a 6% increase in payroll; and
- the impact of a rise in stock option plan expenses to R\$24.5 million (versus R\$9.0 million in the prior year quarter), associated with the adoption of a new stock option plan issued in January 2011 (in 2010, no new program was granted). Considering this new program is divided in four annual vesting periods and the possibility to exercise the first vesting was granted immediately (as of the granting date), there is a concentration of the amount recognized as expenses in 1Q11, which should not be repeated in the remaining quarters of 2011.

**Adjusted Personnel:** Excluding recognition of stock option expenses, adjusted personnel expenses totaled R\$72.9 million; these expenses were up 33.2% over 1Q10, reflecting the growth in average headcount and the August 2010 salary increase, and 9.9% lower than 4Q10, which was impacted by a profit-sharing distribution to employees based on FY10 performance.

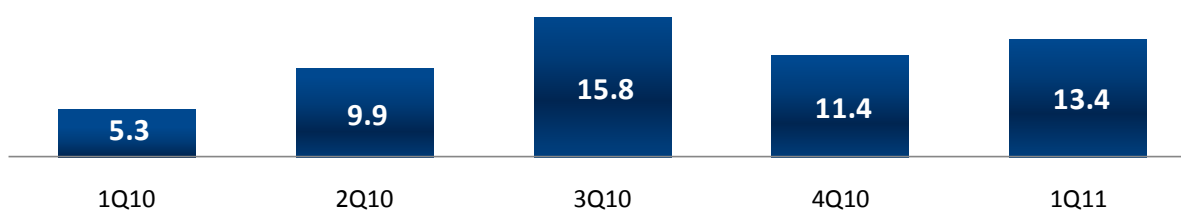
Adjusted Personnel Expenses			<i>(In R\$ millions)</i>		
	1Q11	1Q10	1Q11/1Q10 (%)	4Q10	1Q11/4Q10 (%)
Personnel Expenses	97.5	63.7	52.9%	90.3	7.9%
(-) Stock Option plan	24.5	9.0	172.7%	9.4	160.5%
<b>Adjusted personnel expenses</b>	72.9	54.7	33.2%	80.9	-9.9%

**Data processing:** Expenses reached R\$23.5 million, up 10.5% over 1Q10, due to an increase in operational expenses for the Company's new backup data center, initiated in mid 2010 and expansion of telecommunications infrastructure, to increase external connection capacity and overall throughput capabilities.

**Marketing and promotion:** BM&FBovespa bolstered its financial education programs and market popularization campaigns, in line with the Company's strategy to educate and attract a future generation of retail investors and to boost the domestic capital markets. Expenses amounted to R\$13.4 million, up 151.3% compared to 1Q10. The 17.4% growth compared to 4Q10 is largely due to the costs of legally required

publications. The graph below demonstrates the increased level of marketing and promotion expenses since 3Q10, when the Company's new marketing and educational campaigns were introduced:

**Quarterly Marketing and Promotion Expenses – R\$ millions**



**Depreciation:** Expenses rose by 139.7% to R\$22.3 million in 1Q11, primarily as a consequence of the higher capital expenditures during 2010 and the adoption of International Financial Reporting Standards (IFRS) in 3Q10.

#### **OTHER FINANCIAL HIGHLIGHTS**

**Cash and cash equivalents:** Short- and long-term cash and cash equivalents at the end of the quarter amounted to R\$4.8 billion, consisting of third-party collateral pledged to the Company's clearing facilities (R\$2.4 billion) and restricted financial resources tied to the clearing safeguard structure (R\$460 million). Unrestricted cash and cash equivalents available for use totaled R\$1.7 billion at the end of the quarter.

**Indebtedness:** At the end of 1Q11, the Company had R\$1.0 billion in interest-bearing debt outstanding, consisting primarily of the global senior notes issued in connection with the Company's July 2010 bond offering.

**Equity-method Investment:** The net share of gain from investment in an associate (CME Group), applying the equity method, totaled R\$37.5 million in 1Q11. This account did not exist in 1Q10 prior to the Company increasing its investment in CME Group in July 2010.

**Net interest income:** Net interest income for the first quarter of 2011 amounted to R\$63.2 million, down 4.7% compared to 1Q10, due to higher interest expenses, which grew year-over-year to R\$18.4 million from R\$1.2 million, due to the Company's global senior notes. On the other hand, interest revenues grew 20.8% year-over-year due mainly to higher interest rates.

**Income tax and social contribution:** This line item totaled R\$112.9 million at the end of 1Q11, with R\$111.2 million having been deferred. Deferred tax liabilities in the amount of R\$124.1 million were recognized in 1Q11 due to temporary differences from amortization of goodwill for tax purposes; this had no impact on cash flow. Recognized deferred tax liabilities were partially offset by other deferred tax assets and credits of R\$12.9 million, in connection with payment of interest on capital.

**CAPEX:** Investments of R\$29.3 million were capitalized in 1Q11, of which R\$21.8 million consisted of investments in technology and R\$7.5 million were investments in facilities and equipment. Capital expenditures at the end of the quarter were in line with the Capex budget guidance for 2011, expected to be between of R\$235.0 million and R\$255.0 million.

**Dividends and Interest on Capital:** The Company's Board of Directors approved a R\$100 million interest on capital and a R\$66.6 million dividend distribution, which in addition to interest on capital of R\$50 million declared in February total 80% of GAAP net income for the first quarter of 2011.

**Share buyback program:** Share repurchases implemented over the quarter within the scope of the Company's buyback program (extended pursuant to a December 2010 board decision) totaled 50.6 million shares with an average repurchase price per share of R\$13.09 since August 2010. In April 2011, a total of 2.5 million additional shares were repurchased at an average price per share of R\$11.69.

#### **Performance by Segment**

##### **Bovespa Segment**

- The average daily volume for the Bovespa segment rose by 2.1% over 1Q10, reflecting an 8.7% year-over-year increase in market capitalization, partially offset by a decrease to 62.1% in the turnover velocity of 1Q11 compared to 64.7% in 1Q10.
- Nine equity offerings were completed over the quarter (five IPOs, four follow-on offerings), raising R\$4.6 billion in total capital.

## BM&F Segment

- This is the fourth time over the past five quarters that the record for overall volumes have been broken; the record level of activity was driven mainly by trading in Brazilian-interest rate futures in BRL contracts. Volumes for these contracts rose 32.5% year-over-year. Overall volumes increased 16.8% compared to 1Q10.
- Another highlight in the segment was the volume of Interest Rate in US\$ contracts, which was nearly 64% higher than 1Q10, reaching an ADTV of 127.5 thousand contracts, mainly due to an increase of corporate foreign borrowing and Central Bank activity via reverse swap, which created an opportunity to trade the curve of interest rates in US\$.

## Update on Strategic Initiatives

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BM&FBovespa has put in place several strategic initiatives that are expected to grow and diversify the Company's revenue base, while strengthening its competitive position. The Company's IT infrastructure investments to build a new trading system, clearinghouse infrastructure and the main data center are expected to be fully implemented in 2012. With this infrastructure in place, BM&FBovespa expects to launch new products, further develop HFT activity and establish one of the most advanced trading and post trading exchange platforms in the world. In parallel with this technological leap, the Company has developed and launched new products, which are expected to drive growth in the short- and medium-term.

## New Products

- **Cross-listing of derivatives between BM&FBOVESPA and the Chicago Mercantile Exchange (CME):** BM&FBOVESPA, together with the CME, is developing a project for cross-listing of futures contracts (beginning with IBOVESPA futures, cash-settled soybean futures contract and mini S&P 500 futures contract and more will come in the future).
- **Market maker for options:** BM&FBOVESPA announced the kick-off of the competitive bidding process to select equity options market makers for stocks in ten companies and in the Ibovespa.
- **Growth in ETFs:** although still nascent in the Brazilian market, the trading of ETFs continues to show growth, with average daily trading volume reaching R\$39.5 million, up 59% from 1Q10. BM&FBOVESPA continues to roll out new ETFs (for example, the new ETF that was developed to track BM&FBOVESPA's, IFCN, was authorized for trading starting in April), bringing the number of ETFs launched in the market to eight, all of them already being traded. Furthermore, five new indices have been developed: the Corporate Governance Index Trade (IGCT), Brazil Broad-Based Index (IBrA), Dividend Index (IDIV), Basic Materials Index (IMAT) and Public Utilities Index (UTIL), which will be the basis for new ETFs in the future.
- **Launch of additional Un-sponsored Level 1 Brazilian Depository Receipts (BDRs):** Tenders for 20 new BDR programs were concluded in 1Q11, and the bidding process for the listing of ten additional programs was launched in early April. In addition to the launch of these new BDR programs, the CVM (Brazilian Securities Commission) is allowing a broader range of investors to trade the Un-sponsored Level 1 BDRs.
- **Commodities:** New products launched for trading on the derivatives markets include cash-settled soybean futures contracts, in addition to put and call options on cash-settled soybean futures. These contracts should facilitate transactions to hedge price volatility.

## Technological Developments

- **Development of a new multi-asset trading platform:** The first phase of this project in partnership with the CME Group, which will be implemented for derivatives trading, is scheduled for completion at the end of 2Q11. The delivery of the equities trading platform is expected to be concluded in 4Q11 or early 1Q12, to be followed by the fixed income trading platform in 2012.
- **New data centers:** The new data center is being built in the São Paulo metropolitan area to host the Company's IT infrastructure and, more importantly, enable its future growth plans. The Company is also considering to offer this space for co-location and equipment hosting to brokers, investors, and independent software vendors, providing them a low cost solution.

## Consolidated Income Statement

(in thousands of BRL)	1Q11	1Q10	Change 1Q11/1Q10	4Q10	Change 1Q11/4Q10
<b>Operational Revenues</b>	<b>525,477</b>	<b>512,049</b>	<b>2.6%</b>	<b>523,299</b>	<b>0.4%</b>
<b>Trading / Clearing Systems - BM&amp;F</b>	<b>186,662</b>	<b>170,213</b>	<b>9.7%</b>	<b>180,911</b>	<b>3.2%</b>
Derivatives	182,128	165,481	10.1%	175,878	3.6%
Foreign Exchange	4,513	4,704	-4.1%	5,012	-10.0%
Securities	21	28	-25.0%	21	0.0%
<b>Trading / Clearing Systems-Bovespa</b>	<b>251,716</b>	<b>256,494</b>	<b>-1.9%</b>	<b>258,685</b>	<b>-2.7%</b>
Trading fees	183,970	187,629	-2.0%	189,926	-3.1%
Clearing fees	63,231	64,237	-1.6%	63,280	-0.1%
Others	4,515	4,628	-2.4%	5,479	-17.6%
<b>Other Operational Revenues</b>	<b>87,099</b>	<b>85,342</b>	<b>2.1%</b>	<b>83,703</b>	<b>4.1%</b>
Securities Lending	15,405	10,520	46.4%	13,864	11.1%
Listing	11,276	11,511	-2.0%	11,199	0.7%
Depository, custody and back-office	22,105	20,890	5.8%	23,656	-6.6%
Trading access (Brokers)	12,470	12,446	0.2%	11,040	13.0%
Vendors	16,224	19,628	-17.3%	15,830	2.5%
Brazilian Commodities Exchange	2,419	1,114	117.1%	1,737	39.3%
BM&F Bank	4,711	3,288	43.3%	2,106	123.7%
Others	2,489	5,945	-58.1%	4,271	-41.7%
<b>Revenue deductions</b>	<b>(53,320)</b>	<b>(51,532)</b>	<b>3.5%</b>	<b>(53,157)</b>	<b>0.3%</b>
PIS and Cofins	(47,014)	(45,887)	2.5%	(46,859)	0.3%
Service tax	(6,306)	(5,645)	11.7%	(6,298)	0.1%
<b>Net Operational Revenues</b>	<b>472,157</b>	<b>460,517</b>	<b>2.5%</b>	<b>470,142</b>	<b>0.4%</b>
<b>Operating Expenses</b>	<b>(188,714)</b>	<b>(133,804)</b>	<b>41.0%</b>	<b>(188,665)</b>	<b>0.0%</b>
Personnel	(97,453)	(63,718)	52.9%	(90,331)	7.9%
Data processing	(23,491)	(21,266)	10.5%	(28,382)	-17.2%
Deprec. and Amortization	(22,294)	(9,302)	139.7%	(18,925)	17.8%
Third Party Services	(9,358)	(9,637)	-2.9%	(16,046)	-41.7%
Maintenance	(2,655)	(2,682)	-1.0%	(2,676)	-0.8%
Communication	(6,367)	(5,971)	6.6%	(6,756)	-5.8%
Marketing	(13,391)	(5,328)	151.3%	(11,406)	17.4%
Taxes	(3,161)	(1,145)	176.1%	(4,946)	-36.1%
Board Compensation	(1,376)	(1,048)	31.3%	(1,456)	-5.5%
Others	(9,168)	(13,707)	-33.1%	(7,741)	18.4%
<b>Operating Income</b>	<b>283,443</b>	<b>326,713</b>	<b>-13.2%</b>	<b>281,477</b>	<b>0.7%</b>
<b>Equity account</b>	<b>37,541</b>	<b>-</b>	<b>0.0%</b>	<b>15,096</b>	<b>148.7%</b>
<b>Financial Income</b>	<b>63,193</b>	<b>66,307</b>	<b>-4.7%</b>	<b>75,375</b>	<b>-16.2%</b>
Financial Revenues	81,565	67,508	20.8%	97,823	-16.6%
Financial Expenses	(18,372)	(1,201)	1429.7%	(22,448)	-18.2%
<b>Income before Taxes</b>	<b>384,177</b>	<b>393,020</b>	<b>-2.3%</b>	<b>371,948</b>	<b>3.3%</b>
<b>Income Tax and Social Contribution</b>	<b>(112,884)</b>	<b>(108,805)</b>	<b>3.7%</b>	<b>(110,105)</b>	<b>2.5%</b>
Current	(1,717)	(495)	246.9%	(3,391)	-49.4%
Deferred	(111,167)	(108,310)	2.6%	(106,714)	4.2%
<b>Net Income</b>	<b>271,293</b>	<b>284,215</b>	<b>-4.5%</b>	<b>261,843</b>	<b>3.6%</b>
<i>Net Margin</i>	57.5%	61.7%	-4.3 pp	55.7%	1.8 pp
<b>Attributable to:</b>					
BM&FBOVESPA's Shareholders	270,756	284,467	-4.8%	261,467	3.6%
<i>Net Margin</i>	57.3%	61.8%	-4.4 pp	55.6%	1.7 pp
Minority Interest	537	(252)		376	
<b>EBITDA</b>	<b>308,060</b>	<b>336,015</b>	<b>-8.3%</b>	<b>302,374</b>	<b>1.9%</b>
<i>EBITDA Margin</i>	65.2%	73.0%	-7.7 pp	64.3%	0.9 pp
<b>Sharecount</b>	<b>1,963,806,622</b>	<b>2,007,064,141</b>		<b>1,992,545,005</b>	
<b>EPS attributable to BM&amp;FBOVESPA's Shareholders</b>	<b>0.137873</b>	<b>0.141733</b>	<b>-2.7%</b>	<b>0.131223</b>	<b>5.1%</b>
<b>Adjusted Net Income</b>	<b>384,216</b>	<b>405,114</b>	<b>-5.2%</b>	<b>367,978</b>	<b>4.4%</b>
<b>Adjusted Operational Expenses</b>	<b>(140,628)</b>	<b>(115,502)</b>	<b>21.8%</b>	<b>(159,035)</b>	<b>-11.6%</b>
<b>Adjusted EBITDA</b>	<b>332,604</b>	<b>345,015</b>	<b>-3.6%</b>	<b>311,795</b>	<b>6.7%</b>
Adjusted EBITDA Margin	70.4%	74.9%	-4.5 pp	66.3%	4.1 pp
<b>Adjusted EPS</b>	<b>0.195648</b>	<b>0.201844</b>	<b>-3.1%</b>	<b>0.184677</b>	<b>5.9%</b>



**RECONCILIATION OF ADJUSTED NET INCOME (IN R\$ MILLIONS)**

	1Q11	1Q10	1Q11/1Q10 (%)	4Q10	1Q11/4Q10 (%)
<b>GAAP net income attributable to shareholders</b>	270.8	284.5	-4.8%	261.5	3.6%
<b>(+) Deferred tax liabilities</b>	124.1	111.6	1,2%	110.2	12.6%
<b>(+) Stock options plan</b>	24.5	9.0	172.7%	9.4	160.5%
<b>(-) Net Share of gain from investment in associate (equity method applied)</b>	35.2	0.0		13.1	168.3%
<b>Adjusted net income</b>	384.2	405.1	-5.2%	368.0	4.4%

**BALANCE SHEET (in R\$ thousands)**

Assets	3/31/2011	12/31/2010	Liabilities and shareholders' equity	3/31/2011	12/31/2010
<b>Current assets</b>	<u>3,779,796</u>	<u>2,547,589</u>	<b>Current</b>	<u>2,751,091</u>	<u>1,416,204</u>
Cash and cash equivalents	1,542,301	104,017	Collateral for transactions	2,373,947	954,605
Financial investments	2,031,429	2,264,408	Earnings and rights on securities in custody	35,107	34,791
Accounts receivable - net	67,326	51,399	Suppliers	16,366	80,828
Other receivables	13,029	12,917	Salaries and social charges	48,850	64,351
Taxes recoverable and prepaid	116,149	105,843	Provision for taxes and contributions payable	22,790	23,981
Prepaid expenses	9,562	9,005	Income tax and social contribution	1,919	5,576
			Financing	14,168	33,154
<b>Non-current</b>	<u>20,252,482</u>	<u>20,086,386</u>	Dividends and interest on capital payable	3,145	2,773
			Other liabilities	200,802	216,145
<b>Long-term receivables</b>	<u>1,396,972</u>	<u>1,216,812</u>	Unearned discount	33,997	-
Financial investments	1,235,124	1,066,920			
Other receivables - net	2,826	2,827	<b>Non-current</b>	<u>1,906,389</u>	<u>1,798,723</u>
Deferred income tax and social contrib.	61,773	54,687	Financing	986,830	1,010,059
Judicial deposits	97,249	92,378	Deferred income tax and social contribution	858,129	732,074
			Provision for contingencies and legal obligations	61,430	56,590
<b>Investments</b>	<u>2,265,098</u>	<u>2,286,537</u>			
Interest in affiliates	2,227,264	2,248,325	<b>Shareholders' equity</b>	<u>19,374,798</u>	<u>19,419,048</u>
Interest in subsidiaries	-	-	<b>Capital and reserves attrib. to parent's shareholders</b>		
Investment properties	37,834	38,212	Capital	2,540,239	2,540,239
			Capital reserve	16,677,595	16,662,480
<b>Property and equipment</b>	<u>361,071</u>	<u>367,134</u>	Revaluation reserves	22,971	22,971
			Statutory reserves	441,572	847,658
<b>Intangible assets</b>	<u>16,229,341</u>	<u>16,215,903</u>	Treasury shares	(826,830)	(613,903)
Goodwill	16,064,309	16,064,309	Valuation Adjustments	(124,411)	(88,680)
Software and projects	165,032	151,594	Additional Dividends proposed	406,086	32,000
			Retained earnings	220,756	-
<b>Total assets</b>	<u>24,032,278</u>	<u>22,633,975</u>		<u>19,357,978</u>	<u>19,402,765</u>
			<b>Interest of non-controlling shareholders</b>	<u>16,820</u>	<u>16,283</u>
			<b>Total liabilities and shareholders' equity</b>	<u>24,032,278</u>	<u>22,633,975</u>

## OPERATIONAL FIGURES – BOVESPA SEGMENT

### AVERAGE DAILY TRADED VALUE (BRL MILLIONS)

	1Q11	1Q10	4Q10	1Q11/1Q10 (%)	1Q11/4Q10 (%)
<b>Stocks and Equity Deriv.</b>	6,734.9	6,598.2	6,792.5	2.1%	-0.8%
Cash market	6,290.7	6,110.1	6,366.5	3.0%	-1.2%
Derivatives	444.2	488.1	426.0	-9.0%	4.3%
Forward market	161.6	157.9	165.9	2.3%	-2.6%
Options market (stocks / indices)	282.6	330.2	260.0	-14.4%	8.7%
<b>Fixed income and other spot securities</b>	0.5	1.4	1.4	-62.0%	-64.2%
<b>Total</b>	<b>6,735.4</b>	<b>6,599.6</b>	<b>6,793.9</b>	<b>2.1%</b>	<b>-0.9%</b>

### AVERAGE DAILY NUMBER OF TRADES

	1Q11	1Q10	4Q10	1Q11/1Q10 (%)	1Q11/4Q10 (%)
<b>Stocks and Equity Deriv.</b>	500,391	406,420	468,396	23.1%	6.8%
Cash market	409,150	326,660	385,942	25.3%	6.0%
Derivatives	91,241	79,761	82,454	14.4%	10.7%
Forward market	1,433	1,923	1,491	-25.5%	-3.9%
Options market (stocks / indices)	89,809	77,838	80,963	15.4%	10.9%
<b>Fixed income and other spot securities</b>	13	10	12	24.5%	8.1%
<b>Total</b>	<b>500,404</b>	<b>406,431</b>	<b>468,408</b>	<b>23.1%</b>	<b>6.8%</b>

### OTHER OPERATIONAL STATISTICS

	1Q11	1Q10	4Q10	1Q11/1Q10 (%)	1Q11/4Q10 (%)
End of period Market Cap. (BRL billions)	2,578.9	2,356.0	2,569.4	9.5%	0.4%
Average Market Cap. (BRL billions)	2,533.7	2,331.0	2,546.5	8.7%	-0.5%
End of period Ibovespa	68,587	70,372	69,305	-2.5%	-1.0%
Average Ibovespa	67,844	67,975	69,827	-0.2%	-2.8%
Value under custody (BRL billions)	1,246	1,037	1,240	20.1%	0.5%
Value under custody (ex ADRs and Forgn. Inv.) (BRL billions)	513	474	513	8.3%	0.0%
Number of custody accounts - end of the period	625,515	581,371	640,234	7.6%	-2.3%
Number of custody accounts - average	628,978	581,329	643,207	8.2%	-2.2%
Securities Lending (End of period of Open Interest - BRL billions)	26.3	19.4	22.2	35.5%	18.8%
# Companies listed	375.0	375	381	0.0%	-1.6%
Turnover Velocity (annualized)	62.1%	64.7%	61.8%	-2,7 pp	0,3 pp

### TRADING MARGINS (basis points)

Market	1Q11	1Q10	4Q10
<b>Stocks and Equity Derivatives</b>	6.017	6.361	6.103
Cash Market	5.501	5.747	5.592
Derivatives	13.249	14.017	13.737
Forward Market	12.999	12.998	12.999
Options Market	13.393	12.998	14.209
<b>Total BOVESPA</b>	<b>6.017</b>	<b>6.361</b>	<b>6.110</b>



**OPERATIONAL FIGURES – BM&F SEGMENT****ADTV (THOUSANDS OF CONTRACTS)**

	<b>1Q11</b>	<b>1Q10</b>	<b>4Q10</b>	<b>1Q11/1Q10 (%)</b>	<b>1Q11/4Q10 (%)</b>
Interest Rates in BRL	2,127.0	1,605.8	1,832.6	32.5%	16.1%
FX Rates	422.0	589.8	490.6	-28.4%	-14.0%
Stock Indices	87.7	85.2	88.8	3.0%	-1.2%
Interest Rates in USD	127.5	77.9	100.3	63.8%	27.1%
Commodities	10.3	11.5	14.9	-10.8%	-31.2%
Mini Contracts	76.7	68.2	78.0	12.5%	-1.6%
OTC	14.5	15.3	11.3	-5.4%	27.9%
<b>Total</b>	<b>2,865.8</b>	<b>2,453.6</b>	<b>2,616.5</b>	<b>16.8%</b>	<b>9.5%</b>

**REVENUE PER CONTRACT (BRL)**

	<b>1Q11</b>	<b>1Q10</b>	<b>4Q10</b>	<b>1Q11/1Q10 (%)</b>	<b>1Q11/4Q10 (%)</b>
Interest Rates in BRL	0.843	0.838	0.860	0.6%	-2.0%
FX Rates	2.016	1.929	1.978	4.5%	1.9%
Stock Indices	1.639	1.527	1.719	7.3%	-4.6%
Interest Rates in USD	1.102	1.218	1.134	-9.5%	-2.8%
Commodities	2.016	1.878	2.416	7.4%	-16.6%
Mini Contracts	0.142	0.134	0.126	6.1%	12.2%
OTC	1.393	1.526	1.462	-8.7%	-4.7%
<b>Total</b>	<b>1.040</b>	<b>1.126</b>	<b>1.099</b>	<b>-7.6%</b>	<b>-5.4%</b>