BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros

The Brazilian Securities, Commodities and Futures Exchange

Quarterly Financial Report

Three-month period ended March 31, 2012

BM&FBOVESPA
A Nova Bolsa

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Dear Shareholders,

We are pleased to present to you this discussion and analysis of the financial condition and results of operations of BM&FBOVESPA S.A. (BM&FBOVESPA or Company or us) for the quarter ended March 31, 2012 (1Q12).

OPERATING PERFORMANCE

The value traded in the first quarter on our markets for equities and equity derivatives (Bovespa segment) reached a record high of R$7.2 billion. Foreign investors significantly boosted the overall trading volume for the segment, driven largely by improved expectations about the performance of the U.S. economy, and some respite in global financial markets spurred by fiscal adjustment measures in Europe designed to tackle the sovereign debt crisis.

Meanwhile, the volume of contracts traded on our financial and commodities derivatives markets (BM&F segment) reached daily average of 2,713.4 thousand. In this case, however, performance was influenced primarily by differing perceptions of Brazil's economic outlook, as indicators confirming a slowdown combined with the government's measures to stimulate the economy mixed market expectations about the direction of the benchmark rate, much in contrast with expectations at the end of 2011.

Set forth below is a discussion and analysis of our operating performance.

Bovespa Segment

The average daily trading value for the segment in the quarter to March 2012 climbed 6.3% year-on-year and 11.43% sequentially to reach unprecedented R$7.2 billion, a historical record. The performance highlights were the quarterly rebound in stock market prices and a surge in volumes traded in options on stocks and exchange-traded funds (ETFs).

In addition, the average daily number of trades soared 48.4% from the year-ago quarter and 17.1% quarter-over-quarter substantially driven by more active high frequency trading (HFT), whose activity correlates with a high number of trades charged at lower average trading fees.

Average Daily Traded Value (ADTV)

(In R$ millions)

Markets	1Q12	1Q11	Var. 1Q12/1Q11	4Q11	Var. 1Q12/4Q11
Cash	6,704.9	6,290.7	*6.6%*	6,016.3	*11.4%*
Forward	104.4	161.6	*-35.4%*	97.4	*7.2%*
Options	345.9	282.6	*22.4%*	307.6	*12.4%*
Total	**7,156.8**	**6,735.4**	***6.3%***	**6,422.0**	***11.4%***

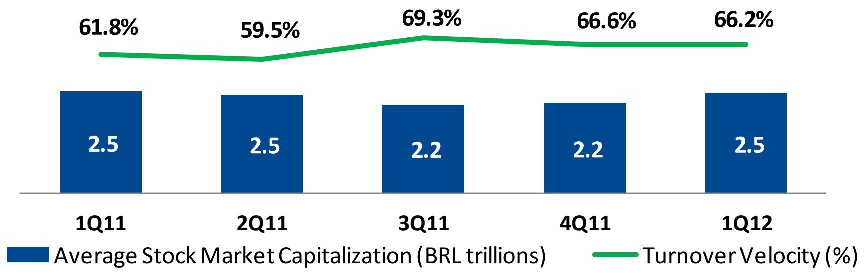
Average Daily Number of Trades

(In thousands of trades)

Markets	1Q12	1Q11	Var. 1Q12/1Q11	4Q11	Var. 1Q12/4Q11
Cash	618,9	409,2	*51,3%*	530,6	*16,6%*
Forward	1,0	1,4	*-30,6%*	0,9	*7,6%*
Options	122,6	89,8	*36,6%*	102,5	*19,6%*
Total	**742,5**	**500,4**	***48,4%***	**634,0**	***17,1%***

This year-on-year climb in average daily traded value (6.3%) is explained primarily by higher *turnover velocity*[1], which rose to 66.2% from 61.8% previously, driven mainly by a spike in high frequency volumes and more active trading by foreign investors, whereas the quarter-over-quarter surge (11.4%) was spurred primarily by the increase in average stock market capitalization[2], which went up 10.8%. In addition, also reflecting the market rebound, the average Bovespa Index (or Ibovespa), the main indicator of the Brazilian stock market average performance, soared 13.9% from the quarter to December 2011.

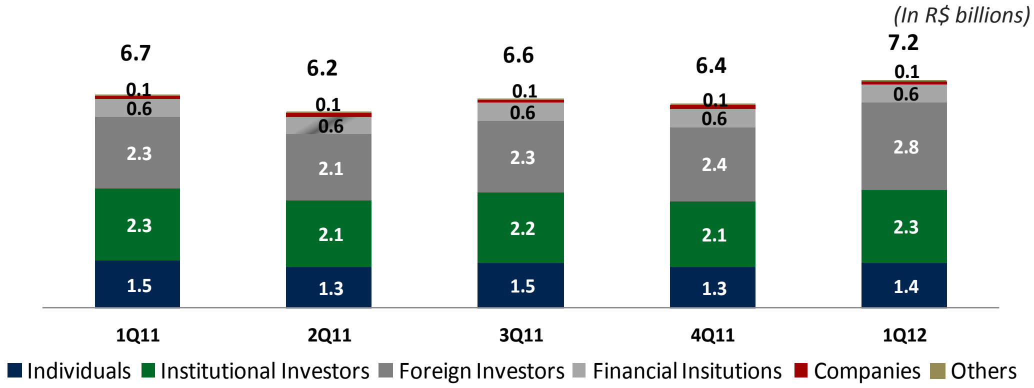
Average stock market capitalization and Turnover velocity



As a percentage of the overall volume traded on equities markets, foreign investors and local institutional investors sustained the top positions to account for the larger shares of 38.7% and 32.0%, respectively.

Allocation of average daily value traded by investor category

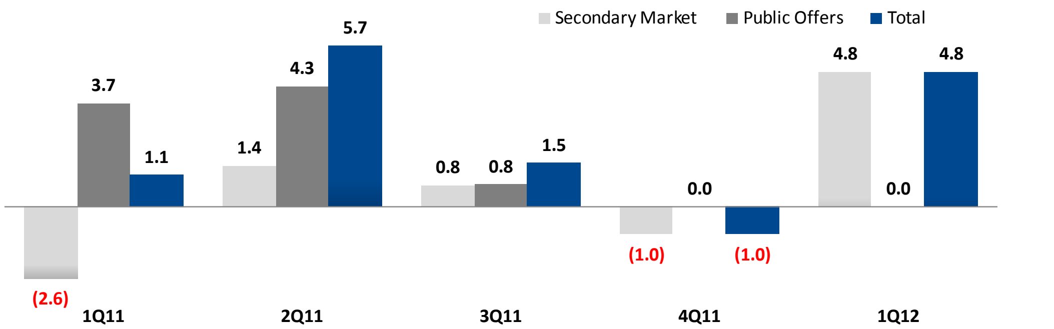
(In R$ billions)



The first quarter net flow of foreign investments into the equities markets totaled R$4.8 billion far exceeding inflows for the quarters to March 2011 and December 2011 due primarily to the higher volumes traded on secondary securities markets. The chart below sets forth comparative data on net flow of foreign investments.

Net flow of foreign investments into the equities markets

(In R$ billions)



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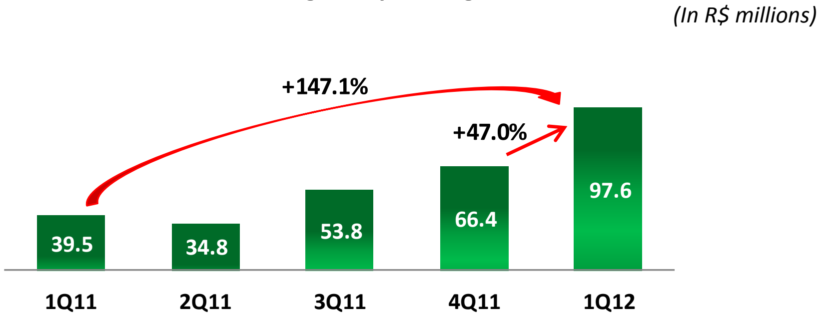
[1] Turnover velocity for the quarter is defined as the ratio of annualized turnover (value) of stocks traded on the cash market over a three-month period to average market capitalization for the same period.

[2] *Stock market capitalization* is a measure of the size of the stock market correlated with total market capitalization of all listed issuers, equal to stock price multiplied by the number of shares outstanding of each listed issuer (Bovespa segment).

Trading in ETFs over the quarter of March 2012 hit average daily value traded of R$97.6 million soaring 147.1% from the year-ago quarter and 47.0% sequentially. There are currently twelve exchange-traded index funds listed on our exchange.

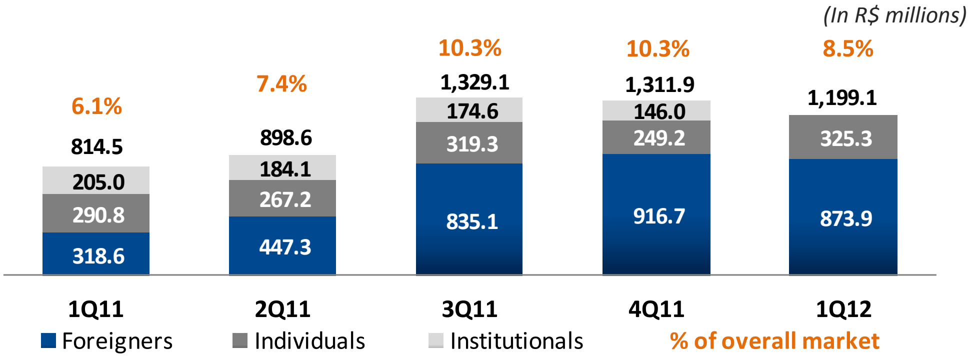
ETFs – Average daily trading value



HFT activity within Bovespa segment

First quarter high frequency dealings hit average daily trading value of R$1.2 billion (buy and sell sides) to account for 8.5%[3] of the overall average for the segment. Moreover, at R$724.2 million, the average daily value traded on the basis of co-location arrangements[4] climbed 0.7% quarter-over-quarter to account for 5.1% of the overall average for the segment.

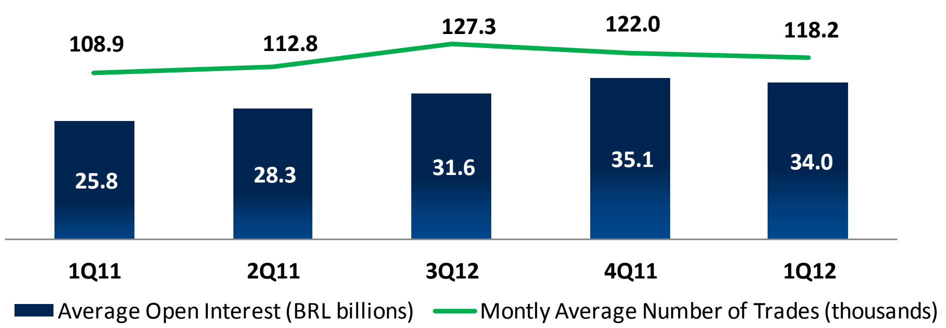
HFT ADTV by category of investor (buy + sell sides)



Securities lending

The average financial value of open positions at the end of the quarter to March totaled R$34.0 billion, a 32.0% surge from the year-ago quarter tough a 3.1% fall sequentially.

Bovespa segment – Securities lending



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[3] In calculating high frequency volume we take into account both the buy and sell sides of the trade.

[4] Co-location arrangements are typically established with high frequency traders around a direct market access model (co-location) we offer. Co-location is regarded as the most efficient way to access a market for providing better throughput and very low latency.

BM&F Segment

The average daily trading volume for the segment climbed 10.5% from the prior quarter due mainly to a 12.9% rise in the volume of Brazilian-interest rate contracts traded, which is explained mainly by mixed market expectations about the direction of the Selic rate, the local benchmark rate, and expansion in credit. This increase is further explained by the volume of trades in FX contracts and U.S. dollar-denominated interest rate futures, which rose 9.7% and 28.1% quarter-over-quarter, respectively.

However, as compared to the year-ago first quarter, the average daily trading volume gave back 5.3% primarily due to an 18.6% plunge in volume traded in Brazilian-interest rate futures contracts, which is attributable to higher volatility in the prior-year quarter spurred by deeper market uncertainties about the direction of the government's monetary policy. In contrast, the volumes traded in mini-sized contracts, index-based and FX futures contracts soared 73.8%, 55.5% and 27.1% year-on-year, respectively, due primarily to increased volatility and a surge in high frequency trading, whose volume grew by 95.3% from the year-ago quarter.

Average daily trading volume (ADTV)

(In thousands of contracts)

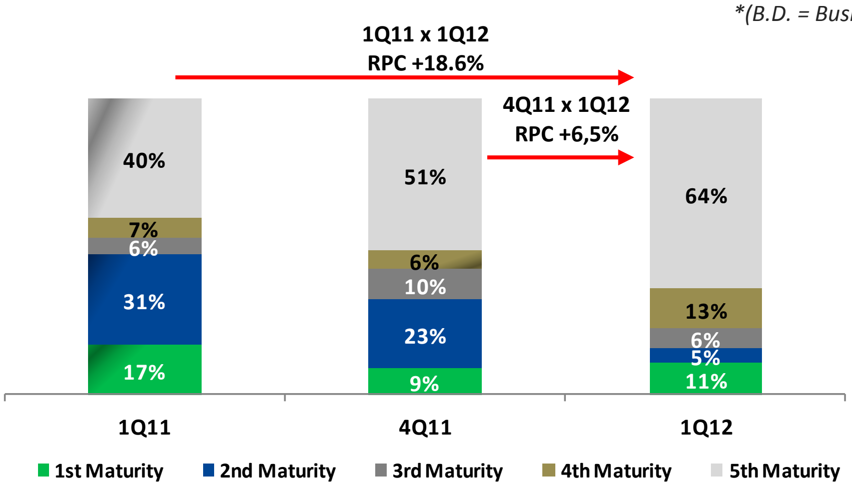
	1Q12	1Q11	Var. 1Q12/1Q11	4Q11	Var. 1Q12/4Q11
BRL interest rate contracts	1,730.4	2,127.0	*-18.6%*	1,532.2	*12.9%*
FX contracts	536.4	422.0	*27.1%*	489.0	*9.7%*
Index-based contracts	136.5	87.7	*55.5%*	159.6	*-14.5%*
USD interest rate contracts	158.0	127.5	*23.9%*	123.3	*28.1%*
Commodities derivatives	11.3	10.3	*9.5%*	10.2	*10.9%*
Mini-sized contracts	133.4	76.7	*73.8%*	131.7	*1.2%*
OTC derivatives	7.4	14.5	*-48.7%*	9.6	*-22.6%*
Total	**2,713.4**	**2,865.8**	***-5.3%***	**2,455.6**	**10.5%**

The quarterly average rate per contract (RPC) for financial and commodities derivatives contracts climbed 12.7% year-on-year primarily due to:

- An 18.6% year-on-year rise in the RPC for Brazilian-interest rate futures contracts due to greater concentration of trades in longer-term contracts (4th and 5th standard maturities), for which we charge higher than average trading fees, as shown in the table below;
- This rise in RPC was partially counterbalanced by a fall in the average rates for other contracts:
  - The RPC for U.S. dollar-denominated interest rate futures contracts declined 19.1% due to more active trading in shorter-term contracts, for which we charge lower than average trading fees;
  - The RPC for FX contracts gave back 2.2% due to a 93.2% rise in high frequency dealings, the trading fees for which enjoy a discount; and
  - The RPC for stock index-based contracts shrank 11.3%, due primarily to a 566.5% surge in volume traded in options on futures, which accounted for 33.1% of the overall volume traded in index-based contracts, compared to 7.7% in the year-ago quarter, as we charge lower trading fees for options on stock index-based futures than we charge for stock index-based futures. In addition, the dive in RPC for stock index-based contracts is further explained by a 6.9% climb in high frequency trades.

Brazilian-interest rate futures contracts – Trading volume allocation by standard maturity date

**(B.D. = Business Days)*



***1st Maturity - 21 B.D. / 2nd Maturity - 42 B.D. / 3rd Maturity - 63 B.D. / 4th Maturity - 84 B.D. / 5th Maturity - 105 B.D.**

Evolution of average rate per contract (RPC) - BM&F Segment

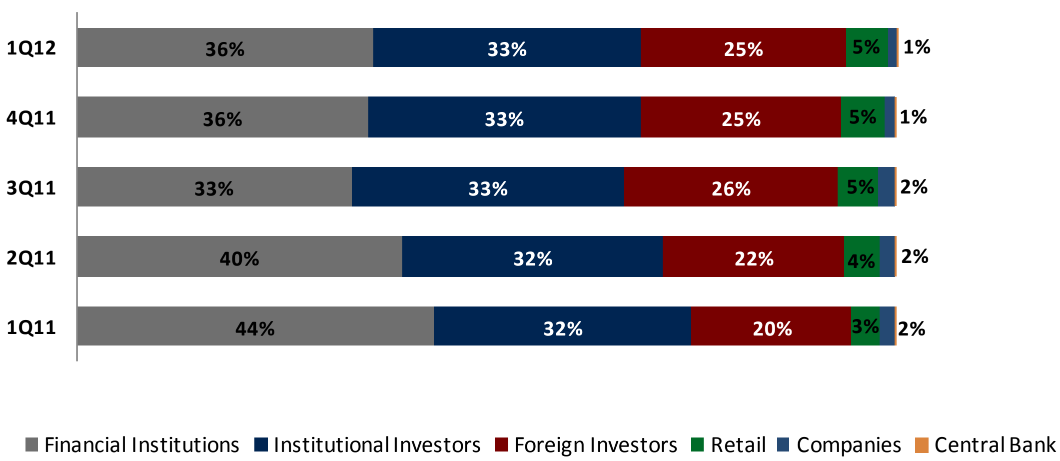
(In Brazilian reais)

	1Q12	1Q11	Var. 1Q12/1Q11	4Q11	Var. 1Q12/4Q11
BRL interest rate contracts	1.000	0.843	*18.6%*	0.939	*6.5%*
FX contracts	1.971	2.016	*-2.2%*	1.979	*-0.4%*
Index-based contracts	1.454	1.639	*-11.3%*	1.626	*-10.6%*
USD interest rate contracts	0.891	1.102	*-19.1%*	0.940	*-5.2%*
Commodities derivatives	1.930	2.013	*-4.1%*	2.420	*-20.2%*
Mini-sized contracts	0.130	0.142	*-8.1%*	0.127	*2.4%*
OTC derivatives	1.939	1.393	*39.2%*	1.911	*1.5%*
Total	**1.172**	**1.040**	***12.7%***	**1.157**	***1.3%***

The comparative quarterly volume financial institutions traded in derivatives contracts dropped 20.0% year-on-year, whereas their share of the overall volume sank to 36.0% from 44.0% in the year-ago first quarter due mainly to lower volumes of dealings in Brazilian-interest

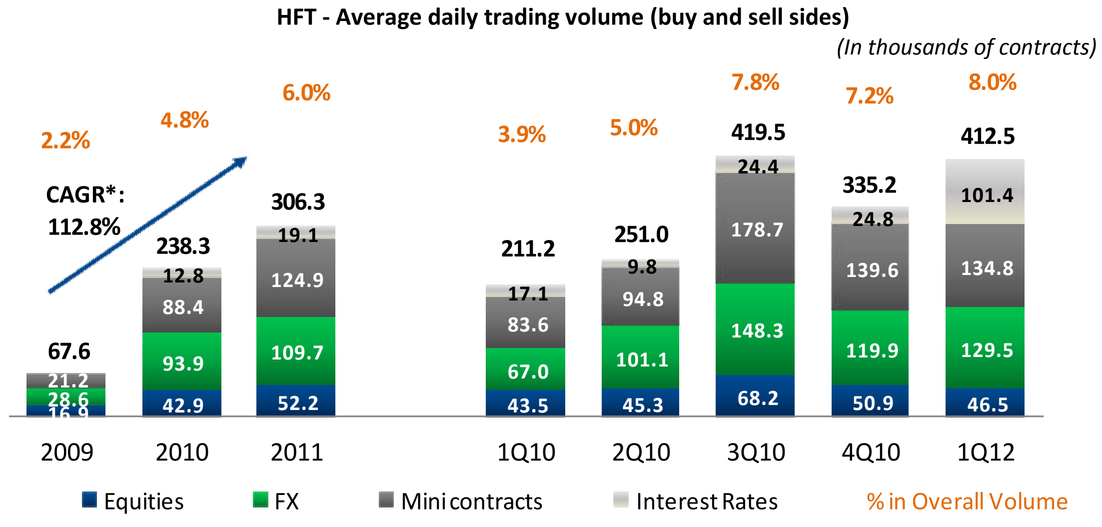
In contrast, the volumes traded by retail and foreign investors shot up by 46.0% and 24.0% from the prior-year three-month period ended March, respectively, with a note highlighting the role of high frequency traders in boosting foreign investor volumes.

BM&F Segment – Allocation of average daily trading volume (ADTV) by investor category



HFT activity within the BM&F segment

The high frequency trading volume for the segment hit 8.0% of the overall quarterly volume with average 412.5 thousand daily contracts traded (buy + sell sides). This volume is explained mainly by a boost in high frequency dealings in Brazilian-interest rate futures contracts and a 93.2% surge in the volume traded in mini-sized contracts between the quarters to March 2011 and 2012.



*CAGR refers to Compound Annual Growth Rate

DISCUSSION AND ANALYSIS OF CONSOLIDATED FINANCIAL PERFORMANCE

Main line items of the Statement of Income

Revenues

Gross operating revenues of R$560.4 million for the quarter to March 2012 rose by 6.6% from the year-ago quarter, reflecting growth in our main business lines.

Revenues of R$263.4 million for our Bovespa segment climbed 4.7% from the year-ago first quarter due mainly to more active trading by foreign investors. The combined revenues from trading fees and clearing and settlement fees amounted to aggregate R$262.2 million, a 6.1% year-on jump in line with 6.3% increase in trading volume. However, this rise was partially offset by a retreating basis points margin for the segment, which went down to 5.91 bps from 6.02 bps in the prior-year quarter to March due primarily to heightened high frequency volumes, which enjoy fee discounts, and more active day-trading activity, for which we charge lower than average fee rates. Other line items under revenues from trading, clearing and settlement activities fell 72.8% comparatively with the quarter to March 2011 primarily because of plummeting revenues from transaction fees charged on the settlement of equity offerings and a plunge in revenues from fines for failed settlements.

Revenues of R$201.6 million from trading, clearing and settlement activities within our BM&F segment rose 8.0% the same quarter one year earlier. The 5.3% drop in derivative was fully counterbalanced by a 12.7% high in the rate per contract, due primarily to (i) a change in the mix of contract groups more actively traded, such as FX contracts and stock index-based futures, for which we charge higher than average fee rates, coupled with (ii) a climb in the average rate for Brazilian-interest rate futures contracts, which correlates to the higher volumes traded in longer-term contracts within this group.

Other operating revenues unrelated to fees charged on trading, clearing and settlement amounted to R$95.3 million rising 9.5% from the prior-year first quarter. Highlights include:

- Securities lending. Revenue of R$21.1 million soared 37.1% from the year-ago first quarter mainly because of the higher volume of securities lending, in line with a 32.0% rise in average financial value of open interest positions.
- CSD services. Revenues of R$23.7 million climbed 7.2% from the prior-year first quarter, which is substantially explained by the value under custody on the *Tesouro Direto* platform[5]. In contrast, the quarterly revenues from depositary and back office services gave back 6.7% from the year-ago quarter due mainly to a 4.9% slump in average number of active custody accounts.
- Market data sales. Revenue of R$15.7 million went down 3.3% from the earlier year first quarter due primarily to a drop in number of active customers for our market data transmission services.

Expenses

Expenses totaled R$166.2 million in the quarter to March 2012, down 11.9% from the same quarter in the earlier year.

Personnel. Personnel expenses of R$78.5 million were down 19.5% year-on-year due mainly to the recognition of higher expenses with the stock options plan in the prior-year first quarter. The 1Q12 expenses with the stock options plan tossed 65.8% from the earlier year because under our 2011 option grants vesting took place straightaway, thereby impacting the expenses under this line item, whereas under the options granted in January 2012 the first vesting date will occur only in January 2013, such that the expenses with the 2012 program will be recognized over the course of the year, rather than in a single quarter.

Adjusted personnel expenses. After eliminating the impact of expenses with stock options in each of the quarters to March 2011 and 2012, the 1Q12 expenses with personnel totaled R$70.1 million and were down 3.9% from the year-ago first quarter. This fall is due primarily to an increase in capitalized personnel expenses related mainly to ongoing technology projects, reflecting the improvements in the methodology for capitalizing certain personnel costs that we announced in our 3Q11 earnings release. The capitalized personnel expenses were R$5.6 million higher than in the year-ago quarter on account of the nature of the projects now ongoing.

Data processing. Data processing expenses for the quarter totaled R$24.7 million, up 5.1% from the prior-year first quarter primarily due to the software maintenance expenses incurred in connection with our multi-asset class trading platform called PUMA Trading System.

Marketing and promotion. This expense line amounted to R$4.9 million, down 63.3% from the earlier year first quarter due primarily to the reprioritization of our marketing campaigns for the year.

Communications. This expense line totaled R$4.6 million, a 27.9% year-on fall attributable mainly to cuts in mailing expenses for delivery of custody account statements and execution confirmation slips to investors, as a result of our efforts to consolidate the information we provide in a single mail and to shore up our Investor Electronic Channel as a source of information for our end customers.

Taxes. This expense line amounted to R$10.9 million and was up 246.1% from the first quarter one year ago as a result of a R$9.8 million tax paid on income from dividends earned on our investment in CME shares, as the amount of dividends paid by the investee in the first quarter climbed over the amount paid one year ago.

Equity-Method Investment. The Company's net share of gain from investment in the CME Group, applying the equity-method, totaled R$37.5 million in 1Q12, of which R$13.4 million is attributed to provision for tax benefits related to taxes paid abroad by the CME Group. Net of this provision, this

[5] *Tesouro Direto* (Treasury Direct) is a program we established in cooperation with the Brazilian Treasury and a platform we operate through our central securities depository for retail investors to trade in government bonds through the Internet

line totaled R$24.2 million, declining 35.6% year-over-year primarily due to the CME Group's results for the year.

Interest income, net. Net interest income for the first quarter hit R$65.5 million, up 3.7% year-on-year influenced mainly by a 6.3% climb interest revenue, which is associated with the higher average cash position in short- and long-term investments. In turn, the quarterly interest expenses climbed to R$21.2 million, as compared to R$18.4 million one year ago, and was negatively influenced by the depreciation of the Brazilian *real* against the U.S. dollar over the same period, as our liability for interest payable under our global senior notes is denominated in U.S. dollars.

Income tax and social contribution. The line item comprising income tax and social contribution plus deferred income tax and social contribution totaled R$159.3 million, where R$19.2 million related to current taxes and R$140.1 million have been deferred.

The table below sets forth a breakdown of current income tax and social contribution.

Current taxes	1Q12
	(in R$ million)
(+) Current income tax and social contribution	19.2
(-) Foreign income tax offset provision	-13.4
(-) Offset taxes	-4.9
Taxes payable (impacting cash flow)	**1.0**

The table sets forth a breakdown of deferred income tax and social contribution.

Deferred taxes	1Q12
	(in R$ million)
(-) Deferred tax liabilities*	-134.8
(-) Tax credit reversal	-5.3
Deferred income tax and social contribution	**-140.1**

* Recognition of deferred tax liabilities of R$134.8 million related to temporary differences from the quarterly amortization of goodwill for tax purposes, with no impact on cash flow

EBITDA[6] and net income. The 1Q12 EBITDA amounted to R$368.3 million, a 19.6% rise from the year-ago first quarter reflecting mainly the changes in revenues and expenses we discussed. The EBITDA Margin was 73.3%, as compared to 65.2% in the earlier year.

Net income for the quarter to March 2012 amounted to R$280.4 million, 3.6% up from the same quarter one year earlier. This rise in net income is attributable to the climb in overall revenues for the quarter coupled with a reduction in expenses.

The table below sets forth our calculation of EBITDA and EBITDA Margin.

EBITDA Reconciliation *(In RS thousands)*	1Q12	1Q11	%
GAAP net income	**280,426**	**270,756**	**3.6%**
Minority interest	(5)	537	-100.9%
Income tax and social contribution	159,298	112,884	41.1%
Interest income, net	(65,544)	(63,193)	3.7%
Depreciation and amortization	21,911	22,294	-1.7%
Equiy account	(37,525)	(37,541)	0.0%
Tax on dividends paid by associate (CME Group)	9,767	2,323	320.5%
EBITDA	**368,328**	**308,060**	**19.6%**
EBITDA Margin	*73.3%*	*65.2%*	*801 bps*

[6] EBITDA is earnings before interest, taxes, depreciation and amortization.

CAPEX

We capitalized investments of R$26.7 million over the quarter, including R$23.7 million related to investments in technology infrastructure and R$2.9 million related to other projects, such as equipment and certain facilities. This value is within the company´s expectations for 2012 (budget between R$230 million and R$260 million).

Main line items of consolidated balance sheet statement as of March 31, 2012

Main lines items under Assets

Total assets

Per the consolidated balance sheet statement as of March 31, 2012, BM&FBOVESPA S.A. had total assets amounting to R$23,397.2 million, a slight 0.8% drop from total assets as of December 31, 2011.

Cash and cash equivalents; financial investments

Cash and cash equivalents plus short- and long-term financial investments totaling R$3,658.5 million accounted for 15.6% of total assets.

Noncurrent assets

Noncurrent assets totaled R$20,590.6 million, comprised of R$1,247.0 million in long-term receivables (including our long-term financial investments) plus R$2,627.5 million in investments, R$344.5 million in property and equipment, and R$16,371.6 million in intangible assets.

Intangible assets comprise primarily goodwill attributable to expected future profitability related to the acquisition Bovespa Holding. Goodwill was tested for impairment in December 2011. The test yielded a valuation report prepared by a specialist firm, which found that goodwill had been appropriately stated, no adjustments to carrying value being required. Additionally, we have not identified at this time (1Q12) any internal or external factors that should change the December 2011 findings; therefore, given the absence of impairment indicators, no adjustment is required to be made to the carrying value of goodwill.

Main lines items under Liabilities and Shareholders' Equity

Current liabilities

Current liabilities amounting to R$1,853.8 million accounted for 7.9% of total liabilities and were down 3.9% from December 31, 2011. This fall is due primarily to a 23.0% drop in the volume of cash collaterals pledged by market participants.

Noncurrent liabilities

Noncurrent liabilities at the quarter-end amounted to R$2,498.5 million, consisting mainly of R$1,106.1 million in loans and R$1,338.5 million recorded under deferred income tax and social contribution.

Shareholders' equity

Shareholders' equity totaled R$19,045.0 million. Shareholders' equity consists substantially of capital stock in the amount of R$2,540.2 million and capital reserves of R$16,024.2 million.

OTHER FINANCIAL INFORMATION

Payouts

On May 10, 2012, our board of directors declared dividends amounting to R$224.3 million, for payment to holders of record on July 31, 2012, based on the ownership structure at the book closure date of May 14, 2012.

Share buyback program

We have not repurchased own shares in the quarter to March 2012. The current buyback program is authorized to buy up to 60 million shares up until June 20, 2012, from which we have repurchased 29.6 million shares at the average price of R$9.21 per share.

Central counterparty risk – Risk management

Transactions carried out on markets we operate are secured with collateral pledged by market participants in the form of cash, government bonds and corporate debt securities, bank letters of guarantee and stocks, among other eligible collaterals. As of March 31, 2011, the aggregate of pledged collaterals totaled R$181.6 billion.

Clearing Houses (*in R$ millions*)	Mar-12	Mar-11	Var. (%)	Dec-11	Var. (%)
Securities and Fixed Income	74,817.4	59,871.0	*25.0%*	69,770.1	*7.2%*
Derivatives	102,079.0	94,348.9	*8.2%*	104,195.5	*-2.0%*
FX	3,627.8	6,957.4	*-47.9%*	3,448.6	*5.2%*
Assets	1,066.2	988.0	*7.9%*	1,142.3	*-6.7%*
Total	**181,590.3**	**162,165.3**	***12.0%***	**178,556.5**	***1.7%***

The balance of collaterals deposited with our clearing facilities went up 1.7% from the quarter to December 31, 2011. The volume of collaterals pledged as security for transactions in financial and commodity derivatives declined slightly, by 2.0%, due primarily to a drop in the volume of open positions at our financial and commodity derivatives clearing facility (BM&F segment) at the quarter-end. Meanwhile, the growth in volume of collaterals posted as security for trades in equities, equity derivatives and corporate debt securities (Bovespa segment) is explained mainly by a surge in the volume of trades carried out on the options market.

Corporate and operational risk exposures are monitored, assessed and managed primarily under the oversight of the Risk Committee, a standing advisory committee to our board of directors, whose primary responsibilities include adopting both a strategic and structural approach in monitoring and assessing exposures to market risks, liquidity and credit risks, and systemic risk within the markets operated by our Company.

Sustainability; Social Investments

The BM&FBOVESPA Institute is our community investing arm. The initiatives implemented by the BM&FBOVESPA Institute include BVSA, the *Bolsa de Valores Socioambientais*, or Environmental and Social Investment Exchange, a worldwide pioneering initiative and collaborative effort between our Company and a number of brokerage firms, whose format has been inspired by the operating model of a stock exchange and whose primary objective is to shore up third sector projects oriented towards advancing the United Nations Millennium Development Goals (MDGs) by promoting universal education, eradicating extreme poverty, promoting health and gender equality and ensuring environmental sustainability, among other goals aimed to establish a stronger, more just society. Since BVSA first launched in 2003, this program has secured over R$12 million in financing for implementation of selected third sector projects. The BVSA program is officially supported by the

United Nations Educational, Scientific and Cultural Organization, or UNESCO, and has been recognized by the United Nations as a case study and a benchmark for other exchanges across the world.

OTHER HIGHLIGHTS / EVENTS AFTER THE REPORTING PERIOD

New product offerings

Set forth below is a discussion of the progress made in connection with our product development projects.

Cross-listings of exchange-traded derivatives; agreements with other exchanges

Arrangements with the CME Group. We are proceeding with the preparative work related to the future listing in our exchange of CME's mini-sized soybean contracts and light sweet crude oil (WTI) futures, which are set to start trading in the second and third quarters of 2012, respectively. In addition, in the second half of the year, futures on Bovespa index (Ibovespa) are set to start trading in Chicago, whereas CME's e-mini S&P-500 futures contracts start trading in Brazil; and

Arrangements with exchanges of the BRICS emerging market bloc. We started negotiating on March 30 the terms and specifications of futures contracts on the benchmark stock indices of each of our exchanges. Announced in October 2011, our alliance includes BM&FBOVESPA, Russia's MICEX (Moscow Interbank Currency Exchange), the National Stock Exchange of India (NSE), BSE India (formerly, the Bombay Stock Exchange), the Hong Kong Exchange (HKEx) initially representing China, and the Johannesburg Stock Exchange (JSE) of South Africa. At a second stage, we plan to develop a common stock index.

Options market makers

Completing the first phase of our market making program, on February 13 the market markets for options on preferred shares of Bradesco and Gerdau and common shares of Banco do Brasil started operating. Moreover, we subsequently selected the market makers for a second batch of options on single stocks, which started operating on April 9. The latter batch includes options on common stocks of Sid Nacional, PDG Realty and Cyrela.

New ETFs authorized to trade

On January 31 two new ETFS started trading, bringing to 12 the total number of exchange-traded funds listed on our exchange. They are the "IT Now IDIV Index Fund" and the "IT Now IMAT Index Fund," which track BM&FBOVESPA's Dividend Index (IDIV) and Basic Materials Index (IMAT), respectively. We now plan to develop the first fixed-income ETF of the local capital markets.

Technology developments

Set forth below you will find an update on our primary technology initiatives:

Puma Trading System™. We have now completed the first phase of development of the equities module of our multi-asset class electronic trading platform, a joint collaboration with the CME Group. The testing phase has now begun. According to the existing work schedule, the module for the trading of stocks is set to launch before the end of 2012.

Integrated clearing facility. We have an ongoing project to combine our four clearing houses into a single, fully-integrated, central clearing facility which will operate on the basis of a technologically innovative, high performing, multi-asset, multi-market clearing system and real-time risk management capabilities. The project has been progressing according to plan. The testing and certification stages are scheduled to take place in 2013.

New Data Centers. The construction of our new primary data center is set to begin this year and should complete in 2013.

New OTC trading platform. Our ongoing project contemplates the development and implementation of a new, streamlined, state-of-art OTC platform for fixed-income and other derivatives, which will give us a new operating model for registration and treatment of OTC transactions, risk calculation and collateral management. The new OTC platform is set to implement late in 2012.

INDEPENDENT AUDITORS

Our Company and subsidiaries have retained PricewaterhouseCoopers to audit the financial statements.

The policy that governs the engagement of external audit services by us and our subsidiaries is based on internationally accepted accounting principles, which preserve service independence and include the following practices: (i) the auditors cannot hold executive or managerial positions in the Company or its subsidiaries; (ii) the auditors cannot perform operating activities in the Company or its subsidiaries which could compromise the auditing function; and (iii) the auditors must be impartial in order to avoid conflicts of interest and loss of independence, and must be objective in their opinions and reports about the financial statements.

In the three-month period ended March 31, 2012, neither the independent auditors, nor their related parties have provided to us expert services unrelated to the audit at level in excess of 5% of the total fees charged for the external audit services.

(A free translation of the original in Portuguese)

BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros

Quarterly Information (ITR) at March 31, 2012 and Report on Review of Quarterly Information

BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros

Report on Review of Quarterly Information

To the Board of Directors and Shareholders
BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros, included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2012, comprising the balance sheet at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statement of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2012. These statements is the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. This statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

São Paulo, May 10, 2012

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Luiz Antonio Fossa
Contador CRC 1SP196161/O-8

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

Balance Sheet
at March 31, 2012 and December 31, 2011

(In thousands of reais) (A free translation of the original in Portuguese)

		BM&FBOVESPA		Consolidated	
Assets	**Notes**	**03/31/2012**	**12/31/2011**	**03/31/2012**	**12/31/2011**
Current		2.837.456	3.348.607	2.806.678	2.401.134
Cash and cash equivalents	4 (a)	33.838	63.716	34.329	64.648
Financial investments	4 (b)	2.567.874	3.080.853	2.533.290	2.128.705
Accounts receivable	5	50.596	45.061	52.228	46.514
Other receivables	6	11.528	11.491	12.937	11.767
Taxes recoverable and prepaid		158.741	130.093	158.952	132.058
Prepaid expenses		14.879	17.393	14.942	17.442
Non-current		20.273.753	20.035.052	20.590.555	21.188.788
Long-term receivables		856.405	542.883	1.246.963	1.767.411
Financial investments	4 (b)	702.990	367.600	1.090.838	1.589.058
Deferred income tax and social contribution	19	63.243	80.550	63.243	80.550
Judicial deposits	14 (g)	90.172	94.178	90.682	95.048
Other receivables	6	-	555	2.200	2.755
Investments		2.705.748	2.785.455	2.627.490	2.710.086
Interest in associates	7 (a)	2.591.168	2.673.386	2.591.168	2.673.386
Interest in subsidiaries	7 (a)	114.580	112.069	-	-
Investment property	7 (b)	-	-	36.322	36.700
Property and equipment	8	339.984	352.590	344.486	357.164
Intangible assets	9	16.371.616	16.354.124	16.371.616	16.354.127
Goodwill		16.064.309	16.064.309	16.064.309	16.064.309
Software and projects		307.307	289.815	307.307	289.818
Total assets		23.111.209	23.383.659	23.397.233	23.589.922

The accompanying notes are an integral part of these Financial Statements.

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

Balance Sheet

at March 31, 2012 and December 31, 2011

(In thousands of reais) (continued)

		BM&FBOVESPA		Consolidated	
Liabilities and equity	**Notes**	**03/31/2012**	**12/31/2011**	**03/31/2012**	**12/31/2011**
Current		1.588.974	1.745.088	1.853.849	1.929.946
Collateral for transactions	17	1.155.831	1.501.022	1.155.831	1.501.022
Earnings and rights on securities in custody	10	40.083	39.038	40.083	39.038
Suppliers		10.868	56.038	11.000	56.409
Salaries and social charges		50.369	59.310	50.950	59.995
Provision for taxes and contributions payable	11	24.535	31.008	25.348	31.814
Income tax and social contribution		18.229	-	19.224	4.486
Interest payable on debt issued abroad and loans	12	14.759	33.566	14.759	33.566
Dividends and interest on own capital payable		231.428	4.177	231.428	4.177
Other liabilities	13	42.872	20.929	305.226	199.439
Non-current		2.493.795	2.397.571	2.498.458	2.402.485
Debt issued abroad and loans	12	1.106.085	1.138.659	1.106.085	1.138.659
Deferred income tax and social contribution	19	1.338.546	1.204.582	1.338.546	1.204.582
Provision for contingencies and legal obligations	14	49.164	54.330	53.827	59.244
Equity	15	19.028.440	19.241.000	19.044.926	19.257.491
Capital and reserves attributable to shareholders of BM&FBOVESPA					
Capital		2.540.239	2.540.239	2.540.239	2.540.239
Capital reserve		16.024.237	16.033.895	16.024.237	16.033.895
Revaluation reserves		22.386	22.532	22.386	22.532
Revenue reserves		577.298	804.025	577.298	804.025
Treasury shares		(492.274)	(521.553)	(492.274)	(521.553)
Carrying value adjustments - other comprehensive income		76.128	128.257	76.128	128.257
Additional dividend proposed		-	233.605	-	233.605
Retained Earnings		280.426	-	280.426	-
		19.028.440	19.241.000	19.028.440	19.241.000
Non-controlling interest		-	-	16.486	16.491
Total liabilities and equity		23.111.209	23.383.659	23.397.233	23.589.922

The accompanying notes are an integral part of these Financial Statements.

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

Statement of Income

Periods ended March 31, 2012 and 2011

(In thousands of reais, unless otherwise stated)

	Notes	BM&FBOVESPA 1st quarter 2012	BM&FBOVESPA 1st quarter 2011	CONSOLIDATED 1st quarter 2012	CONSOLIDATED 1st quarter 2011
Revenue	20	**495.253**	**463.630**	**502.821**	**472.157**
Operating expenses		**(161.569)**	**(180.523)**	**(166.171)**	**(188.714)**
Administrative and general					
Personnel and related charges		(75.608)	(94.746)	(78.477)	(97.453)
Data processing		(23.856)	(22.855)	(24.695)	(23.491)
Depreciation and amortization		(21.471)	(21.847)	(21.911)	(22.294)
Outsourced services		(7.500)	(8.880)	(8.061)	(9.358)
Maintenance in general		(2.532)	(2.500)	(2.716)	(2.655)
Communications		(4.558)	(6.294)	(4.589)	(6.367)
Promotion and publicity		(4.772)	(13.216)	(4.921)	(13.391)
Taxes		(10.846)	(3.060)	(10.939)	(3.161)
Board and committee members’ compensation		(1.647)	(1.376)	(1.647)	(1.376)
Sundry	21	(8.779)	(5.749)	(8.215)	(9.168)
Equity in results of investees	7	**40.181**	**36.696**	**37.525**	**37.541**
Finance results	22	**64.864**	**62.120**	**65.544**	**63.193**
Finance income		85.683	80.116	86.719	81.565
Finance expenses		(20.819)	(17.996)	(21.175)	(18.372)
Income before taxation of profit		**438.729**	**381.923**	**439.719**	**384.177**
Income tax and social contribution	19 (c)	**(158.303)**	**(111.167)**	**(159.298)**	**(112.884)**
Current		(18.205)	-	(19.200)	(1.717)
Deferred		(140.098)	(111.167)	(140.098)	(111.167)
Net Income		**280.426**	**270.756**	**280.421**	**271.293**
Attributable to:					
Shareholders of BM&FBOVESPA		280.426	270.756	280.426	270.756
Non-controlling interest		-	-	(5)	537
Net income per share attributable to shareholders (in R$ per share)	15 (h)				
Basic				0,145261	0,137873
Diluted				0,144891	0,137242

The accompanying notes are an integral part of these Financial Statements.

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

Statement of Comprehensive Income

Periods ended March 31, 2012 and 2011

(In thousands of reais)

	BM&FBOVESPA		CONSOLIDATED	
	1st quarter 2012	1st quarter 2011	1st quarter 2012	1st quarter 2011
Profit for the year	**280.426**	**270.756**	**280.421**	**271.293**
Valuation adjustments	**(52.129)**	**(35.731)**	**(52.129)**	**(35.731)**
Exchange variation on investment in foreign associate	(75.642)	(50.620)	(75.642)	(50.620)
Hedge of net investment in foreign operation	32.864	22.950	32.864	22.950
Tax effects on hedge of net investment in a foreign operation	(11.174)	(7.803)	(11.174)	(7.803)
Exchange variation on investment in foreign associate	1.804	(258)	1.804	(258)
Mark to market of financial assets available for sale	19	-	19	-
Total comprehensive income for the quarter	**228.297**	**235.025**	**228.292**	**235.562**
Attributable to:	**228.297**	**235.025**	**228.292**	**235.562**
Shareholders of BM&FBOVESPA	228.297	235.025	228.297	235.025
Non-controlling interest	-	-	(5)	537

The accompanying notes are an integral part of these Financial Statements.

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

Statement of Changes in Shareholders' Equity

Period ended March 31, 2012

(In thousands of reais)

		Attributable to the shareholders of BM&FBOVESPA			Revenue reserves								
	Note	Capital	Capital reserve	Revaluation reserve (Note 15(c))	Legal	Statutory (Note 15(e))	Treasury shares (Note 15(b))	Valuation Adjustments	Aditional dividends proposed	Retained earnings	Total	Non-controlling interests	Total equity
At December 31, 2011		2.540.239	16.033.895	22.532	3.453	800.572	(521.553)	128.257	233.605	-	19.241.000	16.491	19.257.491
Exchange variation on investment in foreign associate		-	-	-	-	-	-	(75.642)	-	-	(75.642)	-	(75.642)
Hedge of net investment in foreign operation		-	-	-	-	-	-	21.690	-	-	21.690	-	21.690
Comprehensive income in foreign affiliate		-	-	-	-	-	-	1.804	-	-	1.804	-	1.804
Mark to market of financial assets available for sale		-	-	-	-	-	-	19	-	-	19	-	19
Total Comprehensive income		**-**	**-**	**-**	**-**	**-**	**-**	**(52.129)**	**-**	**-**	**(52.129)**	**-**	**(52.129)**
Realization of revaluation reserve - subsidiaries		-	-	(146)	-	-	-	-	-	-	(146)	-	(146)
Disposal of treasury shares - exercised options	18	-	(18.046)	-	-	-	29.279	-	-	-	11.233	-	11.233
Recognition of stock option plan	18	-	8.388	-	-	-	-	-	-	-	8.388	-	8.388
Approval/payment of dividends of 2011	15(g)	-	-	-	-	(226.727)	-	-	(233.605)	-	(460.332)	-	(460.332)
Net income for the period		-	-	-	-	-	-	-	-	280.426	280.426	(5)	280.421
At March 31,2012		2.540.239	16.024.237	22.386	3.453	573.845	(492.274)	76.128	-	280.426	19.028.440	16.486	19.044.926

The accompanying notes are an integral part of these Financial Statements.

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

Statement of Changes in Shareholders' Equity

Period ended March 31, 2012

(In thousands of reais)

	Attributable to the shareholders of BM&FBOVESPA											
				Revenue reserves								
	Capital	Capital reserve	Revaluation reserve (Note 15(c))	Legal	Statutory (Note 15(e))	Treasury shares (Note 15(b))	Valuation Adjustments	Aditional dividends proposed	Retained earnings	Total	Non-controlling interests	Total equity
At December 31, 2010	2.540.239	16.662.480	22.971	3.453	844.205	(613.903)	(88.680)	32.000	-	19.402.765	16.283	19.419.048
Exchange variation on foreign investment	-	-	-	-	-	-	(50.620)	-	-	(50.620)	-	(50.620)
Hedge of investment, net of taxes	-	-	-	-	-	-	15.147	-	-	15.147	-	15.147
Other Comprehensive income of foreign associate	-	-	-	-	-	-	(258)	-	-	(258)	-	(258)
Total Comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**(35.731)**	**-**	**-**	**(35.731)**	**-**	**(35.731)**
Repurchase of shares	-	-	-	-	-	(227.960)	-	-	-	(227.960)	-	(227.960)
Disposal of treasury shares - exercised options	-	(9.429)	-	-	-	15.033	-	-	-	5.604	-	5.604
Recognition of stock option plan	-	24.544	-	-	-	-	-	-	-	24.544	-	24.544
Approval/payment of dividends of 2010	-	-	-	-	(406.086)	-	-	374.086	-	(32.000)	-	(32.000)
Profit for the períod	-	-	-	-	-	-	-	-	270.756	270.756	537	271.293
Appropriation of profit:												
Interest on own capital	-	-	-	-	-	-	-	-	(50.000)	(50.000)	-	(50.000)
At March 31, 2011	2.540.239	16.677.595	22.971	3.453	438.119	(826.830)	(124.411)	406.086	220.756	19.357.978	16.820	19.374.798

The accompanying notes are an integral part of these Financial Statements.

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

Statement of Cash Flows

Periods ended March 31, 2012 and 2011

(In thousands of reais)

	BM&FBOVESPA		Consolidated	
	1st quarter 2012	1st quarter 2011	1st quarter 2012	1st quarter 2011
Cash flows from operating activities				
Net income for the year	280.426	270.756	280.421	271.293
Adjustments for:				
Depreciation and amortization	21.471	21.847	21.911	22.294
Profit on sale of property and equipment	(21)	-	(21)	-
Deferred income tax and social contribution	140.098	111.167	140.098	111.167
Equity in results of associates	(40.181)	(36.696)	(37.525)	(37.541)
Expenses related to the stock option plan	8.388	24.544	8.388	24.544
Interest expense	16.814	16.976	16.814	16.976
Changes in net assets and liabilities				
Financial investments and collateral for transactions	(167.602)	(30.805)	(251.556)	(22.764)
Taxes recoverable and prepaid	(15.284)	(10.095)	(13.529)	(10.306)
Accounts receivable	(5.535)	(15.894)	(5.714)	(15.927)
Other receivables	518	(582)	(761)	(111)
Prepaid expenses	2.514	(532)	2.500	(557)
Judicial deposits	4.006	(4.867)	4.366	(4.871)
Earnings and rights on securities in custody	1.045	316	1.045	316
Suppliers	(45.170)	(64.301)	(45.409)	(64.462)
Provision for taxes and contributions payable	(6.473)	(1.202)	(6.466)	(1.191)
Provisions for income tax and social contribution	18.229	(2.586)	14.738	(3.657)
Varition in salaries and social charges	(8.941)	(14.986)	(9.045)	(15.501)
Other liabilities	21.943	28.536	105.787	18.654
Provision for contingencies	(5.166)	1.406	(5.417)	4.840
Net cash provided by operating activities	**221.079**	**293.002**	**220.625**	**293.196**
Cash flows from investing activities				
Proceeds from sale of property and equipment	337	2.110	354	2.113
Payment for purchase of property and equipment	(2.919)	(8.143)	(2.923)	(8.150)
Dividends received	32.558	7.724	32.558	7.724
Capital increase in subsidiaries	-	(1.433)	-	-
Pay of softwares and projects	(23.754)	(23.254)	(23.754)	(23.254)
Net cash (used in) provided by investing activities	**6.222**	**(22.996)**	**6.235**	**(21.567)**
Cash flows from financing activities				
Disposal of treasury shares - stock options exercised	11.233	5.604	11.233	5.604
Repurchase of shares	-	(227.960)	-	(227.960)
Changes in borrowings	-	(3.146)	-	(3.146)
Interest payed	(35.331)	(33.096)	(35.331)	(33.096)
Payment of dividends/ interest on own capital	(233.081)	(81.628)	(233.081)	(81.628)
Net cash provide by (used in) financing activities	**(257.179)**	**(340.226)**	**(257.179)**	**(340.226)**
Net increase (decrease) in cash and cash equivalents	**(29.878)**	**(70.220)**	**(30.319)**	**(68.597)**
Cash and cash equivalents at the beginning of the period	63.716	103.148	64.648	104.017
Cash and cash equivalents at the end of the period	33.838	32.928	34.329	35.420

The accompanying notes are an integral part of these Financial Statements.

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

Statement of Value Added - Supplementary Information

Periods ended March 31, 2012 and 2011

(In thousands of reais)

	BM&FBOVESPA		Consolidated	
	1st quarter 2012	1st quarter 2011	1st quarter 2012	1st quarter 2011
1 - Revenues	**552.349**	**516.475**	**560.420**	**525.477**
Trading and/or settlement system	465.078	438.378	465.078	438.378
Other operating revenues	87.271	78.097	95.342	87.099
2 – Goods and services acquired from third parties	**51.997**	**59.494**	**53.197**	**64.430**
Expenses (a)	51.997	59.494	53.197	64.430
3 – Gross value added (1-2)	**500.352**	**456.981**	**507.223**	**461.047**
4 - Retentions	**21.471**	**21.847**	**21.911**	**22.294**
Depreciation and amortization	21.471	21.847	21.911	22.294
5 – Net value added produced (3-4)	**478.881**	**435.134**	**485.312**	**438.753**
6 – Value added transferred from others	**125.864**	**116.812**	**124.244**	**119.106**
Equity in results of investees	40.181	36.696	37.525	37.541
Finance income	85.683	80.116	86.719	81.565
7 – Total value added to be distributed (5+6)	**604.745**	**551.946**	**609.556**	**557.859**
8 - Distribution of value added	**604.745**	**551.946**	**609.556**	**557.859**
Personnel and payroll charges	75.608	94.746	78.477	97.453
Board and committee members' compensation	1.647	1.376	1.647	1.376
Income tax,rates and contributions (b)				
Federal	219.349	160.829	220.796	162.993
Municipal	6.896	6.243	7.040	6.372
Finance costs	20.819	17.996	21.175	18.372
Interest on own capital and dividends	-	50.000	-	50.000
Profit retained	280.426	220.756	280.421	221.293

(a) Operating expenses (excludes personnel, board compensation, depreciation and taxes and fees)
(b) Including: taxes and rates, PIS, COFINS, ISS and income tax and social contribution (current and deferred).

The accompanying notes are an integral part of this Financial Statements.

1 Operations

BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros (BM&FBOVESPA) is a publicly-traded corporation whose objective is to carry out or invest in companies engaged in, the following activities:

- Management of organized securities markets, promoting for the organization, operation and development of free and open markets for the trading of any types of securities or contracts, that have as reference or objective financial assets, indices, indicators, rates, goods, currencies, energy, transportation, commodities and other assets or rights directly or indirectly related to thereto, for spot or future settlement;

- Maintenance of appropriate environments or systems for carrying out purchases, sales, auctions and special operations involving securities, notes, rights and assets, in the stock exchange market and in the organized over-the-counter market;

- Rendering services of registration, clearing and settlement, both physical and financial, internally or through a company especially incorporated for this purpose, assuming or not the position of central counterparty and guarantor of the definite settlement, under the terms of applicable legislation and its own regulations;

- Rendering services of central depository and custody of fungible and non-fungible goods, marketable securities and any other physical and financial assets;

- Providing services of standardization, classification, analysis, quotations, statistics, professional education, preparation of studies, publications, information, libraries and software on matters of interest to BM&FBOVESPA and the participants in the markets directly or indirectly managed by it;

- Providing technical, administrative and managerial support for market development, as well as carrying out educational, promotional and publishing activities related to its objective and to the markets managed by it;

- Performance of other similar or related activities authorized by the Brazilian Securities Commission (CVM); and

- Investment in the capital of other companies or associations, headquartered in Brazil or abroad, as a partner, shareholder or member pursuant to the pertinent regulations.

BM&FBOVESPA organizes, develops and provides for the operation of free and open securities markets, for spot and future settlement. Its activities are carried out through its trading systems and clearinghouses and include transactions with securities, interbank foreign exchange and securities under custody in the Special System for Settlement and Custody (Selic).

BM&FBOVESPA develops technology solutions and maintains high performance systems, providing its customers with security, agility, innovation and cost effectiveness. The success of its activities depends on the ongoing improvement, enhancement and integration of its trading and settlement platforms and its ability to develop and license leading-edge technologies required for the good performance of its operations.

The subsidiary Bolsa Brasileira de Mercadorias is engaged in the registration and settlement of spot, forward and options transactions involving commodities, assets and services for physical delivery, as well as securities representing these products, in the primary and secondary markets.

With the objective of responding to the needs of customers and the specific requirements of the market, its wholly-owned subsidiary Banco BM&F de Serviços de Liquidação e Custódia S.A. provides its members and its clearinghouses with a centralized custody service for the assets pledged as margin for transactions.

The subsidiaries BM&FBOVESPA UK Ltd. located in London and BM&F USA Inc., located in the city of New York (USA), and a representative office in Shanghai (China) represent BM&FBOVESPA abroad through relationships with other exchanges and regulators, as well as assisting in the procurement of new clients for the market.

2 Preparation and Presentation of the quarterly financial information

This quarterly financial information were approved by the Board of Directors of BM&FBOVESPA on May 10, 2012.

The quarterly financial information (ITR) was prepared and is presented in accordance with accounting practices adopted in Brazil, in compliance with the provisions contained in the Brazilian Corporate Law, and embodies the changes introduced through Law 11,638/07 and 11,941/09, complemented by new pronouncements, interpretations and guidelines of the Accounting Pronouncements Committee (CPC), approved by resolutions of the Federal Accounting Council (CFC) and rules of Brazilian Securities Commission (CVM). Additionally the quarterly information contemplates the disclosure requirements established by CPC 21 – Interim Financial Reporting, as well as other information deemed relevant.

The preparation of quarterly financial information requires the use of critical accounting estimates and also the exercise of judgment by management in the process of applying the accounting policies of BM&FBOVESPA. Those areas that require higher degrees of judgment and have greater complexity, as well as areas where assumptions and estimates are significant to the consolidated quarterly financial information are disclosed in Note 3 (x).

(a) Consolidated quarterly financial information

The consolidated quarterly financial information are prepared and presented in accordance with accounting practices adopted in Brazil, including the pronouncements, interpretations and guidelines of the Accounting Pronouncements Committee (CPCs) and in accordance with International Financial Reporting Standards – IFRS, issued by the International Accounting Standards Board - IASB

The consolidated quarterly financial information include the balances of BM&FBOVESPA and its subsidiaries, as well as special purpose entities comprising investment funds, as follows:

	Ownership %
Subsidiaries and controlled entities	
Banco BM&F de Liquidação e Custódia S.A. ("Banco BM&F")	100.00
Bolsa Brasileira de Mercadorias	50.12
Bolsa de Valores do Rio de Janeiro – BVRJ ("BVRJ")	86.95
BM&F USA Inc.	100.00
BM&F UK Ltd.	100.00

Investment funds:

Bradesco Fundo de Investimento Multimercado Letters
BB Pau Brasil Fundo de Investimento Renda Fixa
HSBC Fundo de Investimento Renda Fixa Longo Prazo Eucalipto
Araucária Renda Fixa Fundo de Investimento

(b) Unconsolidated quarterly financial information

The unconsolidated quarterly financial information of the BM&FBOVESPA are prepared in accordance with accounting practices adopted in Brazil, as issued by the Accounting Pronouncements Committee (CPC) and are published together with the consolidated quarterly financial information.

In the unconsolidated quarterly financial information (BM&FBOVESPA), subsidiaries using recorded on the equity method. The same adjustments are made both in the individual and consolidated quarterly financial information to achieve the same result and net assets attributable to controlling shareholders.

3 Significant Accounting Practices

a. Consolidation

The following accounting policies are applied in preparing the consolidated quarterly financial information.

Subsidiaries

Subsidiaries are all entities over which BM&FBOVESPA has the power to govern the financial and operating policies, generally accompanied by a participation of more than half of the voting rights (voting capital). The existence and effect of potential voting rights currently exercisable or convertible are considered when assessing whether BM&FBOVESPA controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to BM&FBOVESPA. Consolidation is discontinued from the date on which control ends.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred. The accounting policies of subsidiaries are altered where necessary to ensure consistency with the practices adopted by BM&FBOVESPA.

Associates

Associates are all entities over which BM&FBOVESPA has significant influence but not control. Investments in associates are recorded on the equity method and are initially recognized at the cost of each purchase. BM&FBOVESPA's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment.

The share of BM&FBOVESPA in the post-acquisition profits or losses of associates is recognized in the statement of income and its share in post-acquisition changes in other comprehensive income recognized in other comprehensive income. The cumulative post-acquisition changes are adjusted against the carrying value of the investment. When the share of BM&FBOVESPA in the losses of an associate equals or exceeds its investment in the associate, including any other receivables, BM&FBOVESPA does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains arising from transactions between BM&FBOVESPA and its associates are eliminated to the extent of the participation of BM&FBOVESPA in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred. The accounting policies of associates have been altered where necessary to ensure consistency with the practices adopted by BM&FBOVESPA.

b. Revenue recognition

Revenues from the trading and settlement systems are recognized upon the completion of the transactions or the provision of the service, under the accrual method of accounting. The amounts received as annual fees, as in the cases of listing of securities and certain contracts for sale of market information, are recognized pro rata monthly over the contractual term.

c. Cash and cash equivalents

The balances of cash and cash equivalents for cash flow statement purposes comprise cash and bank deposits.

d. Financial instruments

(i) Classification and measurement

BM&FBOVESPA classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of the financial assets when they are first recorded.

Considering the nature and objective of BM&FBOVESPA and its financial investment portfolio, these are classified as financial assets at fair value through profit or loss, designated at inception.

Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss are financial assets held for active and frequent trading (derivative financial instruments classified as current assets) or assets designated by the entity, at inception as measured at fair value through profit or loss at inception (other financial instruments (Note 4)). Gains or losses arising from the changes in fair value of financial instruments are recorded in the statement of income in "financial results" for the period in which they occur.

Loans and receivables

These comprise loans granted and receivables which are non-derivative financial assets with fixed or determinable payments, not quoted in an active market. Loans and receivables are included in current assets, except for those with maturity of more than 12 months after the balance sheet date (which are classified as non-current assets). The loans and receivables of BM&FBOVESPA

comprise customer receivables. Loans and receivables are recorded at amortized cost, based on the effective interest rate method, reduced by any impairment losses.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives which are classified in this category or not classified in any other. Available-for-sale financial assets are recorded at fair value. Interest on available-for-sale securities, calculated based on the effective interest rate method, is recognized in the statement of income as finance income. The amount relating to the changes in fair value is recorded in comprehensive income and is transferred to the statement of income when the asset is sold or becomes impaired.

Management periodically monitors its outstanding positions and possible risks of impairment of financial assets. Therefore, based on the nature of these assets (mostly highly liquid government securities), BM&FBOVESPA has no significant impairment history.

The carrying amount of financial assets is reduced directly for impairment. Subsequent recoveries of amounts previously written off are recognized in results.

Fair value

Fair values of investments with public quotations are based on current market prices. For financial assets without an active market or public quotation, BM&FBOVESPA determines fair value through valuation techniques.

(ii) Derivative instruments

Initially, derivatives are recognized at fair value on the date the derivative agreement is signed and, subsequently, they are measured at fair value, with the changes in fair value recognized in the statement of income, except when the derivative is recorded as a net investment hedge.

(iii) Hedge of net investments

Any gain or loss on the hedging instrument related to the effective portion of the hedge is recognized in other comprehensive income. The gain or loss related to the ineffective portion is recognized immediately in the statement of income.

Gains and losses accumulated in other comprehensive income are transferred to the income statement when the hedged foreign operation is partially disposed of or sold.

(iv) Hedge effectiveness analysis

BM&FBOVESPA adopts the Dollar offset method as the methodology for retrospective effectiveness test on a cumulative and spot basis. For prospective analysis, BM&FBOVESPA uses stress scenarios applied to the range of 80% to 125%.

e. Accounts receivable, other receivables and allowance for doubtful accounts

Accounts receivable are amounts receivable for fees and services in the normal course of activities of BM&FBOVESPA. If the collection is expected in one year or less (or another period that meets the normal cycle of BM&FBOVESPA), the accounts receivable are classified as current assets. Otherwise, they are presented as noncurrent assets.

Receivables are initially recognized at fair value and adjusted by a provision if necessary.

f. Prepaid expenses

Prepaid expenses mainly relate to software maintenance contracts and insurance premiums, and are amortized over the life of the contracts.

g. Non-current available for sale assets

Non-current assets are classified as available for sale when their carrying amount is recoverable, mainly through a sale, and when this sale is practically certain. These assets are measured at the lower of the carrying amount and the fair value less costs to sell.

h. Intangible assets

Goodwill

Goodwill represents the positive difference between the amount paid and / or payable for the acquisition of a business and the net fair value of assets and liabilities of the acquiree. Goodwill on acquisitions is recorded in "intangible assets". If the difference is negative, representing a negative goodwill, it is recognized as a gain in income at the date of acquisition. Goodwill is tested annually for impairment, and indications of possible impairment are reassessed in shorter periods. Goodwill is stated cost less accumulated impairment losses. Recognized impairment losses on goodwill are not subsequently reversed.

Goodwill is allocated to Cash Generating Units (CGUs) for purposes of impairment testing. The allocation is made to the CGUs that should benefit from the business combination in which the goodwill arose, and are identified according to the operating segment.

Software and projects

Software licenses acquired are capitalized and amortized over their estimated useful life, at the rates mentioned in Note 9.

Costs of software development or maintenance are expensed as incurred. Expenditures directly associated with the development of identifiable and unique software, controlled by BM&FBOVESPA and which will probably generate economic benefits greater than the costs for more than one year, are recognized as intangible assets.

Amortization expense is recognized in the statement of income unless it is included in the carrying amount of another asset. In such cases, amortization of intangible assets used for development activities is included as part of the cost of the other intangible asset.

Expenditures for development of software recognized as assets are amortized using the straight-line method over their useful lives, at the rates described in Note 9.

i. Step acquisition of associate

The cost of an associate acquired in steps is measured as the total of the amounts paid in each transaction.

The gains or losses previously recognized in comprehensive income, while the investment was classified as available for sale, are reversed against the investment account, which is restated to cost.

Goodwill is calculated at each step of acquisition as the difference between the acquisition cost and the fair value of net assets in proportion to the interest acquired.

The total book value of the investment is tested for impairment, by comparing the carrying value with its recoverable amount (proceeds from sale, net of selling cost or value in use, whichever is greater) when the requirements of the CPC 38/IAS 39 indicate a potential impairment.

j. Property and equipment

Recorded at cost of acquisition or construction, less accumulated depreciation. Depreciation is calculated on the straight-line method and takes into consideration the estimated useful lives of the assets, and their residual value. At the end of each year, the residual values and useful lives of assets are reviewed and adjusted if necessary.

Subsequent costs are included in the carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits will be obtained and the cost of the item can be measured reliably. All other repairs and maintenance are recorded in the statement of income, as incurred.

Depreciation expense is recognized in the statement of income unless it is included in the carrying amount of another asset. Depreciation of fixed assets used for development activities is included as part of the cost of the related intangible asset.

k. Contingent assets and liabilities and legal obligations

The recognition, measurement, and disclosure of contingent assets and liabilities and legal obligations comply with the criteria defined in CPC 25/IAS 37.

- **Contingent assets -** These are not recognized in the quarterly financial information, except when management has full control over their realization or when there are secured guarantees or favorable court decisions to which no further appeals are applicable, such that the gain is virtually certain**.** Contingent assets with realization considered probable, where applicable, are only disclosed in the quarterly financial information.

- **Contingent liabilities -** These are recognized taking into account: the opinion of legal advisors; the nature of the lawsuits; similarity with previous cases and prior court decisions recognized whenever the loss is evaluated as probable, an outflow of resources for the settlement of the obligations, and the amounts involved are measurable with sufficient reliability. The contingent liabilities classified as possible losses are not recorded and are only disclosed in the notes to the quarterly financial information, and those classified as remote are neither recognized nor disclosed.

- **Legal obligations** – These result from tax lawsuits in which BM&FBOVESPA is challenging the validity or constitutionality of certain taxes and charges, recognized at full amount under discussion.

- **Other provisions -** Provisions are recognized when BM&FBOVESPA has a present obligation, legal or constructive, as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

l. Judicial deposits

Judicial deposits are related to tax, civil or labor contingencies and are adjusted by inflation rate and presented in non-current assets.

m. *Collateral for transactions*

Comprises amounts received from market participants as collateral for default or insolvency. Amounts received in cash are recorded as liabilities and other collateral are managed off-balance. Both types of collateral received are not subject to interest or any other charges.

n. *Other assets and liabilities*

These are stated at their known and realizable/settlement amounts plus, where applicable, related earnings and charges and monetary and/or exchange rate variations up to the balance sheet date.

o. *Impairment of assets*

Assets that have an indefinite life, such as goodwill, are not subject to amortization and are tested annually for impairment, and evidences of impairment are reviewed in shorter periods. The assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized at the amount by which the asset's carrying amount exceeds its recoverable amount, and indications of possible impairment are reassessed in shorter periods. This latter amount is the higher of the fair value of an asset less selling costs and the value in use.

For purposes of evaluation of impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash Generating Units (CGU). The non-financial assets, except goodwill, which have suffered impairment are reviewed subsequently to analyze a possible reversal of the impairment at the balance sheet date.

p. *Leases*

Leases of property and equipment in which BM&FBOVESPA substantially assumes all ownership risks and benefits are classified as finance leases. These finance leases are recorded as a financed purchase, recognizing at the beginning of the lease a property and equipment item and a financing liability (lease). Property and equipment acquired in finance leases are depreciated over the shorter of the lease or their useful lives.

A lease in which a significant portion of the ownership risks and benefits remains with the lessor is classified as an operating lease. Operating lease payments (net of all incentives received from the lessor) are charged directly to profit or loss.

q. *Employee benefits*

(i) Pension obligations

BM&FBOVESPA maintains a defined contribution plan of retirement plan, with voluntary participation open to all employees. The participant's monthly contribution is 3.60% of salary. The sponsor's monthly contribution is also 3.60%, calculated on the total wages of the participants and allocated to participants through apportionment. The company has no obligations to make additional payments as a sponsor. The regular contributions are included in personnel costs. In the event of termination of employment prior to the date of retirement, the participant may keep the plan within the rules established by the regulation or request cancellation of the registration, and in this case, may choose for: (i) the transfer 100% of the reserve constituted by the participant´s contributions and according to the time of participation in the plan, up to 100% of the balance of the reserves constituted by the contributions of the sponsor, or (ii) the redemption of 100% of the reserve constituted of the participant's contributions, without any portion of the reserve balance constituted by the contributions of the sponsor. In any of the above options there is no additional cost to the BM&FBOVESPA.

(ii) Share-based remuneration (stock options)

BM&FBOVESPA maintains a long-term remuneration plan, structured by options granted to purchase the Company´s shares under the Stock Option Plan. The objective is to give to the employees of BM&FBOVESPA and its subsidiaries the opportunity to become shareholders of BM&FBOVESPA, obtaining a greater alignment between their interests and the shareholders' interests as well as allow BM&FBOVESPA and its subsidiaries to attract and keep their management and employees. The fair value of options granted is recognized as an expense during the vesting period (the period during which the specific vesting conditions must be met), which typically is the period in which the service is provided. At the balance sheet date, BM&FBOVESPA reviews its estimates of the number of options that will vest based on the established conditions. BM&FBOVESPA recognizes the impact of any changes to the original estimates, if any, in the income statement, with a counter-entry to a capital reserve in shareholders' equity.

(iii) Profit sharing

BM&FBOVESPA has semi-annual variable remuneration, organized and paid in cash through the Profit Sharing Program (PLR). The program defines the potential multiple of monthly salary, based on individual performance indicators, which consider factors specific to each function (job level), and indicators of the overall performance of BM&FBOVESPA, aiming to align the remuneration of employees with the short and medium-term results of the Company. The provision for the related expense is recognized in income on an accrual basis.

r. Borrowings

Borrowings are initially recognized at fair value, upon receipt of the funds, net of transaction costs. Subsequently, they are presented at amortized cost. Any difference between the funds raised (net of transaction costs) and the amount repayable is recognized in the income statement over the period of the loans, using the effective interest rate method.

s. Foreign currency translation

The items included in quarterly financial information for each of the consolidated companies of BM&FBOVESPA are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The quarterly financial information are presented in Brazilian reais, which is the functional currency of BM&FBOVESPA.

Transactions in foreign currencies are translated into Brazilian Reais using the exchange rates prevailing on the transaction dates. The foreign exchange gains and losses arising from the settlement of these transactions and of the translation, at the exchange rates at the end of period, of assets and liabilities in foreign currencies, are recognized in the income statement, except when deferred in equity relating to a hedge of a net foreign investment.

Exchange differences on the net investments in foreign operations, which have a functional currency different from that of BM&FBOVESPA are recorded under "Valuation Adjustments" in other comprehensive income of BM&FBOVESPA, and are only taken to the statement of income when the investment is sold or written off. For equity method, unrealized gains in subsidiaries and affiliates are eliminated.

t. Taxes

BM&FBOVESPA is a for-profit business corporation and accordingly its results are subject to certain taxes and contributions.

(i) Current and deferred income tax and social contribution

Current and deferred income tax and social contribution are calculated at 15% with an additional 10% on taxable income (surtax) which exceeds R$240 for income tax and 9% for social contribution and recognizes that compensation for tax losses is limited to 30% of net income.

Income tax and social contribution expense of the period comprise current and deferred taxes. Taxes on profit are recognized in the income statement, except to the extent that they relate to items recognized directly in equity or other comprehensive income. In this case, the tax is also recognized in equity or other comprehensive income.

Income tax and social contribution deferred taxes are calculated on tax losses for income tax, the negative basis of social contribution and the r temporary differences between the bases of calculation of tax assets and liabilities and the carrying amounts in the quarterly financial information.

Deferred tax assets are recognized to the extent that it is probable sufficient future taxable profit will be available to offset temporary differences and/or tax losses, considering projections of future income prepared based on internal assumptions and future economic scenarios which may, accordingly, not materialize as expected.

Deferred tax liabilities are recognized in relation to all temporary differences that will result in amounts to be added in the calculation of taxable income for future years, when the value of the asset or liability is recovered or settled.

The deferred income tax and social contribution are determined using tax rates (and tax laws) enacted, or substantively enacted, at the balance sheet date, and should be applied when the deferred tax asset is realized or when the deferred tax liability is settled.

(ii) Other Taxes

The other taxes charged over trading, clearing and settlement fees and other services were calculated at the rates of 1.65% for PIS and 7.60% for Cofins, and are recorded as an adjustment to revenue in the income statement.

Banco BM&F de Serviços de Liquidação e Custódia S.A. calculates the contributions to PIS and to COFINS at the rates of 0.65% and 4%, respectively, and CSLL at 15%.

The subsidiaries Bolsa Brasileira de Mercadorias and BVRJ are not-for-profit entities and pay contribution to PIS at the rate of 1% on payroll.

BM&FBOVESPA and its subsidiaries pay ISS over the services rendered at rates ranging from 2% to 5% depending on the nature of the service.

u. Earnings per share

For purposes of disclosure of earnings per share, basic earnings per share is calculated by dividing the profit attributable to shareholders of BM&FBOVESPA by the average number of outstanding during the period. Diluted earnings per share is calculated similarly, except that the quantity of outstanding shares is adjusted to reflect the outstanding shares with potentially dilutive effects, under the stock option plan (Note 15(h)).

v. *Distribution of dividends and interest on capital*

The distribution of dividends and interest on capital to shareholders of BM&FBOVESPA is recognized as a liability in the financial statements at year end, based on the bylaws. Any amount above the minimum is accrued only on the date it is approved by the shareholders at a General Meeting. The tax benefit over the interest on own capital is recorded in the income statement.

w. *Segment information presentation*

Operating segments are presented in a manner consistent with the internal reports provided to the Executive Board, which is responsible for the main operational and strategic decisions of BM&FBOVESPA.

x. *Critical accounting estimates and judgments*

i. *Equity method of accounting*

BM&FBOVESPA applies the equity method for its investments when it has the ability to exercise significant influence. The judgment of BM&FBOVESPA regarding the level of influence over the investment takes into account key factors such as the percentage of interest, representation on the Board of Directors, participation in defining policies and business strategies and material transactions between the companies. With respect to the investment in CME Group, its financial statements are originally prepared in accordance with the accounting principles generally accepted in the United States and are adjusted to the Brazilian accounting practices before applying the equity method.

ii. *Impairment*

BM&FBOVESPA performs, annually or when required, tests of impairment, specifically related to goodwill and other non-financial/non-current assets, according to the accounting policy described in Note 3(o). See Notes 7 and 9 for sensitivity analysis.

iii. *Classification of financial instruments*

BM&FBOVESPA classifies in financial assets in the categories of (i) measured at fair value through profit or loss and (ii) available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition. The basis for the original classification of financial instruments is described in Note 3(d).

(All amounts in thousands of reais, unless otherwise stated)

iv. Stock option plan

BM&FBOVESPA offers a stock option plan to its management and employees and service providers. The fair value of these options is recognized as an expense over the period in which the right is acquired. Management reviews the estimated amount of options that will achieve the conditions for vesting and subsequently recognizes the impact of changes in initial estimates, if any, in the statement of income, and in equity, as shown in Note 3(q).

4 Cash and Cash Equivalents and Financial Investments

a. Cash and cash equivalents

	BM&FBOVESPA	
Details	**3/31/2012**	**12/31/2011**
Banks - deposits in domestic currency	43	113
Banks - deposits in foreign currency	33,795	63,603
Total	**33,838**	**63,716**

	Consolidated	
Details	**3/31/2012**	**12/31/2011**
Banks - deposits in domestic currency	199	363
Banks - deposits in foreign currency	34,130	64,285
Total	**34,329**	**64,648**

Cash and cash equivalents are held with top tier financial institutions in Brazil or abroad. Deposits in foreign currency are primarily in U.S. dollars.

(All amounts in thousands of reais, unless otherwise stated)

b. Financial Investments

The breakdown of financial investments by category, nature and time to maturity is as follows:

	BM&FBOVESPA					
Details	**Without maturity**	**Up to 3 months**	**More than 3 and up to 12 months**	**More than 12 months and up to 5 years**	**3/31/2012**	**12/31/2011**
Financial investment funds (1)	2,462,141	-	-	-	2,462,141	3,025,217
Securities purchased under resell agreements (2)	-	-	2,483	-	2,483	2,423
Federal Government Securities						
Financial Treasury Bills	-	-	88,543	620,335	708,878	408,508
National Treasury Bills	-	-	-	82,609	82,609	-
National Treasury Notes	-	-	43	46	89	-
Other investments	9,619	4,396	649	-	14,664	12,305
Total financial investments	**2,471,760**	**4,396**	**91,718**	**702,990**	**3,270,864**	**3,448,453**
Short term					**2,567,874**	**3,080,853**
Long term					**702,990**	**367,600**

(All amounts in thousands of reais, unless otherwise stated)

						CONSOLIDATED	
Details	**Without maturity**	**Up to 3 months**	**More than 3 and up to 12 months**	**More than 12 months and up to 5 years**	**More than 5 years**	**3/31/2012**	**12/31/2011**
Financial investment funds (3)	209,717	-	-	-	-	209,717	207,890
Securities purchased under resell agreements (2)	-	2,096,980	26,801	-	-	2,123,781	1,810,960
Federal Government Securities							
Financial Treasury Bills	-	8,097	149,802	948,417	26,304	1,132,620	1,538,559
National Treasury Bills	-	-	1,406	82,609	-	84,015	85,812
National Treasury Notes	-	-	43	46	-	89	-
Other investments	9,627	5,493	649	-	-	15,769	13,798
	219,344	2,110,570	178,701	1,031,072	26,304	3,565,991	3,657,019
Federal Government Securities							
Financial Treasury Bills	-	-	24,381	32,633	-	57,014	58,370
National Treasury Bills	-	70	224	829	-	1,123	2,374
	-	70	24,605	33,462	-	58,137	60,744
Total financial investments	**219,344**	**2,110,640**	**203,306**	**1,064,534**	**26,304**	**3,624,128**	**3,717,763**
Short term						**2,533,290**	**2,128,705**
Long term						**1,090,838**	**1,589,058**

(1) Investments in funds that invest in units of other financial investment funds (fund of funds), the portfolios of which mainly comprise investments in federal government bonds, securities purchased under agreements to resell and have the CDI as their profitability benchmark. The balances presented in the tabl also include the investment funds which are proportionately consolidated in the consolidated quarterly financial information according to the nature of the portfolio and in the proportion of the net assets.

The net assets of the investment funds included in the consolidation are: (i) Bradesco FI Multimercado Letters - R$1,750,423 (R$2,245,045at December 31, 2011); (ii) BB Pau Brasil FI Renda Fixa – R$ 180,605 (R$176,081 at December 31,2011); (iii) HSBC FI Renda Fixa Longo Prazo Eucalipto –R$ 102,795 (R$100,284 at December 31, 2011); (iv) Araucária Renda Fixa FI – R$ 218,593 (R$215,312 at December 31, 2011); (v) Megainvest FICFI Renda Fixa – R$258,625 at December 31, 2011.

(2) Issued by first-tier banks and backed by Brazilian government bonds.

(3) The non-exclusive investment fund (not consolidated is Bradesco Empresas FICFI Referenciado DI Federal, in the amount of R$ 209,717 (R$207,890 at December 31, 2011).

The government bonds are held in custody at the Special System for Settlement and Custody (SELIC), the units of investment funds are held in custody with their respective managers and the shares are in the custody of BM&FBOVESPA's Equity and Corporate Debt Clearinghouse.

There was no reclassification of financial instruments between categories during the year.

Fair value

BM&FBOVESPA applies CPC40/IFRS7 for financial instruments measured at fair value, which requires disclosure of fair value measurements by level for the following hierarchy:

• Quoted prices (unadjusted) in active markets for similar assets or liabilities (level 1);

• Derived from quoted prices included in Level 1, either directly (as prices) or indirectly (Level 2);

• Valuations that are not based on market data (unobservable) (level 3).

The fair value of the main financial instruments is calculated as follows:

Investment funds – based on the value of the unit determined on the last business day prior to the balance sheet date, as disclosed by the corresponding fund Manager.

Federal government securities – based on the amounts and prices disclosed by the Brazilian Association of Financial and Capital Market Institutions (ANBIMA) or, when these are unavailable, on the price defined by management which best reflects the sales value, determined based on information obtained from other institutions.

Securities purchased under agreements to resell – are recorded daily in accordance with the market price of the security.

Financial assets at fair value through profit and loss and derivative financial instruments are classified as level 1, ie, have quoted prices (unadjusted) in active markets.

During the three months period there was no impairment recorded on the financial assets available for sale.

(All amounts in thousands of reais, unless otherwise stated)

Derivative financial instruments

Derivative financial instruments comprise future interest rate contracts (DI1) and are stated at their market values. These contracts are included in the fund portfolios which were consolidated (Note 2(a)) and are used to cover fixed interest rate exposures, swapping fixed interest rate for floating (CDI). Even though these derivatives are designed to provide protection, management has opted not to apply hedge accounting in respect to them.

The net result between the derivative transactions and the related financial instrument refers to the short position in future interest rate contracts, with market value of R$750 (R$394 at December 31,2011), and are presented as part of the finance result – Finance income/(expenses). The amounts related to the positive/negative daily adjustments are presented in Other receivables/liabilities, respectively.

The DI1 contracts have the same maturity dates as the fixed interest rate contracts to which they relate.

Financial risk management policy

BM&FBOVESPA´s policy for cash investments favors alternatives with very low risk, highly liquid and with sovereign risk, whose overall performance is tied to the Selic rate / CDI, resulting in a significant proportion of federal government securities in its portfolio, purchased directly, via repurchase agreements backed by government bonds and also through exclusive and non-exclusive funds.

Sensitivity analysis

The table below presents the net exposure of all financial instruments (assets and liabilities) by market risk factors, classified in accordance with its rates:

Exposure to Risk Factors (Consolidated)

Risk factor	Risk	03/31/2012 Percentual	12/31/2011 Percentual
Floating Interest Rate	Lower CDI	97.09%	99.29%
Fixed interest rate	Higher fixed rate	2.33%	0.07%
Foreign exchange	Lower dollar	0.32%	0.38%
Gold price	Lower gold price	0.26%	0.26%
		100.00%	100.00%

(All amounts in thousands of reais, unless otherwise stated)

Interest rate risk

This risk arises from the possibility that fluctuations in future interest rates for the corresponding maturities could affect the fair value of BM&FBOVESPA's transactions.

- Floating-rate position

As a financial investment policy and considering the need for immediate liquidity with the least possible impact from interest rate fluctuations, BM&FBOVESPA maintains its financial assets and liabilities indexed to floating interest rates.

We present in the table below the possible impacts in the profit or loss of a change of 25% and 50% from the probable scenario for the CDI rate, for the next three months.

		Effect on profit or loss				
	Risk factor	**Scenario -50%**	**Scenario -25%**	**Probable Scenario**	**Scenario 25%**	**Scenario 50%**
Financial Investments	CDI/Selic	38,256	56,930	75,317	93,427	111,268
Index rates	CDI/Selic	4.41%	6.62%	8.83%	11.03%	13.24%

- Fixed-rate position

Part of BM&FBOVESPA´s financial investments earn fixed interest rates and this results in a net exposure to such rates. However, in terms of percentage, in view of the amounts involved, the effects on the portfolio are not considered material.

Exchange rate risk

This arises from the possibility that fluctuations in exchange rates in connection with the acquisition of services, product sales and financial instruments could have an impact on the related domestic currency amounts.

In addition to the amounts payable and receivable in foreign currencies, including interest payments on the senior unsecured notes in the next six month period, BM&FBOVESPA has third-party deposits in foreign currency to guarantee the settlement of transactions by foreign investors and also own funds in foreign currency abroad. At March 31, 2012 the net foreign currency exposure amounted to R$11,023 negative (R$4,938 at December 31, 2011). The effects on the portfolio are not considered material.

Liquidity risk

The following table shows the main financial liabilities of BM&FBOVESPA by maturity, represented in its entirety by non-derivative financial liabilities, on an undiscounted cash flows basis:

	Without maturity	**Less than 1 year**	**From 1 to 2 years**	**From 2 to 5 years**	**More than 5 years**
Collateral for transactions	1,155,831	-	-	-	-
Issuance of debt abroad (1)	-	62,354	62,184	186,722	1,350,742

(1) Values converted into R$ using closing the rate of R$/USD

Credit Risk and capital management

BM&FBOVESPA prefers very low risk investments, where more than 99% of the allocation of assets is linked to government securities with rating's set by Standard & Poor's and Moody's of "a-" and "Baa2", respectively, for long-term issues in local currency and characterized as investment grade, in order to obtain high liquidity and sovereign risk, with overall performance linked to the Brazilian prime rate (interbank interest rate).

The issue of Senior Notes (Note 12) was linked to increasing our participation in CME and the creation of a strategic partnership between the companies. In addition, it serves as a natural hedge for the USD exposure generated by the increased investment in CME Group.

(All amounts in thousands of reais, unless otherwise stated)

5 Accounts Receivable

The breakdown of accounts receivable is as follows:

		BM&FBOVESPA
Details	**3/31/2012**	**12/31/2011**
Trading, other fees receivable	16,378	11,068
Annuity	5,971	4,732
Vendors – Signal broadcast	9,710	9,385
Trustee and custodial fees	15,419	16,010
Other accounts receivable	10,149	10,181
Provision for doubtful accounts	(7,031)	(6,315)
Total	**50,596**	**45,061**

		Consolidated
Details	**3/31/2012**	**12/31/2011**
Trading, other fees receivable	17,293	11,850
Annuity	5,971	4,732
Vendors – Signal broadcast	9,710	9,385
Trustee and custodial fees	15,419	16,010
Other accounts receivable	10,866	10,852
Provision for doubtful accounts	(7,031)	(6,315)
Total	**52,228**	**46,514**

The amounts presented above are primarily denominated in Brazilian reais. Approximately 90% is of the receivables fall due within 90 days. At March 31, 2012, the amounts overdue for more than 90 days totaled R$ 7,384 (R$6,838 at December 31, 2011).

The provisioning methodology, as approved by the management, is based on the analysis of the historical behavior of incurred losses.

(All amounts in thousands of reais, unless otherwise stated)

Therefore, on the overdue amount for defined ranges of days past due, according to the historical behavior, an estimated loss percentage has been assigned, which is intended to reflect incurred losses.

Changes in the provision for impairment are as follows:

	BM&FBOVESPA and Consolidated
At December 31, 2011	**6,315**
Aditions	885
Reversals	(169)
At March 31, 2012	**7,031**

6 Other Receivables

Other receivables comprise the following:

		BM&FBOVESPA
	3/31/2012	**12/31/2011**
Current		
Advances to employees	2,092	1,572
Amounts receivable - related parties (note 16)	7,639	7,794
Warehouse	1,177	1,378
Other	620	747
Total	**11,528**	**11,491**
Non-current		
Other	-	555
Total	**-**	**555**

(All amounts in thousands of reais, unless otherwise stated)

	Consolidated	
	3/31/2012	**12/31/2011**
Current		
Advances to employees	2,122	1,672
Amounts receivable - related parties (note 16)	7,142	7,169
Warehouse	1,177	1,378
Other	2,496	1,548
Total	**12,937**	**11,767**
Non-current		
Brokers in liquidation (1)	2,200	2,200
Other	-	555
Total	**2,200**	**2,755**

(1) Balance of accounts receivable from brokers in judicial liquidation, which considers the guarantee represented by the equity certificates pledged by the debtor.

(All amounts in thousands of reais, unless otherwise stated)

7 Investments

a. Investments in subsidiaries and associates

Investments in subsidiaries and associates comprise the following:

Investees	Adjusted equity	Total shares	Adjusted net income	% Ownership	Investment 03/31/2012	Investment 12/31/2011	Accumulated 1st quarter 2012	Accumulated 1st quarter 2011
Subsidiaries								
Banco BM&F de Liquidação e Custódia S.A.	51,149	24,000	1,502	100	51,149	49,628	1,502	438
Bolsa Brasileira de Mercadorias	17,113	405	(285)	50.12	8,577	8,720	(143)	1,066
Bolsa de Valores do Rio de Janeiro - BVRJ	60,920	115	1,216	86.95	52,970	52,059	1,057	(1,698)
BM&F USA Inc.	882	1,000	251	100	882	646	251	(372)
BM&FBOVESPA UK Ltd.	1,002	1,000	(11)	100	1,002	1,016	(11)	(279)
					114,580	**112,069**	**2,656**	**(845)**
Affiliate								
CME Group, Inc. (1)	39,264,615	66,197	752,701	5.13	2,591,168	2,673,386	24,160	37,541
Income tax recoverable (3)					-	-	13,365	-
					2,591,168	**2.673.386**	**37.525**	**37.541**
Total					**2,705,748**	**2,785,455**	**40,181**	**36,696**

Summary of key financial information of subsidiaries and associates:

Details	Banco BM&F	Bolsa Brasileira de Mercadorias	Bolsa de Valores do Rio de Janeiro - BVRJ	BM&F USA Inc.	BM&FBOVESPA UK Ltd.	CME Group, Inc.
Assets	314,786	18,394	66,140	904	1,174	71,588,669
Liabilities	263,637	1,281	5,219	22	172	32,196,507
Revenue	20,465	7,736	6,888	530	329	1,371,119

(All amounts in thousands of reais, unless otherwise stated)

Changes in Investments:

	Subsidiaries					Affiliate	
Investiments	**Banco BM&F**	**Bolsa Brasileira de Mercadorias**	**Bolsa de Valores do Rio de Janeiro - BVRJ**	**BM&F USA Inc**	**BM&FBOVESPA UK Ltd.**	**CME Group, Inc.**	**Total**
At December 31, 2011	**49,628**	**8,720**	**52,059**	**646**	**1,016**	**2,673,386**	**2,785,455**
Equity	1,502	(143)	1,057	251	(11)	24,160	26,816
Exchange rate (3)	-	-	-	(15)	(3)	(75,624)	(75,642)
Reflex effect on affiliate	19	-	-	-	-	1,804	1,823
Realization of the revaluation reserve	-	-	(146)	-	-	-	(146)
Dividends received	-	-	-	-	-	(32,558)	(32,558)
At March 31, 2012	**51,149**	**8,577**	**52,970**	**882**	**1,002**	**2,591,168**	**2,705,748**

(1) As from July 2010, with the acquisition of a 3.2% interest in CME Group for the amount of R$1,075,119, increasing the ownership interest from 1.8% to 5%, BM&FBOVESPA began to recognize the investment on the equity method in accordance with CPC 18/IAS 28, because management understands that the qualitative aspects of the relationship between the two companies indicate the existence of significant influence of BM&FBOVESPA over CME Group.

The fair value of the investment at March 31, 2012, based on the market price of shares, is R$1,790,091. The test based on an appraisal report through the discounted cash flow method did not reveal the existence of impairment at December 31, 2011. During the first quarter of 2012 the management reassessed the internal and external indicators and concluded that the premises used for the previous valuation are still adequate, not revealing situation of impairment.

(2) Refers to recoverble tax paid by the foreign affiliate, according to the Law 9.249/95 and Normative Instruction 213/02 of the Federal Revenue Secretariat of Brazil..

(3) In July 2010, BM&FBOVESPA issued debt abroad to protect part of the translation risk on the investment in CME (hedge of net investment) through the designation of a non-derivative financial instrument (debt issuance abroad) as a hedge, as presented in Note 12. We present below

(All amounts in thousands of reais, unless otherwise stated)

the sensitivity analysis to exchange rate variations for the non hedged portion of the investment in CME Group:

	Impact on other comprehensive income				
	Falling dollar			Higher dollar	
	-50%	**-25%**	**03/31/2012**	**25%**	**50%**
Exchange rate	0.9111	1.3666	1.8221	2.2776	2.7332
Exchange variation on foreign investment in foreign associate	(1,049,693)	(416,492)	(75,642)	849,909	1,483,109
Exchange variation on hedge of foreign net investment	462,152	183,371	32,864	(374,192)	(652,973)
Tax effect of exchange variation on hedge of foreign net investment	(157,132)	(62,346)	(11,174)	127,225	222,011
Net effect	**(744,673)**	**(295,467)**	**(53,952)**	**602,942**	**1,052,147**

b. Investment property

This category comprises properties owned by the subsidiary BVRJ - Bolsa de Valores do Rio de Janeiro rented, which are depreciated according to the estimated useful life of the asset of 25 years.

	Consolidated
At December 31, 2011	**36,700**
Depreciation	(378)
At March 31, 2012	**36,322**

(All amounts in thousands of reais, unless otherwise stated)

8 Property and Equipment

	BM&FBOVESPA							
	Buildings	**Furniture and fixtures**	**Computer-related equipment**	**Facilities**	**Telephone system**	**Other**	**Construction in progress**	**Total**
At December 31, 2011	116,975	16,010	117,588	47,036	1,478	31,699	21,804	352.590
Aditions	-	43	1,567	276	-	138	895	2.919
Disposal	-	(12)	-	-	-	(304)	-	(316)
Transfer (Note 9)	-	-	-	-	-	-	130	130
Reclassification	-	298	(76)	1,573	114	398	(2,307)	-
Depreciation	(777)	(682)	(11,672)	(1,480)	(115)	(613)	-	(15.339)
At March 31, 2012	**116,198**	**15,657**	**107,407**	**47,405**	**1,477**	**31,318**	**20,522**	**339.984**
Cost	217,367	43,949	335,502	66,525	4,457	72,869	20,522	761.191
Accumulated Depreciation	(101,169)	(28,292)	(228,095)	(19,120)	(2,980)	(41,551)	-	(421.207)
Net amount	**116,198**	**15,657**	**107,407**	**47,405**	**1,477**	**31,318**	**20,522**	**339.984**

	Consolidated							
	Buildings	**Furniture and fixtures**	**Computer-related equipment**	**Facilities**	**Telephone system**	**Other**	**Construction in progress**	**Total**
At December 31, 2011	118,499	16,101	117,672	47,463	1,478	34,147	21,804	357,164
Aditions	-	43	1,570	276	-	138	896	2,923
Disposal	-	(13)	-	-	-	(320)	-	(333)
Transfer (Note 9)	-	-	-	-	-	-	130	130
Reclassification	-	299	(75)	1,572	114	398	(2,308)	-
Depreciation	(799)	(691)	(11,681)	(1,497)	(115)	(615)	-	(15,398)
At March 31, 2012	**117,700**	**15,739**	**107,486**	**47,814**	**1,477**	**33,748**	**20,522**	**344,486**
Cost	219,703	44,468	336,404	67,565	4,457	75,377	20,522	768,496
Accumulated Depreciation	(102,003)	(28,729)	(228,918)	(19,751)	(2,980)	(41,629)	-	(424,010)
Net amount	**117,700**	**15,739**	**107,486**	**47,814**	**1,477**	**33,748**	**20,522**	**344,486**

(All amounts in thousands of reais, unless otherwise stated)

During the first quarter, BM&FBOVESPA incorporated, as part of the cost of development projects, the amount of R$2,426 related to the depreciation of equipment used in developing these projects.

Properties with a carrying value of approximately R$39,265 were pledged as collateral in lawsuits. BM&FBOVESPA is not allowed to assign these assets as collateral for other lawsuits or sell them.

The depreciation of fixed assets considers the expected useful lives of those. Annual rates of depreciation of fixed assets at March 31, 2012 and December 31, 2011:

Buildings	2.5%
Furniture and fixtures	10%
Computer devices and equipment	10 to 25%
Facilities	10%
Telephone system	20%
Other	11% to 33%

9 Intangible Assets

					BM&FBOVESPA	Consolidated
	Goodwill	Cost of software development	Concluded software development	Softwares	Total	Total
At December 31, 2011	16,064,309	127,332	53,150	109,333	16,354,124	16,354,127
Aditions	-	29,352	-	3,780	33,132	33,132
Transfer (Note 8)	-	(130)	-	-	(130)	(130)
Reclassification	-	(33,040)	32,929	111	-	-
Amortization	-	-	(2,430)	(13,080)	(15,510)	(15,513)
At March 31, 2012	**16,064,309**	**123,514**	**83,649**	**100,144**	**16,387,126**	**16,371,616**
Cost	16,388,730	123,514	90,011	246,687	16,848,942	16,850,082
Accumulated Amortization	(324,421)	-	(6,362)	(146,543)	(477,326)	(478,466)
Net Amount	**16,064,309**	**123,514**	**83,649**	**100,144**	**16,371,616**	**16,371,616**

Goodwill

The goodwill of R$16,064,309 is attributed to expected future profitability, supported by an economic and financial appraisal of the investment. According to the guidelines of CPC 01/IAS 36, the goodwill must be tested annually for impairment, or more frequently when there are indicators that impairment may have occurred. Goodwill is stated at cost less accumulated impairment losses. Impairment losses recognized on goodwill are not reversed.

The impairment test based on the appraisal report prepared by experts did not reveal the need for adjustments to the carrying value of goodwill at December 31, 2011. During the first quarter of 2012, management reassessed the internal and external indicators and reached the conclusion that the premises considered in the previous valuation are still adequate, not requiring a new calculation for the quarter.

Software and projects

The balance comprises costs for the acquisition of licenses and development of software and systems, with amortization rates of 20% to 33% per year, and expenditures for the implementation and development in progress of new systems and software.

BM&FBOVESPA incorporated, as part of the cost of development projects, the amount of R$ 6,952 related to the depreciation of equipment used in developing these projects.

The ongoing projects refer, mainly, to the development of a new electronic negotiation platform for different kinds and classes of assets and the construction of a new business and IT architecture to support the post-trade infrastructure.

10 Earnings and Rights on Securities in Custody

These comprise dividends and interest on capital received from listed companies, which will be transferred to the custody agents and subsequently to their clients, who are the owners of the shares.

(All amounts in thousands of reais, unless otherwise stated)

11 Provision for Taxes and Contributions Payable

	BM&FBOVESPA	
Details	**3/31/2012**	**12/31/2011**
Taxes and contributions withheld at source	4,449	14,175
PIS/Cofins	17,638	14,973
ISS (Municipal service tax)	2,448	1,860
Total	**24,535**	**31,008**

	Consolidated	
Details	**3/31/2012**	**12/31/2011**
Taxes and contributions withheld at source	5,083	14,816
PIS/Cofins	17,772	15,100
ISS (Municipal service tax)	2,493	1,898
Total	**25,348**	**31,814**

12 Issuance of debt abroad and loans

On July 16, 2010 BM&FBOVESPA concluded the issuance of senior unsecured notes, with face value of US$612 million, priced at 99.635% of nominal value, resulting in a net inflow of US$609 million (equivalent at the time to R$1,075,323). The interest rate is 5.50% p.a., payable half-yearly in January and July, and the principal amount is due on July 16, 2020. The effective rate was 5.64% p.a., which includes the discount and other costs related to issuance.

The updated balance of the borrowing on March 31, 2012 is R$1,120,844 (R$1,172,225 at December 31, 2011), which includes the amount of R$14,759 (R$33,566 at December 31,2011) of accrued interest. The proceeds from the offering were used to purchase shares of the CME Group at that same date.

The notes have an early partial or total redemption clause, at the option of BM&FBOVESPA, for the greater of: (i) principal plus interest accrued to date and (ii) interest accrued to date plus the present value of the remaining cash flows, discounted at the rate applicable to U.S. Treasuries for the remaining term plus 0.40% per annum. (40 basis points).

These notes have been designated as a hedging instrument for the part equivalent of US$612 million (notional) of the investment in CME Group Inc. (Note 7), in order to hedge the foreign exchange risk.

(All amounts in thousands of reais, unless otherwise stated)

Thus, the BM&FBOVESPA has adopted hedge accounting for net investment in accordance with the provisions of CPC 38/IAS 39.

Accordingly, BM&FBOVESPA prepared the formal designation of the hedges by documenting: (i) the objective of the hedge, (ii) type of hedge, (iii) the nature of the risk being hedged, (iv) the hedged item, (v) the hedging instrument, (vi) the correlation of the hedge and the hedged item (retrospective effectiveness test) and (vii) the prospective test.

The application of the effectiveness tests described in Note 3 (d) (iv) did not reveal ineffectiveness during the year March 31, 2012.

The fair value of the debt, calculated using market data, is R$1,193,496 at March 31, 2012 (R$ 1,190,534 at December 31, 2011). (Source: Bloomberg).

13 Other liabilities

		BM&FBOVESPA
Details	**3/31/2012**	**12/31/2011**
Deferred income - Annuity	18,982	-
Custody agents	4,873	4,848
Amounts payable - related parties (Note 16)	482	358
Third parties services	10,526	7,931
Payable preferred shares	1,839	1,839
Electricity, water and telephone	612	717
Other	5,558	5,236
Total	**42,872**	**20,929**

(All amounts in thousands of reais, unless otherwise stated)

	Consolidated	
Details	**3/31/2012**	**12/31/2011**
Deferred income - Annuity	18,982	-
Custody agents	4,873	4,848
Demand deposits (1)	68,000	59,165
Liabilities for securities purchased under resell agreements (2)	193,230	118,350
Outsourced services	10,787	8,138
Payable preferred shares	1,839	1,839
Electricity, water and telephone	612	717
Other	6,903	6,382
Total	**305,226**	**199,439**

(1) Refer to deposits held by corporations at Banco BM&F with the sole purpose for settlement of clearing operations held within the BM&FBOVESPA and Selic - Special System for Settlement and Custody pursuant to Central Bank Circular Letter No. 3196 of July 21, 2005

(2) Refers to repurchase agreements of Banco BM&F, maturing at April 2, 2012 (12/31/2011 – January 02/2012) and backed by Financial Treasury Bills (LFT) and National Treasury Bills (LTN)

14 Provisions and contingent liabilities and assets

a. Contingent assets

BM&FBOVESPA has no contingent assets recognized in its balance sheet, and at present no lawsuits which are expected to give rise to future gains.

b. Contingent liabilities

BM&FBOVESPA and its subsidiaries are defendants in a number of labor, tax and civil lawsuits in the course of their normal operating activities.

The lawsuits are classified by their probability of loss (probable, possible or remote), based on an evaluation by BM&FBOVESPA and its legal advisors, using parameters such as previous judgments and the history of loss in similar litigation.

The lawsuits in which the loss is evaluated as probable mainly comprise the following:

(All amounts in thousands of reais, unless otherwise stated)

- Labor claims mostly related to filed by ex-employees of BM&FBOVESPA and employees of outsourced service providers, on account of alleged noncompliance with labor legislation;

- Civil proceedings, mainly relate to aspects of civil liability for losses and damages of BM&FBOVESPA and its Subsidiaries.

- Tax cases are mainly relate to the incidence of PIS and Cofins on (i) BM&FBOVESPA revenues and (ii) receipt of interest on equity own Capital.

c. *Legal obligations*

These are almost entirely proceedings in which BM&FBOVESPA seeks exemption from social security additional contributions on payroll and payments to self-employed professionals.

d. *Changes in balances*

The activity in provisions for contingencies and legal obligations may be summarized as follows:

					BM&FBOVESPA
	Civil	**Labor**	**Legal obligations**	**Tax**	**Total**
At December 31, 2011	**4,492**	**7,121**	**28,579**	**14,138**	**54,330**
New provisions	-	1,498	1,173	-	2,671
Provision expenditure (1)	-	-	(7,609)	-	(7,609)
Reversals	-	(681)	-	-	(681)
Reassessment of contingent risks	-	(427)	-	-	(427)
Price-level restatement	51	186	390	253	880
At March 31, 2012	**4,543**	**7,697**	**22,533**	**14,391**	**49,164**

					Consolidated
	Civil	**Labor**	**Legal obligations**	**Tax**	**Total**
At December 31, 2011	**8,248**	**7,915**	**28,579**	**14,502**	**59,244**
New provisions	-	1,895	1,173	-	3,068
Provision expenditure (1)	-	-	(7,609)	(367)	(7,976)
Reversals	-	(1,085)	-	-	(1,085)
Reassessment of contingent risks	-	(629)	-	-	(629)
Price-level restatement	356	203	390	256	1,205
At March 31, 2012	**8,604**	**8,299**	**22,533**	**14,391**	**53,827**

(1) The provision expenditure of the legal obligations refers to the unfavorable decision to BM&FBOVESPA in the lawsuit which discussed the legality of the charge for workplace accident insurance (SAT) (Note 14 (g)).

Considering the provision´s characteristics, the timing of the cash disbursements, if any, cannot be predicted.

e. *Possible losses*

The proceedings classified as a "possible loss" are so classified as a result of uncertainties surrounding their outcome. They are lawsuits for which jurisprudence has not yet been defined or which still depend on verification and analysis of the facts, or even involve specific aspects that reduce the chances of loss.

BM&FBOVESPA and its subsidiaries have tax, civil and labor lawsuits involving risks of loss classified by management as possible, based on the evaluation of their legal advisors, for which no provision has been recorded. These proceedings comprise mainly the following:

- Labor proceedings, mostly related to claims filed by ex-employees of BM&FBOVESPA and employees of outsourced service providers, on account of alleged noncompliance with labor legislation. The lawsuits classified as possible losses March 31, 2012 total R$53,785 in BM&FBOVESPA (R$58,841 at December 31, 2011) and R$54,749 on a consolidated basis (R$60,849 at December 31, 2011);

- Civil proceedings mainly relate to aspects of civil liability for losses and damages. The total amount involved in the lawsuits classified as possible losses at March 31, 2012 total R$78,576 in BM&FBOVESPA and on a consolidated basis (R$70,102 at December 31, 2011).

  This amount is at March 31 2012 and December 31, 2011 almost entirely related to the possibility of being required to deliver shares of BM&FBOVESPA (surviving company of the merger with BM&F S.A.), corresponding to the shares resulting from the conversion of the membership certificate of a commodities broker in the former BM&F, or indemnify the corresponding amount, if the cancellation of the certificates in the former BM&F is found to be illegal, as alleged by a commodities broker in bankruptcy;

- The tax cases of BM&FBOVESPA and its subsidiaries mainly involve a dispute over the classification of exchanges as subject to the payment of social contributions. Most of these amounts are related to two lawsuits filed by BM&FBOVESPA against the Federal Government arguing that it should not be subject to the payment of social contributions prior to the 1999 fiscal year. The amount involved in the aforementioned proceedings as of March 31, 2012 is R$49,080 (R$48,332 at December 31, 2011). The total amount involved in tax proceedings classified as possible losses is R$78,342 in BM&FBOVESPA and on a consolidated basis (R$76,697 at December 31, 2011).

f. *Remote losses*

BM&FBOVESPA, as successor of the former BOVESPA, and the subsidiary BVRJ are defendants in an action for tangible damages and pain and suffering filed by Mr. Naji Robert Nahas, Selecta Participações e Serviços SC Ltda. and Cobrasol - Companhia Brasileira de Óleos e Derivados, on the grounds of alleged losses in the stock market sustained in June 1989. The amount attributed to the cause by the plaintiffs is R$10 billion. In relation to the tangible damages and pain and suffering claimed, the plaintiffs ask that BVRJ and BM&FBOVESPA be sentenced in proportion to their responsibilities. On December 18, 2009, a sentence was published in which the claims made by the plaintiffs were considered completely unfounded. BM&FBOVESPA and its legal advisors consider that the chances of loss in this lawsuit are remote.

BM&FBOVESPA received, on November 29, 2010, an assessment notice from the Federal Revenue Service of Brazil ("RFB"), demanding the payment of income tax (R$301,686 of principal, plus fines and interest) and social contribution (R$108,525 of principal, plus fines and interest) representing the amount of those taxes that, in the view of the RFB, BM&FBOVESPA underpaid in the years 2008 and 2009 with respect to the amortization for tax purposes of the goodwill generated upon the merger of Bovespa Holding SA, approved at the General Assembly of Stockholders on May 8, 2008. During October 2011, the RFB Judgement Office in São Paulo issued a decision on the challenge presented by BM&FBOVESPA, maintaining, in substance, the assessment notice. BM&FBOVESPA appealed to the Board of Tax Appeals on November 21, 2011, which will render a final administrative decision on the legality of amortization of goodwill for tax purposes. Based on the advice of its lawyers, BM&FBOVESPA considers that the risk of loss associated with this tax matter is remote and will continue to amortize the goodwill for tax purposes, as provided for by law.

BM&FBOVESPA, as the successor of the Bolsa de Mercadorias e Futuros- BM&F ("BM&F") and as disclosed in its Form of Reference (item 4.3), is defendant in civil public actions and class actions proposed in order to investigate the practice of possible acts of administrative impropriety, and to receive compensation for alleged damages to the federal treasury as a result of transactions conducted by the Central Bank of Brazil in January 1999 in the U.S. Dollar futures market run by the former BM&F. On March 15, 2012, the sentences on those demands at first instance convicted most of the defendants in those cases, among them, BM&F. The total amounts of the penalties reach R$ 7,005 million, from which, according to one of the decisions, may be deducted the gains that the Central Bank of Brazil obtained by reason of the non-use of international reserves, amounting to R$ 5,431 million. BM&FBOVESPA was also ordered to pay a civil penalty in the amount of R$ 1,418 million. The figures were measured as of January 1999 and should be adjusted for inflation, plus interest, and plaintiffs, legal fees. Based on the opinion of its internal and external lawyers, BM&FBOVESPA believes in the total dismissal of these actions and has not provided in its financial statements for any amount related to such lawsuits, in view of the remote risk of loss, and will appeal these decisions.

(All amounts in thousands of reais, unless otherwise stated)

g. *Judicial deposits*

	BM&FBOVESPA		Consolidated	
Details	**3/31/2012**	**12/31/2011**	**3/31/2012**	**12/31/2011**
Legal obligations	22,792	28,838	22,792	29,202
Tax	60,032	58,819	60,032	58,819
Civil	4,509	4,459	4,509	4,459
Labor	2,839	2,062	3,349	2,568
Total	**90,172**	**94,178**	**90,682**	**95,048**

Of the total judicial deposits, (i) R$43,153 (R$41,704 at December 31, 2011) relates to the processes involving the dispute over the classification of exchanges as subject to the payment of social contributions, assessed as possible by management, as described in "e" above and (ii) R$ 10,353 (R$10,201 at December 31, 2011) refers to cases regarding PIS and Cofins on interest on own capital received. Of the total deposits relating to legal obligations R$22,357(R$29,201 at December 31, 2011) relates to processes in which BM&FBOVESPA claims the non-incidence of additional social security on payroll contributions and payments to self-employed professionals. The reduction of the deposit amount related to legal obligations was caused by the value of the Occupational Accident Insurance charge been paid to the Union due the negative ending of the cause to BM&FBOVESPA.

Due to the existence of judicial deposits related to tax processes classified as possible losses, the total tax contingencies and legal obligations are less than the total deposits related to tax claims.

h. *Law 11,941/09*

In November 2009, BM&FBOVESPA enrolled in the Tax Recovery Program, instituted by Law 11,941/09 and Provisional Measure (MP) 470/09, with a view to settling the amount of R$2,365, related to a portion of the amount disputed in the COFINS case, deposited in court and constituted as probable loss contingency. The amount of R$2,151 will be released to the government and R$214 to BM&FBOVESPA, representing a discount of 45% in arrears interest, as permitted by the legislation. The provision remains in effect until the approval of the request to partially withdraw the lawsuit, because this is a condition for the settlement of the debt pursuant to the Tax Recovery Program.

(All amounts in thousands of reais, unless otherwise stated)

15 Equity

a. Capital

The capital of BM&FBOVESPA at the amount of R$2,540,239, is now presented by 1,980,000,000 nominative common shares with voting rights and no par value, of which 1,930,911,641 outstanding at March 31, 2012 (1,927,991,988 at December 31, 2011.)

BM&FBOVESPA is authorized to increase its capital up to the limit of 2,500,000,000 (two billion, five hundred million) common shares, through a resolution of the Board, without any amendment of the bylaws.

b. Treasury shares

Share buyback program

At a meeting held on June 16, 2011, the Board of Directors approved a new Share Buyback Program, starting July 1, 2011 and matured at December 31, 2011. At December 13, 2011, it was approved by the Board the extension of for this program for 6 months, ending on June 30, 2012. The limit of shares to be acquired by the Company is 60,000,000 common shares, representing 3.11% of total outstanding shares.

The shares acquired under the Share Buyback Program may be canceled or used to in connection with the exercise of the stock options by the beneficiaries of the Stock Option Plan of the BM&FBOVESPA.

We present below the activity of treasury shares during the period:

	Quantity	Amount
At December 31, 2011	**52,008,012**	**521,553**
Sold shares - stock option (Note 18)	(2,919,653)	(29,279)
At March 31, 2012	**49,088,359**	**492,274**
Average cost of treasury shares (R$)		10,028
Market value of treasury shares		551,753

c. *Revaluation reserves*

Revaluation reserves were established as a result of the revaluation of works of art in BM&FBOVESPA and of the properties of the subsidiary BVRJ on August 31, 2007, based on independent experts' appraisal reports.

d. *Capital Reserve*

Refers substantially to amounts created from the merger of Bovespa Holding shares in 2008, and other corporate events permitted by the Corporation Law, such as (i) capital increase through merger, (ii) redemption, repayment or purchase of shares, and (iii) events associated with the stock option plan.

e. *Revenue reserves*

i. *Legal Reserve*

The legal reserve is established annually by allocation of 5% of net income and cannot exceed 20% of the capital. The legal reserve is intended to ensure the integrity of the capital and can only be used to offset losses and increase capital.

ii. *Statutory reserve*

These reserves represent funds and safeguard mechanisms required for the activities of BM&FBOVESPA, in order to ensure the proper settlement and reimbursement of losses arising from the intermediation of transactions carried out in its trading sessions and/or registered in any of its trading, registration, clearing and settlement systems, and from custody services.

Pursuant to the bylaws, the Board of Directors may, when the amount of statutory reserves is sufficient to meet its objectives, propose that parts of the reserve be reversed for distribution to the shareholders of the Company.

f. *Valuation adjustments*

The purpose of the valuation adjustments is to record the effects of (i) currency translation adjustments of the investment abroad, (ii) hedge accounting for net foreign investment (note 12) and (iii) share of other comprehensive income of an associate.

(All amounts in thousands of reais, unless otherwise stated)

g. Dividends and interest on own capital

Pursuant to the bylaws, the shareholders are entitled to interest on own capital or dividends, based on a minimum of 25% the net profit, adjusted in accordance with the corporate law.

During November 2011 BM&FBOVESPA approved R$ 233,605 (R$0.121139 per share) of additional dividends above the minimum amount for 2011, which were paid at January 31, 2012.

In a meeting held on March 27, 2012, the stockholders approved the distribution of R$226,727 (R$0117420 per share) as additional dividends for the year ended December 31, 2011, which was paid on April 30, 2012

The management of BM&FBOVESPA did not create a revenue reserve for the difference between the amount recognized as equity in the results of the associate CME Group and the as dividends received from the investment.

h. Earnings per share

Basic		**Consolidated**
	1st quarter 2012	**1st quarter 2011**
Numerator		
Profit available to shareholders of BM&FBOVESPA	280,426	270,756
Denominator		
Weighted average number of shares outstanding	1,930,492,956	1,963,806,622
Basic earnings per share (in R$)	**0.145261**	**0.137873**

Dilluted		**Consolidated**
	1st quarter 2012	**1st quarter 2011**
Numerator		
Profit available to shareholders of BM&FBOVESPA	280,426	270,756
Denominator		
Weighted average number of shares outstanding adjusted by the stock option plan	1,935,426,384	1,972,831,468
Diluted earnings per share (in R$)	**0.144891**	**0.137242**

(All amounts in thousands of reais, unless otherwise stated)

16 Related Party Transactions

a. Transactions and balances with related parties

	Assets/ (Liabilities)		Revenue/ (Expenses)	
Details	**3/31/2012**	**12/31/2011**	**1st quarter 2012**	**1st quarter 2011**
Banco BM&F de Serviços de Liquidação e Custódia S.A.				
Accounts receivable	470	597		
Foreign exchange operations	19	20		
Recovery of expenses			1,588	1,489
Bolsa Brasileira de Mercadorias				
Accounts receivable	8	8		
Accounts payable	(355)	(218)		
Minimum contribution on membership certificates			(355)	(324)
Property rental			6	6
Recovery of expenses			18	14
BM&FBOVESPA Supervisão de Mercados				
Accounts receivable	513	636		
Recovery of expenses			632	594
BM&FBOVESPA UK Ltd.				
Accounts Payable	(127)	-		
Associação BM&F				
Accounts receivable	6,587	6,517		
Mechanism of reimbursment of losses				
Ammounts to be transferred	-	(81)		
CME Group				
Accounts payable	-	(59)		
Outras empresas				
Accounts receivable	42	16		

The main transactions with related parties are described below and were carried out under the following conditions:

(All amounts in thousands of reais, unless otherwise stated)

BM&FBOVESPA pays a minimum fee to Bolsa Brasileira de Mercadorias as a member of these associations.

Bolsa Brasileira de Mercadorias and Associação BM&F reimbursed monthly BM&FBOVESPA by its expenses over employment of resources and use the infrastructure provided by the BM&FBOVESPA, to aid in carrying out its activities.

Banco BM&F entered into an agreement with BM&FBOVESPA which provides for the utilization of its technology infrastructure and also its personnel, with transfer of the corresponding costs.

BSM has entered into an agreement with BM&FBOVESPA for the transfer and recovery of costs which establishes the reimbursement to BM&FBOVESPA of the net amount paid monthly for expenses incurred in contracting resources and for the infrastructure made available to BSM to assist in the performance of its supervisory activities.

b. Remuneration of key management personnel

Key management personnel include Members of the Board, Executive Officers, the Director of Internal Audit, the Director of Banco BM&F and the Director of Human Resources.

Management benefits	**1st quarter 2012**	**1st quarter 2011**
Short-term benefits (salaries, participation in results, etc.)	5,738	6,033
Employment contract rescission benefits	-	11
Share based remuneration (1)	2,404	7,434

(1) Represents the expense calculated for the year in relation to the stock options granted to key management personnel, which was recognized in accordance with the criteria described in Note 18.

17 Structure of Guarantees

BM&FBOVESPA acting as central counterparty (CCP) manages four clearinghouses considered systemically important by the Central Bank of Brazil, i.e. the Derivatives, Foreign Exchange and Securities Clearinghouses and the Equity and Corporate Debt Clearinghouse (CBLC).

The activities carried out by the clearinghouses of BM&FBOVESPA are governed by Law 10,214, of 2001, which authorizes the multilateral clearing of obligations, establishes the central counterparty role of the systemically important clearinghouses and permits the utilization of the collateral obtained from defaulting participants to settle their obligations in the clearinghouse environment, including in cases of civil insolvency, agreements with creditors, intervention, bankruptcy and out-of-court liquidation.

Through its clearinghouses, BM&FBOVESPA acts as a central counterparty in the derivatives market (futures, forward, options and swaps), in the federal bond market (spot, forwards, repurchase operations, futures and lending of securities),equities (spot, forward, option, futures and lending of securities) and private debt securities (spot and lending of securities). In other words, by assuming the role of a central counterparty, BM&FBOVESPA becomes responsible for the proper settlement of trades carried out and/or registered in its systems, as established in the applicable regulations.

The performance of BM&FBOVESPA as a central counterparty exposes it to the credit risk of the participants that utilize its settlement systems. If a participant fails to make the payments due, or to deliver the assets, securities and/or commodities due, it will be incumbent upon BM&FBOVESPA to resort to its safeguard mechanisms, in order to ensure the proper settlement of the transactions in the established time frame and manner. In the event of a failure or insufficiency of the safeguard mechanisms of its Clearinghouses, BM&F BOVESPA might have to use its own equity, as a last resort, to ensure the proper settlement of trades.

The BM&FBOVESPA clearinghouses are not directly exposed to market risk, as they do not hold net long or net short positions in the various contracts traded. However, an increase in price volatility can affect the magnitude of amounts to be settled by the various market participants, and can also heighten the probability of default by these participants. Furthermore, as already emphasized, the clearinghouses are responsible for the settlement of the trades of a defaulting participant, which could result in losses for BM&FBOVESPA if the amounts due surpass the amount of collateral available. Accordingly, despite the fact that there is no direct exposure to market risk, this risk can impact and increase the credit risks assumed.

To mitigate the risks assumed, each BM&FBOVESPA Clearinghouse has its own risk management system and safeguard structure. The safeguard structure of a Clearinghouse represents the set of resources and mechanisms that it can utilize to cover losses relating to the settlement failure of one or more participants. These systems and structures are described in detail in the regulations and manuals of each clearinghouse, and have been tested and ratified by the Central Bank of Brazil, in accordance with National Monetary Council (CMN) Resolution 2,882/01 and BACEN Circular 3,057/01.

The structures of our safeguards clearinghouses are based largely on loss-sharing model called defaulter pays, in which the amount of collateral deposited by each participant should be able to absorb, with a high degree of confidence, the potential losses associated with its default. Consequently, the amount required as collateral for participants is the most important element in our management structure of the potential market risks arising from our role as a central counterparty.

For most contracts with assets and operations, the required value as collateral is sized to cover the market risk of the business, i.e., its price volatility during the expected time frame for settlement of the positions of a defaulting participant. This time frame can vary depending on the nature of contracts and assets traded.

The models used for calculating the margin requirements are based, in general, the concept of stress testing, in other words, a methodology that attempts to measure market risk into account not only recent historical volatility of prices, but also possibility of the emergence of unexpected events that modify the historical patterns of behavior of prices and the market in general.

The main parameters used for margin calculation models are the stress scenarios, defined by the Market Risk Committee for the risk factors that affect the prices of assets and contracts negotiated on our systems. For the definition of stress scenarios, the Market Risk Committee uses a combination of quantitative and qualitative analysis. The quantitative analysis is done with the help of statistical models for estimating risk, such as EVT (extreme value theory), estimation of implied volatilities and conditional type Garch model, and historical simulations. The qualitative analysis, in turn, considers aspects related to economic conditions and political, national and international levels and their impact on the markets managed by BM&FBOVESPA.

The operations in the BM&FBOVESPA are secured by margins through deposits in cash, government and corporate securities, letters of credit and shares, among others. The guarantees received in cash, in the amount of R$1,155,831 (R$1,501,022 at December 31, 2011), are recorded as a liability and the other non cash collateral, controlled off balance sheet, in the amount of R$180,434,478 (R$177,055,433 at December 31, 2011). At march 31, 2012 the total collateral deposited by clearing, was R$181,590,309 (R$178,556,455 at December 31, 2011), as described below:

(All amounts in thousands of reais, unless otherwise stated)

(a) Safeguard structure of the Derivatives Clearinghouse

i) Collateral deposited by derivatives market participants:

Composition	**3/31/2012**	**12/31/2011**
Federal government bonds	93,381,694	95,413,934
Letters of credit	3,075,049	3,090,051
Equities	3,374,805	3,242,459
Bank certificates of deposit (CDBs)	1,225,997	1,448,298
Gold	79,101	80,619
Cash amounts deposited	770,052	707,212
Other	172,267	212,935
Total	**102,078,965**	**104,195,508**

ii) Other Collateral

- Co-responsibility for paying the broker and clearing member who acted as intermediaries, as well as collateral deposited by such participants.

- Fundo de Desempenho Operacional, worth R$1,146,428 thousand (R$1,138,007 at December 31, 2011), formed by funds provided by holders of right of settlement in the Derivatives Clearinghouse (clearing members) and holders of unrestricted right to bargain with the sole purpose of ensuring the operations. The fund has the following position:

Composition	**3/31/2012**	**12/31/2011**
Federal government bonds	920,828	913,100
Letters of credit	203,452	204,152
Bank certificates of deposit (CDBs)	8,237	8,055
Equities	13,911	12,700
Amounts deposited	1,146,428	1,138,007
Amounts that ensure clearing member/trader participation	950,700	952,700
Excess collateral	195,728	185,307

(All amounts in thousands of reais, unless otherwise stated)

- Fundo de Operações do Mercado Agropecuário, in the amount of R$50,000 at December 31, 2011 and December 31, 2010, intended to hold resources of BM&FBOVESPA allocated to guarantee the proper settlement of transactions involving agricultural commodity contracts;

- Fundo Especial dos Membros de Compensação, in the amount of R$40,000 at December 31, 2011 and December 31, 2010, formed by a capital transfer from BM&FBOVESPA., intended to hold BM&FBOVESPA resources allocated to guarantee the proper settlement of transactions, regardless of the type of contract;

- Fundo de Liquidação de Operações, in the amount of R$390,676 (R$380,993 at December 31, 2011), formed by collateral transferred by clearing members, intended to guarantee the proper settlement of transactions after the resources of the two previous funds have been used. The fund has the following position:

Composition	**03/31/2012**	**12/31/2011**
Federal government bonds	345,958	339,180
Letters of credit	41,262	38,763
Equities	3,456	3,050
Amounts deposited	390,676	380,993
Amounts that ensure clearing member/trader participation	293,000	293,000
Total	97,676	87,993

- Special equity, in the amount of R$39,880 (R$38,906 at December 31, 2011), in compliance with the provisions of Article 5 of Law 10,214, of March 27, 2001 and of Article 19 of Circular 3,057 of the Brazilian Central Bank, of August 31, 2001.

(All amounts in thousands of reais, unless otherwise stated)

(b) Safeguard structure of the Equity and Corporate Debt Clearinghouse - CBLC

i) The main components of the safeguard structure of the Equity and Corporate Debt Clearinghouse (CBLC) are described below:

Composition	**3/31/2012**	**12/31/2011**
Federal government bonds	34,432,323	34,422,215
Equities	37,025,159	31,417,638
International Bonds (1)	1,692,313	2,134,513
Bank certificates of deposit (CDBs)	719,502	621,817
Letters of credit	364,565	245,616
Cash amounts deposited	385,779	762,113
Other	197,734	166,210
Total	**74,817,375**	**69,770,122**

(1) American and German government bonds, ADRs (American Depositary Receipt) as well

ii) Other Collateral

- Joint responsibility for trade settlement by the brokerage house and clearing member that acted as intermediaries, as well as the collateral deposited by these participants;

- Fundo de Liquidação, in the amount of R$384,194 (R$384,326 at December 31, 2011), formed by collateral (government debt securities) transferred by clearing members, intended to guarantee the proper settlement of transactions.

- Special equity, in the amount of R$42,622 (R$ 41,564 at December 31, 2011), in compliance with the provisions of Article 5 of Law 10,214, of March 27, 2001 and of Article 19 of Circular 3,057 of the Brazilian Central Bank, of August 31, 2001.

(c) Safeguard structure of the Foreign Exchange Clearinghouse

i) The main components of the safeguard structure of the Foreign Exchange Clearinghouse are described below:

(All amounts in thousands of reais, unless otherwise stated)

Composition	**3/31/2012**	**12/31/2011**
Federal government bonds	3,627,769	3,416,862
Cash amounts deposited	-	31,697
Total	**3,627,769**	**3,448,559**

ii) Other Collateral

- Fundo de Participação, in the amount of R$186,699 (R$181,260 at December 31, 2011), formed by collateral transferred by Clearinghouse participants, intended to guarantee the proper settlement of transactions.

- Fundo Operacional da Clearing de Câmbio, in the amount of R$50,000 at March 31, 2012 and December 31, 2011, with the purpose of maintaining funds of BM&FBOVESPA to cover losses resulting from operating or administrative failures;

- Special equity, in the amount of R$39,930 (R$ 38,956 at December 31, 2011), in compliance with the provisions of Article 5 of Law 10,214, of March 27, 2001 and of Article 19 of Circular 3,057 of the Brazilian Central Bank, of August 31, 2001.

(d) Safeguard structure of the Securities Clearinghouse

i) The main components of the Securities Clearinghouse are described below:

Composition	**3/31/2012**	**12/31/2011**
Federal government bonds	1,066,200	1,142,266

ii) Other Collateral

- Fundo Operacional da Clearing de Ações, in the amount of R$40,000 at March 31, 2012 and December 31, 2011, with the purpose of maintaining funds of BM&FBOVESPA to cover losses resulting from operating or administrative failures of participants;

- Special equity, in the amount of R$28,081 (R$27,395 at December 31, 2011), in compliance with the provisions of Article 5 of Law 10,214, of March 27, 2001 and of Article 19 of Circular 3,057 of the Brazilian Central Bank, of August 31, 2001.

(e) Guarantee funds and Mecanismo de Ressarcimento de Prejuízos

BM&FBOVESPA Supervisão de Mercados - BSM manages the “Mecanismo de Ressarcimento de Prejuízos” - MRP, the sole purpose of which is to assure reimbursement of loss to clients of brokerage firms that trade in BM&FBOVESPA upon the occurrence of events determined in the regulation. The resources of MRP aim to assure that their members’ clients are refunded for losses resulting from errors in the execution of orders accepted and from inadequate or irregular use of funds belonging to clients, under the terms of CVM Instruction 461/07.

The subsidiaries Bolsa Brasileira de Mercadorias and Bolsa de Valores do Rio de Janeiro (BVRJ) also manages Guarantee Funds, special purpose entities without a legal status. The maximum liability of these Guarantee Funds is limited to the sum of their net assets.

The Net assets of the MRP and Guarantee Funds amounted to R$313,978 at March 31, 2012 (R$ 312,097 at December 31, 2011).

18 Employee Benefits

Stock options- Long Term Compensation

BM&FBOVESPA has a Stock Option Plan ("Option Plan") adopted at the Extraordinary General Meeting held on May 8, 2008, as amended at the Extraordinary General Meeting held on April 18, 2011, by which the employees of BM&FBOVESPA and its subsidiaries are eligible to receive stock options

The Option Plan delegates broad powers to the Board to approve the granting of options and to manage them through stock option programs ("Programs"), which must define, among other specific conditions: (i) their beneficiaries, (ii) the total number of shares of BM&FBOVESPA to be granted, (iii) the division of the award in batches, if necessary, (iv) the exercise price, (v) the vesting period and deadline for exercising the option, (vi) restrictions on transfer of shares received by exercising the option, and (vii) the resolution of any necessary penalties.

The Plan also allows the Board of Directors to approve the granting of options with different conditions to certain beneficiaries ("Additional Options"). The granting or exercise of the Additional Options must necessarily be conditioned on (i) the acquisition by the Beneficiary of shares of BM&FBOVESPA, through the use of own resources and under the percentage, terms and conditions set forth in each Program ("Own Shares"); and (ii) the observance of a period of restriction on the sale of own shares (lock-up).

Currently there are five Programs to grant options in the Options Plan, approved by the Board.

BM&FBOVESPA recognized expenses in the statement of income related to both grants of the plan in the total amount of R$8,388 during the quarter (R$24,544 at March 31, 2011) against capital reserves in shareholders' equity. BM&FBOVESPA considered in this calculation an estimated turnover of 11% and 18%, i.e. the estimated number of options which will not vest due to employees who opt to leave the Company or whose employment is terminated before achieving vested rights to exercise the options.

Until March 31, 2012, BM&FBOVESPA used 1.76% (1.03 at December 31, 2011) of the total limit of 2.5% of share capital for stock option grants, leaving 0.74% of capital for new programs. When the options are exercised, the beneficiaries will be issued new shares, by increasing the capital of BM&FBOVESPA, or treasury shares.

As the options are exercised by the employees, BM&FBOVESPA will issue new shares, increasing its capital, or use treasury shares.

The conditions of the programs provide that the option can be exercised after the expiration of each vesting period, limited to a maximum term of seven years from the first vesting period. Completed the waiting period, the option may be exercised wholly or partly. If the option is exercised in part, the holder may exercise the remainder within the terms already set. The option not exercised within the terms and conditions stipulated in the respective programs will be considered automatically terminated, without right to compensation.

In the event of termination of the beneficiary's relationship with BM&FBOVESPA because of dismissal or resignation (in the case of a member of management), or upon dismissal or termination of service agreement without cause or through resignation : (i) the options already released from grace period may be exercised, subject to the maximum exercise period set in the program, and (ii) options whose grace period has not elapsed expire without the right to compensation.

If the beneficiary were to die or become permanently disabled from being able to perform their function in BM&FBOVESPA, the rights arising from the options may be exercised, as appropriate, by the beneficiary or his heirs and successors, who may exercise such rights, whether or not the initial grace periods had incurred, for a period of one year from the date of death or permanent disability, after which they will become extinct without the right to compensation.

Additionally, due to the incorporation of BM&F S.A., BM&FBOVESPA entered the Stock Optios Plan issued by the BM&F S.A., approved at the General Meeting of Shareholders of BM&F S.A. on September 20, 2007. The stock options granted under the plan as a whole have reached a condition of vesting.

(All amounts in thousands of reais, unless otherwise stated)

Options Granted

Plan	Grant Date	Granted	Price (R$)	Granted	Exercised and canceled in prior periods	Canceled in 1st Quarter 2012	Exercised in 1st Quarter 2012	Outstanding contracts 03/31/2012	Fair value of options on grant date (in reais)
BM&F S.A.	12/18/2007	12/18/2009	1.00	6,652,596	(6,652,596)	-	-	-	21.81
BM&F S.A.	12/18/2007	12/18/2010	1.00	6,329,396	(6,065,996)	-	(76,900)	186,500	21.54
BM&F S.A.	12/18/2007	12/18/2011	1.00	6,244,396	(4,583,796)	-	(1,282,750)	377,850	21.32
				19,226,388	(17,302,388)	-	(1,359,650)	564,350	
2008 Program	12/19/2008	06/30/2009	5.174	1,132,966	(944,778)	-	(52,275)	135,913	3.71
	12/19/2008	06/30/2010	5.174	1,132,966	(868,026)	-	(72,445)	192,495	3.71
	12/19/2008	06/30/2011	5.174	1,132,959	(590,210)	-	(162,962)	379,787	3.71
	12/19/2008	06/30/2012	5.174	1,132,959	(402,612)	(4,400)	(9,000)	716,947	3.71
				4,531,850	(2,805,626)	(4,400)	(296,682)	1,425,142	
2009 Program	03/01/2009	12/31/2009	6.60	2,486,750	(1,559,257)	-	(246,500)	680,993	2.93
	03/01/2009	12/31/2010	6.60	2,486,750	(1,173,250)	-	(271,000)	1,042,500	2.93
	03/01/2009	12/31/2011	6.60	2,486,750	(499,000)	-	(641,571)	1,346,179	2.93
	03/01/2009	12/31/2012	6.60	2,486,750	(506,250)	(13,750)	(104,250)	1,862,500	2.93
				9,947,000	(3,737,757)	(13,750)	(1,263,321)	4,932,172	
2010 Program	01/03/2011	01/03/2011	12.91	3,488,000	(189,500)	-	-	3,298,500	4.50
	01/03/2011	01/03/2012	12.91	3,488,000	(378,375)	-	-	3,109,625	4.50
	01/03/2011	01/03/2013	12.91	3,488,000	(378,375)	(12,375)	-	3,097,250	4.50
	01/03/2011	01/03/2014	12.91	3,488,000	(447,125)	(12,375)	-	3,028,500	4.50
				13,952,000	(1,393,375)	(24,750)	-	12,533,875	
2011 Program	01/02/2012	01/02/2013	10.07	3,180,500	-	(3,750)	-	3,176,750	2.79
	01/02/2012	01/02/2014	10.07	3,180,500	-	(3,750)	-	3,176,750	2.79
	01/02/2012	01/02/2015	10.07	3,180,500	-	(3,750)	-	3,176,750	2.79
	01/02/2012	01/02/2016	10.07	3,180,500	-	(3,750)	-	3,176,750	2.79
				12,722,000	-	(15,000)	-	12,707,000	
Additional	01/02/2012	01/02/2015	5.04	1,336,345	-	-	-	1,336,345	4.19
program	01/02/2012	01/02/2017	5.04	1,336,345	-	-	-	1,336,345	4.19
				2,672,690	-	-	-	2,672,690	
Total				**63,051,928**	**(25,239,146)**	**(57,900)**	**(2,919,653)**	**34,835,229**	

(All amounts in thousands of reais, unless otherwise stated)

Total options exercised during the period

	Plan BM&F S.A.		Plan BM&FBOVESPA	
Exercise Month	**Average Market Price per share(R$)**	**Quantity carried**	**Average Market Price (R$)**	**Quantity carried**
January	10.43	200,000	10.46	167,500
February	11.89	664,650	11.89	813,437
March	12.09	495,000	12.09	579,066
Exercised Options during 1st quarter 2012		**1,359,650**		**1,560,003**

Consolidated activity during the year

	Quantity
At December 31, 2011	**22,418,092**
Granted Options	15,394,690
Exercised Options (note 15 (b))	(2,919,653)
Canceled Optons	(57,900)
At March 31, 2012	**34,835,229**

(All amounts in thousands of reais, unless otherwise stated)

The percentage of capital dilution

	BM&F S.A.	BM&FBOVESPA					03/31/2012 TOTAL
Granted at	12/18/2007	12/19/2008	03/01/2009	01/03/2011	01/02/2012	01/02/2012	
Stock option otstanding	564,350	1,425,142	4,932,172	12,533,875	12,707,000	2,672,690	34,835,229
Otstanding shares							1,930,911,641
Dilution rate	0.03%	0.07%	0.26%	0.65%	0.66%	0.14%	1.80%

	BM&F S.A.	BM&FBOVESPA			12/31/2011 TOTAL
Granted at	12/18/2007	12/19/2008	03/01/2009	01/03/2011	
Stock option otstanding	1,924,000	1,726,224	6,209,243	12,558,625	22,418,092
Otstanding shares					1,927,991,988
Dilution rate	0.10%	0.09%	0.32%	0.65%	1.16%

Effects arising from the exercise of the options

Details	1st Quarter 2012	1st Quarter 2011
Amount received on share sales-Exercised Options	18,046	5,604
(-)Cost of treasury shares old	(29,279)	(15,033)
Effect on disposal of shares	**(11,233)**	**(9,429)**

Option pricing model

To determine the fair value of the options granted, BM&FBOVESPA takes into account the following aspects:

a) The model of stock options granted by BM&FBOVESPA permits the early exercise as from the future vesting date, this being between the date of grant and the date of expiry;
b) The shares pay dividends between the grant date and the option expiry date.

Accordingly, these options have characteristics of the European model (early exercise is not allowed) until the vesting date and characteristics of the American model (possibility of early exercise) between the vesting date and the option expiry date. This form of options is known as the Bermuda or Mid-Atlantic type and their price must be between the price of a European option and the price of an American option with similar characteristics. In relation to the dividend payment, there are two impacts on the price of the option that should be taken into account: (i) the fall in share prices after the dates on which they become ex-dividend and (ii) the influence of such payments on the decision to exercise the option early.

Considering the aspects above, a modified Binomial method (Cox-Ross-Rubinstein) was used to determine the fair value of the options granted which consider the existence of two distinct periods in relation to the possibility of anticipated exercise (before and after the vesting dates). This method produces results which are equivalent to the results of the Black & Scholes model for non-complex European options, having the advantage of being able to incorporate the characteristics of an exercise and the payment of dividends associated with the stock options considered.

The main assumptions used in pricing the options were:

a) The options were valued based on the market parameters effective on each of the grant dates of the different plans;
b) To estimate the risk-free interest rate, were adopted the future interest contracts negotiated for the maximum exercise period of the options;
c) Since BM&FBOVESPA was a recently listed entity at the time the BM&F plan was granted, historical volatility did not provide sufficient information on share volatility, considering the contractual term for exercising the options. As a result, BM&FBOVESPA used the implicit volatility of similar entities (international stock exchanges) as a basis for estimating the volatility of its shares over periods in which liquidity was sufficient to guarantee the quality of the data gathered;
d) In order to define the volatility applied by the pricing model of the second and fifth grants of the BM&FBOVESPA plan three measures commonly employed in finance were evaluated: (i) implied volatilities, (ii) volatilities estimated via autoregressive model (GARCH) and; (iii) volatility model estimated via exponential weighted moving average (EWMA). Although the exclusive use of implied volatilities, ie volatilities computed based on observed prices in the

market, offer more accurate estimates, options trading of the shares of those grants had low liquidity on the dates of grant, and refer to lower maturities. Thus, BM&FBOVESPA used the average between the implied volatility observed and the estimated volatility via EWMA model to estimate the volatility of its shares, whereas the results obtained with the GARCH model were not satisfactory;

e) The share prices were adjusted in order to take into account the impact of dividend payments; and
f) The maximum period for exercising the options granted was used as expiry date of the options.

The remaining usual assumptions related to option pricing models, such as inexistence of arbitrage opportunities, as well as, constant volatility and interest rates over the period, were also considered in the calculation.

Private pension plan

The private pension plan "Fundo de Pensão Multipatrocinado das Instituições do Mercado Financeiro e de Capitais (MERCAPREV) is structured as a defined contribution retirement plan and is sponsored by the following entities: Adeval, Ancor, BM&FBOVESPA, Sindival and the brokerage firms Theca, Souza Barros and Talarico. There were no contributions from BM&FBOVESPA during the first quarter of 2012, once this were compensated with de amounts available in the Pension Fund, composed by previous contributions of the Sponsor to participants that did not have rights due to the leaving before being elected to the benefits of the plan. Contributions to the plan during the period ended March 31, 2011 was R$ 831.

19 Income Tax and Social Contribution on Net Income

(a) Deferred income tax and social contribution

The balance of deferred tax assets and liabilities is as follows:

(All amounts in thousands of reais, unless otherwise stated)

	BM&FBOVESPA and Consolidated	
Details	**03/31/2012**	**12/31/2011**
Tax, labor and civil contingencies	9,141	8,525
Tax loss carryforwards	27,966	30,053
Exchange variation on foreign debt issuance	12,193	23,367
Other Temporary differences	13,943	18,605
Total deferred tax assets	**63,243**	**80,550**
Goodwill amortization (1)	(1,335,392)	(1,200,623)
Other	(3,154)	(3,959)
Total deferred tax liabilities	**(1,338,546)**	**(1,204,582)**
Total deferred tax liabilities	**(1,275,303)**	**(1,124,032)**

(1) Deferred income tax and social contribution liabilities arising from temporary differences between the tax basis of goodwill and its carrying value on the balance sheet, considering that goodwill is still amortized for tax purposes, but is no longer amortized for accounting purposes as from January 1, 2009 , resulting in a tax base smaller than the carrying value of goodwill. This temporary difference may result in amounts becoming taxable in future periods, when the carrying amount of the asset will be reduced or liquidated, this requiring the recognition of a deferred tax liability

Net changes in deferred tax during the year:

	BM&FBOVESPA and Consolidated			
Details	**12/31/2011**	**Debit (credit) at income statement**	**Debit (credit) at Comprehensive Income**	**03/31/2012**
Tax, labor and civil contingencies	8,525	616	-	9,141
Tax loss carryforwards	30,053	(2,087)	-	27,966
Exchange variation on foreign debt issuance	23,367	-	(11,174)	12,193
Other Temporary differences	18,605	(4,662)	-	13,943
Total deferred tax assets				
Goodwill amortization	(1,200,623)	(134,769)	-	(1,335,392)
Other	(3,959)	805	-	(3,154)
Total	**(1,124,032)**	**(140,097)**	**(11,174)**	**(1,275,303)**

(b) Estimated realization period

The deferred income tax and social contribution assets arising from temporary differences are recorded in the books taking into consideration the probable realization of these tax assets, based on projections of future results prepared in accordance with and supported by internal assumptions and future economic scenarios that may, accordingly, not materialize as expected.

It is expected that deferred tax assets (including the tax loss carryforward of R$27,966) will be realized in the amount of R$24,020 until one year and R$39,223 after one year and for the deferred liabilities the expectative of realization is over one year. At March 31, 2012, the present value of the deferred tax assets considered in the expectation amounts to R$47,341.

As the income tax and social contribution taxable bases arise not only from the profit that may be generated, but also from the existence of non-taxable income, non-deductible expenses, tax incentives and other variables, there is no immediate correlation between accounting profit of BM&FBOVESPA and the income subject to income tax and social contribution. Therefore, the expectation of the use of deferred tax assets should not be considered as the only indicator of future income of BM&FBOVESPA.

The goodwill amount deductible for income tax and social contribution purposes amounts to R$9,229,433 at March 31, 2012 (R$9,625,812 at December 31, 2011)

The realization of the deferred tax liability will occur as the difference between the tax basis of goodwill and its carrying amount is reversed, that is, when the carrying value of goodwill in the balance sheet is either reduced or liquidated.

(c) Reconciliation of the income tax and social contribution expense

The income tax and social contribution amounts presented in the statements of income at nominal rates are reconciled to the statement rates as follows:

(All amounts in thousands of reais, unless otherwise stated)

	BM&FBOVESPA	
	1st Quarter 2012	**1st Quarter 2011**
Net income before income tax and social contribution	**438,729**	**381,923**
Income tax and social contribution before additions and exclusions	(149,168)	(129,854)
Aditions:	(23,033)	(10,790)
Adjustments from Law 11,638/07	(2,852)	(8,345)
Non-deductible expenses	(20,181)	(2,445)
Exclusions:	13,662	29,477
Equity	13,662	12,477
Interest on onwn capital	-	17,000
Other	236	-
Income tax and social contribution	**(158,303)**	**(111,167)**

	Consolidated	
	1st Quarter 2012	**1st Quarter 2011**
Net income before income tax and social contribution	**439,719**	**384,177**
Income tax and social contribution before additions and exclusions	(149,504)	(130,620)
Aditions:	(22,789)	(11,053)
Adjustments from Law 11,638/07	(2,852)	(8,345)
Non-deductible expenses	(19,937)	(2,708)
Exclusions:	12,759	29,815
Equity	12,759	12,815
Interest on onwn capital	-	17,000
Other	236	(1,026)
Income tax and social contribution	**(159,298)**	**(112,884)**

(1) Refers mainly to (i) R$13,365 of recoverable income tax paid abroad (Note 7).

(All amounts in thousands of reais, unless otherwise stated)

20 Revenue

	1st Quarter 2012	1st Quarter 2011	1st Quarter 2012	1st Quarter 2011
Trading and/or settlement system - BM&F	**201,647**	**186,662**	**201,647**	**186,662**
Derivatives	197,585	182,128	197,585	182,128
Foreign exchange	4,054	4,513	4,054	4,513
Assets	8	21	8	21
Trading and/or settlement system – Bovespa (1)	**263,431**	**251,716**	**263,431**	**251,716**
Negotiation – trading fees	62,641	183,970	62,641	183,970
Transactions – clearing and settlement	199,560	63,231	199,560	63,231
Other (2)	1,230	4,515	1,230	4,515
Other revenues	**87,271**	**78,097**	**95,342**	**87,099**
Loans of marketable securities	21,113	15,405	21,113	15,405
Listing of marketable securities	11,716	11,276	11,716	11,276
Depository, custody and back office	23,697	22,105	23,697	22,105
Trading participant access	12,195	12,470	12,195	12,470
Vendors – quotations and market information	15,694	16,224	15,694	16,224
Bolsa Brasileira de Mercadorias -dividends and contributions	-	-	894	2,419
Bank- Financial intermediation and bank fees	-	-	5,287	4,711
Other (2)	2,856	617	4,746	2,489
Deductions of revenue	**(57,096)**	**(52,845)**	**(57,599)**	**(53,320)**
PIS and COFINS taxes	(50,272)	(46,668)	(50,661)	(47,014)
Taxes on services	(6,824)	(6,177)	(6,938)	(6,306)
Total Revenue	**495,253**	**463,630**	**502,821**	**472,157**

(1) During August 2011, with the entry into force of the new pricing policy of the Bovespa, the cost of trading and post-trade (transactions) have been rebalanced, without changing the total price paid by investors.

(2) Refers mainly to settlements and public offerings income.

(All amounts in thousands of reais, unless otherwise stated)

21 Sundry Expenses

	BM&FBOVESPA	
Details	**1st Quarter 2012**	**1st Quarter 2011**
Electricity, water and sewage	2,449	2,321
Contributions and donations	1,585	1,037
Travel	888	1,261
Sundry provisions	716	170
Rental	587	608
Other	2,554	352
Total	**8,779**	**5,749**

	Consolidated	
Details	**1st Quarter 2012**	**1st Quarter 2011**
Electricity, water and sewage	2,505	2,371
Contributions and donations	1,607	1,062
Travel	1,034	1,371
Sundry provisions	950	3,646
Rental	733	645
Other	1,386	73
Total	**8,215**	**9,168**

(All amounts in thousands of reais, unless otherwise stated)

22 Financial results

	BM&FBOVESPA	
	1st Quarter 2012	**1st Quarter 2011**
Financial income		
Revenue from financial assets measured at fair value	80,267	76,396
Exchange rate	2,778	24
Other financial income	2,638	3,696
Total financial income	**85,683**	**80,116**
Financial expense		
Interest on foreign debt and loans	(16,814)	(16,976)
Exchange rate	(3,289)	(567)
Other financial expense	(716)	(453)
Total financial expense	**(20,819)**	**(17,996)**
Financial Results	**64,864**	**62,120**

	Consolidated	
	1st Quarter 2012	**1st Quarter 2011**
Financial income		
Revenue from financial assets measured at fair value	81,148	77,176
Exchange rate	2,778	24
Other financial income	2,793	4,365
Total financial income	**86,719**	**81,565**
Financial expense		
Interest on foreign debt and loans	(16,814)	(16,976)
Despesa de captação	(3,289)	(567)
Exchange rate	(1,072)	(829)
Other financial expense		
Total financial expense	**(21,175)**	**(18,372)**
Financial Results	**65,544**	**63,193**

23 Information about Business Segments

We present below consolidated information based on reports used by the Executive Board for making decisions, with the segments comprising Bovespa, BM&F, Corporate. Due to the nature of the business, the Executive Board does not use any information on assets and liabilities by segment to support the decision making.

Bovespa Segment

The Bovespa segment covers the various stages of the trading cycle of fixed and variable income and equity securities, on the stock exchange and Over the Counter (OTC),BM&FBOVESPA manages the national stock exchange and OTC market for trading of variable income securities, including stocks, stock receipts, Brazilian Depository Receipts, stock derivatives, subscription bonuses, various types of closed-end investment funds, shares representing audiovisual investment certificates, non-standard options (warrants) to purchase and sell securities and other securities authorized by the CVM.

BM&F segment

The BM&F segment covers the main steps of the cycles of trading and settlement of securities and contracts: (i) trading systems in an environment of electronic trading and trading via internet (WebTrading), (ii) recording, clearing and settlement systems, integrated with a risk management system to ensure the proper settlement of the transactions recorded, and (iii) custodian systems for agribusiness securities, gold and other assets.

In addition, this segment includes the trading of commodities, foreign exchange, and public debt, and services provided by Banco BM&F and the Brazilian Commodities Exchange.

Corporate segment

Services provided as depository of securities, as well as loans and of securities (registration in our systems of issuers of securities for trading), data services and classification of commodities, and technological products.

(All amounts in thousands of reais, unless otherwise stated)

				1st quarter 2012 Consolidated
Information by segment	**Bovespa Segment**	**BM&F Segment**	**Enterprise products and Institutional**	**Total**
Gross operating revenue	263,431	201,647	95,342	560,420
Deductions from revenue	(27,847)	(21,028)	(8,724)	(57,599)
Net operating revenue	**235,584**	**180,619**	**86,618**	**502,821**
Adjusted operational expenses	(53,107)	(37,324)	(34,958)	(125,389)
Depreciation and Amortization	(10,522)	(7,370)	(4,019)	(21,911)
Stock Options	(3,274)	(2,675)	(2,439)	(8,388)
Allowance for doubtful accounts	40	19	(775)	(716)
Other	(4,757)	(3,757)	(1,253)	(9,767)
Total operational expenses	**(71,620)**	**(51,107)**	**(43,444)**	**(166,171)**
Operating income	**163,964**	**129,512**	**43,174**	**336,650**
Equity in income of investees				37,525
Financial income				65,544
Taxes				(159,298)
Net income	**163,964**	**129,512**	**43,174**	**280,421**

(All amounts in thousands of reais, unless otherwise stated)

1st quarter 2011
Consolidated

Information by segment	**Bovespa Segment**	**BM&F Segment**	**Enterprise products and Institutional**	**Total**
Gross operating revenue	251,716	186,662	87,099	525,477
Deductions from revenue	(25,008)	(19,647)	(8,665)	(53,320)
Net operating revenue	**226,708**	**167,015**	**78,434**	**472,157**
Adjusted operational expenses	(59,037)	(40,665)	(40,926)	(140,628)
Depreciation and Amortization	(9,327)	(8,672)	(4,295)	(22,294)
Stock Options	(9,619)	(8,259)	(6,666)	(24,544)
Alowance for doubtful acounts	(16)	67	1,024	1,075
Other	(1,221)	(899)	(203)	(2,323)
Total operational expenses	**(79,220)**	**(58,428)**	**(51,066)**	**(188,714)**
Operating income	**147,488**	**108,587**	**27,368**	**283,443**
Equity in income of investees				37,541
Financial income				63,193
Taxes				(112,884)
Net income	**147,488**	**108,587**	**27,368**	**271,293**

24 Insurance

Supported by its insurance brokers, BM&BOVESPA contracts in the market coverage compatible with its size and operations, The main coverage, at March 31, 2012, is indicated below, according to the insurance policies:

(All amounts in thousands of reais, unless otherwise stated)

Insurance lines	**Amounts insured**
Amounts at risk, material damages, property and equipment	417,647
Civil liability	98,105
Works of art	16,133

25 Subsequent Events

a. The state Government of Rio de Janeiro, through decree No. 43541 of April 9, 2012, declared the properties owned by the subsidiary Bolsa de Valores do Rio de Janeiro (BVRJ), located in the city of Rio de Janeiro, to be a public utility subject to expropriation. BM&FBOVESPA is still waiting for the manifestation of the Attorney General of the State of Rio de Janeiro.

   The analysis of possible impacts on the balance sheet will only be possible after the Attorney General sets the price and timing for the expropriation of this property. BM&FBOVESPA hired experts to define the market value of these properties. These properties are recorded as Investment Properties at the amount of R$ 36,322 (Note 7 (b)).

b. At its meeting on May 10, 2012, the Board of Directors approved the payment of interest on shareholders' equity / dividends in the amount of R$ 224,341, which shall be imputed to the mandatory minimum dividend for fiscal year 2012. Interest on own capital / dividends will be paid on July 31 2012 to shareholders of record as of May 14, 2012.

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