



BM&F BOVESPA

The New Exchange



BM&F BOVESPA PRESENTATION
Oct 2008

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&FBovespa S.A. 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 of BM&FBovespa S.A. performance.

The factors that might affect performance include, but are not limited to: (i) market acceptance of BM&F Bovespa SA services; (ii) volatility related to (a) the Brazilian economy and securities markets and (b) the highly-competitive industries that BM&FBovespa S.A. 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&FBovespa SA 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&FBovespa S.A. products in foreign jurisdictions.

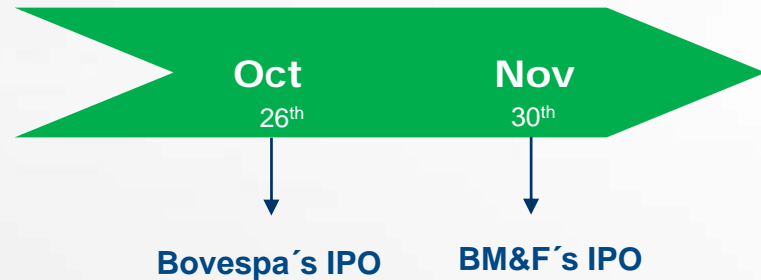
All forward-looking statements in this presentation are based on information and data available as of the date they were made, and BM&F Bovespa SA undertakes no obligation to update them in light of new information or future development.

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities where such offer or sale would be unlawful prior to registration or qualification under the securities law. No offering shall be made except by means of a prospectus meeting the requirements of the Brazilian Securities Commission CVM Instruction 400 of 2003, as amended.

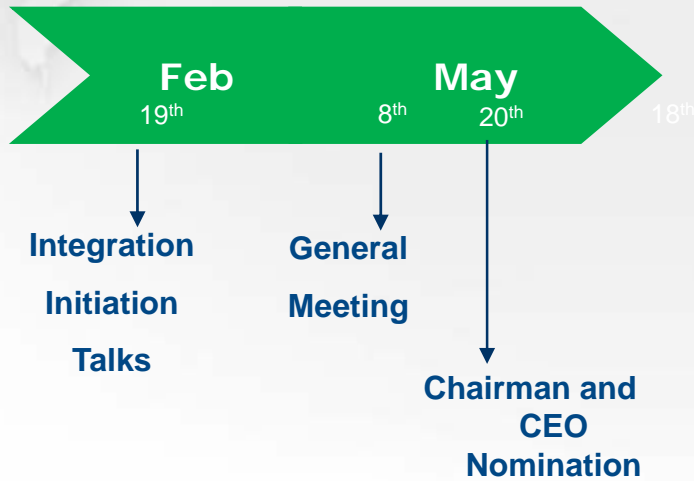


THE NEW COMPANY

2007 – Demutualizations and IPOs



2008 - Integration



Complete Array of Services



Cash Market Trading

Derivatives

Clearing and Settlement

Market Data

Indices Licensing

Software Licensing

Listing

Securities Lending

Depository

Custody

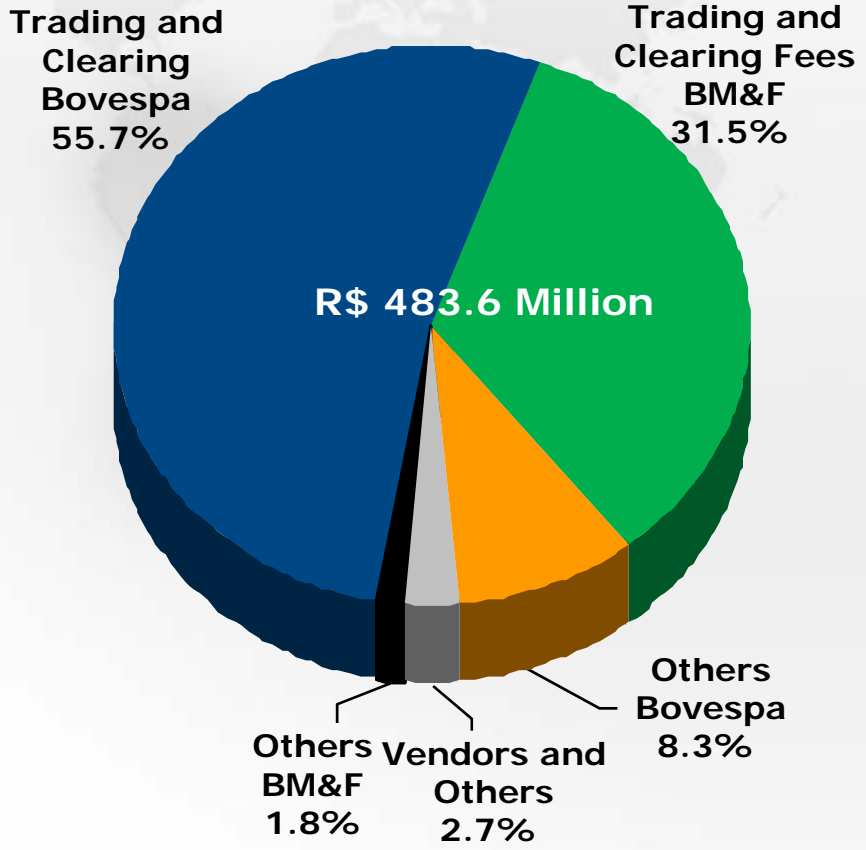


High Competitive Edge

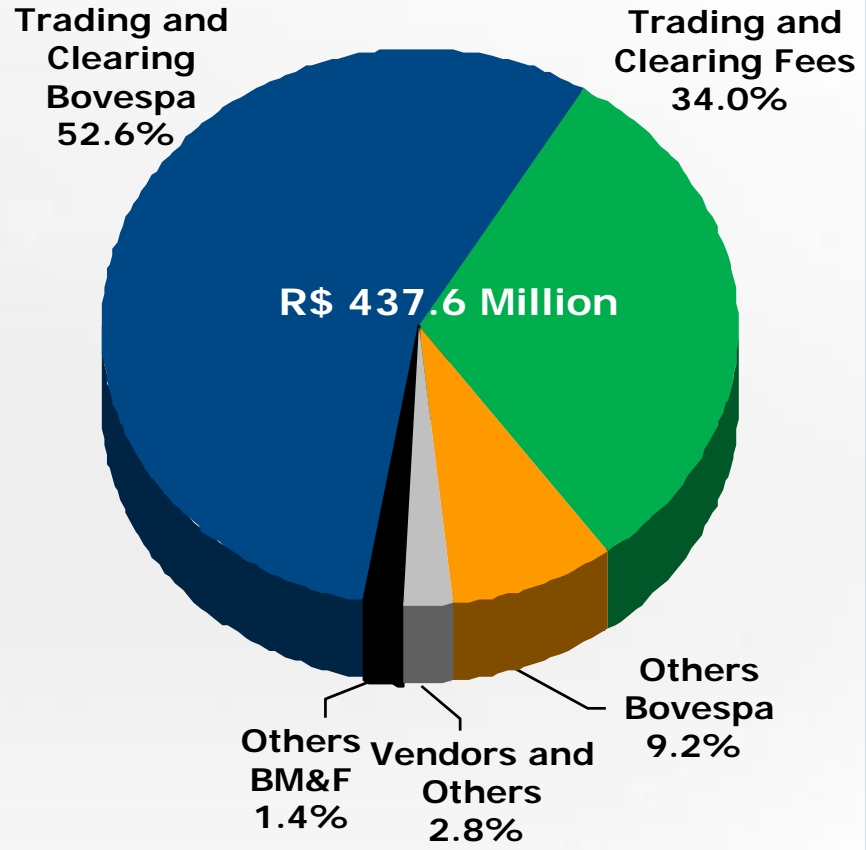


Gross Operating Revenues Breakdown

2Q08



1Q08



- ✓ **Regulation in Brazil demands that all trades carried in exchanges must be matched at the beneficial owner level**
- ✓ **Internalization of orders is not allowed**
- ✓ **Our clearing houses act as central counterparty agents and we have the risk management at the investor level with mark to market (margin variation calls) done on daily basis**
- ✓ **All trades must be carried through a brokerage house (clearing agent), which is responsible for their clients risk and know your client policies**
- ✓ **Current regulation requires settlement, clearing and depository services to be provided to third parties on a commercial basis**

R\$ billions

Date: Sep 29th, 2008

Clearings	Deposited	Required
Derivatives	80.8	62.4
Cash Equities	32.7	17.6
FX	3.3	1.0
Fixed Income	1.6	0.3
Total	118.4	81.3

- ✓ *Clearing acts as CCP*
- ✓ *Trading system offers registration*
- ✓ *Lending is a investor's decision and it is done through a brokerage house*
- ✓ *Settlement agents are responsible by their clients settlement and collaterals*
- ✓ *Full disclosure of the open interest positions by company on daily basis*
- ✓ *Corporate Actions Adjustments*
- ✓ *Risk Management*

- Launched in December 2000
- Special listing segment of companies committed to better corporate governance standards, beyond those already established at current Brazilian regulation
- Instituted with the goal to increase the market credibility and investors' confidence
 - **Becoming shareholders in these companies**
 - **Providing better valuation**
- Decision of joining NM is voluntary and market driven

Shareholders rights

- only common shares;
- tag-along rights extend to all shareholders in the event of disposal of control;
- board of director with at least five members and a minimum of 20% independent board member;
- public tender offering in case of delisting or cancellation of the NM's contract

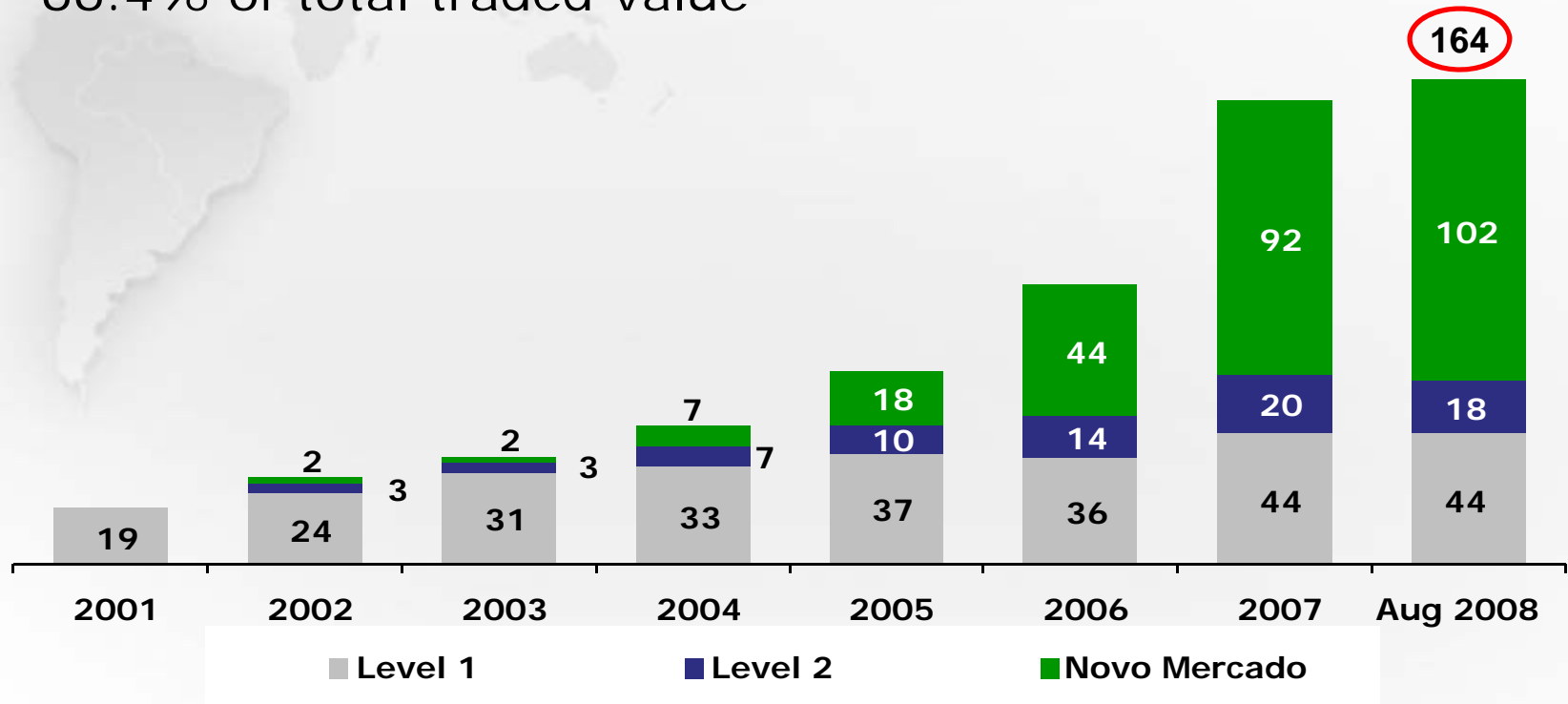
Transparency

- a statement of cash flows (company's and consolidated) included in the quarterly financial reports and annual financial statements;
- annual financial statements in an international standard – IFRS or US GAAP;
- disclose information about the company's securities traded by the controlling shareholders and the senior managers.

Dispersion

- maintain at least a 25% free float;
- adoption of special procedures in public offerings to enhance the dispersion of the company shares.

- ✓ 36.6% of total listed companies
- ✓ 57.8% of total market capitalization
- ✓ 66.4% of total traded value





Market Opportunities

- ✓ **Number of investors – potential increase in the country and abroad (550 thousand active investors)**
- ✓ **Number of companies – potential increase of the Brazilian and Latin America listed companies (Around 450 Brazilian companies are listed and 7 foreign through BDRs)**
- ✓ **Turnover ratio – low ratio compared with the other exchanges**
- ✓ **Derivatives – new accessing gates will broad the investor basis**
- ✓ **Revisiting the pricing policy**

Exchanges Ranking

Market Cap - US\$ Trillions			Traded Value* - US\$ Trillions		
1	NYSE Group	13.6	1	NYSE Group	23.0
2	Tokyo SE	3.8	2	Nasdaq	7.4
3	Nasdaq	3.7	3	London SE	5.0
4	Euronext	3.3	4	Tokyo SE Group	3,9
5	London SE	3.1	5	Euronext	3.2
6	Hong Kong Exchanges	2.0	6	Shanghai SE	2.0
7	TSX Group	1.9	7	Deutsche Börse	1.9
8	Shanghai SE	1.9	8	BME Spanish Exchanges	1.8
9	Deutsche Börse	1.7	9	TSX Group	1.2
10	BME Spanish Exchanges	1.5	10	Hong Kong Exchanges	1.2
11	BM&FBovespa	1.2	11	Borsa Italiana	1.2
12	Australian SE	1.1	12	Swiss Exchange	1.1
13	Swiss Exchange	1.1	13	OMX Nordic Exchange	1.0
14	Bombay SE	1.1	14	Australian SE	1.0
15	National Stock Exchange India	1.0	15	Shenzhen SE	1.0
16	OMX Nordic Exchange	1.0	16	Korea Exchange	0.9
17	Borsa Italiana	0.8	17	Cyprus SE	0.9
18	Korea Exchange	0.8	18	Taiwan SE Corp.	0,7
19	JSE	0.7	19	BM&FBovespa	0.6
20	Taiwan SE Corp.	0.6	20	National Stock Exchange India	0.6

*From Jan to Aug, 2008

Millions of contracts – from Jan to Jun 2008

Derivates - Traded Volume

1	CME Group	1.551
2	Eurex	1.172
3	Korea Exchange	1.146
4	Liffe	565
5	CBOE	557
6	ISE	506
7	BM&FBovespa	367
8	Philadelphia SE	261
9	National Stock Exchange India	234
10	NYMEX	217



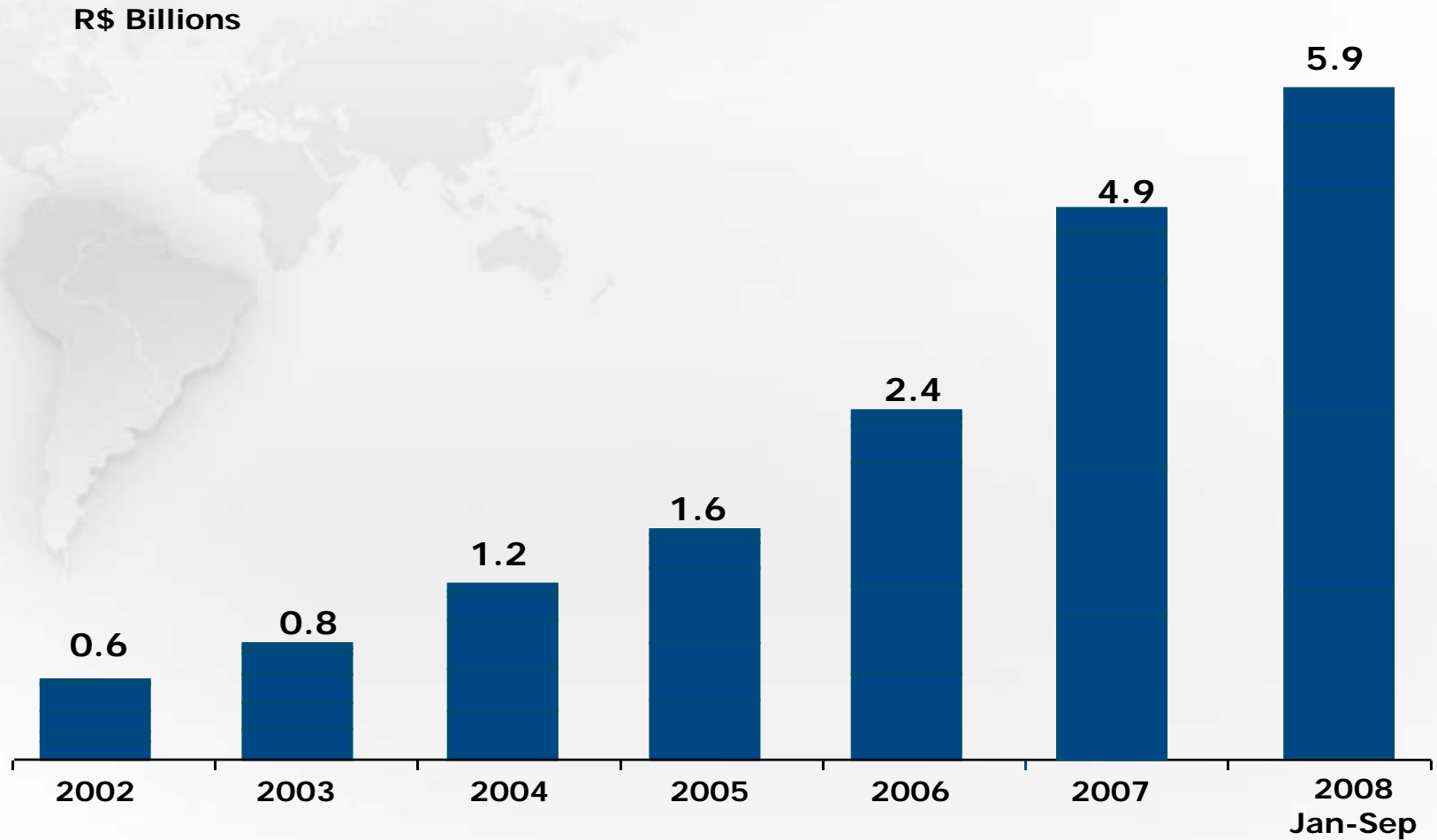
	%
1) NASDAQ	331
2) AMERICAN SE	285
3) SHENZEN	258
4) NYSE GROUP	208
5) CYPRUS	208
6) B. ITALIANA	195
7) KOREA SE	180
8) BME (ESPANHA)	168
9) TAIWAN	154
10) LONDON	153
11) OSLO	150
12) TOKYO	143
13) OSAKA	142
14) EURONEXT	135
15) OMX	132

BM&FBovespa's turnover is 60%

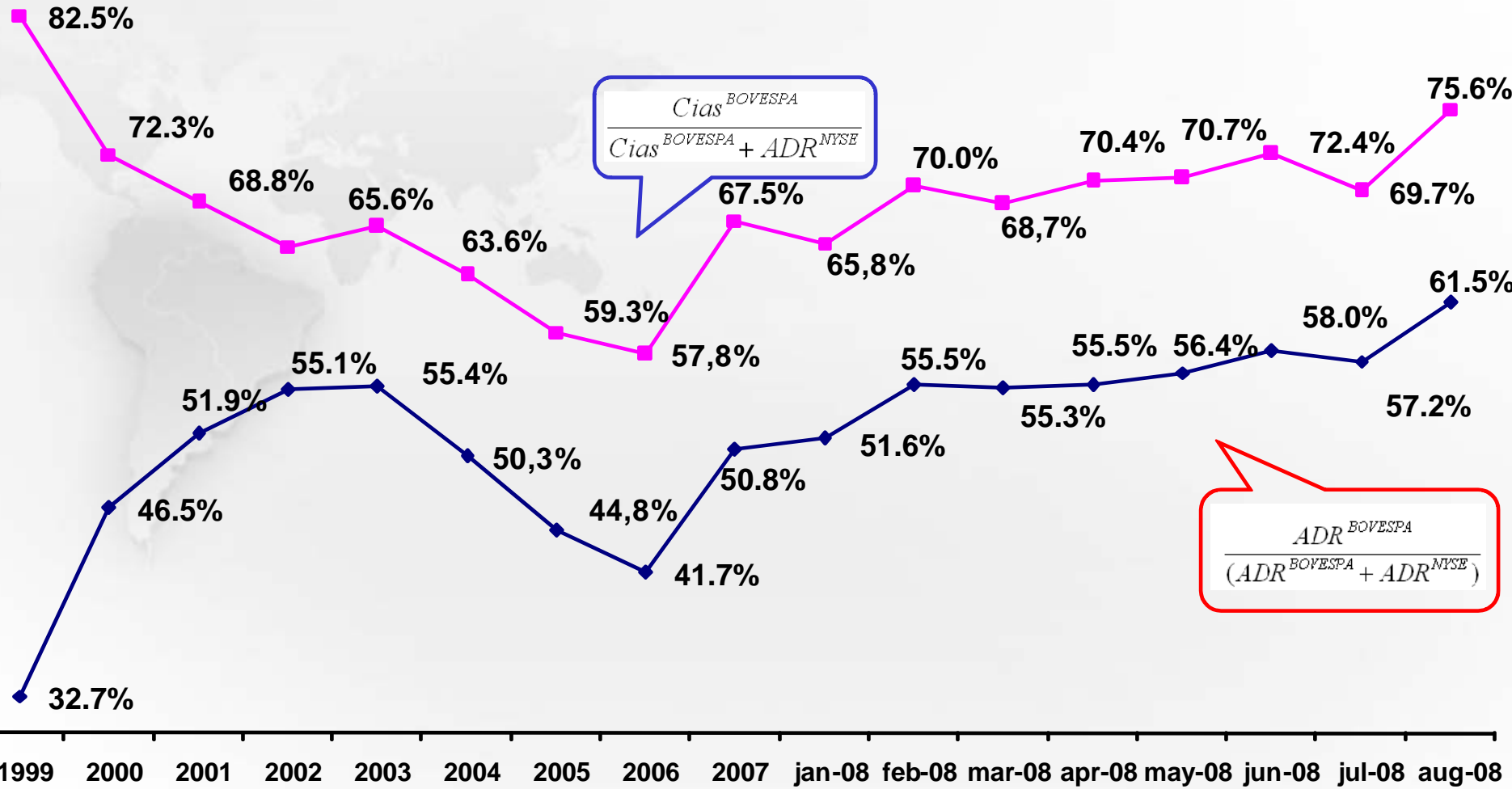
IPOs	ADTV of JULY 08 R\$ millions	Annualized Turnover (Avg. Market Cap)
2004	121.7	62.6%
2005	115.0	98.0%
2006	162.7	104.5%
2007	387.2	67.9%
2008	137.9	129.4%
2004-2008	924.5	80.8%

Total





Bovespa's Market Share



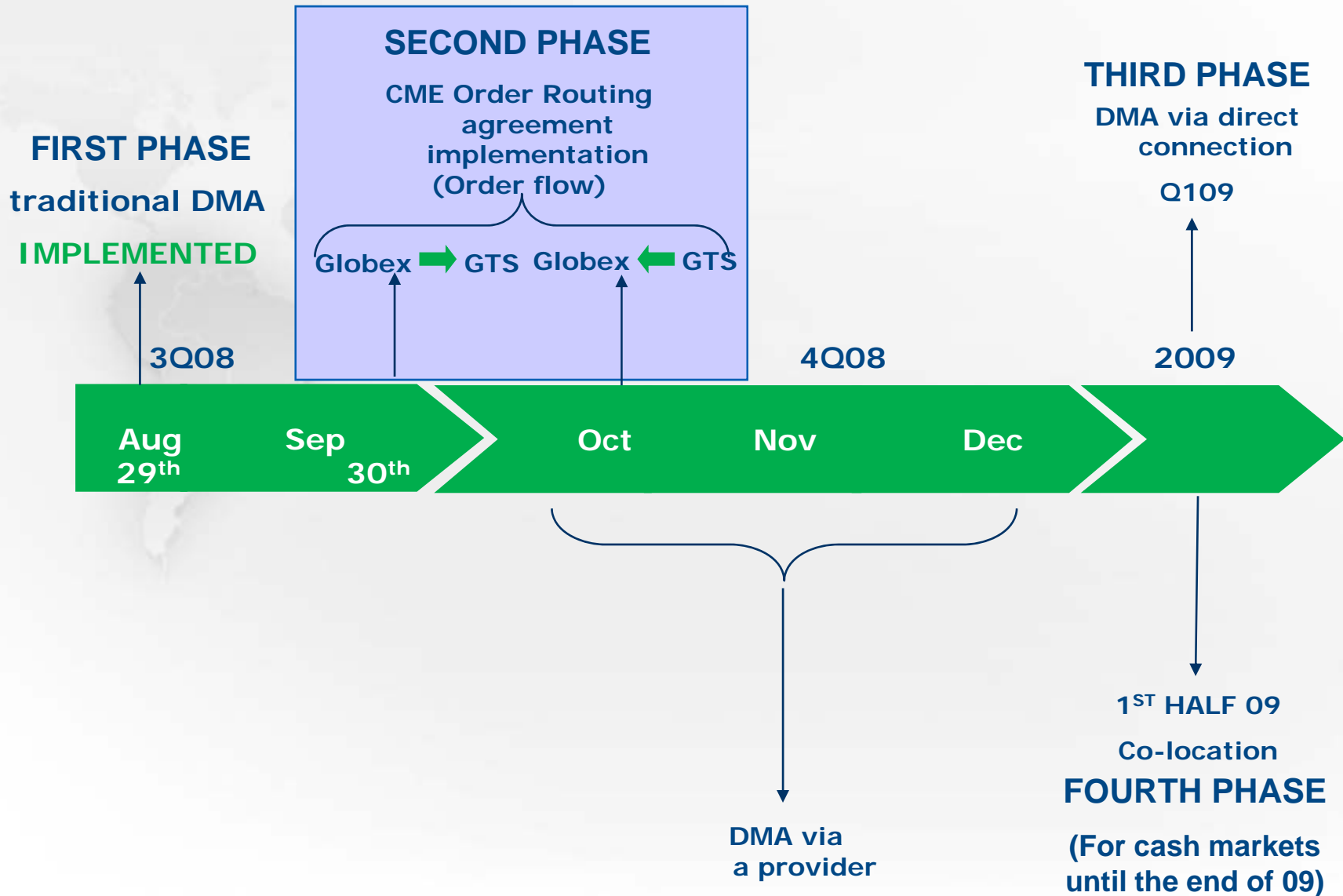
◆ (BVSP vs NYSE) Only Companies with ADRs listed on NYSE
 ◆ (BVSP vs NYSE) All BVSP listed Companies

- ▶ **BM&F's former Discount Policy terminated on Aug 25th**
 - **25% discount for trading and clearing fees applied to investors that held at least 10,000 BMEF3 shares**

- ▶ **New Pricing Policy will be implemented within 60 days**
 - **Based in traded volume**

- ▶ **Potential pricing review in the following services**
 - **Software Licensing**
 - **Indexes Licensing**
 - **Market Data**
 - **Depository**

CME Order Routing Agreement and DMA Timeline



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	-	147,348	476,584
<i>Adjusted Net Margin by Goodwill</i>	39.8%		57.6%



BM&F BOVESPA

The New Exchange



BM&F Bovespa Investor Relations

Site: www.bmfbovespa.com.br

Phone numbers: 55 11 3233 2490/ 2847

E-mail: ri@bmfbovespa.com.br