

Institutional Presentation 2Q14



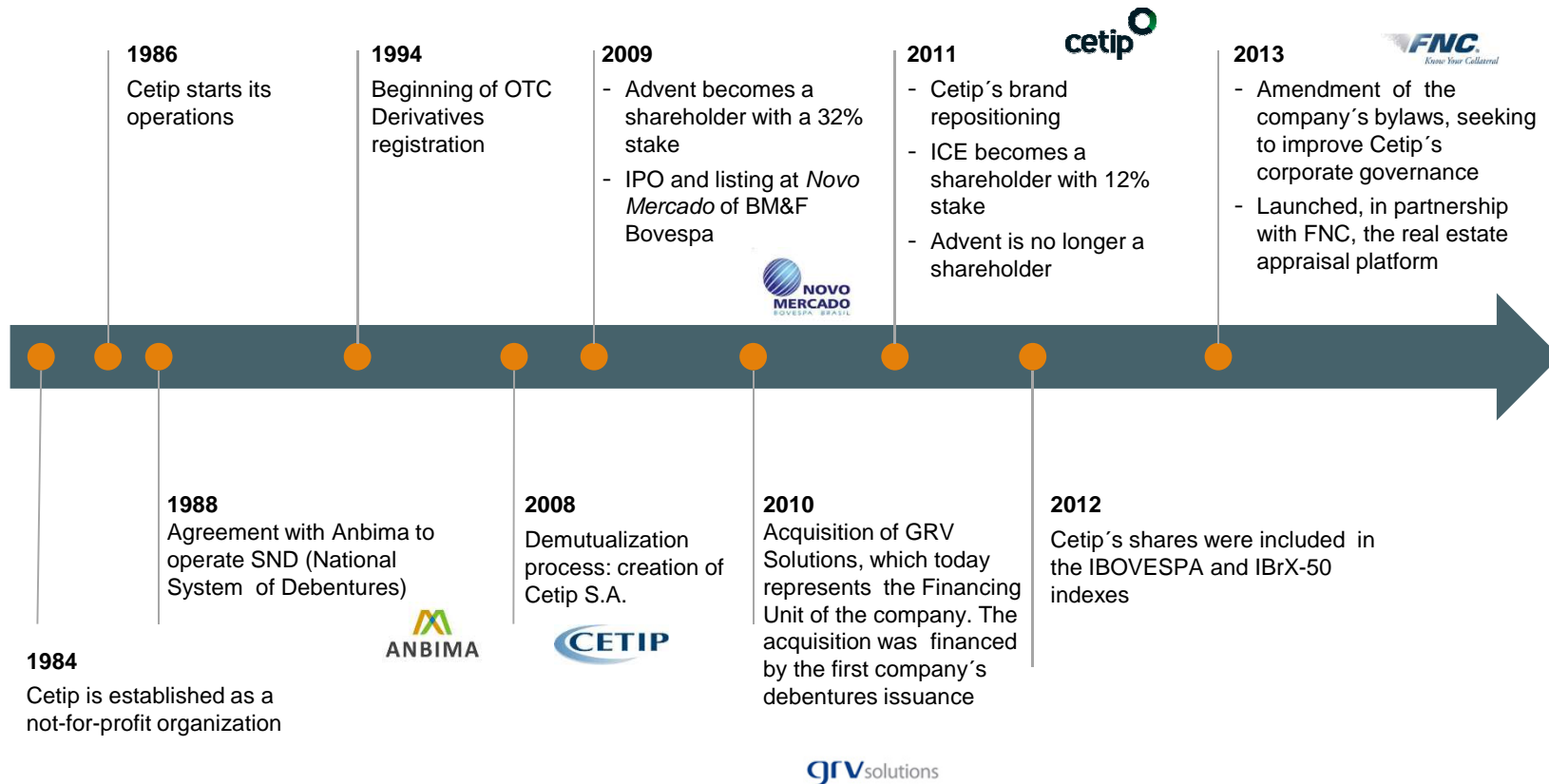
I. GENERAL OVERVIEW

II. BUSINESS ENVIRONMENT

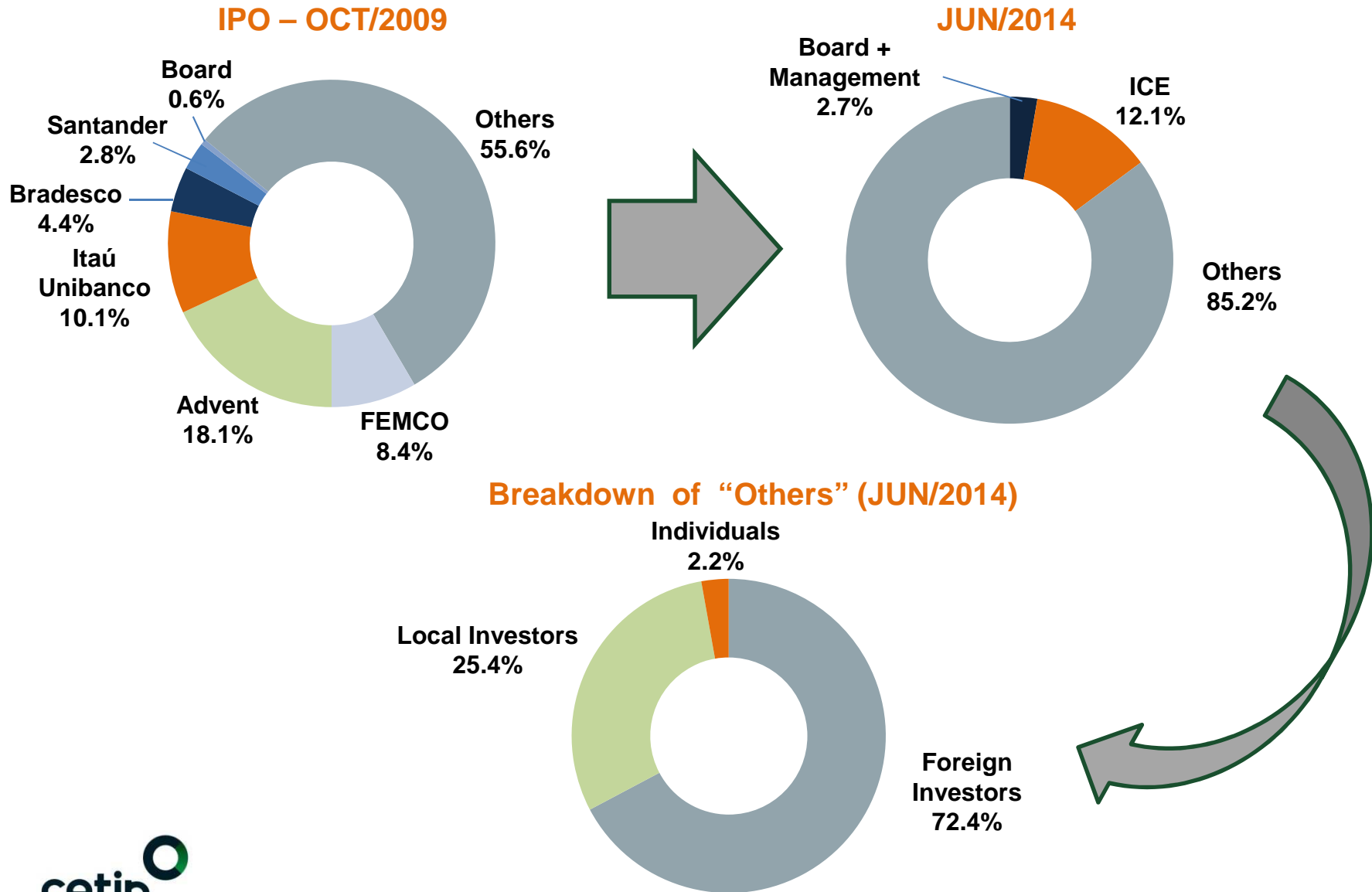
III. 2Q14 RESULTS

IV. GROWTH OPPORTUNITIES

Cetip's Timeline



Shareholding Structure

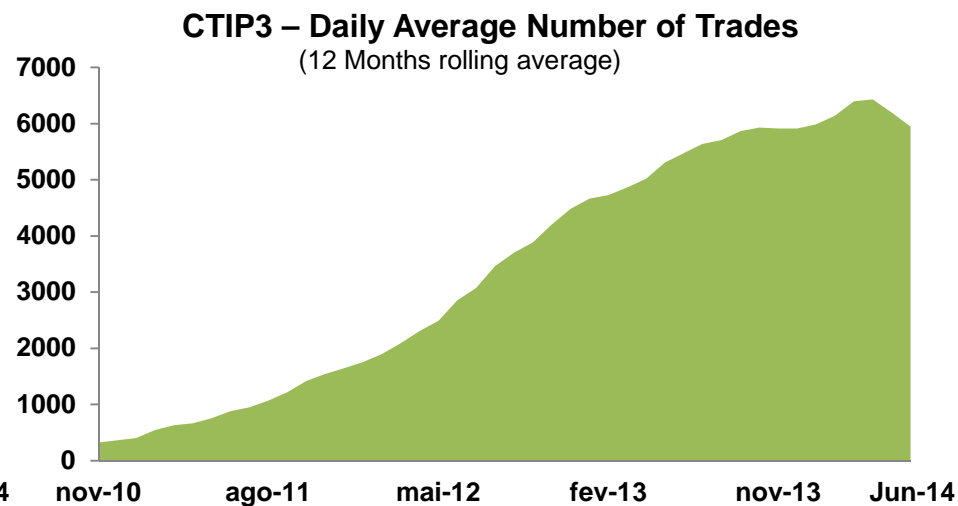
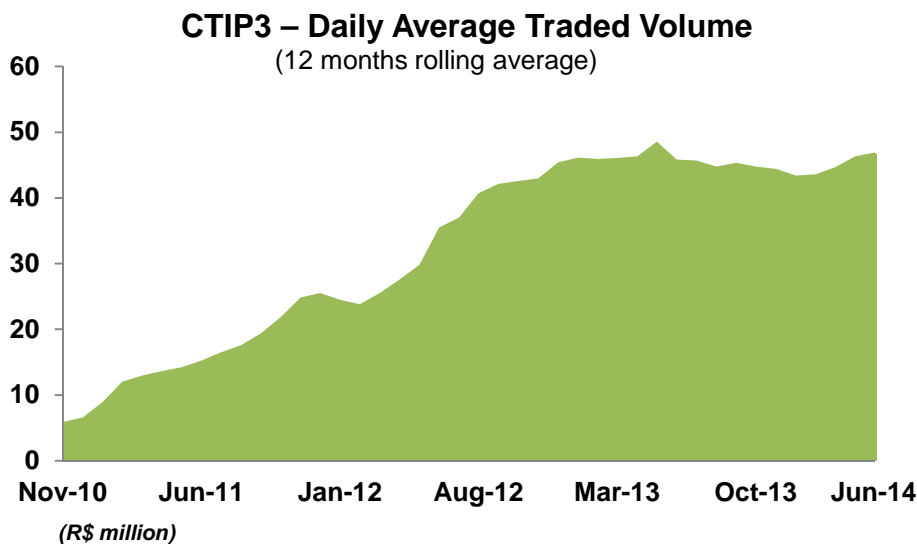
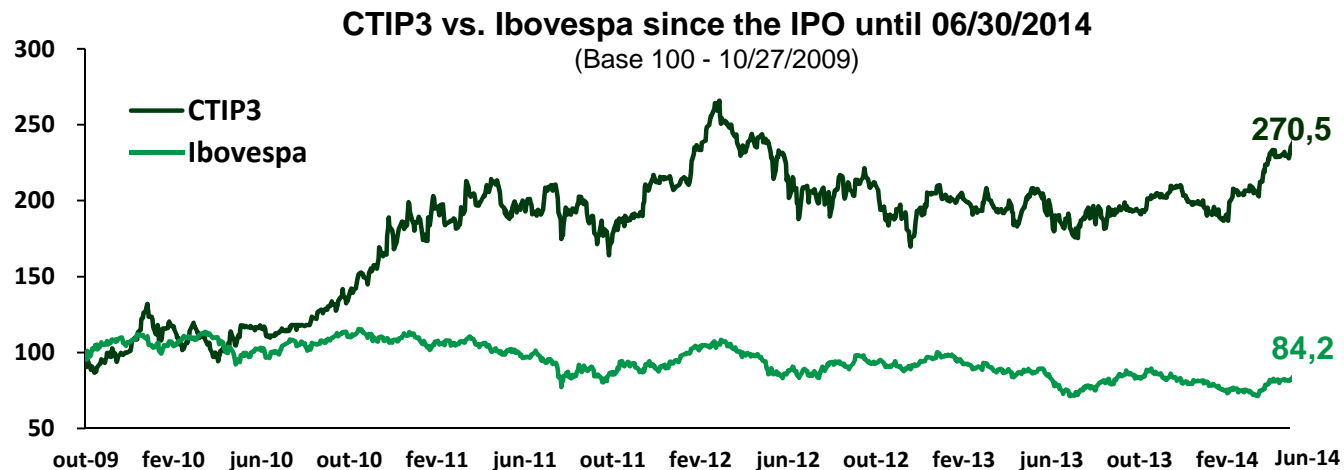


CTIP3 Performance

2014
(YTD - until 06/30/2014)

↑ +35.3% CTIP3

↑ +3.2% IBOV



Source: Bloomberg

Cetip

- Integrating Brazilian financial market, Cetip is Latin America's largest depository of private fixed income securities and Brazil's largest private asset clearing house;
- Complete solution for financial instruments, from the analysis of potential issuances, registration and custody until trading, settlement, risk management and market data;
- Leading company in providing electronic delivery solutions of information required for the registration of contracts and financial restrictions by transit bodies.

Clients

- Financial Institutions;
- Mutual Funds;
- Pension Funds;
- Insurers and Consortia;
- Corporations;
- Brokerage Houses and Broker Dealers;
- Leasing Companies;
- Securitization Companies.



International Peers

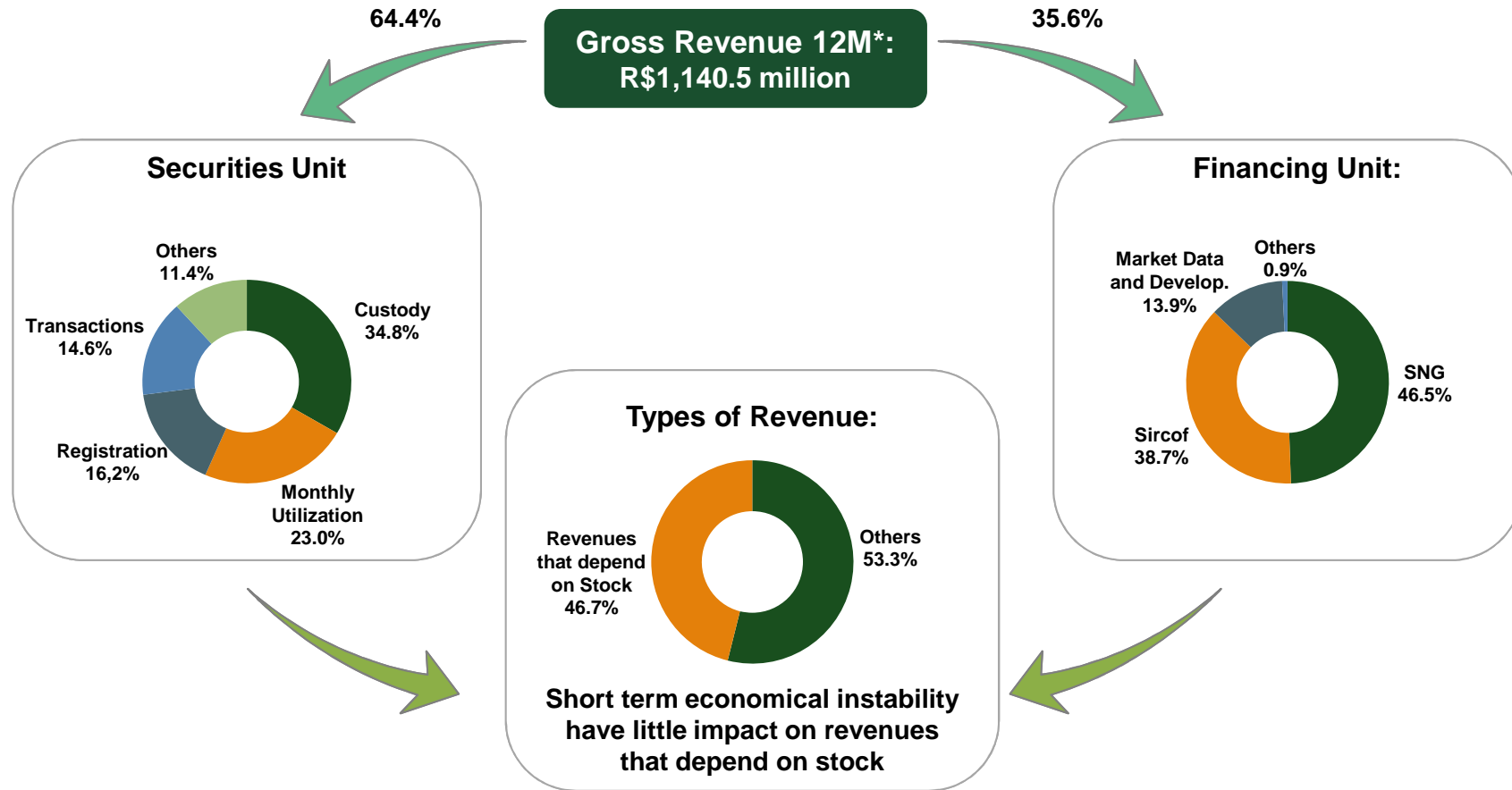


Post-trade made easy



Diversified Revenue Profile¹

Revenue diversification by business unit and types of revenue



Business Units with no correlated risks

Business Model

Securities Unit

Securities Unit represents 64%¹ of total Cetip's gross revenues

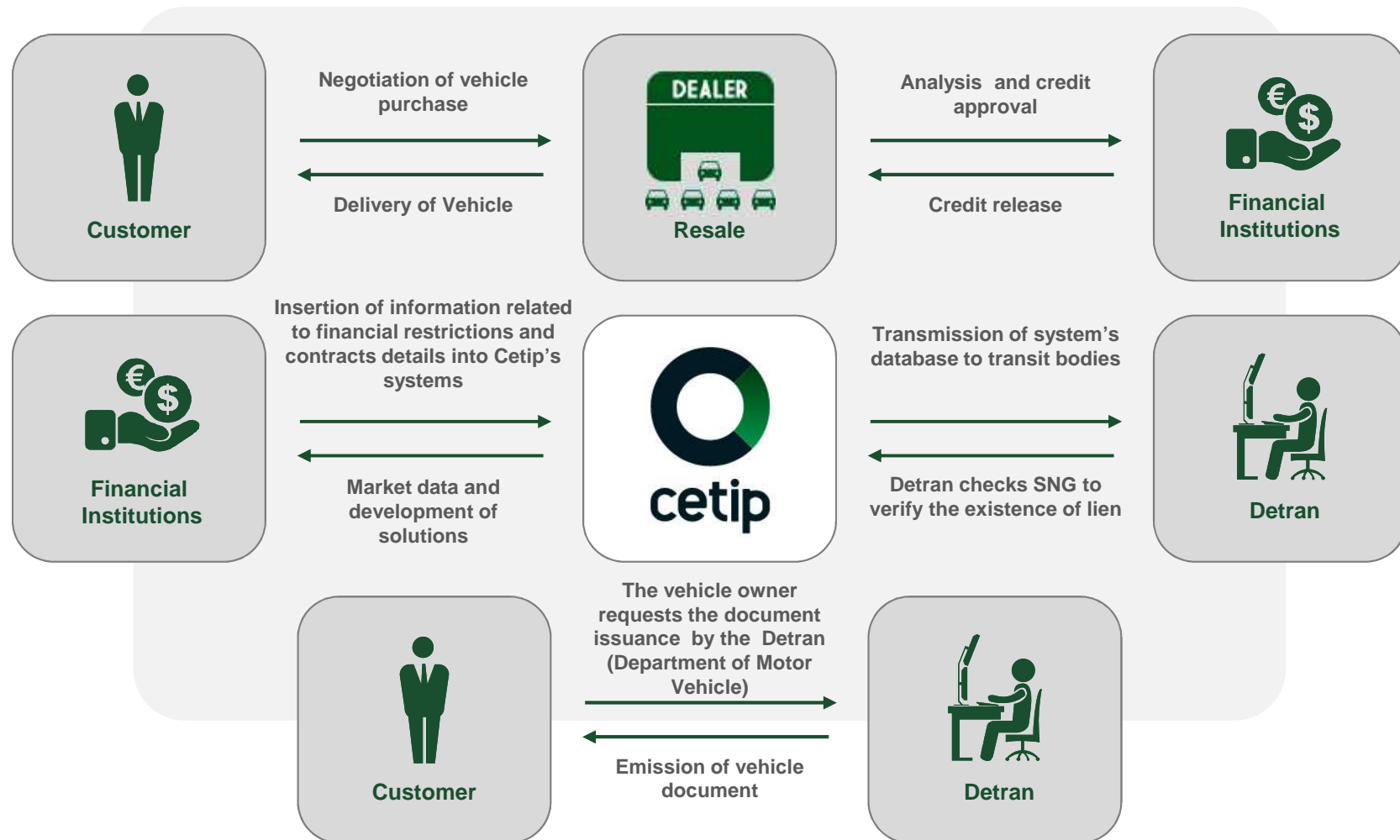


Unique and Integrated solutions for the Fixed Income and OTC derivatives Markets

Business Model

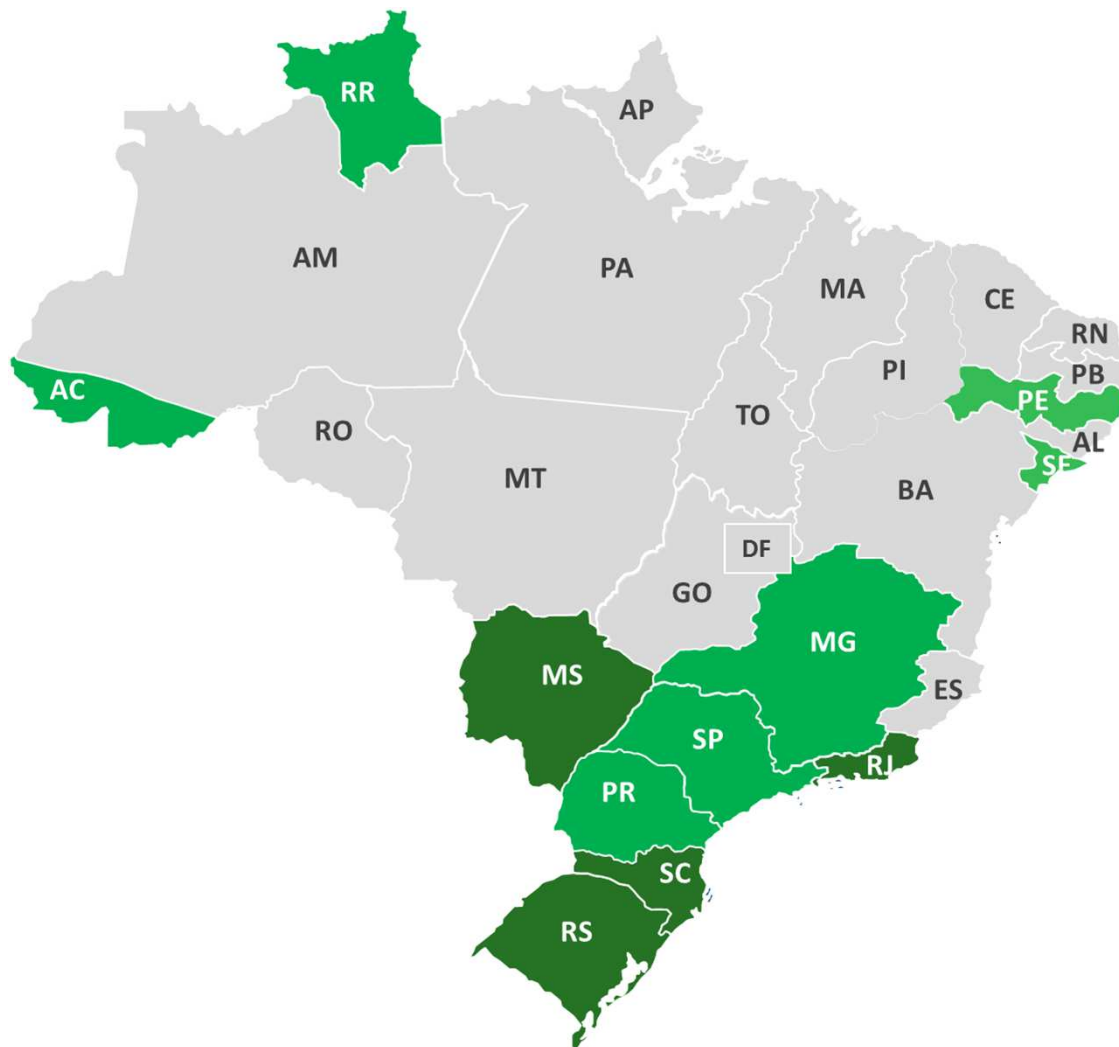
Financing Unit

Financing Unit represents 36%¹ of total Cetip's gross revenue



Financing Unit

Sircof and Cetip | Contratos



Market Share (Jun/14)

Sircof – 49.7%

Cetip | Contratos – 16.7%



Total – 66.4%

Track record of Cetip | Contratos*

SC and RJ** – Aug/13

RS** – Oct/13

MS – Apr/14

-  SIRCOF
-  DETRAN own system (fee) + Cetip Contratos

* Rio de Janeiro state joined Cetip | Contratos directly, while the other states migrated from Sircof to Cetip | Contratos.

** In Rio Grande do Sul, Cetip | Contratos had 48.0% market share on June 30, 2014.

More Solid Regulatory Environment for the Financing Unit

BACEN



- Resolution No 4,088/2012
- Circular Letter No 3,596/2013
- Cetip registers credit operations related to vehicles given as collateral

DENATRAN



- Letter No 67/2011
- Ordinance No 18/2014
- Cetip has been accredited by DENATRAN, under Ordinance No 18, to have access to its database for 5 years

Investment thesis in **Cetip**

- **High exposure to growth in fixed income and credit markets;**
- **Resilient, diversified and vertically integrated business model;**
- **Strong cash generation with low execution risk and high predictability;**
- **Low capital requirement for implementing its business plan;**
- **Dividend yield growth.**

Investment thesis in Cetip

Cetip is the Latin America's largest depository of private fixed income securities and Brazil's largest private asset clearinghouse. In addition, Cetip is the leading company in providing electronic delivery solutions of information required for the registration of contracts and financial restrictions by transit bodies.

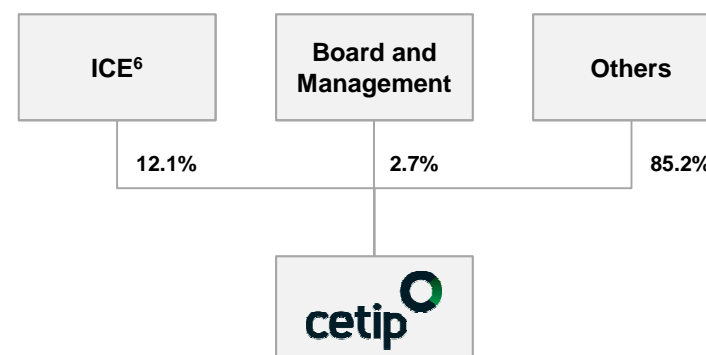
Highlights

- Leading position in its two business units:
 - **Securities Unit:** Brazil's leader in the registration, custody, trading and settlement of private fixed income securities and OTC derivatives, acting as a unique and integrated solution for those markets. It also has an electronic trading platform for the secondary public and private security market. Further, it carries out the processing of interbank transfers (DOCs) and settlement of electronic funds transfers (EFTs) and bank payment slips
 - **Financing Unit:** Offering an integrated private electronic system for the entry, by financial agents, of financial restrictions related to vehicle financing transactions, covering all of such registrations in Brazil, and the custody of such information. It develops products and services that guide the main stages linked to the vehicle financing cycle. These products and services speed up credit analysis and approval, making access to financing easier, faster and safer
- Business model with **high predictability of revenues and costs, and low needs for investment**
- Over 15 thousand clients institutions use Cetip's services, among which are finance companies, investment funds, pension funds, brokerage firms, consortia, leasing and insurance companies
- Listing on Novo Mercado Since its 2009 IPO

Main Financial Indicators

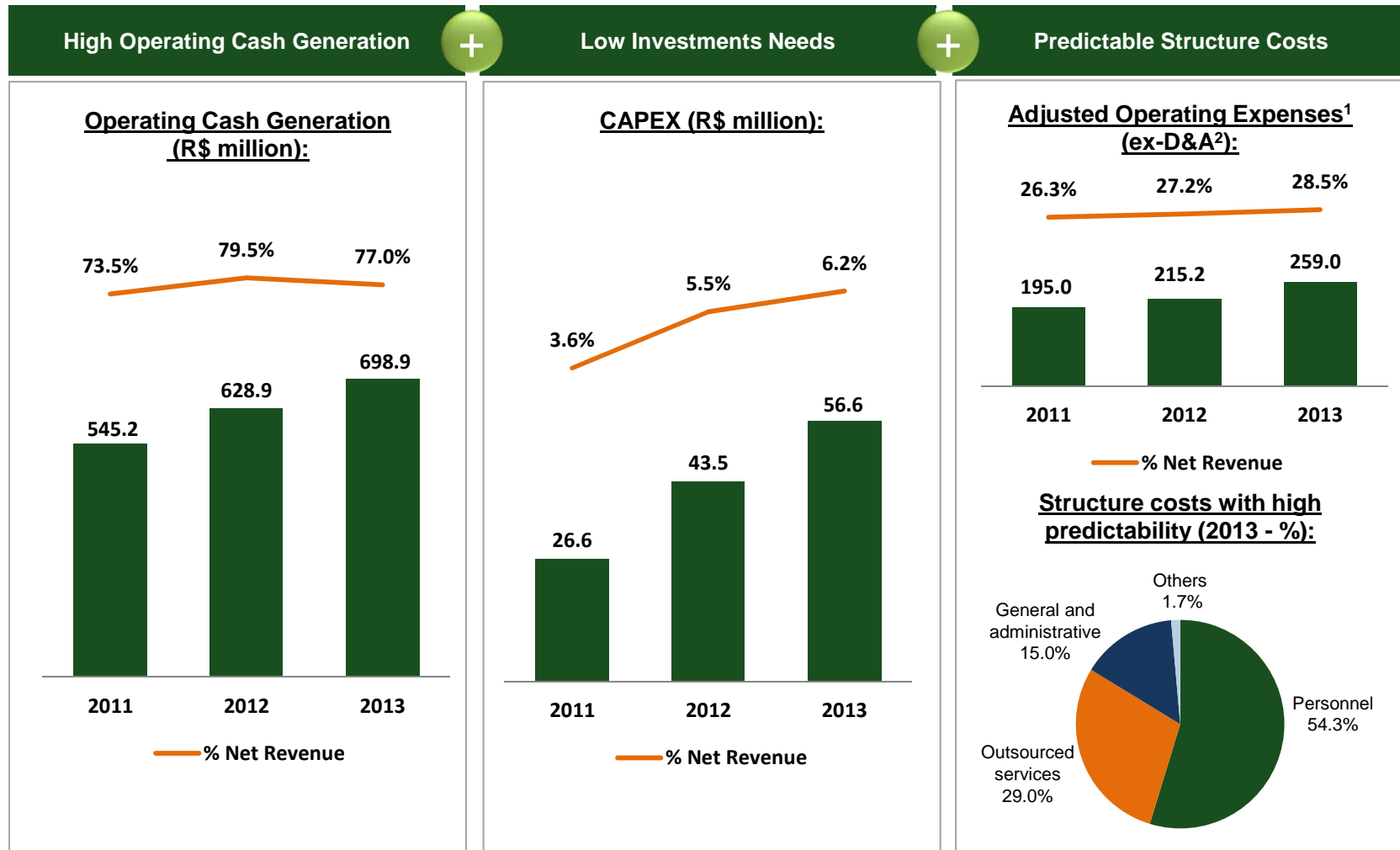
R\$ million	2011	2012	2013	1H2014	CAGR 11-13
Gross Revenue	844	917	1076	580	12.9%
Securities Unit	495	585	690	376	18.0%
Financing Unit	349	332	386	204	5.1%
Adjusted EBITDA¹	547	576	649	341	9.0%
<i>EBITDA Margin</i>	73.7%	72.8%	71.6%	70.6%	
Adjusted Net Income²	371	422	503	268	16.5%
<i>Net Margin</i>	50.0%	53.3%	55.4%	55.5%	
Net Debt	930	601	230	208	(50.3%)
<i>Net Debt / EBITDA</i>	1.7x	1.0x	0.4x	0.3x ⁴	
Coverage ratio³	3.1x	4.3x	8.5x	9.2x	

Shareholding structure⁵



Note: (1) Adjusted EBITDA excludes share-based incentives and equity in the results of associate; (2) Adjusted Net Income excludes share-based incentive without cash disbursement, amortization of intangible assets from the acquisition of GRV and the tax benefit from the goodwill amortization; (3) coverage ratio was calculated as Adjusted EBITDA / Financial Expenses; (4) Calculated based on the EBITDA of the last 12 months; (5) Position on June 30, 2014; (6) Intercontinental Exchange

Strong Cash Generation, with Low Execution Risk and High Predictability



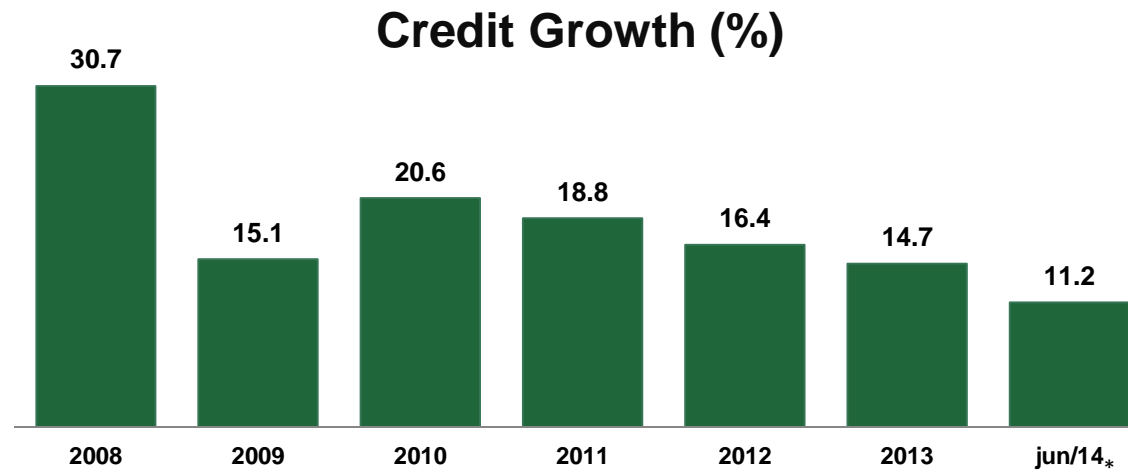
I. GENERAL OVERVIEW

II. BUSINESS ENVIRONMENT

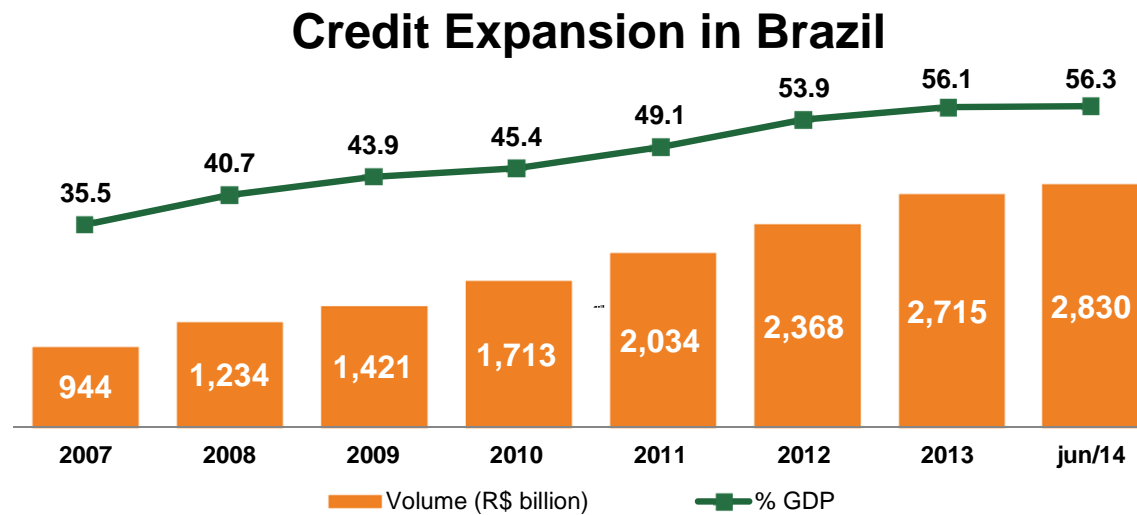
III. 2Q14 RESULTS

IV. GROWTH OPPORTUNITIES

Credit Market Expansion

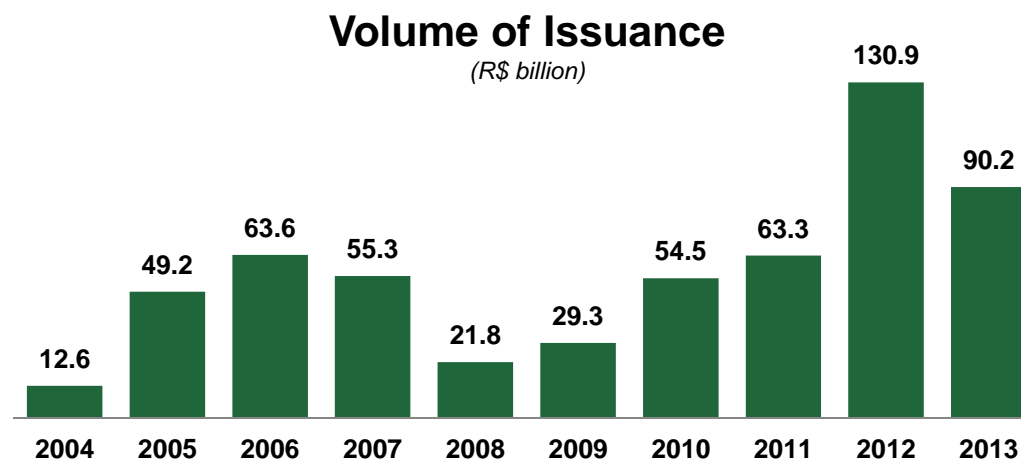


Source: Brazilian Central Bank
*Last twelve months

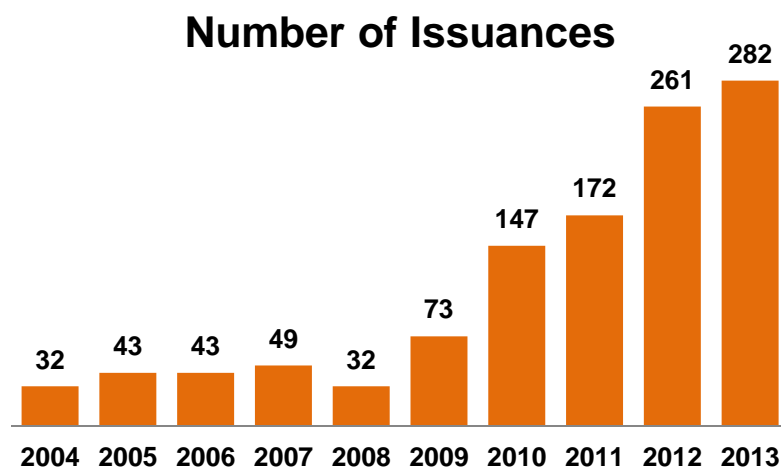


Source: Brazilian Central Bank

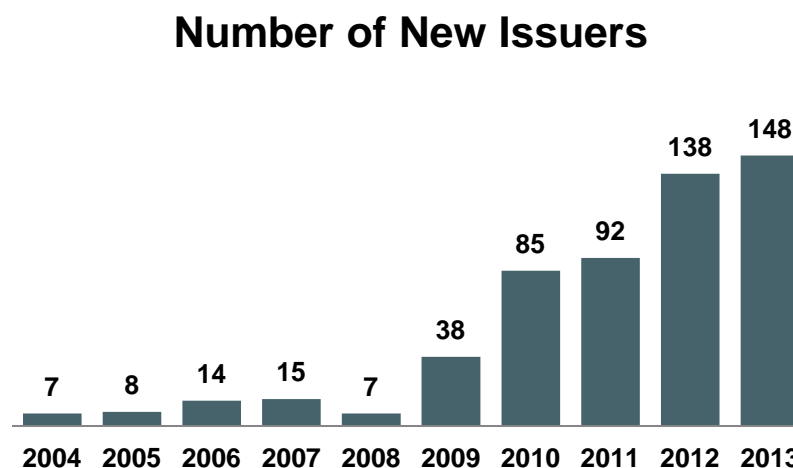
Strong Growth Prospects for Debentures' Market



Source: Cetip



Source: Cetip



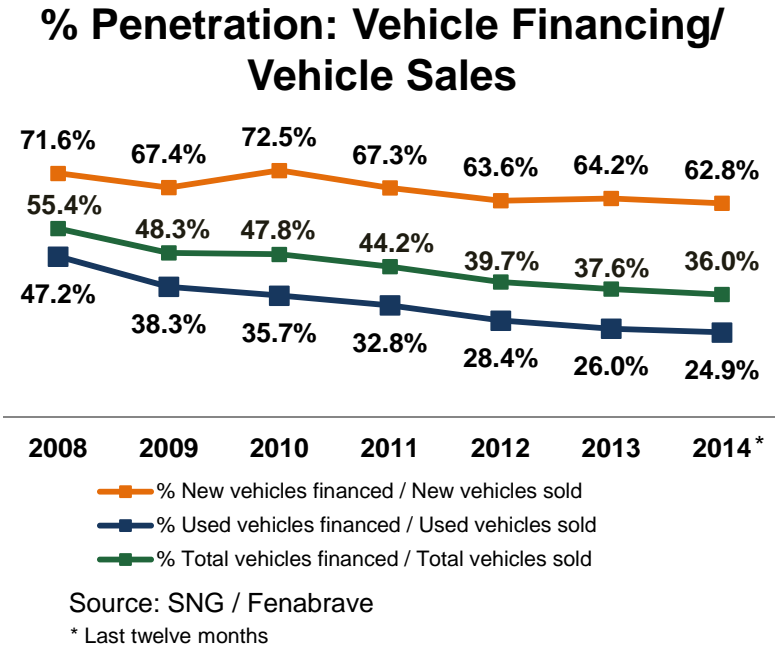
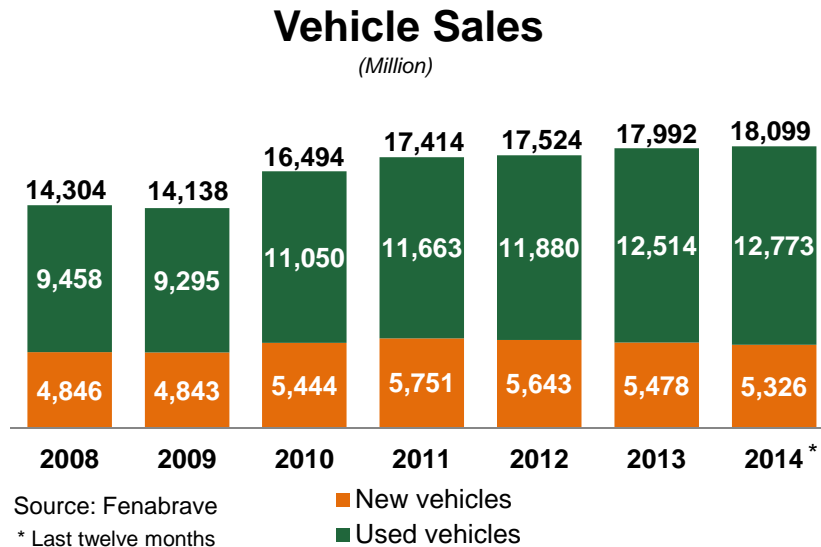
Source: Cetip



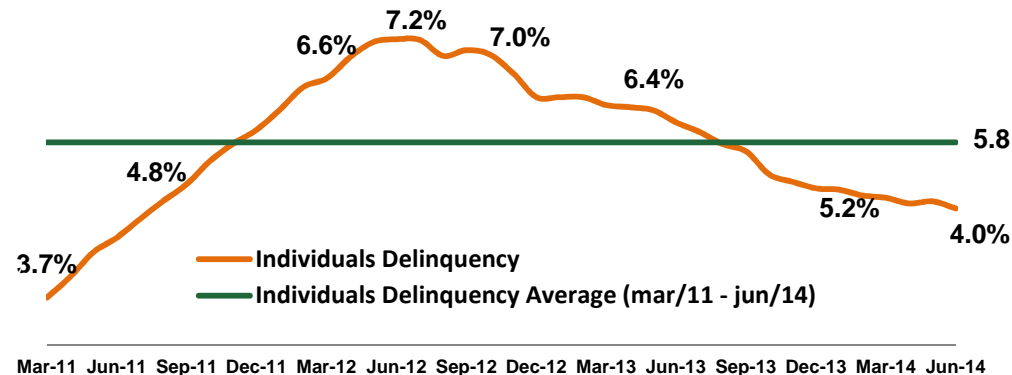
- Reduction in the Brazilian interest rate encourages the search for investments with higher risk and return
- IR exemption for investments in debentures related to infrastructure sector

Challenging Scenario in 2014

Vehicle Financing



Individuals Delinquency Ratio – Vehicle Financing



Mar-11 Jun-11 Sep-11 Dec-11 Mar-12 Jun-12 Sep-12 Dec-12 Mar-13 Jun-13 Sep-13 Dec-13 Mar-14 Jun-14

Source: Brazilian Central Bank

I. GENERAL OVERVIEW

II. BUSINESS ENVIRONMENT

III. 2Q14 RESULTS

IV. GROWTH OPPORTUNITIES

Highlights 2Q14 x 2Q13

Financial

Gross Revenue:
R\$ 292.3 million ⚡ 8.0%

• Securities Unit:
R\$ 190.3 million ⚡ 8.5%

• Financing Unit:
R\$ 102.1 million ⚡ 7.2%

Net Revenue:
R\$ 243.5 million ⚡ 6.4%

Adjusted EBITDA:
R\$ 172.1 million ⚡ 2.9%

Adjusted EBITDA
Margin: 70.7% ⚡ 2.4 p.p.

Adjusted Net Income (cash earnings):
R\$ 134.8 million ⚡ 5.4%

Adjusted Net
Margin: 55.4% ⚡ 0.5 p.p.

Adjusted EPS¹:
R\$ 0.5164 (R\$ 0.5145 diluted)

Cash Flow from Operations²:
R\$ 186.6 million ⚡ 3.8%

¹ Adjusted basic earnings per share, based on the average weighted number of shares in the period.

² Cash flow from operations before income tax and social contribution paid and before the allocation of excess cash for investments.

Highlights 2Q14

2Q14 shareholders' remuneration

Interest on Shareholders' Equity ("ISE"):

- Total Gross Amount: R\$ 20.0 million
- Gross Amount per Share: R\$ 0.0766

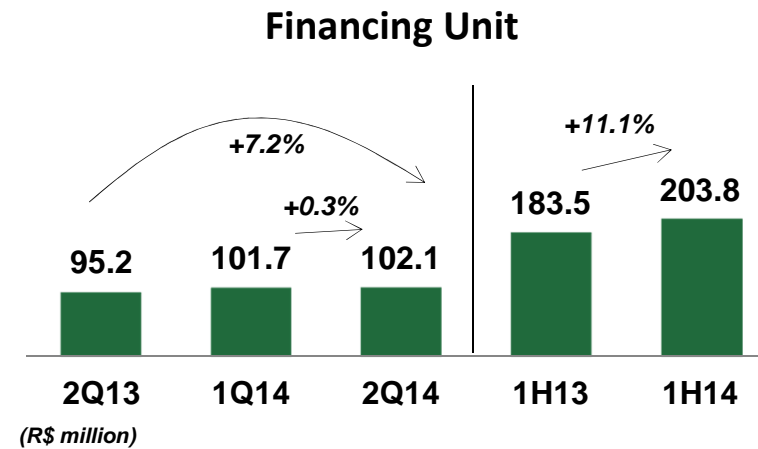
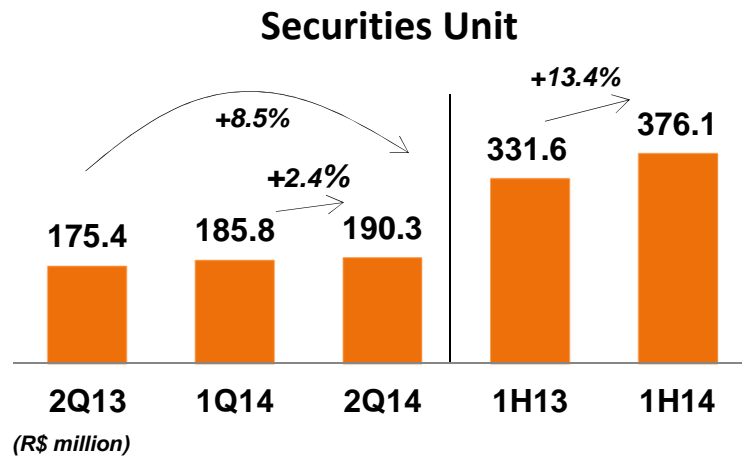
Interim Dividends:

- Total Amount: R\$ 54.6 million
- Dividends per Share: R\$ 0.2088

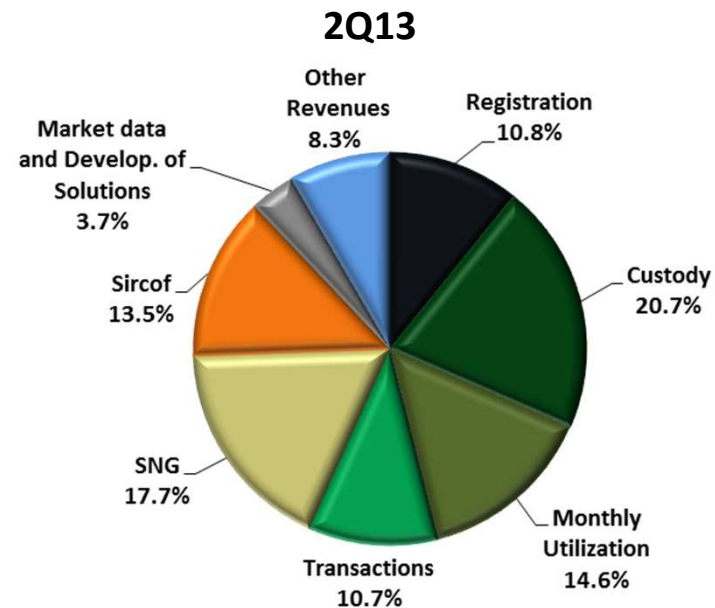
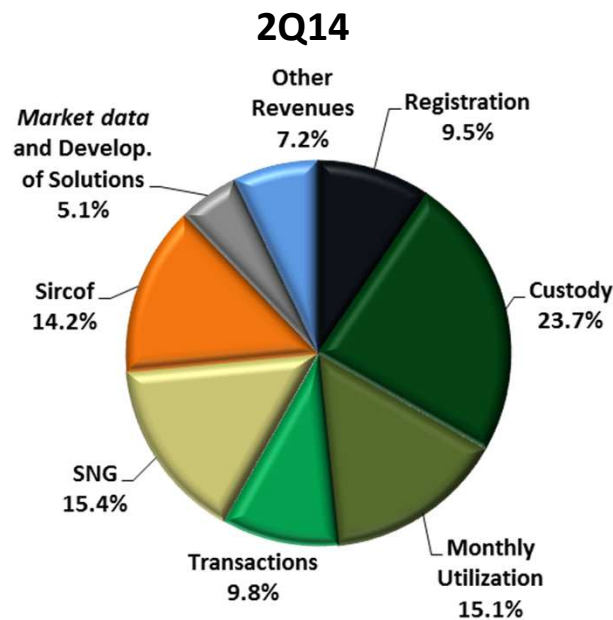
Total Distribution to Shareholders:

- R\$ 74.6 million
- Payout of 75.0% of the 2Q14 Net Income

Revenue Performance by Business Unit

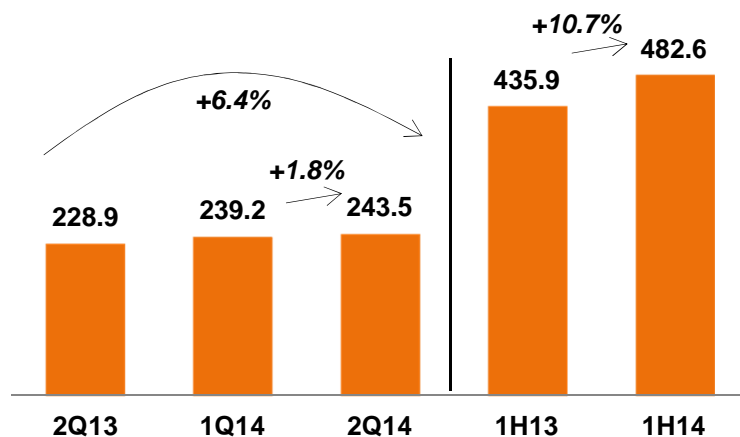


Cetip's Gross Revenue Breakdown



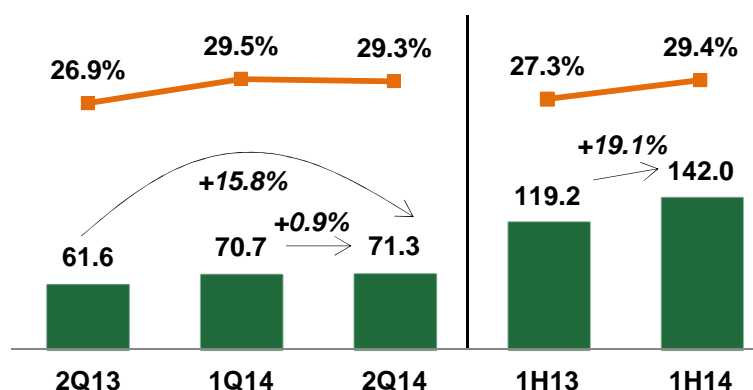
Financial Highlights

Net Revenue



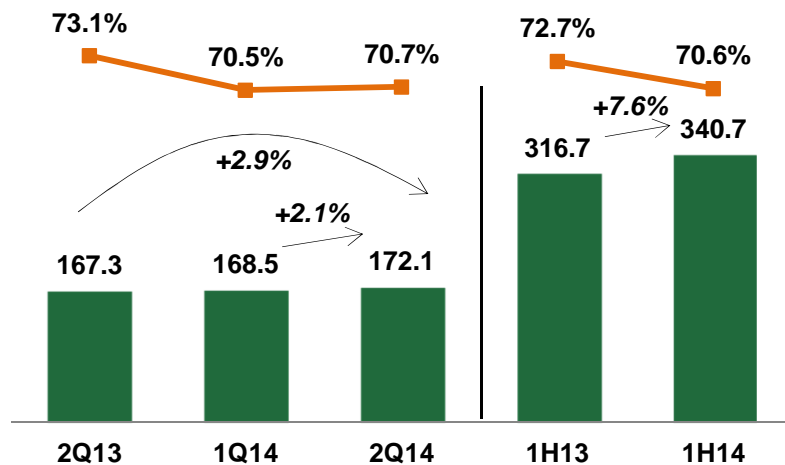
(R\$ million)

Adjusted Operating Expenses¹ & % of Net Revenue



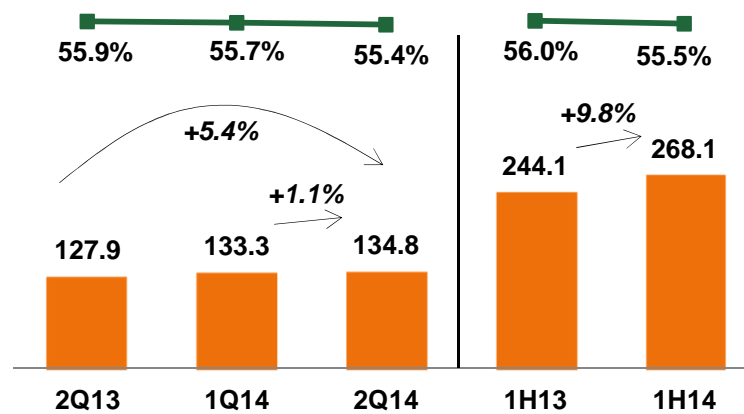
(R\$ million)

Adjusted EBITDA & Margin(%)



(R\$ million)

Adjusted Net Income (cash earnings) & Margin (%)



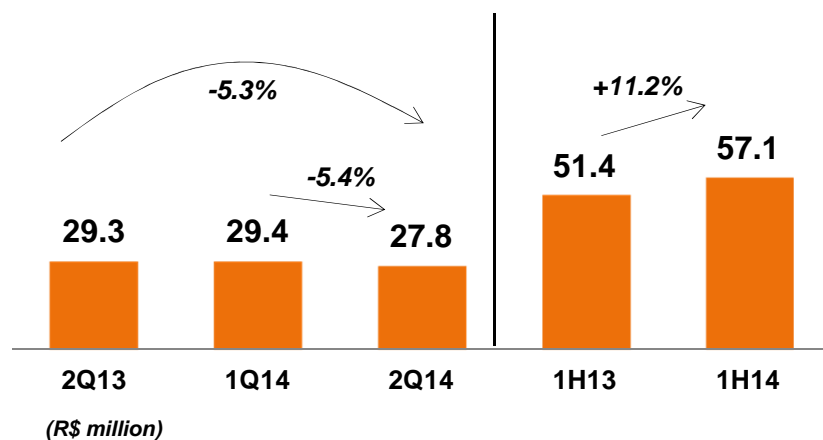
(R\$ million)



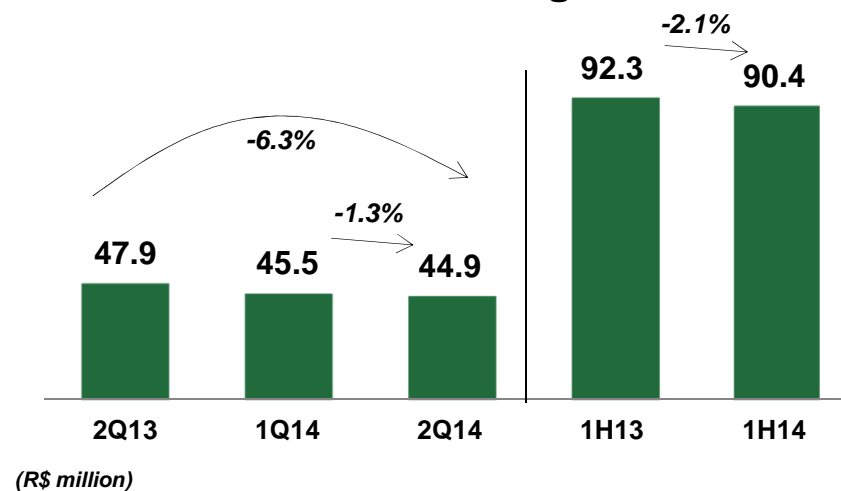
¹ Excludes expenses with share based incentive and depreciation and amortization.

Revenues that Depend on Inflows

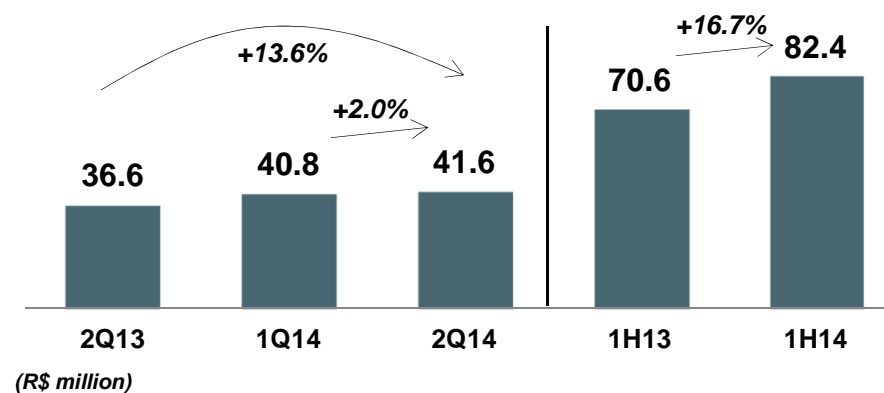
Registration – Securities Unit



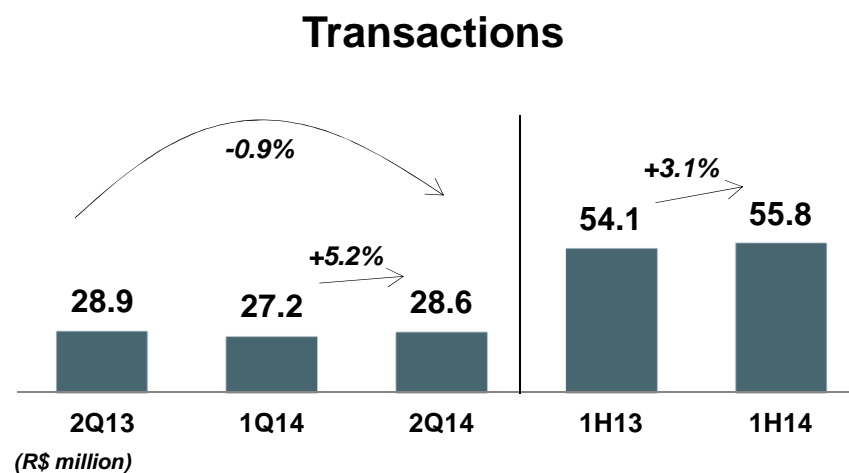
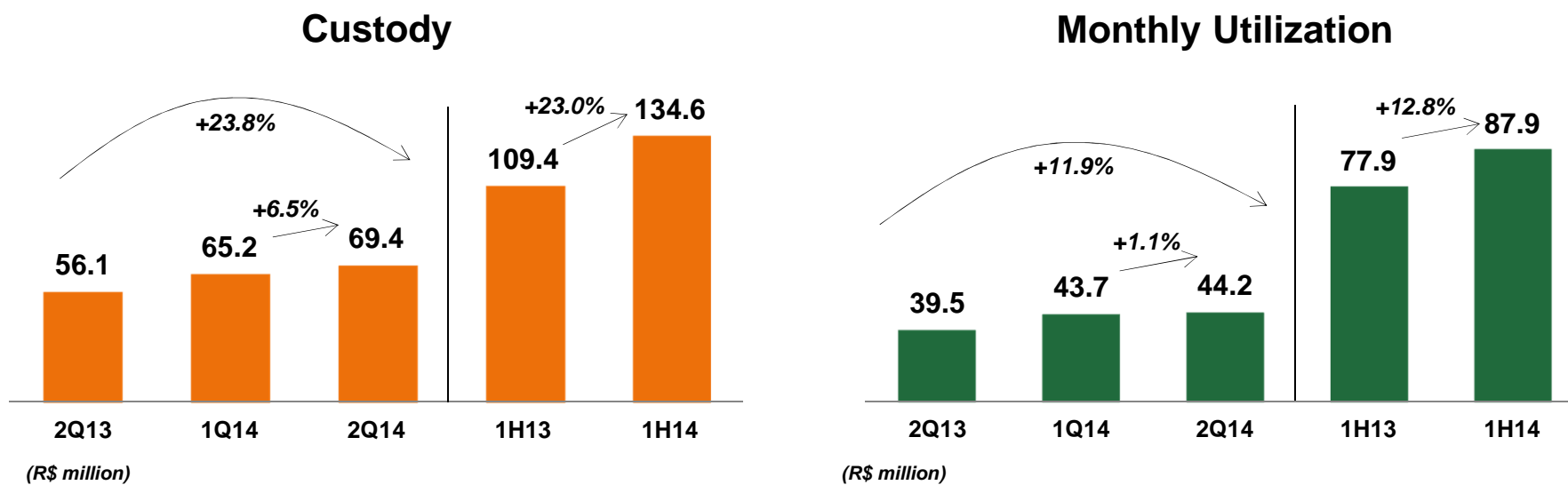
SNG – Financing Unit



Sircof – Financing Unit

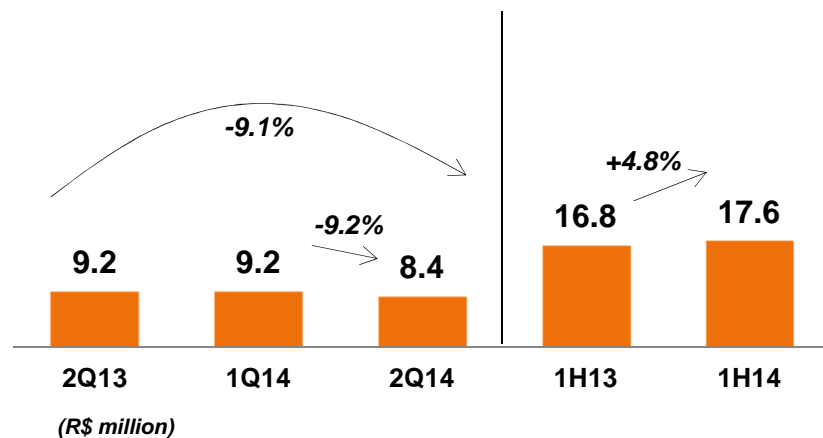


Revenues that Depend on Stocks – Securities Unit

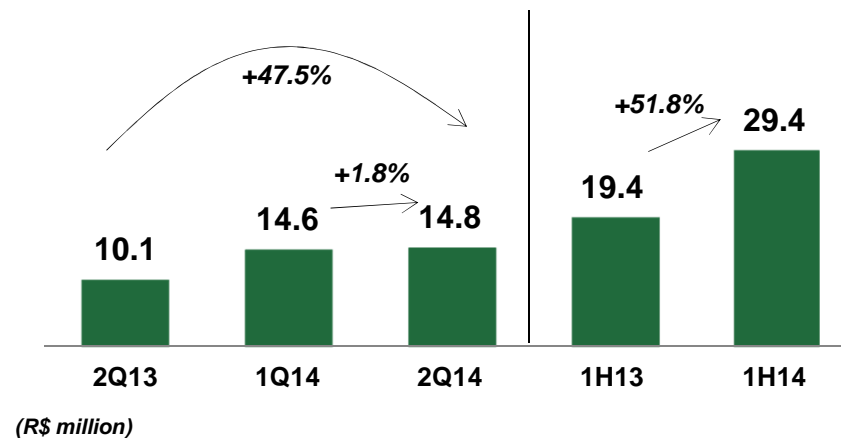


Other Revenues

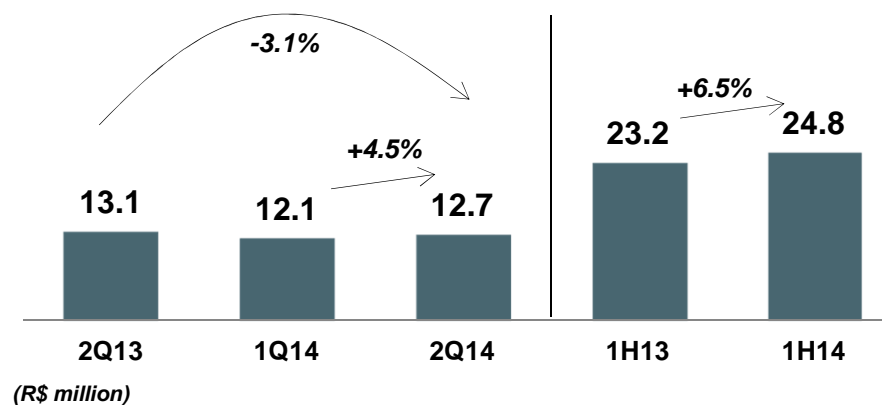
EFTs Processing – Securities Unit



Market Data and Development of Solutions – Financing Unit



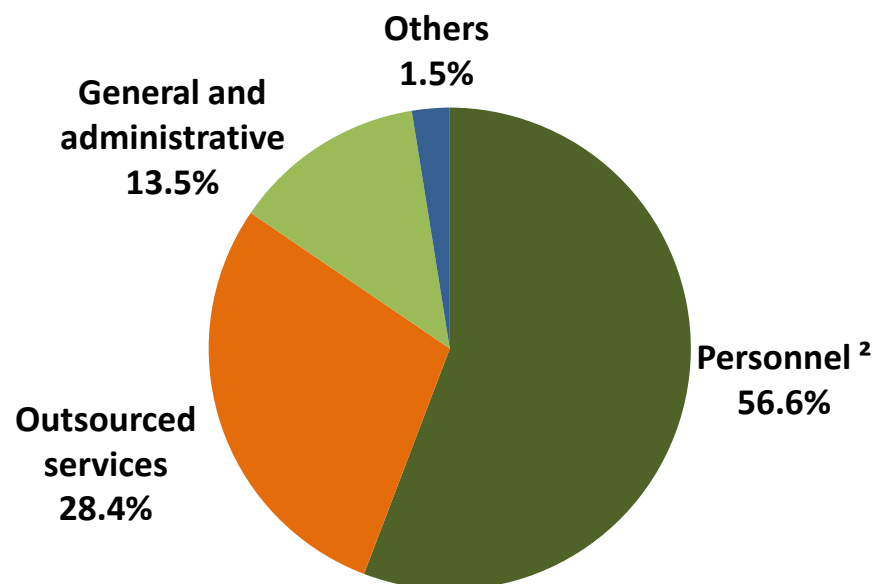
Other Services¹



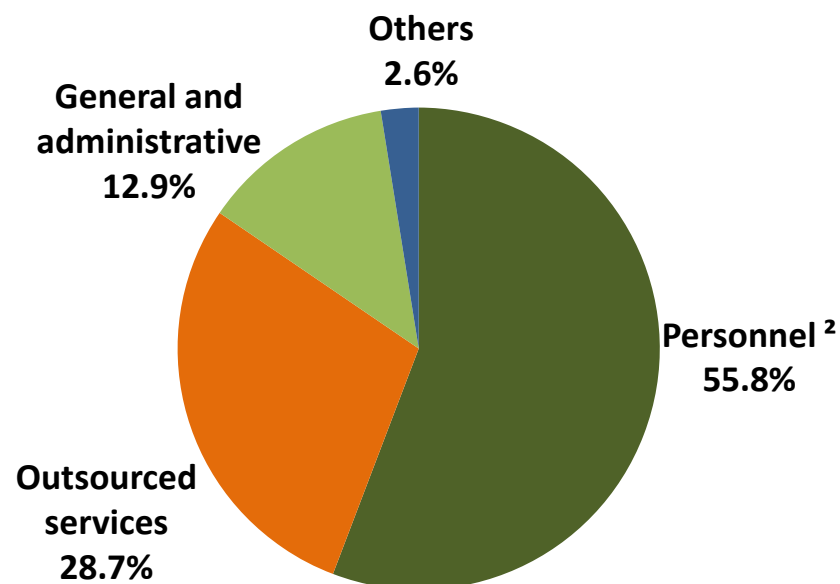
¹ Includes other revenues from Securities Unit and Financing Unit, excluding revenues from EFTs processing (CIP).

Adjusted Operating Expenses Breakdown¹

2Q14: R\$ 71.3 million



2Q13: R\$ 61.6 million

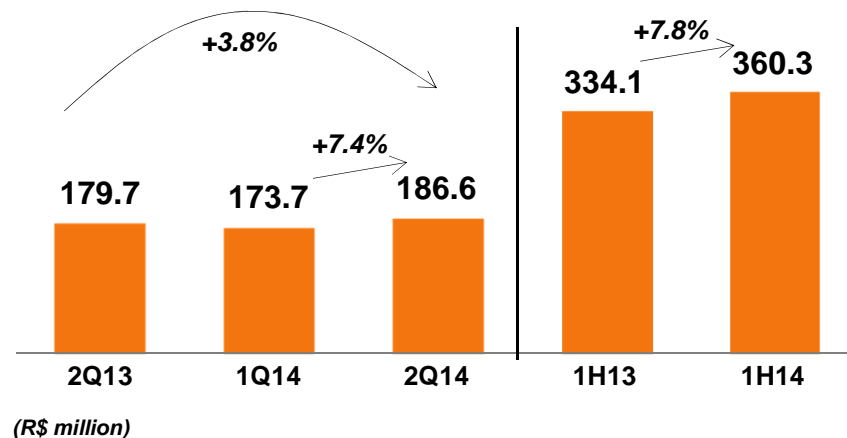


¹ Excludes expenses with share-based incentive and depreciation & amortization.

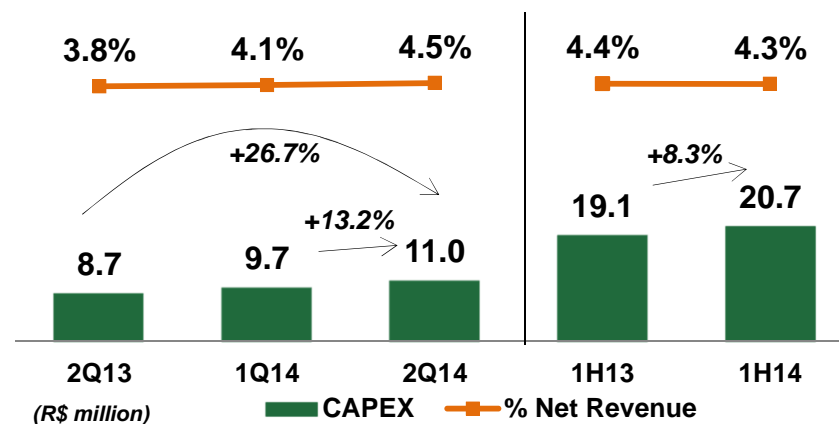
² Includes expenses with board members and advisory committee.

Strong Cash Generation

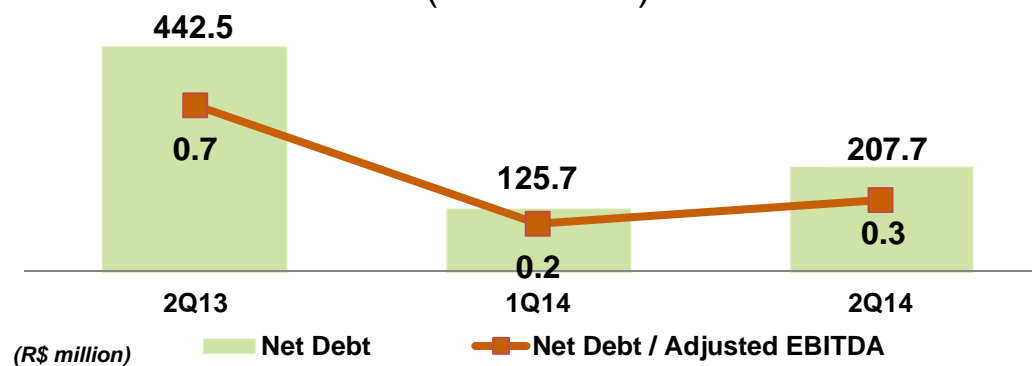
Cash Flow from Operations ¹



CAPEX



Net Debt & Net Debt / Adjusted EBITDA (12 Months)



¹ Operational cash generation before income tax and social contribution paid and before the allocation of excess cash for investments.

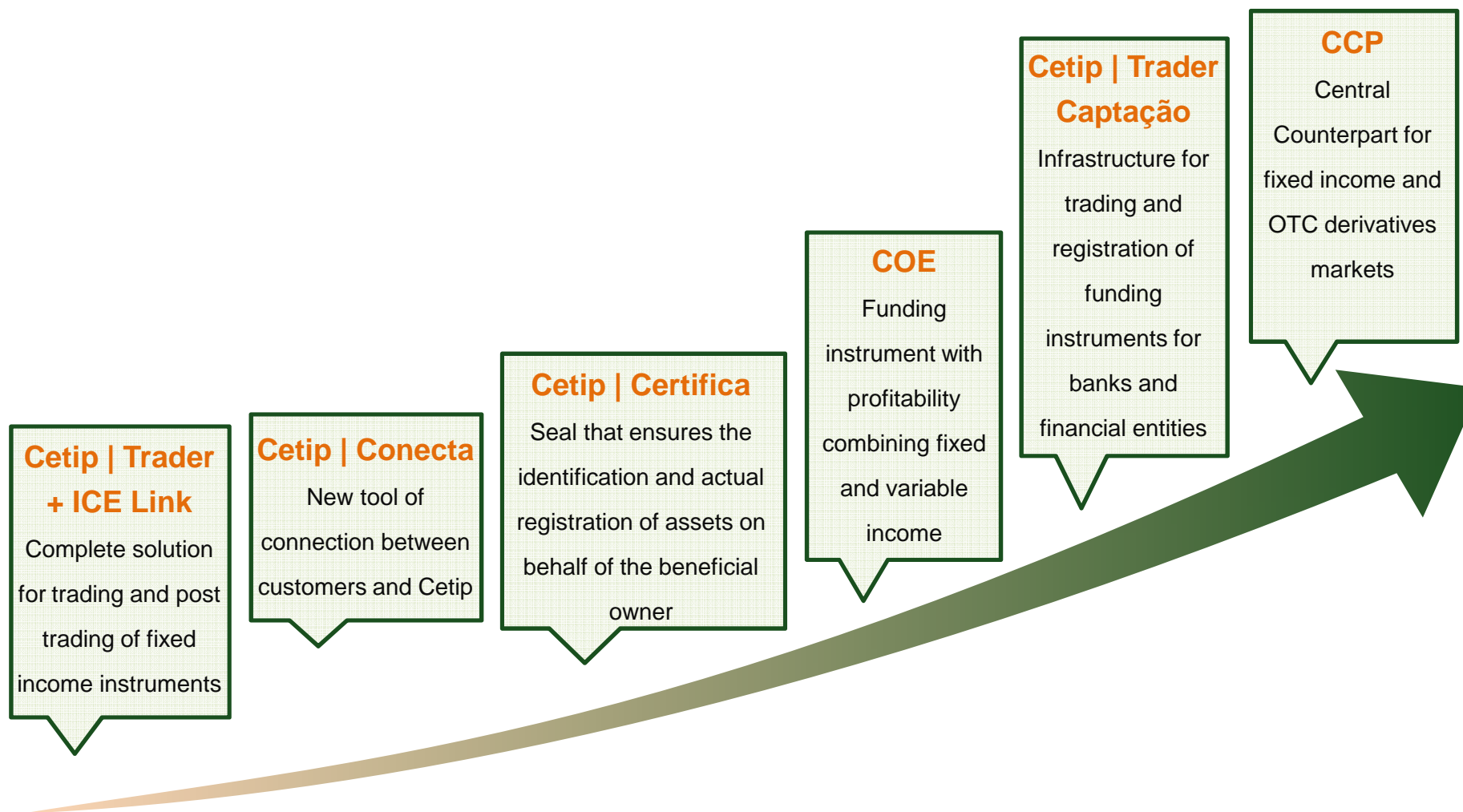
I. GENERAL OVERVIEW

II. BUSINESS ENVIRONMENT

III. 2Q14 RESULTS

IV. GROWTH OPPORTUNITIES

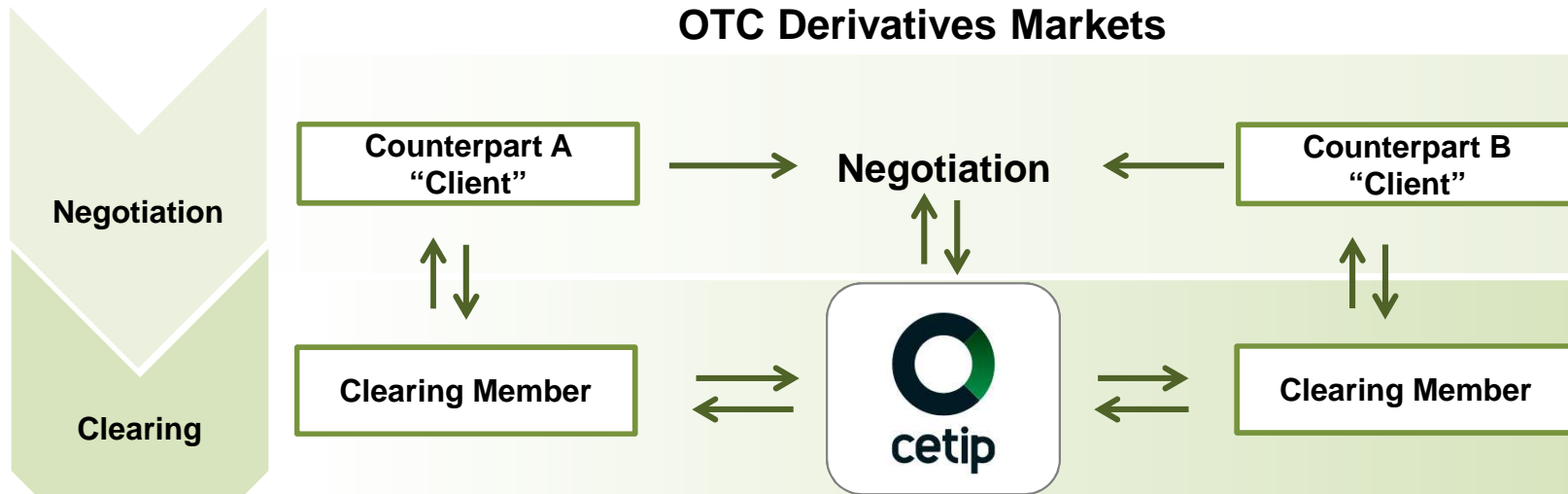
Securities Business Unit



Securities Business Unit

CCP

Expansion of Services Offered for Fixed Income and OTC Derivatives Markets



Main features of CCP

- Segregated special equity
- Monitoring of risk exposure
- Settlement fund
- Margin call
- Collateral management
- Settlement

Securities Lending

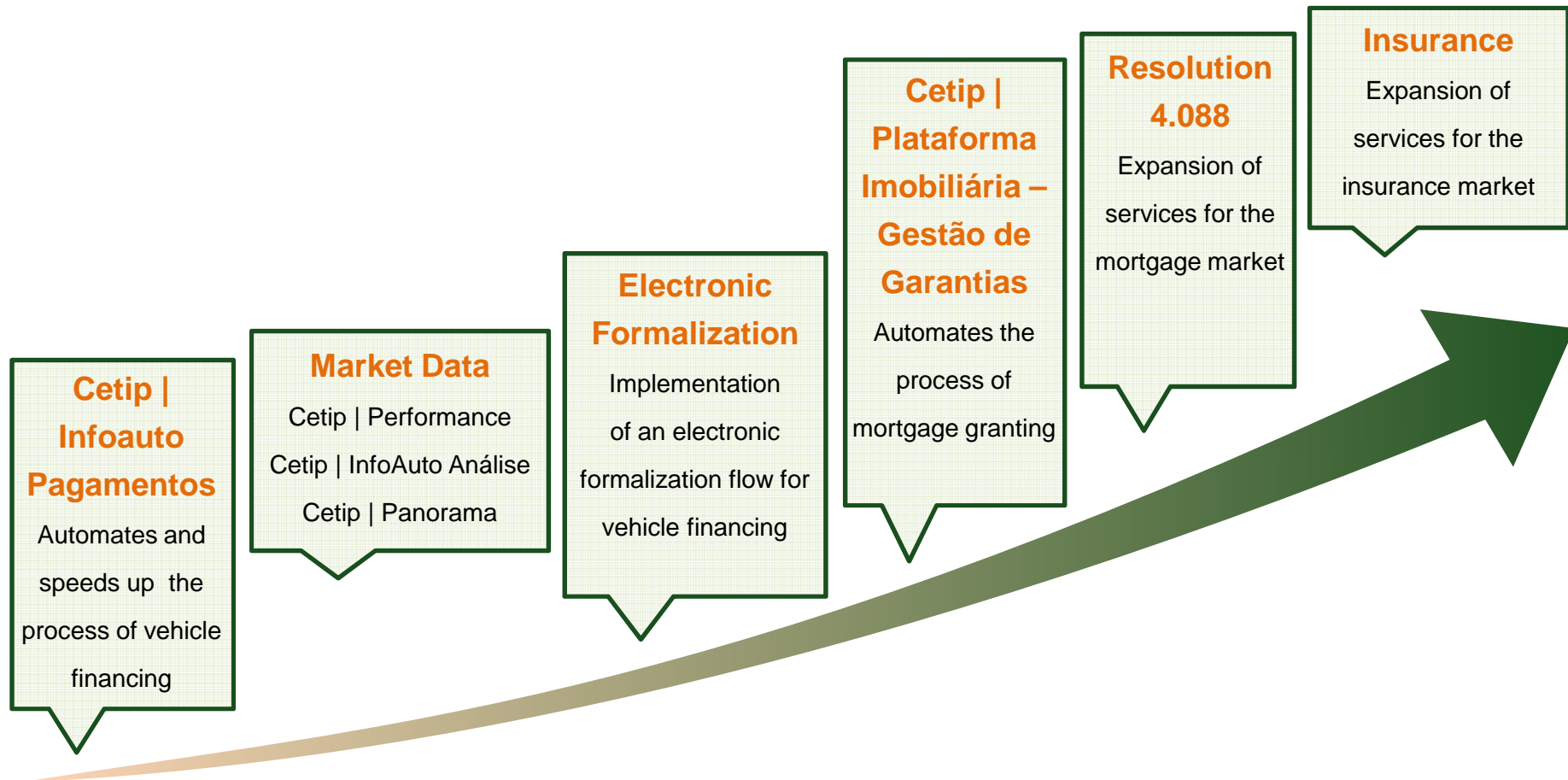
- Increase the liquidity of fixed income securities
- Enable the performance of market makers in the trading system Cetip
- Expand the range of products

OTC Derivatives

- Forward contracts of currency and indexes
- Flexible options of currency, stocks and indexes
- Swaps



Financing Business Unit



Investor Relations

dri@cetip.com.br

Contacts

Willy Jordan – CFO and Investor Relations Executive Officer

Bernardo Garcia – Investor Relations Manager

Erika Lima – Investor Relations Analyst

Jean Karlus Teixeira – Investor Relations Analyst

This presentation was issued by CETIP S.A. – Mercados Organizados (“Cetip”, “Company”). Cetip is authorized to operate by the Brazilian Securities and Exchange Commission (“CVM”) and regulated by both CVM and Brazilian Central Bank.

This presentation may include statements representing expectations about future events or results of Cetip. These statements are based upon projections and analyses which reflect present views and/or expectations of the Management of the Company with regards to its performance and to the future of its business. Risks and uncertainties related to the Cetip’s businesses, to the competitive and market environment, to the macro-economical conditions and other factors described in “Risk Factors” in the Reference Form, filed with the CVM, may cause effective results to differ materially from such plans, objectives, expectations, projections and intentions.