



BM&F BOVESPA

The New Exchange



BM&F BOVESPA
2Q08 Earnings Conference Call
August 15th

Forward Looking Statements

This presentation may contain certain statements that express the management's expectations, beliefs and assumptions about future events or results. Such statements are not historical fact, being based on currently available competitive, financial and economic data, and on current projections about the industries BM&F Bovespa works in.

The verbs "anticipate," "believe," "estimate," "expect," "forecast," "plan," "predict," "project," "target" and other similar verbs are intended to identify these forward-looking statements, which involve risks and uncertainties that could cause actual results to differ materially from those projected in this presentation and do not guarantee any future BM&F Bovespa performance.

The factors that might affect performance include, but are not limited to: (i) market acceptance of BM&F services; (ii) volatility related to (a) the Brazilian economy and securities markets and (b) the highly-competitive industries BM&F Bovespa operates in; (iii) changes in (a) domestic and foreign legislation and taxation and (b) government policies related to the financial and securities markets; (iv) increasing competition from new entrants to the Brazilian markets; (v) ability to keep up with rapid changes in technological environment, including the implementation of enhanced functionality demanded by BM&F customers; (vi) ability to maintain an ongoing process for introducing competitive new products and services, while maintaining the competitiveness of existing ones; (vii) ability to attract new customers in domestic and foreign jurisdictions; (viii) ability to expand the offer of BM&F Bovespa products in foreign jurisdictions.

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Operating Results

Financial Results

Integration Update

Milestones and New Initiatives

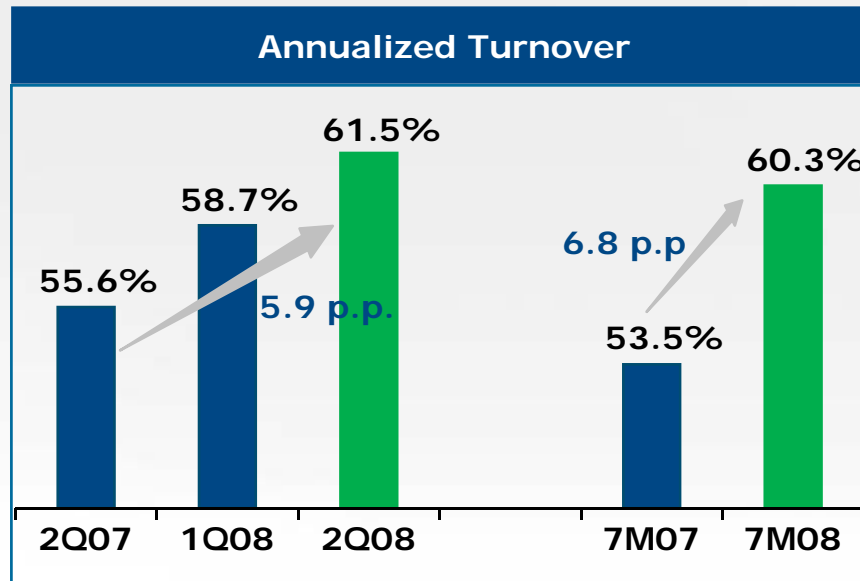
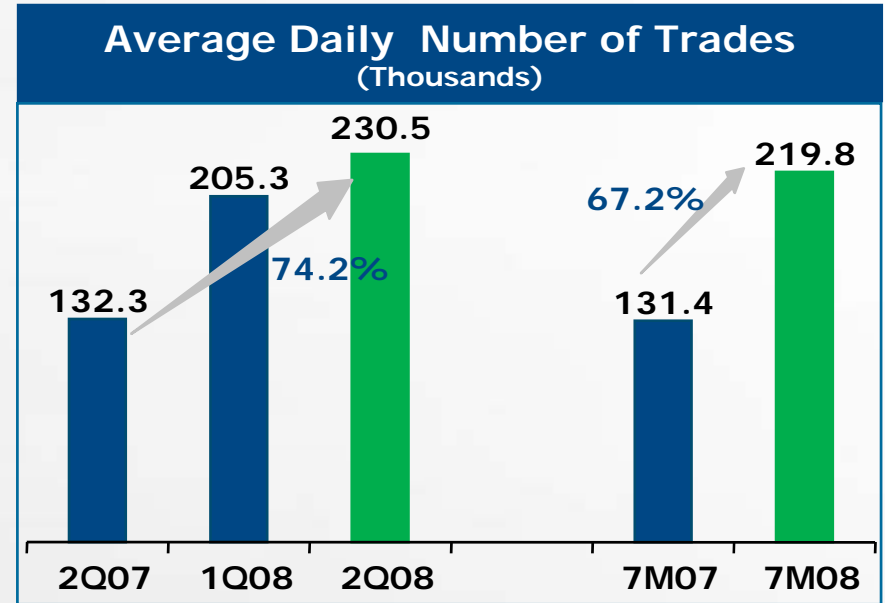
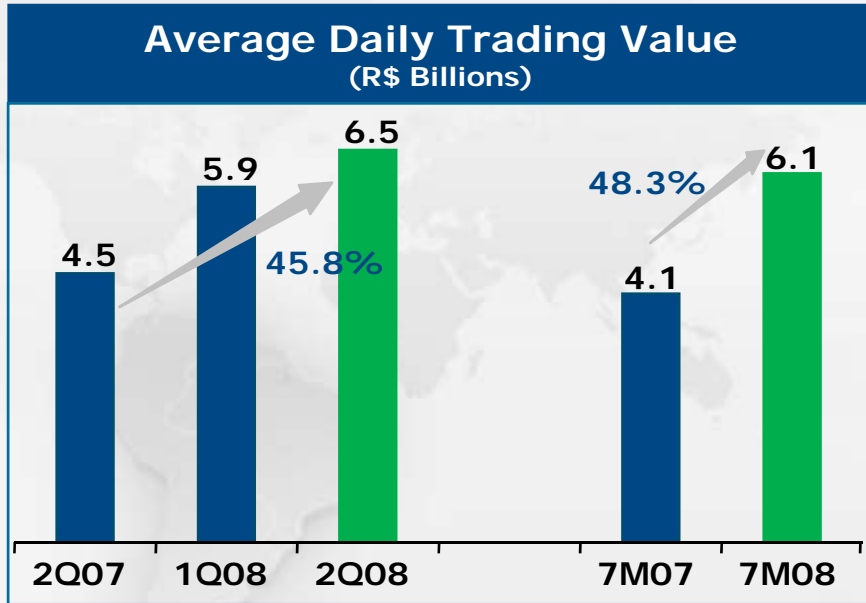
Operating Results

Financial Results

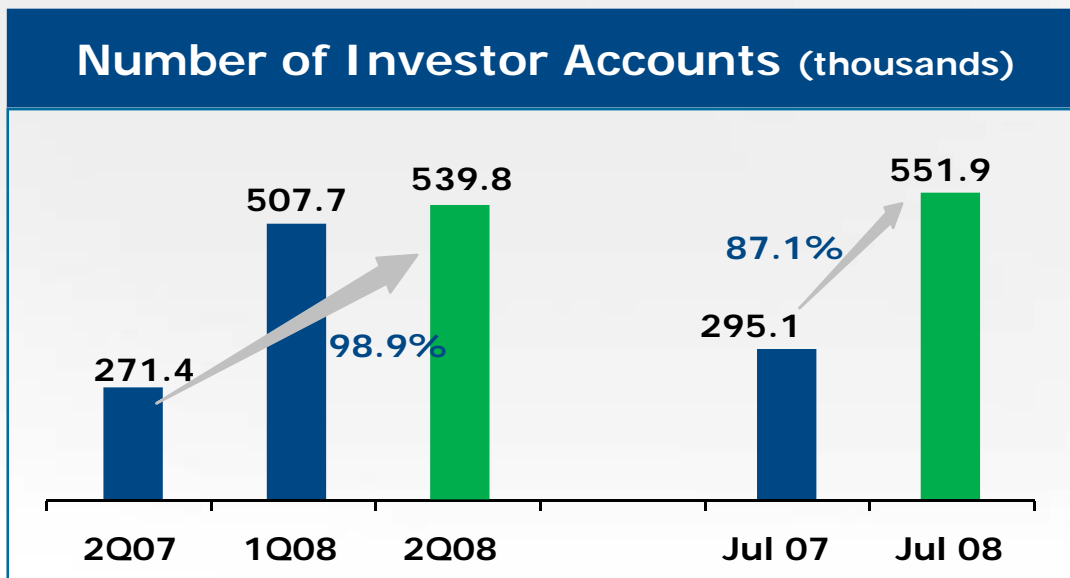
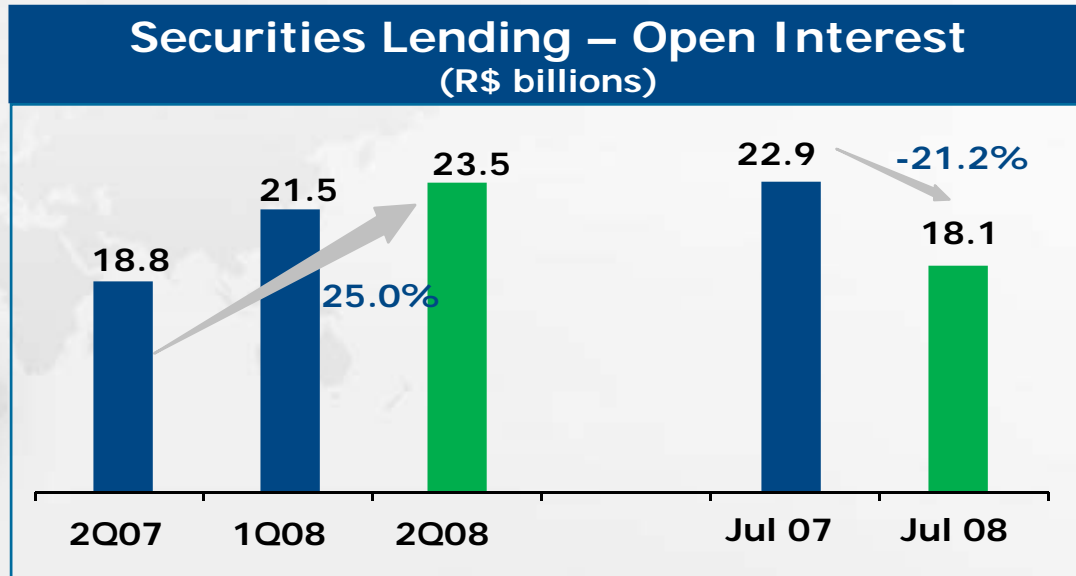
Milestones and New Initiatives

Integration Update

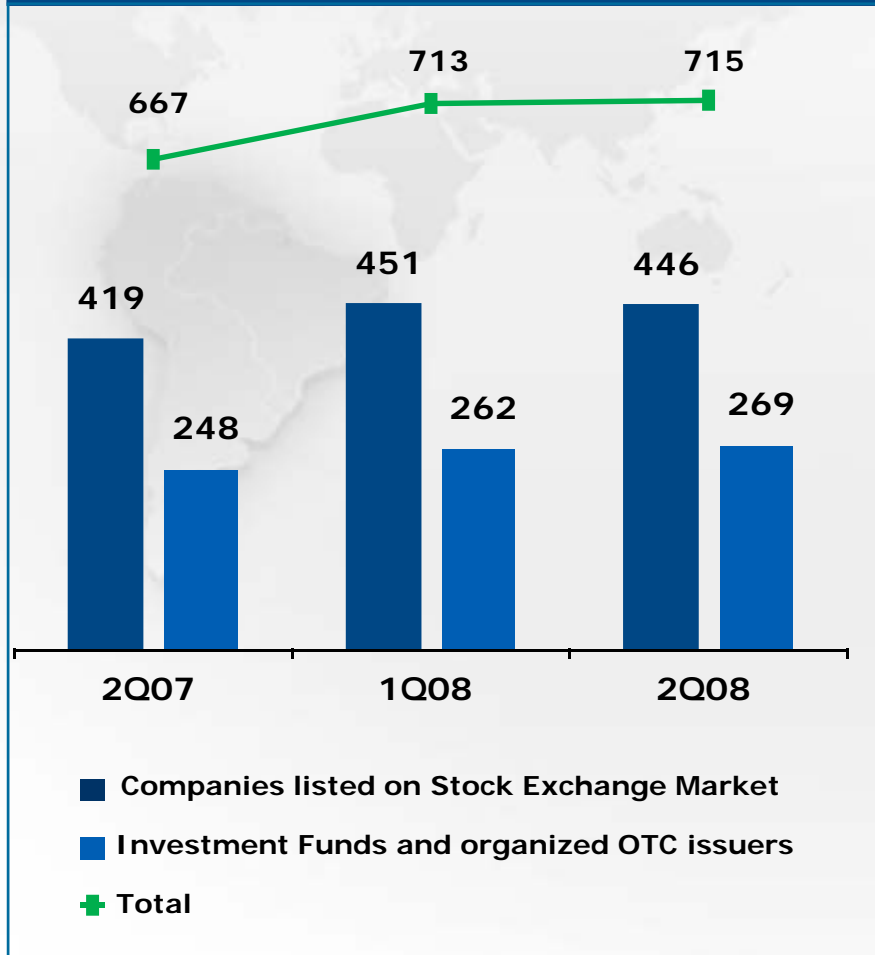
Trading Activity - Bovespa



Securities Lending and Number of Investors - Bovespa

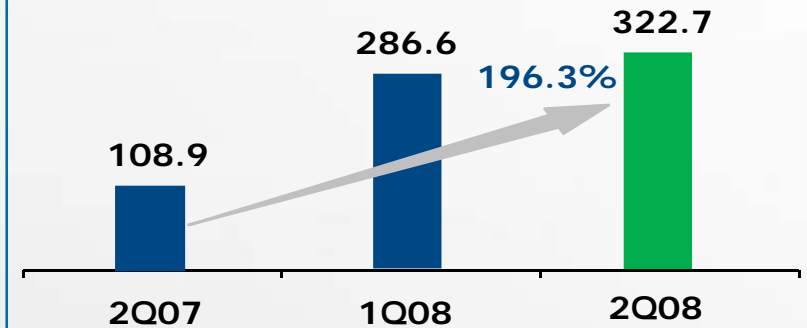


Number of Issuers

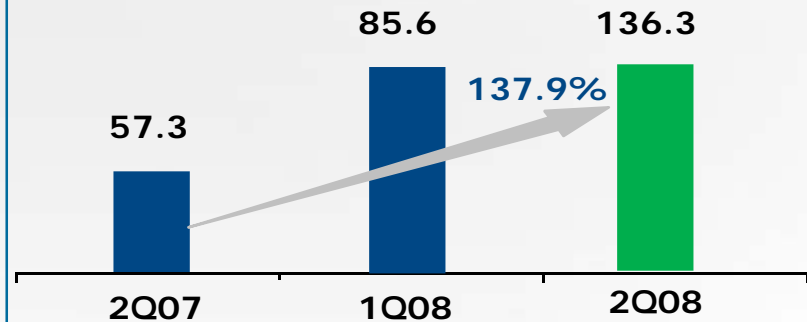


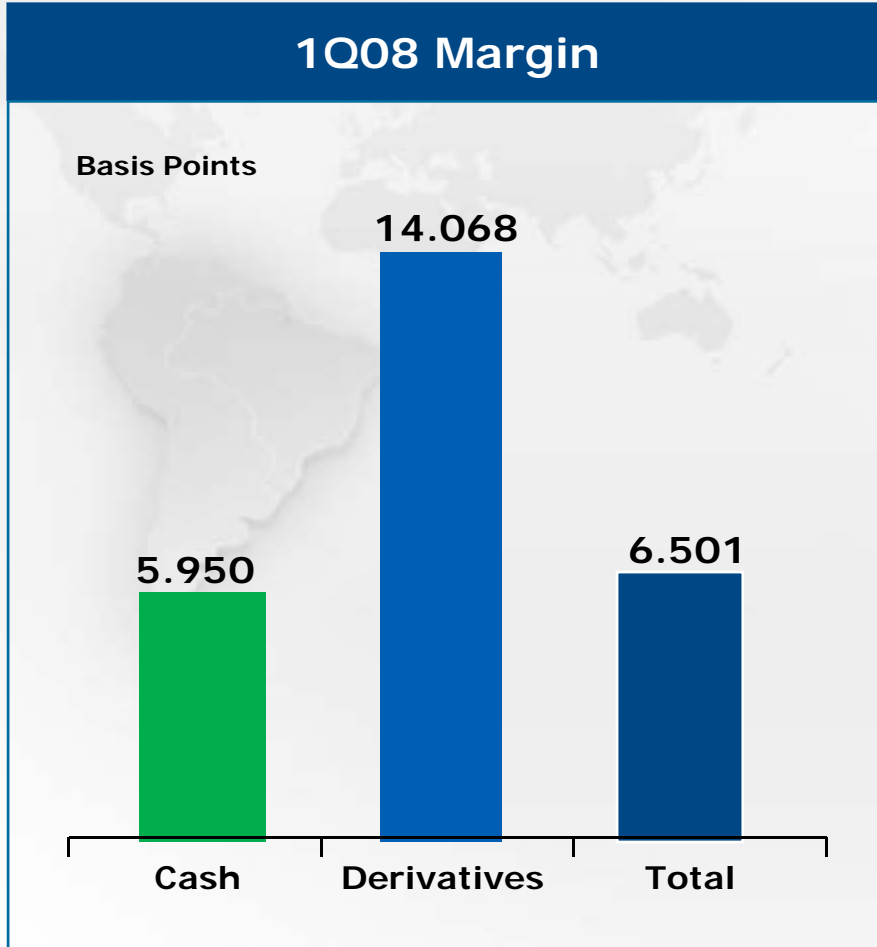
Market Data

Home Broker Number of Clients (thousands)



Vendors Number of Users (thousands)

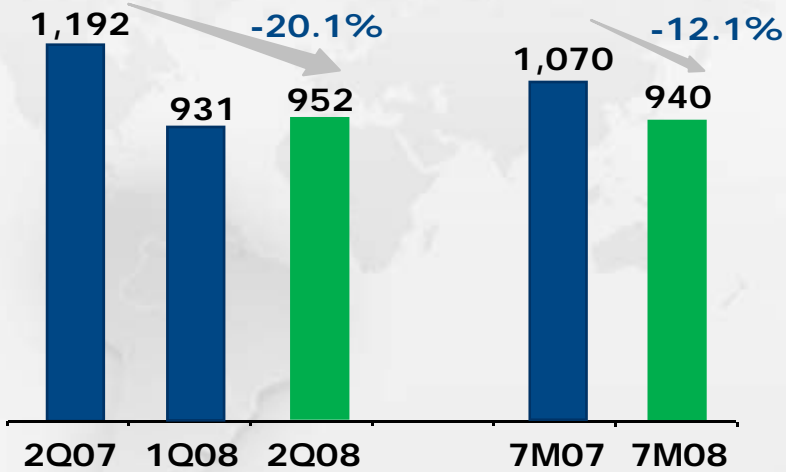




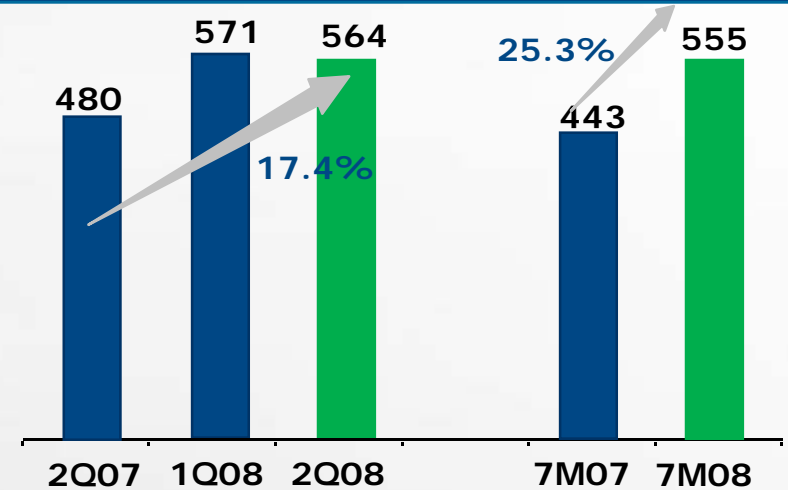
* Trading, clearing and settlement fees divide by traded value

ADTV of Major Derivatives Contracts – BM&F

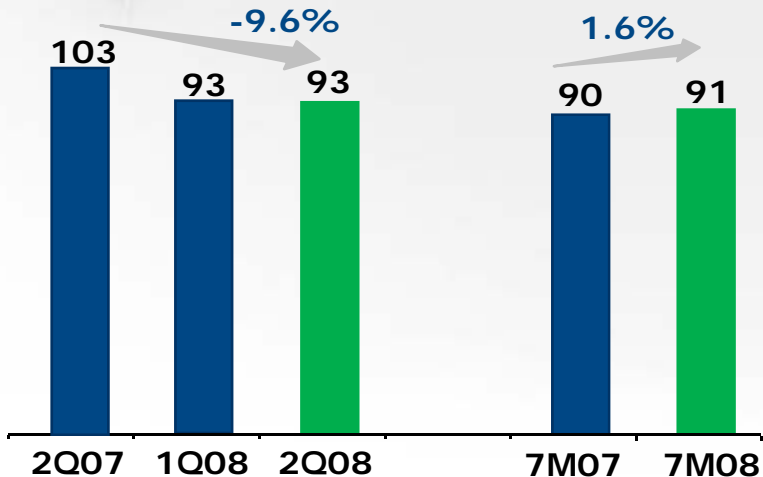
Interest Rates in BRL (Thousands)



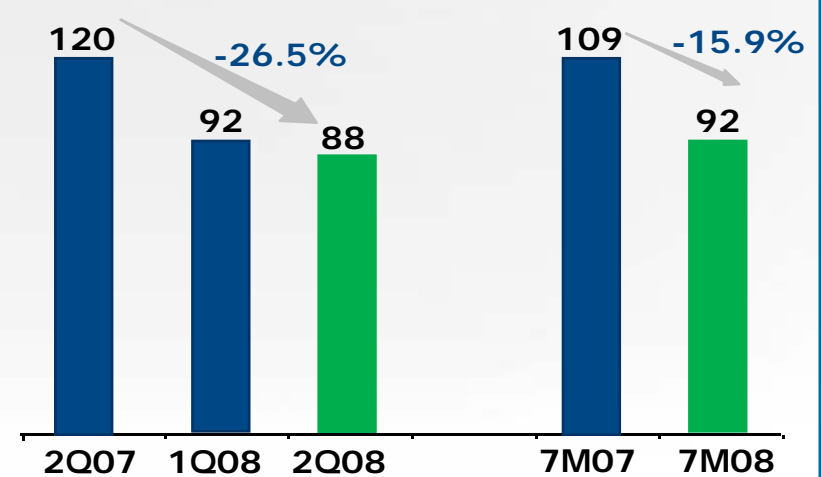
FX Rates (Thousands)



Interest Rates in USD (Thousands)



Indices (Thousands)

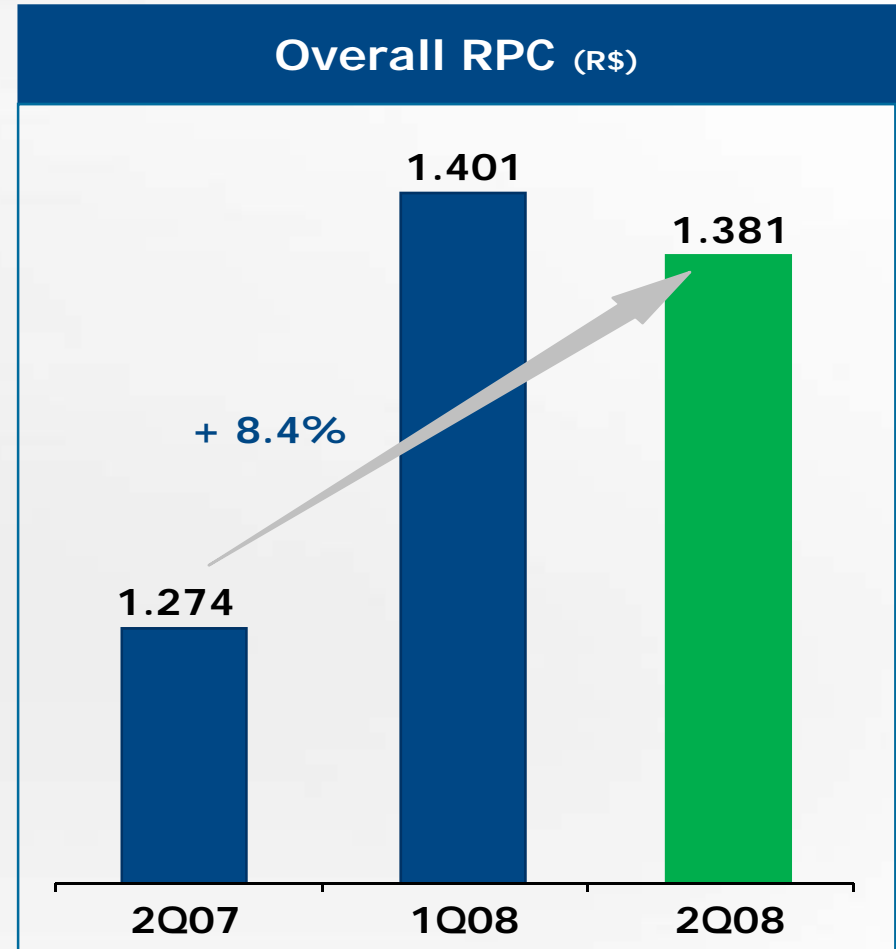
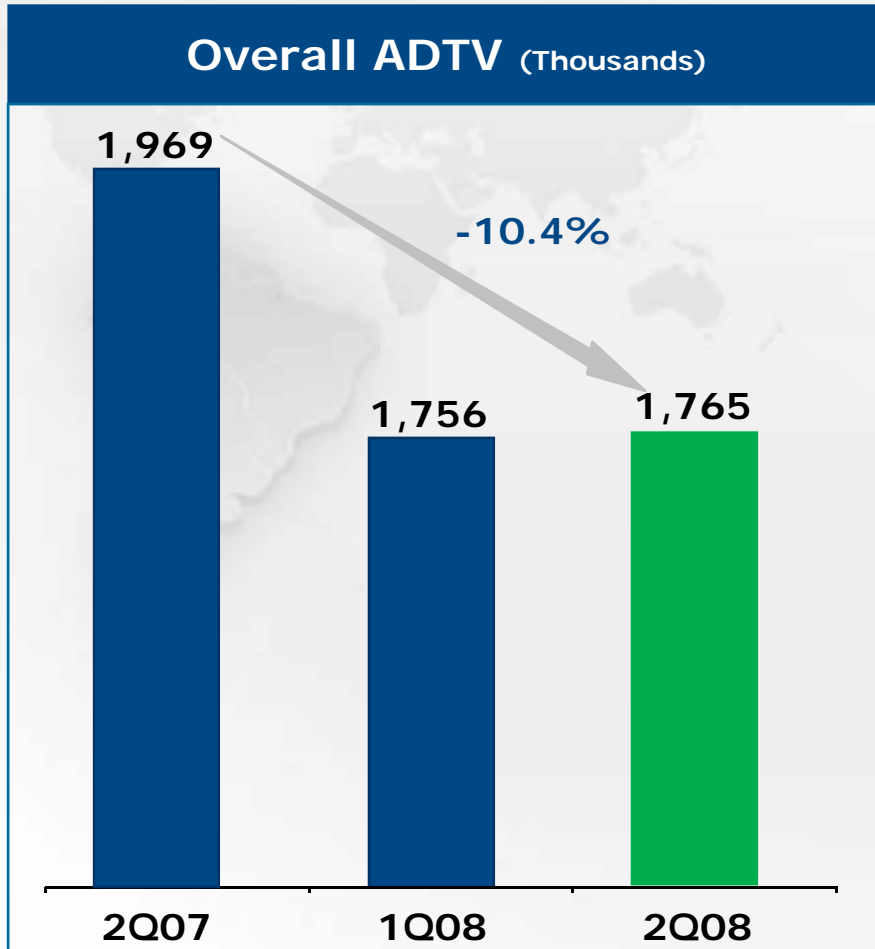


R\$	2Q08	1Q08	2Q07
Interest Rates in BRL	1.064	1.102	0.988
FX Rates	1.785	1.850	2.071
Indices	2.460	2.132	1.521
Interest Rates in USD	1.057	1.078	0.964
Commodities	3.890	3.283	3.266
OTC	2.322	2.057	2.239
Web Trading	0.160	0.155	0.054
Total	1.381	1.401	1.274

* Includes trading fess, clearing fees, clearing fees at maturity and permanence fees

For comparison purposes, gross-up of taxes on revenues was applied to average fee per contract on 2Q07, in order to reflect change in tax system after demutualization

Volumes Slowdown was Partially offset by the RPC Increase – BM&F



* Includes Trading Fees, Clearing Fees, Permanence Fees and Clearing Fees at the Maturity

Operating Results

Financial Results

Milestones and New Initiatives

Integration Update

Reconciliation of 1H08 Adjusted Results

R\$ Thousands	Reported	Non Recurring	Adjusted
Net Revenues	826,899		826,899
Operating Expenses	(369,655)	90,405	(279,250)
Operating Result	457,244	90,405	547,649
<i>Operating Margin</i>	55.3%		66.2%
EBITDA	472,944		563,349
<i>EBITDA Margin</i>	57.2%		68.1%
Goodwill Amortization	(81,105)		(81,105)
Financial Income, net	155,036		155,036
Non-Operating Income	10,842		10,842
Income Before Taxes	542,017	90,405	632,422
Income Tax and Social Contribution	(212,174)	(24,162)	(236,336)
Minority Interest	(607)		(607)
Net Income	329,236	66,243	395,479
<i>Net Margin</i>	39.8%		47.8%
Adjusted Net Income by Goodwill	329,236	147,348	476,584
<i>Adjusted Net Margin by Goodwill</i>	39.8%		57.6%

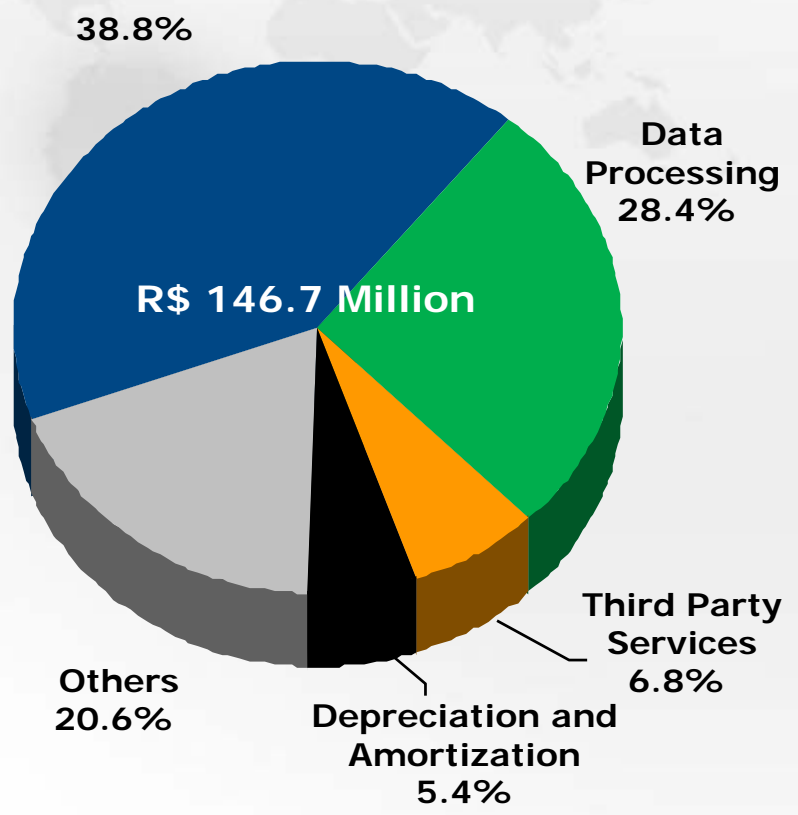
R\$ Thousands	2Q08	1Q08	2Q07	1H08	1H07
Net Revenues	434,179	392,720	333,457	826,899	601,583
Operating Expenses	(146,700)	(132,550)	(140,721)	(279,250)	(268,670)
Operating Result	287,479	260,170	192,735	547,649	332,912
<i>Operating Margin</i>	66.2%	66.2%	57.8%	66.2%	55.3%
EBITDA	295,402	267,947	201,396	563,349	349,816
<i>EBITDA Margin</i>	68.0%	68.2%	60.4%	68.1%	58.1%
Goodwill Amortization	(81,105)	-	-	(81,105)	-
Income Before Taxes	291,149	341,273	277,095	713,527	494,293
Income Tax and Social Contribution	(124,973)	(111,363)	(99,967)	(236,336)	(168,997)
Net Income	165,206	230,273	175,947	476,584	323,931
<i>Net Margin</i>	38.1%	58.6%	52.8%	47.8%	53.8%
Adjusted Net Income by Goodwill	246,311	230,273	175,947	476,584	323,931
<i>Adjusted Net Margin by Goodwill</i>	56.7%	58.6%	52.8%	57.6%	53.8%

Operating Expenses Breakdown

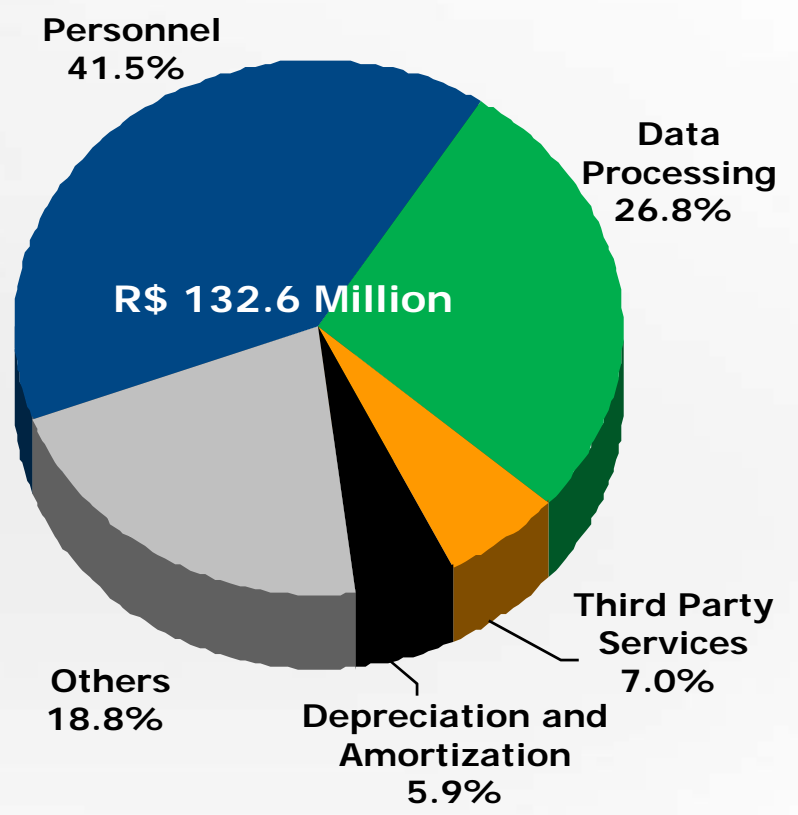
R\$ Thousands	2Q08	1Q08	QtQ%	1H08	1H07	HtH%
Personnel	56,966	54,968	3.6%	111,934	111,934	6.0%
Data Processing	41,618	35,567	17.0%	77,185	66,614	15.9%
Depreciation & Amortization	7,923	7,777	1.9%	15,700	16,904	-7.1%
Third Party Services	9,962	9,228	8.0%	19,190	16,906	13.5%
Maintenance	3,270	3,243	0.8%	6,513	6,919	-5.9%
Communications	4,984	4,224	18.0%	9,208	6,284	46.5%
Leases	1,096	972	12.8%	2,068	1,568	31.9%
Supplies	1,200	516	132.6%	1,716	1,838	-6.6%
Marketing	7,824	7,153	9.4%	14,977	17,595	-14.9%
Taxes	1,685	1,513	11.4%	3,198	4,722	-32.3%
Board Compensation	2,020	2,036	-0.8%	4,056	-	-
Others	8,152	5,353	52.3%	13,505	23,766	-43.2%
Total	146,700	132,550	10.7%	279,250	268,670	5.7%

Operating Expenses Breakdown

2Q08



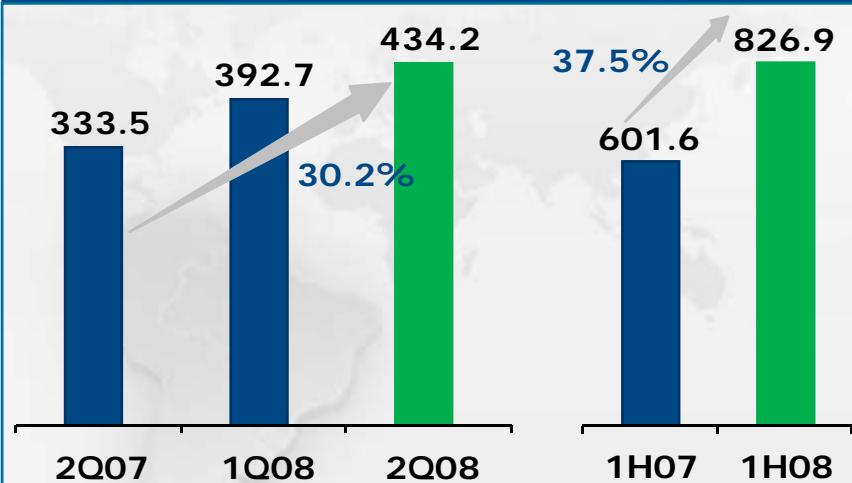
1Q08



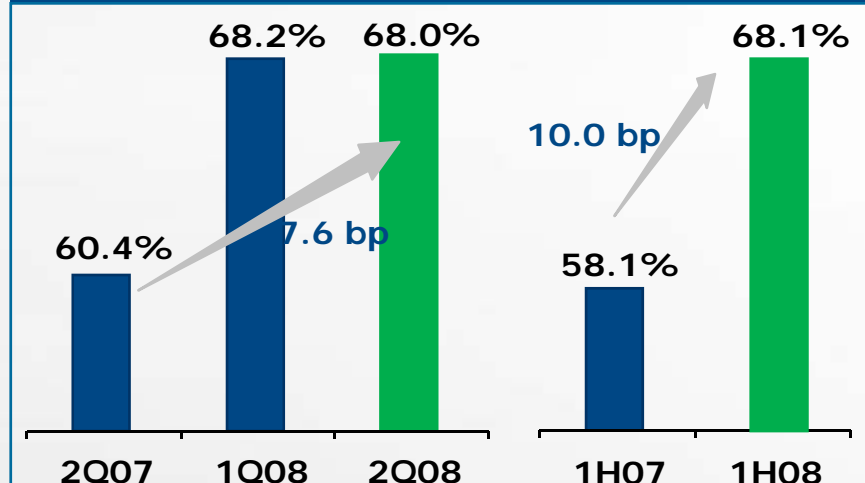
Financial Highlights

2008 Adjusted and 2007 Pro Forma

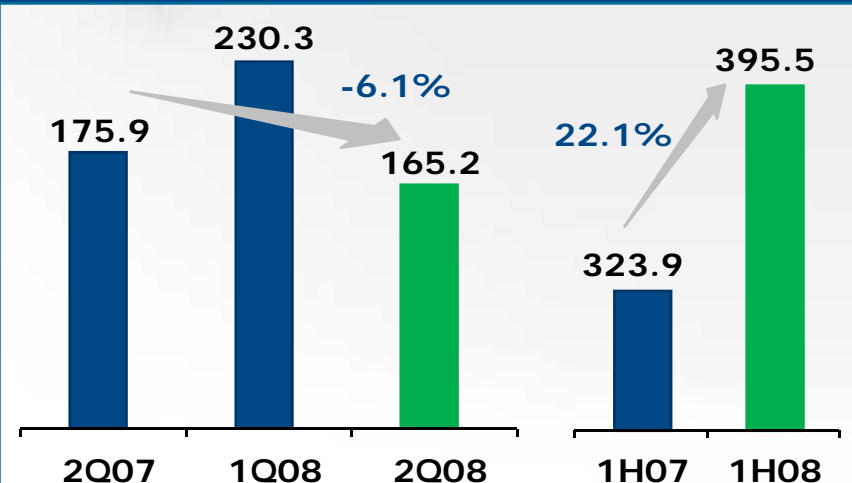
Net Revenues (R\$ Millions)



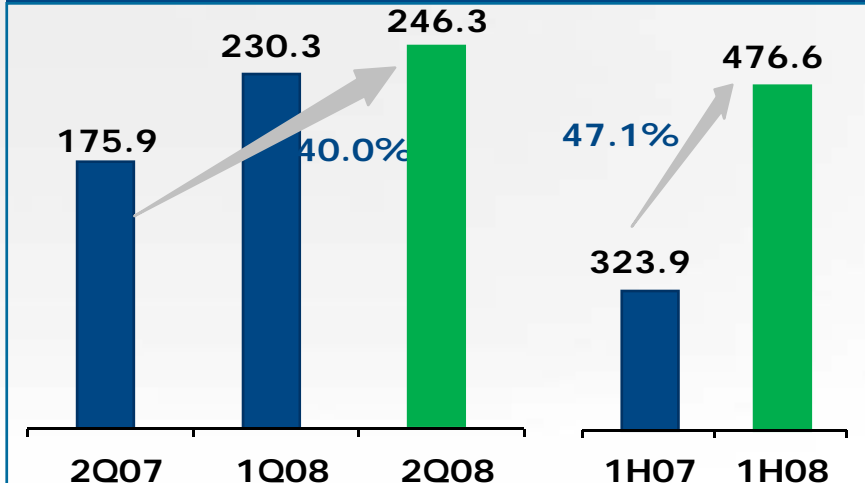
EBITDA Margin (%)



Net Income (R\$ Millions)
Excludes non-recurring expenses

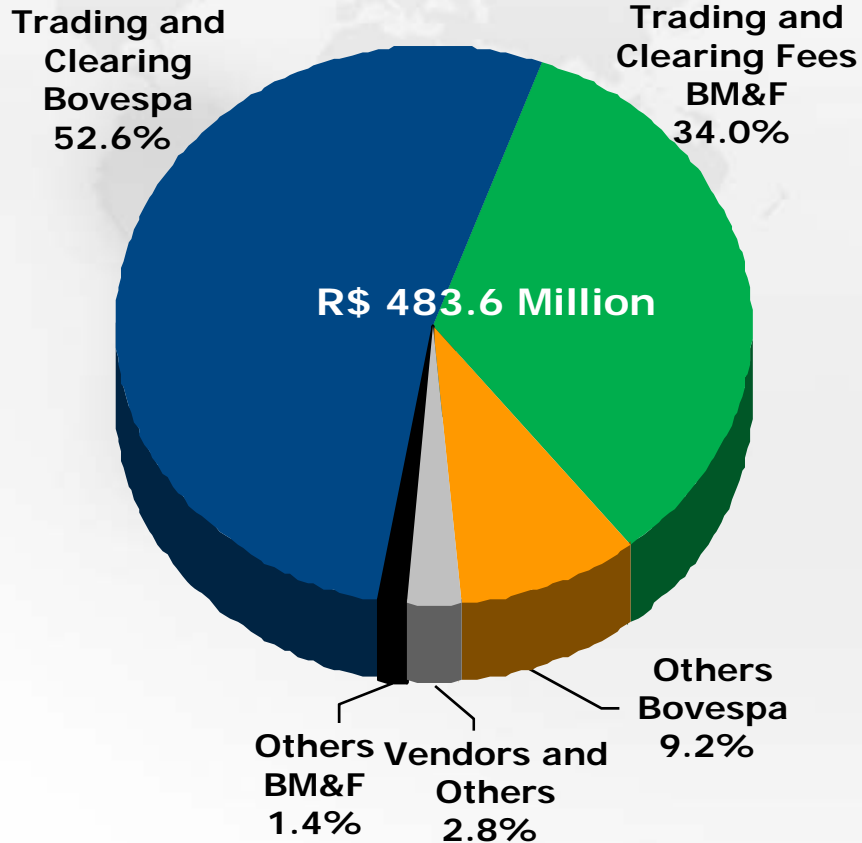


Adjusted Net Income (R\$ Millions)
Excludes goodwill amortization and non-recurring expenses

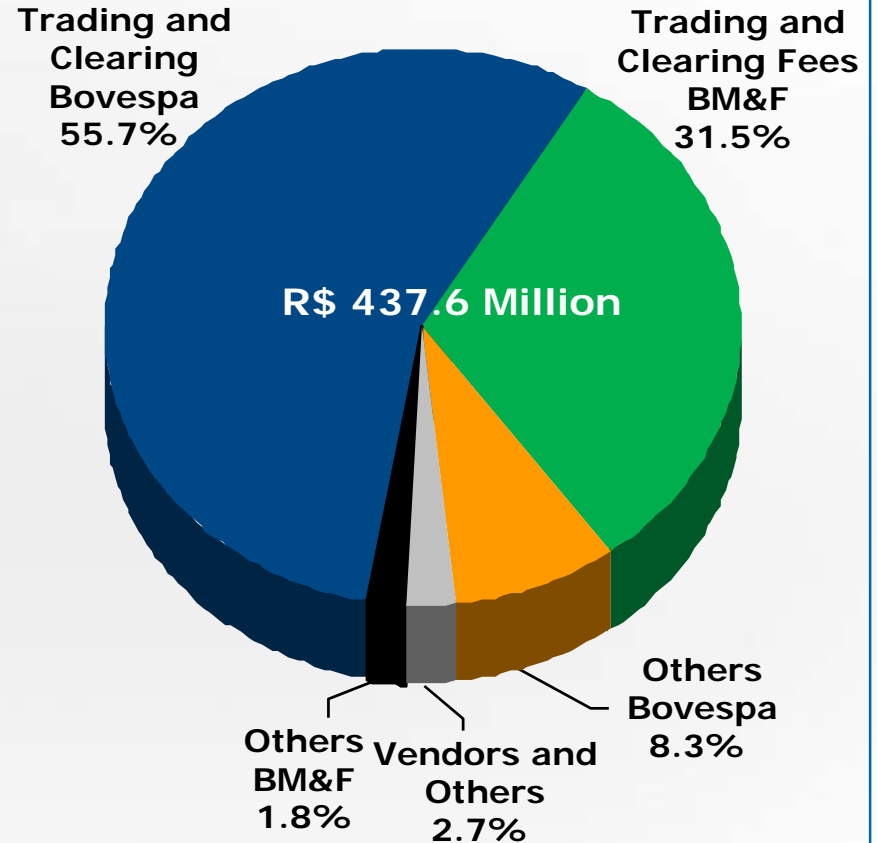


Gross Operating Revenues Breakdown

2Q08



1Q08



Assets (R\$ Thousands)		Liabilities and Stockholders' Equity (R\$ Thousands)	
Current	3,093,670	Current	1,517,449
Cash and Cash Equivalent	2,800,265	Cash Collateral	536,068
Other Credits	293,405	Short Term Debt	502,732
Long Term Assets	306,485	Others	478,649
Permanent	17,870,003	Long Term Liabilities	111,776
Investments	1,317,347	Minority Interest	14,918
Fixed	235,600	Stockholders' Equity	19,626,015
Intangible	16,303,807	Total Liabilities and Equity	21,270,158
Deferred	13,249		
Total Assets	21,270,158		

- ▶ **Amount: R\$ 500 million**
- ▶ **Issuance: 07/13/2008**
- ▶ **Maturity: 09/11/2008**
- ▶ **Cost: 109.8% of the interbank rate (CDI)**
- ▶ **2 month opportunity cost: 33.2% of the CDI (6.6% of the CDI, excluding the IOF tax)**

- ▶ **BM&F BOVESPA Listing (BVMF3) will happen on August 20th**

- ▶ **Dividends + Interest on Equity Capital amounted BRL 292.2 million (BRL 0.14319 per share)**
 - ▶ **BRL 149.2 million as dividends (R\$ 0.07311 per share)**
 - ▶ **BRL 143.0 million as Interest on Equity Capital (BRL 0.07008 per share, BRL 0.0621435 per share net of income tax)**

- ▶ **Shareholders' base of August 25th an payment on September 2nd**

Operating Results

Financial Results

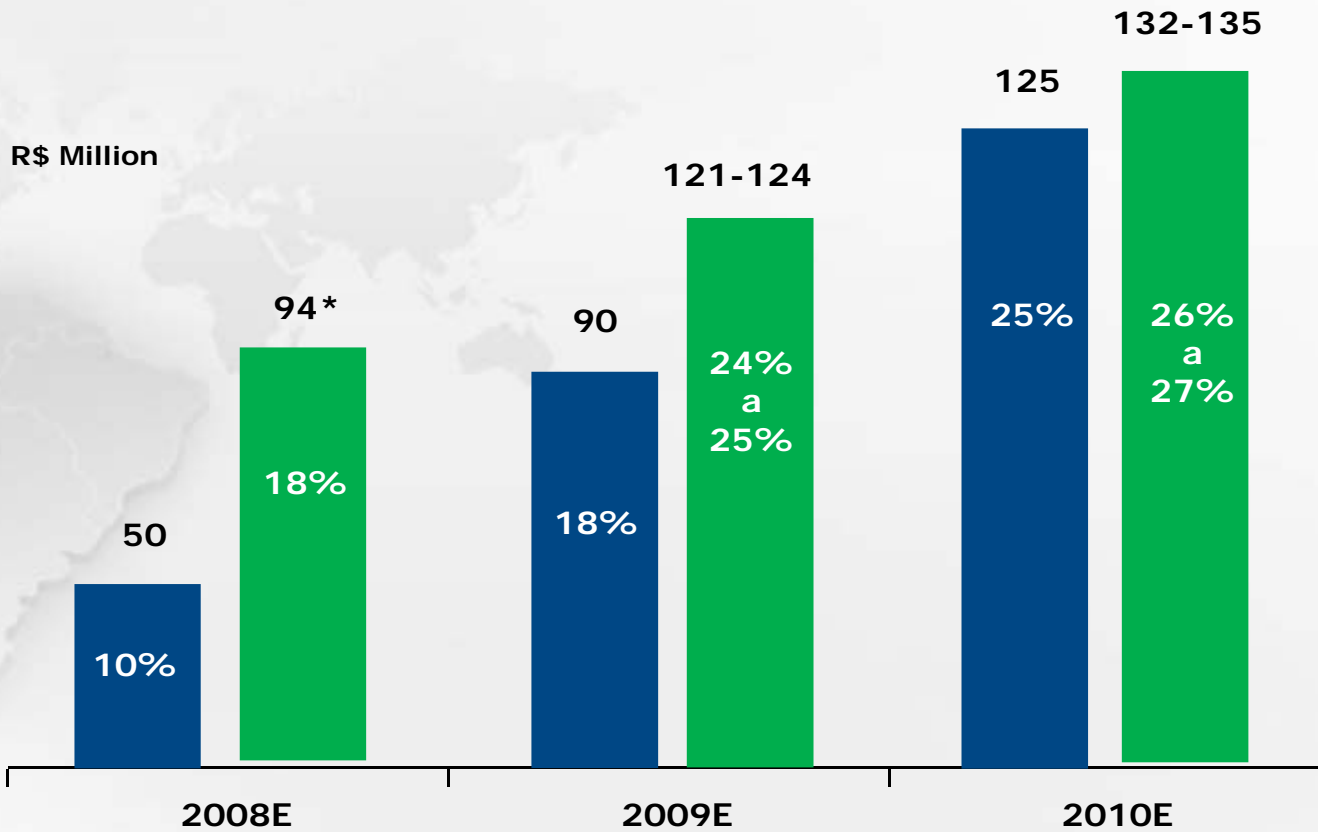
Integration Update

Milestones and New Initiatives

	May/08	July/08
Full Employees	1.386	1.427
Outsourced	440	387
Total	1.826	1.814

- ▶ Reduction of 380 employees (302 full employees and 78 outsourced)
- ▶ 21% of total headcount

- ▶ **Software e hardware (reduction of de data centers and completed port application to distributing environment)**
- ▶ **Market communication**
- ▶ **Conferences**
- ▶ **Communication**
- ▶ **Post-trading**
- ▶ **Finance**
- ▶ **Others**

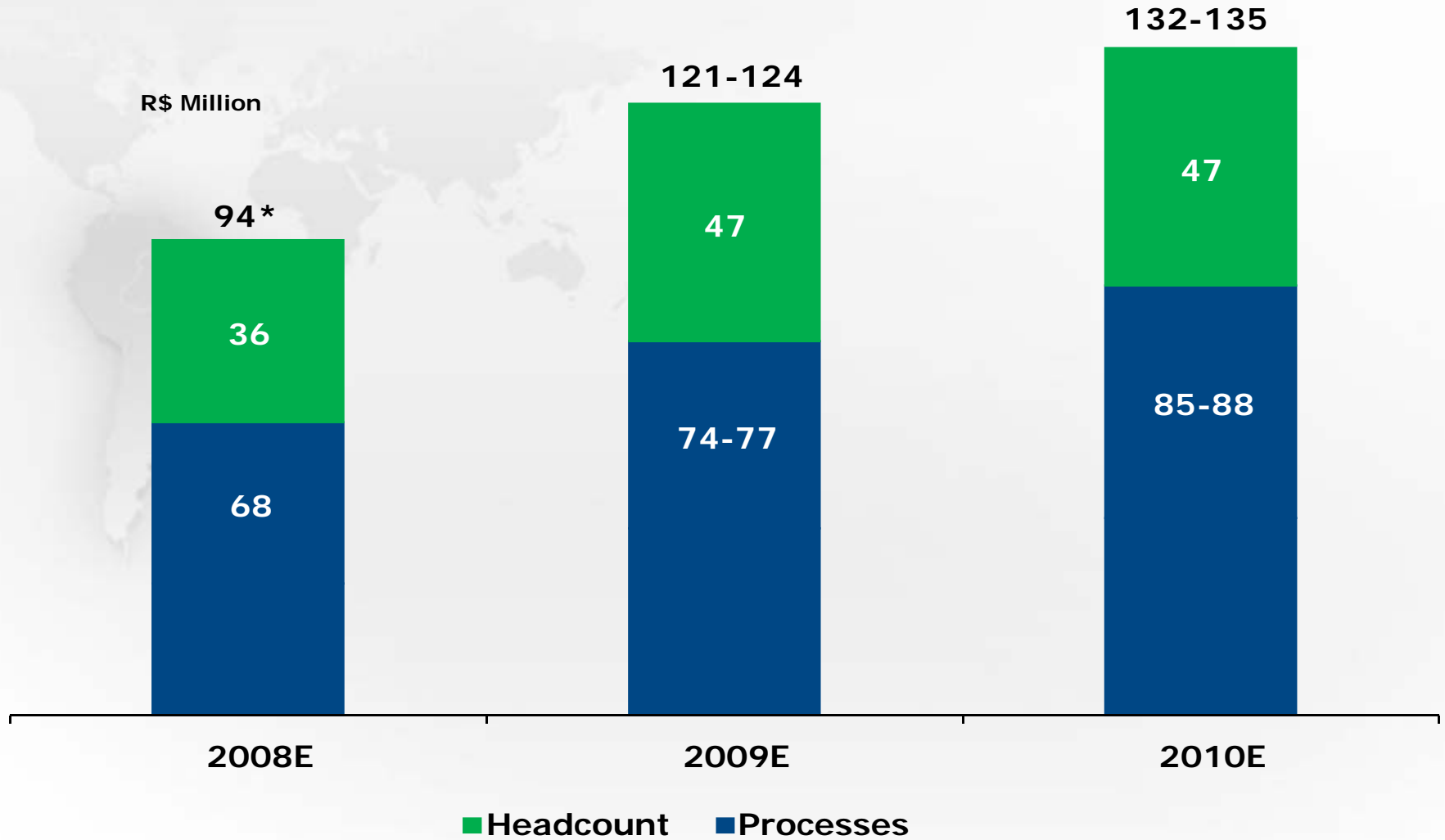


■ Preliminary Estimates

■ Current Estimates

* Annualized

Synergies Breakdown



* Annualized

- ▶ **Integration of trading platform**
- ▶ **Integration of post-trading platform**
- ▶ **Premises**
- ▶ **Others (travelling expenses, third party expenses, third party/other than IT, telecom and advisory)**

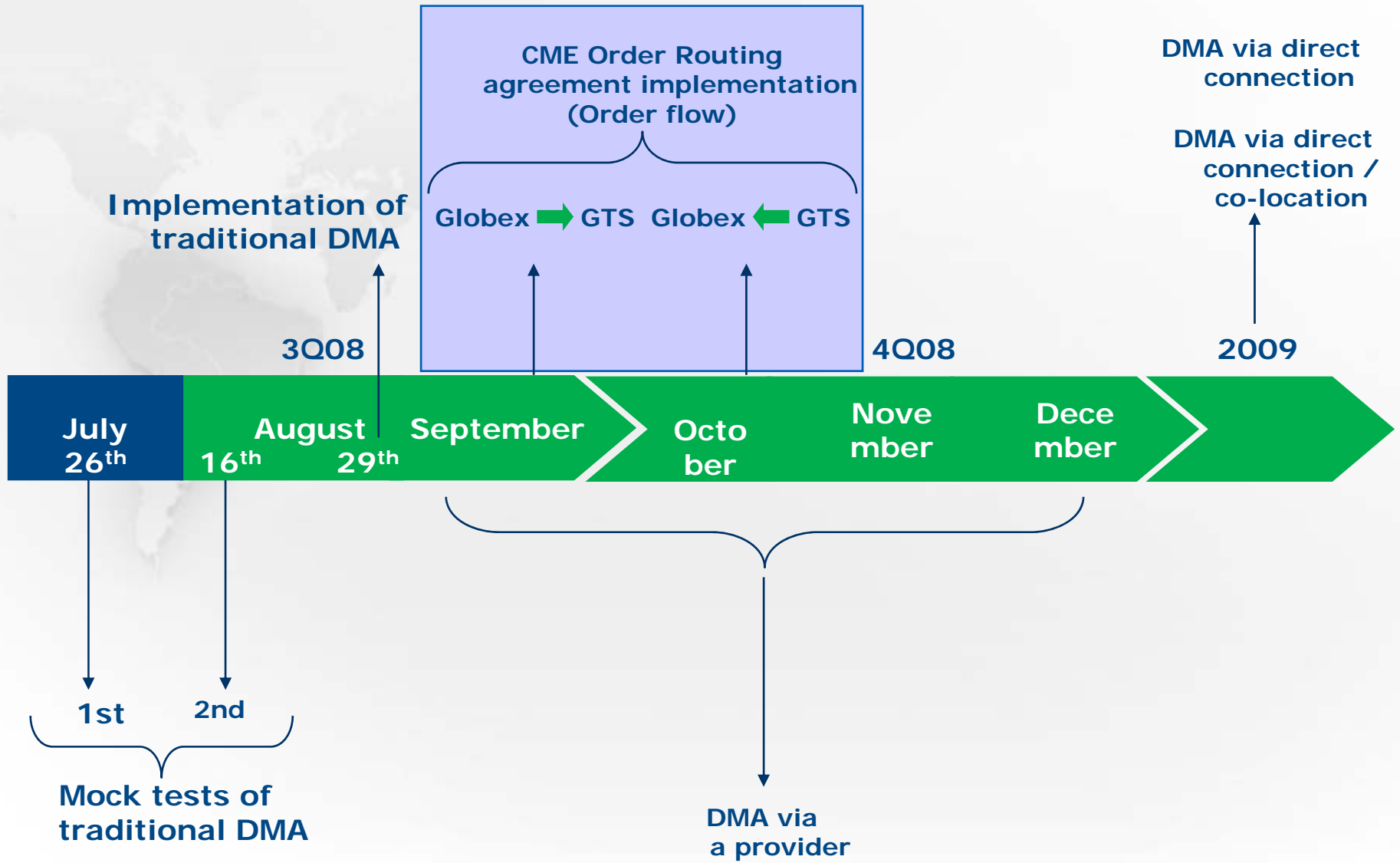
Operating Results

Financial Results

Integration Update

Milestones and New Initiatives

CME Order Routing Agreement and DMA Timeline



- ▶ **ETF – Global Indices (4Q08)**
- ▶ **Market makers for derivatives**
- ▶ **BDR with corporate governance**



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