

# The market develops here

Annual Report 2015

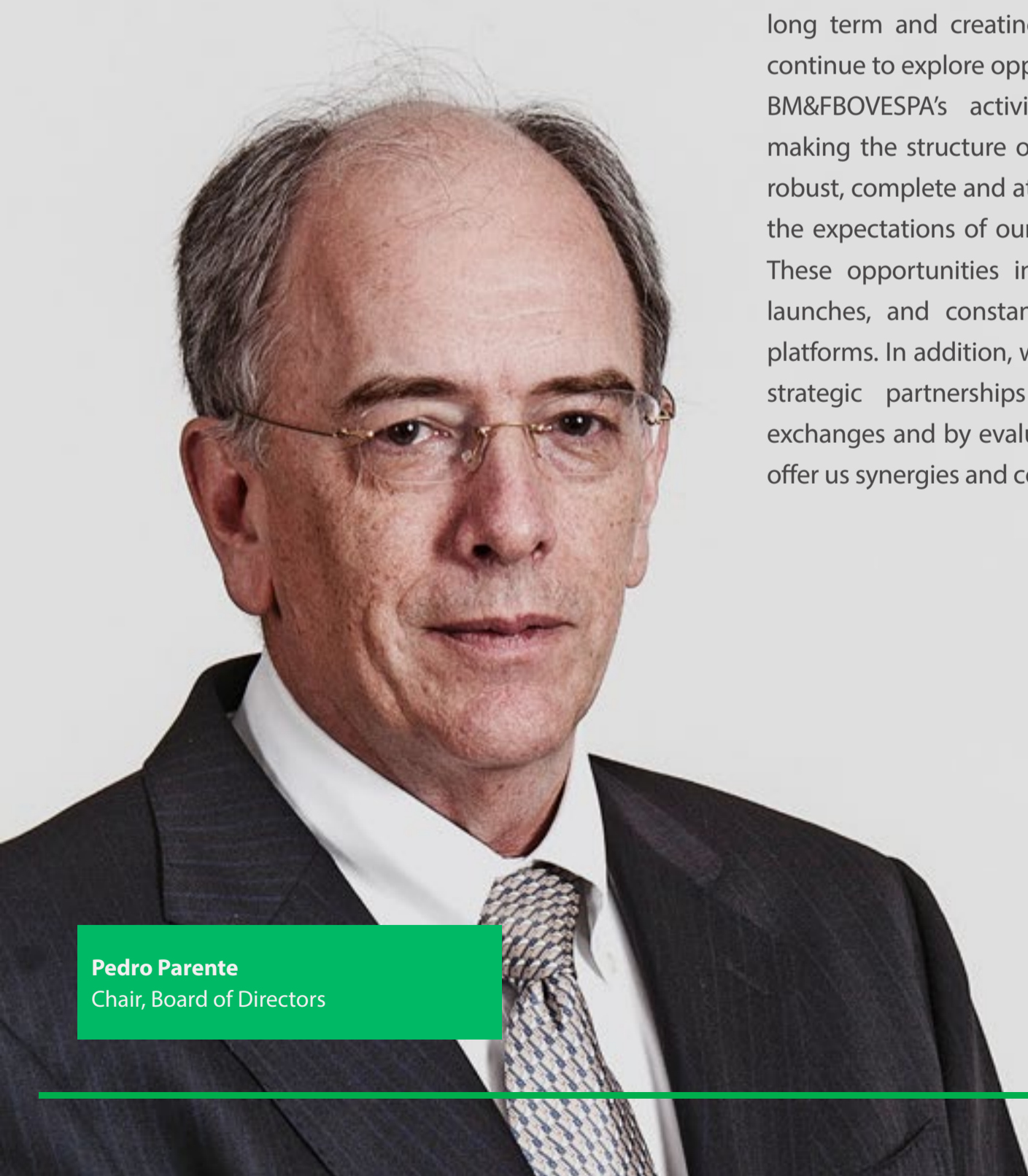
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# Message from the Board of Directors<sup>G4-1</sup>

## Tackling challenges with focus, enthusiasm and energy

The year 2015 was marked by major challenges in the Brazilian economy and changes in the global outlook, and BM&FBOVESPA's diversified business model and the excellence acquired in managing these markets and in risk administration once again showed their strength, enabling the company to deliver superior results to shareholders despite these challenges.

With a steady focus on growing our business over the long term and creating value for our shareholders, we continue to explore opportunities to expand and enhance BM&FBOVESPA's activities and platforms, meanwhile making the structure of the markets in Brazil even more robust, complete and attractive so as to meet and surpass the expectations of our customers and of the regulators. These opportunities include new product and service launches, and constant development of technological platforms. In addition, we pursue organic growth through strategic partnerships with Latin America's leading exchanges and by evaluating business combinations that offer us synergies and complementarity.



**Pedro Parente**  
Chair, Board of Directors

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In our core business, gathering market volatility and sharp local currency depreciation against the US dollar bolstered revenue in the BM&F segment, while in the Bovespa segment the market value of listed companies fell significantly, with a corresponding decline in trading volume. Revenue from other products and services not related to trading volume in the equities and derivatives markets also contributed to our growth.

This positive performance by revenue, which rose 9.5% compared with 2014, did not distract us from our focus on assuring diligent control of expenditure, which has long been a key component of the company's culture.

We also maintained our commitment to return results to our shareholders. More than R\$1.5 billion was distributed to shareholders in dividends, interest on equity and share buybacks in 2015, corresponding to a total return of 7.6% on the company's average market capitalization in the year.

The challenges we faced in 2015 will not disappear in the short run. The news on economic and political problems in Brazil, as well as the decisions that are likely to be made in these areas, will continue to exert a strong influence on the decisions of investors and corporations. Nevertheless, this turbulent environment with scant visibility will not make us deviate from executing our strategic plan.

Market and product development initiatives also remain strategic priorities for our team. The Brazilian market's attractiveness has an unquestionable macroeconomic component, but on the other hand we are firmly convinced that constant expansion of the product portfolio available to our customers is also fundamental. To this end we are building ever closer ties with customers to understand and address their needs, while working with the regulators as interlocutors and articulators in order to help enhance the Brazilian regulatory framework.

Another important event in 2015 was the sale of 20% of our investment in the stock issued by CME Group. This move, which was designed to reduce the company's exposure to balance-sheet risk, had a positive impact on our results without affecting the fundamental aspects of our strategic relationship with CME, a major US exchange.



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We have also worked hard to enhance BM&FBOVESPA's own corporate governance, strengthening the committees that advise the Board of Directors and holding a series of meetings with shareholders by the Chairman and CEO during the General Meeting of the company, which elected a renovated Board of Directors. We believe our management and governance model combines and appropriately balances the strategic guidance, control and execution functions at all the various levels of the organization, allowing management of the business to proceed with agility, security and a firm sense of direction.

Finally, in closing the year 2015 we reiterate our conviction that BM&FBOVESPA continues to be well positioned to capture opportunities for market growth, although it is important to acknowledge the challenges posed by the deterioration in the macroeconomic outlook. We also see ourselves as drivers of the Brazilian capital and derivatives markets' development, and we will continue to perform this role with focus, enthusiasm and energy.



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## Robustness, resilience and innovation

These are some of the words that describe the virtues demonstrated by BM&FBOVESPA during the year 2015, in an environment of acute volatility and volume peaks.

Throughout its recent history the company has made important investments that have transformed its technology infrastructure, operating processes and risk management. For example, the operational capacity and robustness of the PUMA Trading System, BM&FBOVESPA Clearinghouse and CORE risk management system were severely tested in 2015.

In addition, the scheduled deliveries took place at a rapid pace. We advanced to the second phase of BM&FBOVESPA Clearinghouse, in which post-trade processes in the equities and corporate debt markets are being integrated with the processes implemented in the first phase, which involved the derivatives market. Technological development was completed in the last quarter of the year and delivery of Phase Two is scheduled for the fourth quarter of 2016, once tests with the market have been completed and regulatory approval has been granted. We also completed migration of over-the-counter derivatives to a new, more modern and flexible platform as part of the iBalcão initiative. All these developments make our long-term strategic position even stronger. We also have the appropriately trained human talent required to develop, monitor and enhance our systems and processes in accordance with the needs of the business.

## Message from the Chief Executive Officer<sup>G4-1</sup>



**Edemir Pinto**  
Chief Executive Officer

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Maintaining our commitment to stimulate continuous improvement of corporate governance in listed companies, we worked with other entities and market specialists to launch the State-Owned Enterprise Governance Program in 2015. This is a voluntary program that aims to foster enhancement of SOEs' governance practices and structures. We also began a discussion on ways of enhancing the rules for the Novo Mercado, Level 1 and Level 2 special listing segments.

Product and market development continued in 2015, led by expansion of the market maker program and the securities lending service. We also launched new derivatives contracts, unsponsored BDR programs and ETFs. These initiatives multiplied the number of options available to investors who seek portfolio diversification, while also highlighting the differentiators that make our platforms uniquely attractive.

Proceeding with our expansion project, we sought opportunities for business combinations aligned with our strategic plan and partnerships with Latin America's leading exchanges to promote joint product development and facilitate access by issuers and investors from one market to another. We took the first step in 2015 by acquiring an 8.3% equity interest in Chile's Santiago Stock Exchange. Transformational projects and business expansion are part of our successful trajectory and make BM&FBOVESPA stronger and even better prepared to face the prospect of more challenges in 2016, not least by capturing the growth opportunities that will arise in the medium and long term.

We are very proud of our team of professionals and certain that our human capital is prepared and motivated to continue delivering positive results to our customers, regulators and shareholders. It is this certainty that gives us the confidence to continue believing in the company's potential for the years ahead.



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# Summary



# 1 About this Report





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## BM&FBOVESPA continuously monitors its key indicators.

This annual report details the performance of BM&FBOVESPA and operations conducted between January 1 and December 31, 2015. The previous report was published in February 2015 and referred to the Company's operations in 2014. **G4-28 / G4-29**

It is important to note that the 2015 financial statements were audited by Ernst & Young Auditores Independentes, and that no significant restatements or changes have been made with regard to the 2014 financial statements. **G4-33**

This is the seventh consecutive annual report published by BM&FBOVESPA in accordance with the guidelines of the Global Reporting Initiative (GRI), presenting financial and non-financial information together. The 2015 report is based on GRI-G4, in accordance with the Core option. **G4-30 / G4-32**

Following the premises of GRI G4, this report aims to give more visibility to the themes considered most important by management and stakeholders: shareholders, investors, issuers, market participants (banks, brokerage houses, custody agents, clearing agents), regulators (the Securities and Exchange Commission of Brazil, CVM, and the Central Bank of Brazil, BCB), employees, and suppliers (especially of technology). **G4-24**

A working group was set up to define the content of this publication, comprising professionals from several departments (Investor Relations, Communication, HR and Education, Press and Sustainability, Internal Controls, Compliance and Corporate Risk, and Finance). The working group produced the materiality matrix on the basis of internal and external sources, surveys of the Company's customers and participants, and discussions with shareholders and market analysts, prioritizing the corporate risk matrix. **G4-18 / G4-20 / G4-21 / G4-22 / G4-23**

The materiality matrix, illustrated on the next page, highlighted six aspects: risk management; technological and operational excellence; enhancement and development of products, markets and services; corporate governance, self-regulation and market supervision; financial solidity; and people management, so that these pillars could support the selection of the correlated indicators and prepare the content of this publication. **G4-19 / G4-27**

It should also be stressed that BM&FBOVESPA engages continuously with priority stakeholders through its strategic areas and relationship channels, incessantly seeking to enhance services, fulfill requirements, and understand the impacts perceived by stakeholders. **G4-25 / G4-26**

Accordingly, a survey was conducted in 2015 to verify the degree of satisfaction experienced by BM&FBOVESPA's main stakeholder groups with the various services offered by the Company. The online survey questionnaire containing one open question and 37 closed questions was completed by 320 people. The level of overall satisfaction was 75%, covering "satisfied" and "highly satisfied", and the People pillar was especially highly rated. **G4-PR5**

The 2015 Annual report is available online from BM&FBOVESPA's IR website ([bmfbovespa.com.br/ir](http://bmfbovespa.com.br/ir)).

For more information, contact the IR department by email at [ri@bmfbovespa.com.br](mailto:ri@bmfbovespa.com.br). **G4-31**

The GRI Content Index is on page 47.

# Main Stakeholders

1 CUSTOMERS

2 MARKET PARTICIPANTS

3 REGULATORS

4 SHAREHOLDERS

5 EMPLOYEES

6 SUPPLIERS

## Relevant drivers



Technological and operational excellence



Financial solidity



Risk management



Corporate governance, self-regulation and market supervision



People management



Development of products, markets and services

## Materiality Matrix <sup>G4-18</sup>

Associated initiatives highlighted in this Report	Attributes for stakeholders and Company
<b>BM&amp;FBOVESPA PUMA Trading System</b> <b>BM&amp;FBOVESPA Clearinghouse</b> <b>Information Security</b> <b>BM&amp;FBOVESPA Data Center</b> <b>iBalcão</b>	Availability <sup>1, 2 and 3</sup> Resilience <sup>1, 2 and 3</sup> Strengthening and sustainability of the business <sup>all</sup> Growth <sup>1, 2, 3 and 4</sup>
<b>Financial management</b> <b>Budget discipline</b> <b>Investments</b> <b>Capital allocation</b>	Efficiency <sup>1, 2 and 4</sup> Strengthening and sustainability of the business <sup>all</sup> Growth <sup>1, 2, 3 and 4</sup>
<b>CORE</b> <b>LiNe</b> <b>Risk management governance</b>	Security <sup>1, 2, 3 and 4</sup> Efficiency <sup>1, 2 and 4</sup> Strengthening and sustainability of the business <sup>all</sup>
<b>Code of Conduct</b> <b>Risk management policies</b> <b>BM&amp;FBOVESPA Market Supervision</b>	Security <sup>1, 2, 3 and 4</sup> Strengthening and sustainability of the business <sup>all</sup>
<b>Recognition and valorization of merit</b> <b>Remuneration and Benefits Policy</b>	Quality of service <sup>1, 2, 3, 4 and 5</sup> Strengthening and sustainability of the business <sup>all</sup> Growth <sup>1, 2, 3 and 4</sup>
<b>Securities Lending Service</b> <b>Market makers</b> <b>ETFs (equities and fixed-income)</b> <b>BDRs and international contracts</b> <b>Derivatives (commodity and inflation futures contracts)</b> <b>Listing segments</b> <b>State-Owned Enterprise Governance Program</b> <b>Inducing sustainability practices</b> <b>Education initiatives</b> <b>Commercial policies</b> <b>Expansion in Latin America</b>	Customer focus <sup>1, 2 and 4</sup> Quality of service <sup>1, 2, 3 and 4</sup> Strengthening and sustainability of the business <sup>all</sup> Growth <sup>1, 2, 3 and 4</sup>

# 2 Strategy and Analysis



# BM&FBOVESPA seeks to build ever closer ties with customers and strengthen its commitment to reliable risk management, financial security, technological excellence and cost effectiveness.

## Innovation and expertise

BM&FBOVESPA is proud to be one of the leading players in the financial and capital markets. To develop the equity and derivatives markets, it partners with customers by supporting their business activities through novel alternatives and innovative solutions to their needs.

The Company's history has been distinguished by transformational projects built by professionals with outstanding capabilities to improve business infrastructure and promote positive change for stakeholders.

Best of 2015 – Isto É Dinheiro	2015 Transparency Trophy
Leader in financial services.	Winner for the seventh consecutive year in the category Publicly Held Companies with Net Revenue of up to R\$5 billion.
No. 1 in human resources.	
Ranked outstanding in corporate governance, innovation, quality, and social responsibility.	

## Strategic drivers

Maintaining an adequate and resilient infrastructure, alongside assuring the viability and stimulating the growth of trading volume in its markets, are priority goals for BM&FBOVESPA. To achieve these objectives, the Company has an important strategic position in the areas highlighted below.

### ■ Risk management <sup>G4-2</sup>

With an advanced risk management structure, BM&FBOVESPA acts as central counterparty (CCP) in the equity, derivatives, spot dollar, government bond and corporate debt markets. By acting as CCP it assumes responsibility for the settlement of transactions executed through its systems and/or registered with them. As such it intermediates between the parties to each transaction, acting as buyer to all sellers and seller to all buyers for settlement purposes.

Thus if a participant fails to discharge its obligations, BM&FBOVESPA must activate safeguards and ultimately have recourse to its own funds. To manage the risks inherent in this function, the CCP focuses on calculating, controlling and mitigating the credit risk posed by participants and customers, and on monitoring the various factors that affect the markets managed by the Company.

Investment in advanced technology and systems enable the Company to start monitoring customer risk even before any transactions are executed. Pre-trading oversight is performed using a tool called LiNe (short for *Limite de Negociação*, "trading limit"). This control places BM&FBOVESPA ahead of most exchanges worldwide in risk management practices. <sup>G4-EC7</sup>

The Company has also developed a complex risk calculation architecture called CORE (Closeout Risk Evaluation), which performs billions of calculations to determine the amount of collateral that must be posted according to each investor's open position and risk parameters entered into the system. This collateral is the most important layer of the CCP's safeguard structure and is followed by two other layers formed by specific settlement funds and BM&FBOVESPA's own equity, which can be used to cover losses relating to settlement failure.

Thus technology, mathematical sophistication and statistics in calculating risk, in conjunction with a sound safeguard structure, assure the CCP's robustness.

## CORE (Closeout Risk Evaluation)

*CORE is one of the most advanced and secure risk management systems in the world today. Based on its analysis of each customer's portfolio, CORE can deliver efficiency gains by reducing margin requirements for investors and market participants, and thereby lowering transaction costs without affecting market robustness and security.*

*Developed by BM&FBOVESPA to quantify potential losses in the event of customer or participant default, by means of complex calculations CORE estimates the closeout risk for portfolios consisting of multiple classes of assets and instruments, in both the exchange and OTC markets, so that market risk, liquidity risk and cashflow risk can be assessed in a consistent and integrated manner.*

*CORE was adopted in the derivatives market in August 2014 and will be extended to the equity market in late 2016.*

It should also be stressed that BM&FBOVESPA uses two approaches to the management of corporate risks, which include strategic, operational, financial and regulatory risks: a top-down approach centering on management's view of the Company's main risks and their key components (factors/causes and consequences); and a bottom-up approach based on a view of risk in the detailed context of operational processes and the respective controls.

Risk management therefore includes the following stages and activities: formalization and identification of the risks inherent in operational processes, classification of their impact and the likelihood of their materialization, assessment by the department responsible, establishment of action plans for specific risks, and presentation of reports to top management.

### Technological and operational excellence

For the development of its activities, BM&FBOVESPA has a state-of-the-art technology framework. The maintenance and continuous upgrading of its trading and settlement platforms, as well as investment in cutting-edge technology, results in a high performance, adding security and speed to participants' markets.

The Company's investment in cutting-edge technology results entirely in high performance, bolstering participants' security and speed in their markets.

**BM&FBOVESPA PUMA Trading System** – The electronic platform demonstrated its robustness in 2015, when capacity and performance were put to the test during periods of high volatility. In recent years the platform has seen several messaging peaks, setting a run of new records.

**BM&FBOVESPA Clearinghouse** – The post-trade integration project, consisting of two main stages, will result in the implementation of new concepts, technologies and solutions that will increase the Company's competitive differentiators.

The new clearinghouse will replace the four existing segmented clearinghouses (for equities, derivatives, fixed-income securities, and foreign exchange) and unify settlement, back office and risk management processes for the different markets, guaranteeing the same reliability while generating more efficiency in terms of reduced cost, lower operational risk, and better capital allocation and cash management for customers. The first stage, which encompassed the derivatives market, was completed in August 2014. Finalization of the second stage, which will integrate the equity market (equities, equity derivatives, and securities lending) with the private fixed-income market, is scheduled for fourth-quarter 2016 and will depend on the results of integrated tests with market participants, as well as approval by the regulator.

**iBalcão** – The Company reiterates its commitment to maintaining a complete portfolio of products and services and offering customers and participants flexible trading platforms and one of the most robust and complete systems for registration, pricing, risk assessment and management of over-the-counter (OTC) trading in derivatives and fixed-income instruments.

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BM&FBOVESPA's OTC platform registers transactions involving derivatives – flexible options, forwards and swaps – and fixed-income securities, including Agribusiness Credit Notes (LCAs), Real Estate Credit Certificates (CCIs), Real Estate Credit Bills (LCIs), Certificates of Deposit (CDs) and Financial Bills (LFs), as well as Structured Transaction Certificates (COEs) referenced to equities, equity indexes, interest-rate indexes, inflation, and currencies.

iBalcão is a deposit and registration platform that integrates information on access to systems, monitoring, regulation, operating rules, costs and statistics for BM&FBOVESPA's OTC market, enabling participants to manage the complete lifecycle of these products with flexibility and speed.

**BM&FBOVESPA Data Center** – Another example of the Company's constant technological innovation is the new data center, which is a strategic investment for BM&FBOVESPA. The facility features improved energy efficiency, co-location services, advanced generators, state-of-the-art uninterruptible power supplies (UPSs), 72h operating autonomy without resupply, precision air conditioning, substantial availability of telecommunications resources, a restricted controlled environment, and a monitoring and image recording system. The data center is also certified to the Leadership in Energy and Environmental Design (LEED) sustainable building standard.

### **Development of products, markets and services**

BM&FBOVESPA is a leading Company. As such, it prioritizes the development and/or continuous enhancement of products and services that meet the needs of its customers.

This commitment entails increasing the liquidity of listed products; attracting new customers, especially local pension funds and foreign investors, to the securities lending service; expanding the market maker program; growing the product portfolio, including new derivatives contracts and products for individual investors such as Tesouro Direto (Brazil's equivalent of Treasury Direct); listing new equity and fixed-income ETFs; developing the family of inflation-linked futures contracts; and cross-listing of derivatives.

**Market makers** – Introduction of new market maker programs for options on equities. The number rose from 14 in 2014 to 27 in 2015. In the financial and commodity derivatives market, there are eight active market maker programs, seven of which began in 2015.

**BDRs** – Nineteen new programs began trading (taking the total to 85), including the first BDR issued by a Latin American Company, and reservation applications were filed for another 39, which are scheduled to begin in 2016. In addition, new rules issued by CVM, the Securities and Exchange Commission of Brazil, (ICVM 555) in response to requests by the Company and the market entered into force, allowing retail investors to trade BDRs via investment funds.

**Product launches** – Start of trading in the Call Option Contract on S&P 500 Futures and Put Option Contract on S&P 500 Futures; International ETF; and structured rollover transactions for Mini US Dollar Futures, Mini Ibovespa Futures and Cash-Settled Hydrous Ethanol Futures.

**Commercial Policies** – In 2015 BM&FBOVESPA introduced a number of measures designed to enhance its commercial policies by correcting distortions, aligning with international practices and offering incentives to the development of products and services. Changes were made mainly to pricing of OTC derivatives and interest-rate derivatives, CSD services, market data, securities lending services, Direct Market Access (DMA), issuer annuities, and public offering and stock acquisition analysis.

**Encouraging knowledge acquisition and production** – With recognized experience, the BM&FBOVESPA Institute of Education is aligned with the Company's objectives, disseminating knowledge of the derivatives and capital markets, and developing financial education initiatives for the various investor profiles.

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**State-Owned Enterprise Governance Program** – Launched in September 2015, the program targets SOEs registered with the Securities and Exchange Commission of Brazil (CVM) or in the process of listing. The aim is to foster enhancement of their governance practices and structures, including the disclosure of information to stakeholders.

**Expansion in Latin America** – The financial integration of Latin America can open up new opportunities for BM&FBOVESPA in the medium and long term. The Company has therefore explored opportunities for strategic partnerships with the region's major exchanges, seeking to build closer ties with regulators and participants, and possibly acquire a minority interest in these exchanges. The main aim is to contribute to the development of Latin American markets, cooperate on the creation of new products, and facilitate reciprocal access by issuers and investors. In 2015 the Company took the first steps in this direction by acquiring an 8.3% equity interest in the Santiago Stock Exchange (Chile), for a total investment of R\$43.6 million.

### **Corporate governance, self-regulation and market supervision**

The paramount objective of BM&FBOVESPA's corporate governance is to establish guidelines to support the Company's pursuit of its strategic goals and assure a trustworthy environment for the creation of value for all shareholders while respecting relationships with other stakeholders.

BM&FBOVESPA adopts a set of practices in line with the main codes of corporate governance, evidencing its institutional responsibility for the development of the markets it manages and its total commitment to the interests of its shareholders, both of which are highly important to its long-term success.

Another distinctive feature of the Company's commitment to excellence is constant investment in self-regulation and supervision. Through BM&FBOVESPA Market Supervision (BSM), an independent organization that acts as an ancillary arm of the Securities and Exchange Commission of Brazil (CVM), the Company assures the proper functioning of the markets, bolstering investor protection.

### **Financial solidity**

In 2015 BM&FBOVESPA continued to focus on more efficient management of expenditure. As a result, adjusted expenditure again grew significantly below average inflation in the Brazilian economy. In 2015 adjusted expenditure totaled R\$ 614.3 million, for growth of 3.7 % compared with the previous year.

In accordance with its commitment to continue enhancing technology infrastructure and operating efficacy while also optimizing its risk management system, BM&FBOVESPA invested R\$227.0 million in 2015.

The Company also maintained its commitment to returning capital to shareholders by a combination of dividend distribution and repurchasing of shares without jeopardizing the robustness of its balance sheet, which is vital to the Company's role as central counterparty. In 2015 it distributed R\$1,242.6 million to shareholders in dividend and interest on equity (JCP), which corresponded to 73.3% of recurring net income for the year.

More information on BM&FBOVESPA's financial performance can be found in Chapter 8 of this report.

# 3 Organizational Profile





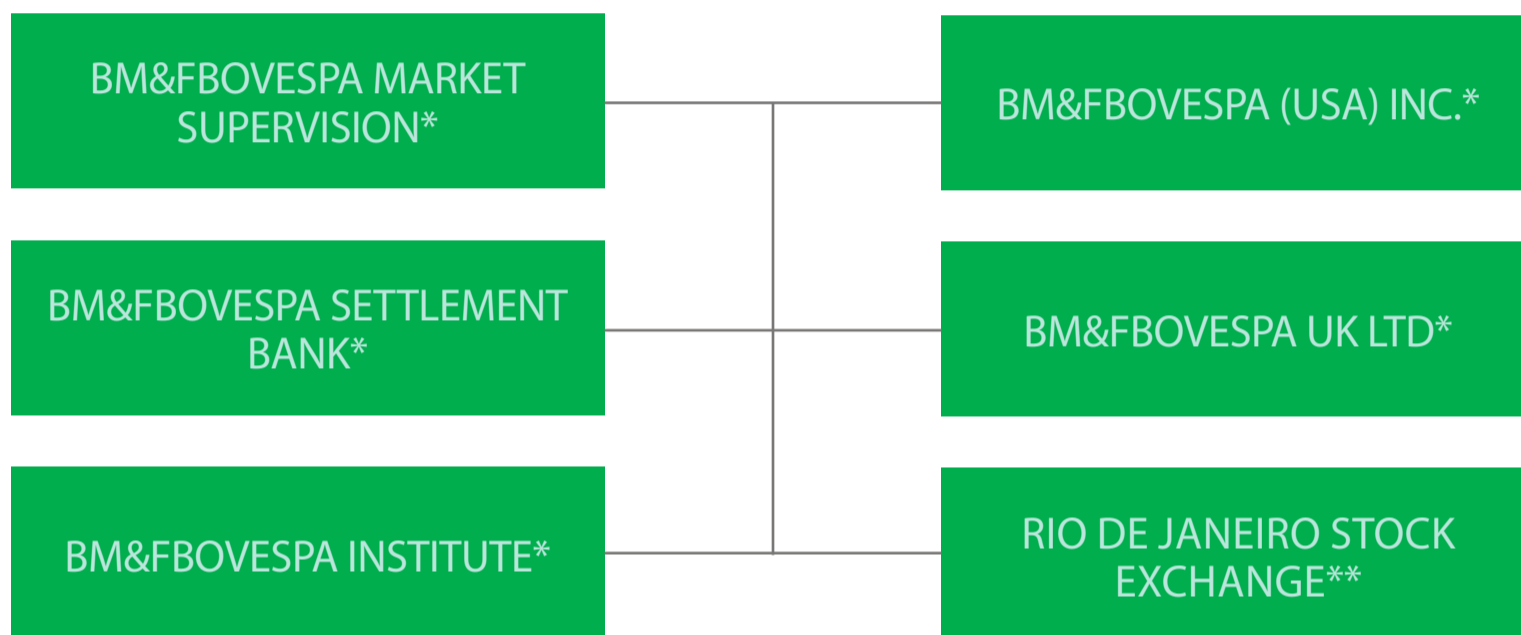
# BM&FBOVESPA applies its expertise to the sustainable development of a secure, transparent, balanced and competitive environment.

## Who we are <sup>G4-9</sup>

BM&FBOVESPA is a public Company listed on Novo Mercado, the Exchange's premium listing segment for companies committed to the highest standards of corporate governance. Its stock is tracked by the Ibovespa, IBrX-50, IBrX, ITAG and ICO2 indices, among others. <sup>G4-3 / G4-7</sup>

BM&FBOVESPA Market Supervision (BSM), BM&FBOVESPA Settlement Bank, and BM&FBOVESPA Institute are also part of its structure.

## Group companies



\* Entities not included in consolidated financial statements. <sup>G4-17</sup>

\*\* BVRJ is an inactive exchange.

The Company is headquartered in São Paulo, Brazil, and has representative offices in New York (USA), London (UK) and Shanghai (China). <sup>G4-5 / G4-6</sup>

BM&FBOVESPA manages organized markets for the trading of stocks, bonds and derivatives, providing registration, clearing and settlement services, and acting as central counterparty to guarantee cash settlement of the transactions performed in its environments. <sup>G4-8</sup>

## Market presence

BM&FBOVESPA is one of the largest exchanges in the world. It has a strategic partnership with CME Group and owns an equity interest in the Santiago Stock Exchange (Chile).

At end-2015, BM&FBOVESPA's market value was R\$19.765 billion. There were no material changes in its size, structure or equity ownership during the year. <sup>G4-7 / G4-13</sup>

In 2015 the Company had 1,323 employees and 69 interns. Every single employee of BM&FBOVESPA was covered by a collective bargaining agreement. <sup>G4-10 / G4-11</sup>

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## Diversified portfolio

BM&FBOVESPA offers a large portfolio of products and services, including trading and post-trade in stocks, bonds, spot foreign exchange, financial and commodity derivatives, and registration of structured transactions in the over-the-counter market. It is also part of the Company's scope to act as a central securities depository (CSD), manage securities lending transactions, list issuers and securities, certify commodities, license indices and software, and supply market data. **G4-4**

## Business model

BM&FBOVESPA has a vertically integrated business model, providing customers and participants with the infrastructure necessary to process transactions performed in the exchange and over-the-counter markets through all stages of trading and post-trade (clearing, settlement and CSD) to the final beneficiary owner.

## Sustainability

BM&FBOVESPA constantly seeks to elevate its rules and practices in order to align the interests of investors, analysts, shareholders, issuers, and society. The Company's activities are based on its Sustainability Policy, which the Board of Directors approved in 2013.

Stimulating reflection about sustainability issues is therefore a strategic priority. Another is selection of service providers and suppliers in accordance with internationally accepted human rights, labor relations, environmental management and anti-corruption criteria. **G4-12 / G4-14**

## Institutional representation and participation **G4-15 / G4-16**

The Company is a member, affiliate and/or signatory of several economic, environmental and social institutions, such as:

- Member, GRI Focal Point Brazil Advisory Group, CDP Driving Sustainable Economies, IBGC Sustainability Research Group, World Federation of Exchanges Sustainability Working Group (SWG), and Brazilian Global Compact Committee
- World's first exchange to sign UN Global Compact; founding signatory of UN's Sustainable Stock Exchanges (SSE) initiative; member, Principles for Responsible Investment (UNPRI)

BM&FBOVESPA also participates in a number of Brazilian and international organizations, as a member or contributor to committees and projects, such as:

- Ibero-American Federation of Exchanges (FIAB)
- Futures Industry Association (FIA)
- International Organization of Securities Commissions (IOSCO)
- World Federation of Exchanges (WFE)

# 4 Corporate Governance



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# For BM&FBOVESPA, sound and transparent governance is one of the principles that guarantee business sustainability.

## Principles and practices

The adoption of best practices in corporate governance is especially important to BM&FBOVESPA's development owing to its widely dispersed equity ownership structure, with no single controlling shareholder or control group, and its institutional responsibility to the markets it manages.

BM&FBOVESPA's compliance with the Novo Mercado Listing Rules results directly and immediately in extended shareholder rights and corporate dispute settlement, among other benefits.

The following stand out among the practices adopted by BM&FBOVESPA:

- A majority of members of the Board of Directors must be independent, and all must have ample experience and an excellent market reputation.
- The Board of Directors is assisted by five advisory committees, each with a highly specific remit.
- A Company policy governs related-party transactions and other situations involving conflicts of interest.
- Compliance with the Code of Conduct is mandatory for management, employees, interns, suppliers and business partners of the Company and its subsidiaries and affiliates in Brazil and abroad.
- The Company has a Disclosure and Insider Trading Policy.

## Corporate governance structure

BM&FBOVESPA's governance structure consists of the General Meeting of Shareholders, the highest governing body; the Board of Directors, with its advisory committees; and the Executive Board.

### Board of Directors

The members of BM&FBOVESPA's Board of Directors are elected by the General Meeting of Shareholders. The Board has 11 members, most of whom are independent. All members serve concurrent two-year terms and can be re-elected. [G4-34 / G4-38](#)

The Board's responsibilities include setting strategies, policies and targets, and supervising internal control systems, especially with regard to risk management. It holds regular meetings every month but can be convened whenever necessary. In 2015 it met 12 times. [G4-42 / G4-47](#)

### Advisory Committees to the Board of Directors

The Board of Directors is empowered to appoint the members of its Advisory Committees for a two-year term.

**Audit Committee** – With six members, two of whom are independent members of the Board of Directors and four of whom are outsiders, the Audit Committee evaluates and approves the structure of internal controls and the internal and independent auditing processes, and examines the financial statements and quarterly financial reports.

**Corporate Governance and Nomination Committee** – Consisting of three board members, two of them independent, this committee's main remit is to safeguard the credibility and legitimacy of the Company's actions and those of its subsidiaries, and to select and nominate candidates to the Board of Directors and Executive Board.

**Compensation Committee** – Consisting of three board members, two of them independent, this committee reviews, proposes and oversees adjustments to the parameters, guidelines and Remuneration and Benefits Policy. It also acts as an advisory body on improvements to the personnel management model.

BM&FBOVESPA's  
Board of Directors



1 Pedro Pullen Parente  
Chair

2 Claudio Luiz da Silva Haddad  
Vice Chair

3 Antônio Quintela

4 Luiz Antônio de Sampaio Campos

5 Luiz Fernando Figueiredo

6 Luiz Nelson Guedes de Carvalho

7 Denise Pauli Pavarina

8 Eduardo Mazzilli de Vassimon

9 José Berenguer Neto

10 Charles Peter Carey

## BM&FBOVESPA's Executive Board



- 1 **Edemir Pinto**  
Chief Executive Officer
- 2 **Cícero Augusto Vieira Neto**  
Chief Operating Officer
- 3 **Daniel Sonder**  
Chief Financial, Corporate and Investor Relations Officer
- 4 **Eduardo Refinetti Guardia**  
Chief Product Officer
- 5 **Luís Otávio Saliba Furtado**  
Chief Information Officer

**Risk Committee** – Consisting of four board members, this committee analyzes and assesses market, liquidity, credit and systemic risks in the markets managed by the Company, with a strategic and structural focus, and also assesses the Company's financial position and capital structure.

**Securities Intermediation Industry Committee** – With nine members, this committee evaluates problems affecting the institutions that participate in the markets managed by the Company and submits suggestions to the Board of Directors to contribute to the strengthening of these institutions.

More information on the Board of Directors and its Advisory Committees can be found on the IR website ([bmfbovespa.com.br/ir](http://bmfbovespa.com.br/ir)). Complete résumés of the members of the Board of Directors can be found in items 12.6 and 12.8 of the Company's Reference Form, including information on their other management positions. **G4-41**

### Executive Board

Appointed by the Board of Directors, BM&FBOVESPA's Executive Board has five members: the Chief Executive Officer, the Chief Financial, Corporate and IR Officer, the Chief Operating Officer, the Chief Information Officer, and the Chief Product Officer. The members of the Executive Board serve a two-year term and can be re-appointed. **G4-36**

The main duties of the Executive Board are to submit to the Board of Directors its annual management report and a proposal for the allocation of net income from the previous year; propose annual and multi-year budgets, strategic plans, expansion plans and investment programs; and establish guidelines for the Company's operational, socio-economic and sustainability-related activities.

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## Committees that advise and assist the CEO

The Company works incessantly to increase its proximity to customers and market participants, keeping open several channels for investors and companies in different categories to help formulate products and services, and to suggest new practices.

In this context, the Company has a large number of technical committees that advise and assist the CEO, including the Credit Risk and Market Risk Technical Committees; the Corporate Risk Advisory Committee; the Sustainability, Business Continuity and Information Security Management Committees; and sectoral committees on Equities, Derivatives, Fixed Income, Post-Trading, Foreign Exchange, Listing, Risk Analysis, Real Estate, Rules and Market Supervision, Operations, Governance of State-Owned Enterprises, Sugar and Ethanol, Live Cattle, Coffee, Soybeans, and Corn.

## Board of Directors and Executive Board evaluation and remuneration G4-44 / G4-51 / G4-52

Each year, with the support of the Corporate Governance and Nomination Committee, the Chair conducts a structured formal assessment of the Board of Directors as a body and of each individual board member, with the aim of systematically enhancing both the board's efficiency and overall corporate governance.

This process requires all board members to perform a self-assessment by answering specific questions covering the key dimensions of effective corporate governance, such as decision making, organization of meetings, motivation and alignment of interests, among others. The consolidated results are discussed to establish plans for any improvements required.

The board members receive monthly fixed remuneration set by the Compensation Committee. The Chair also receives semiannual fixed remuneration. In addition, the board members receive Company stock as a long-term incentive in accordance with the stock award plan.

Executive Board members are also evaluated in terms of annual targets aligned with the Company's strategic planning. Individual performance assessments and scores are submitted to and ratified by the Board of Directors.

The Executive Board's total compensation, also set by the Compensation Committee, consists of fixed and variable components as well as long-term incentives, including a monthly salary, a benefit package, semiannual variable payments distributed under the Company's profit-sharing program (PLR), and grants of Company stock in accordance with the stock award plan on the basis of performance measured against indicators of the Company's overall results as well as individual performance assessments.

# 5 Ethics and Integrity





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# BM&FBOVESPA's activities are consistently guided by relationships based on trust, transparency and ethics.

## Vision and values

The Company is committed to adopting best practices in corporate governance. It therefore pursues transparency in the conduct of its activities to assure efficient risk management and foster high standards of ethical and professional conduct. In 2015 BM&FBOVESPA reaffirmed its business drivers and objectives relating to the economic, environmental and social impacts of its activities. The several areas of the Company took part in the process of developing the statement of vision and values.

BM&FBOVESPA's vision focuses on positioning the Company as the principal alternative for the raising and allocation of funds in the Brazilian capital markets, and as the leading liquidity hub for investors who seek protection or pursue strategies through financial derivatives and agricultural commodities, maintaining internationally recognized risk management, financial robustness, and excellence in operating and technological infrastructure for exchange and over-the-counter markets.

To this end, the Company affirms as values inherent in its activities the pursuit of dialogue with different stakeholder groups, developing innovative and trustworthy solutions to meet different requirements, occupying the position of market leader, seeking excellence in everything it does, and acting with impartiality for the common good.

It is important to note in this context that BM&FBOVESPA offers channels for its own professionals and its business partners and other stakeholders to report unethical behavior or conduct incompatible with the legislation. Whatever the mechanism used, all information supplied is invariably kept confidential. **G4-57**

## Code of Conduct **G4-56**

Reformulated in September 2015, the Code of Conduct states the Company's values, principles and standards, offering guidance on personal and professional conduct, and on relationships with suppliers and partners, among other aspects, so as to observe best practices and prevent the occurrence of illicit actions.

The Code of Conduct Committee is responsible for managing and enforcing compliance with the Code of Conduct, analyzing doubts and complaints, carrying out investigations, and deliberating on proven infringements. In 2015, there were eight meetings, which deliberated on 21 cases examined by the Committee.

In 2015 the Code of Conduct channel received 171 requests for advice, including questions about the rules on insider trading, acceptance of gifts and participation in events sponsored by companies. Every single request was analyzed and responded to. **G4-57 / G4-58**

The Code of Conduct applies to BM&FBOVESPA and its subsidiaries, and is available on the IR website ([bmfbovespa.com.br/ir](http://bmfbovespa.com.br/ir)), in Corporate Governance, Bylaws, Codes and Policies.

## Ombudsman

The Ombudsman is BM&FBOVESPA's channel for communication with external stakeholders (participants, investors, media, public and private institutions, securities issuers, suppliers, and shareholders in the Company). The Ombudsman is responsible for analyzing and formally treating all the suggestions and complaints it receives, for responding conclusively, and for proposing corrective measures or improvements to procedures and routines. In 2015 the Ombudsman received 652 such queries, analyzing and responding to 100%. **G4-57 / G4-58**

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## **Policies and rules for conflicts of interest** G4-41

The Company has a Policy on Related Party Transactions and Other Conflict of Interest Situations aligned with the requirements of Law 6404/76. The Corporate Governance and Nomination Committee examine any infringements, proposing corrective action for ratification by the Board of Directors.

The members of the Board of Directors and the executive officers of the Company and its subsidiaries also sign an undertaking to abide by the Disclosure and Insider Trading Policy.

The Company does not condone practices designed to hide or disguise the origins, location or movement of assets, securities, rights or other property. Any suspicion of money laundering is reported to the Committee to Combat Money Laundering and Concealment of Property, which is one of the Advisory Committees to the CEO.

## **Risk management policies** G4-45 / G4-46 / G4-47

The Company continuously analyzes the risks to which it is exposed or that may affect its business activities. Risk management is supported by the Corporate Risk Management Policy and Operational Risk Management Policy, which establish principles, guidelines and responsibilities for this process.

Compliance with these policies is assured by two approaches, a top-down approach and a bottom-up approach, enabling the identification, assessment, treatment, monitoring and communication of operational, market, liquidity, credit, image and socio-environmental risks.

The top-down approach consists of identification of the main risks affecting the Company by means of historical events and benchmarking with other exchanges and/or market infrastructures. The results of corporate risk monitoring and the findings with regard to risk evolution are documented in the Corporate Risk Report and reported to the Board of Directors, Audit Committee, Financial and Risk Committee, and Corporate Risk Advisory Committee.

The bottom-up approach, which entails the creation of a risk profile based on process analysis, identifies and responds to operational risks and classification metrics, as well as continuously supervising these risks by means of indicators.

The Corporate Risk Advisory Committee, comprising over half the Company's senior executives, continuously assesses, discusses and monitors operational, strategic, financial, regulatory, image and socio-environmental risks. The Press and Sustainability Department is also represented on this committee, addressing socio-environmental aspects and risks. In 2015 the committee met 12 times on a regular basis and held one extraordinary meeting. G4-46 / G4-47

The Company's executive officers are informed of the results of risk monitoring, assessment of risk factors and plans to mitigate risk by means of regular reports to the Board of Directors' relevant advisory committees (Audit Committee and Risk Committee).

It is also important to note with regard to the management of corporate and operational risks that BM&FBOVESPA is constantly concerned with information security, both internally and externally, in order to protect, preserve and assure data confidentiality, availability and integrity for all those who have authorized access to the Company's information, systems and/or environments, and to enable potential vulnerabilities and threats to be identified, assessed, treated, monitored and communicated.

# 6 People Management



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# For BM&FBOVESPA, its professionals are its greatest asset.

## Recognition and valorization of merit

BM&FBOVESPA invests continuously in the development of its human capital. Through training programs, and by stimulating education, assessing performance and providing feedback, it encourages everyone to be aligned with the Company's business strategy.

With meritocracy as one of its main relationship pillars, the Company offers ample support for the professional development of its employees, who are encouraged in exchange to engage with the parameters of its organizational culture and improve their performance to gain recognition.

The assessment process, in which 100% of employees participate (395 women and 928 men), considers planning and targets (what), and expected behaviors and competencies for each level and function (how). Three structured formal conversations between employee and manager take place during the year. **G4-LA11**

Measurement starts with self-assessment, which enables employees to reflect on the challenges faced during the period and record their perceptions. This activity includes joint evaluation by different departments or units, feedback, and drafting of individual development plans.

To align interests and retain key personnel, the Company also provides long-term variable remuneration embodied in a stock award program.

## Organizational climate

To enable employees to express their opinions, the Company periodically conducts an organizational climate survey called Opinião de Valor (Valued Opinion) in partnership with Great Place to Work®. The survey is designed to gauge employees' satisfaction and engagement, and to find out about their expectations and aspirations.

The third edition of the survey was conducted in 2015, with 92% of the workforce participating.

The results were positive in all dimensions of the survey (Credibility, Respect, Impartiality, Pride, and Companionship). The highlights were as follows: 69% Satisfaction, up 19% compared with 2013 and 22% compared with 2011; 81% Engagement, up 13% compared with 2013; and a rise of 31% in Credibility compared with 2013.

These results reflect the constant efforts of BM&FBOVESPA towards building a positive environment, and the commitment of all towards the success of the Company.

## Team profile **G4-10**

At end-2015, the Company had 1,323 employees (395 women and 928 men), and 85 interns (31 women and 38 men).

The number of people with special needs (PSN) was 57 at end-2015, in compliance with the 5% quota requirement established by the applicable federal and state laws.

The entire workforce was located in the Southeast Region. All except for interns were employed full-time and had indefinite duration employment contracts.

In 2015 the lowest salary paid to any employee corresponded to 204% of the federal minimum wage, for both men and women. It is important to stress that no employee or intern was paid the state minimum wage. **G4-EC5**

## People management indicators

### Number of employees and interns <sup>G4-10</sup>

Employee category	2015	2014
Managing director	30	30
Associate director	84	88
Manager	154	155
Team	1,055	1,084
Intern	69	85

### Composition of governance bodies and employees per category according to gender, age group, minority group, and other indicators of diversity <sup>G4-LA12</sup>

Employee category	2015				2014	
	Women		Men		Women	Men
Managing director	5	20%	25	80%	4	26
Associate director	17	20%	67	80%	17	71
Manager	39	25%	115	75%	42	113
Team	334	32%	721	68%	338	746
Intern	31	45%	38	55%	38	47

Employee category	2015		2014		2015	2014
	Black women	Black men	Black women	Black men	Persons with special needs	
Managing director	-	-	-	-	-	-
Associate director	1	1	-	1	-	-
Manager	1	2	1	2	-	-
Team	29	24	8	30	57	66
Intern	-	2	1	3	-	-

Employee category	2015		2014		2015		2014		
	Under 30 years old		30-50 years old		Over 50 years old				
Managing director	-	0%	-	25	80%	26	5	20%	4
Associate director	1	1%	2	70	83%	75	13	15%	11
Manager	2	1%	18	141	92%	128	11	78%	9
Team	308	29%	431	679	64%	603	68	6%	50
Intern	68	100%	85	1	0%	-	0	0%	-

## Composition of governance bodies by gender\* G4-LA12

No. of individuals	Women	Men
15	7%	93%

\*Number and rates for 2015 only.

## Composition of governance bodies by age group\* G4-LA12

No. of individuals	Under 30	30-50	Over 50
15	0%	33%	67%

\*Number and rates for 2015 only.

## New employee hires by age group and gender G4-LA1

	New employee hires 2015				Total number of employees 2015	
	Women		Men		Women	Men
Under 30	62	39%	79	36%	160	219
30-50	16	7%	47	7%	245	669
Over 50	0	0%	1	1%	21	78

## Separations and turnover by age group and gender G4-LA1

	Separations 2015				Total number of employees 2015	
	Women		Men		Women	Men
Under 30	52	33%	72	33%	160	219
30-50	35	14%	72	11%	245	669
Over 50	3	14%	21	27%	21	78

## Ratio of women's to men's basic salary and average remuneration by employee category G4-LA13

Employee category	2015	2014	2015
	Basic salary		Average remuneration
Managing director	104%	92%	130%
Associate director	105%	107%	114%
Manager	95%	91%	92%
Team	85%	86%	85%

## Benefits G4-LA2

It is part of BM&FBOVESPA's strategy to stimulate the performance and productivity of its teams. In addition to the benefits required by law (prescription drug discounts, life insurance, emergency loans, food vouchers, meal vouchers, childcare vouchers), the Company offers options that enhance employee wellbeing and the workplace environment through the Quality of Life Program.

**Quality of Life Program** – The program has three pillars, comprising interlocking activities in work-life balance (Mais Equilíbrio), wellness (Mais Saúde), and leisure and culture (Mais Lazer e Cultura). It includes More You (Mais Você), a free personal counseling and support service from a multidisciplinary team available 24x7 by phone and email; a social center

(Espaço Dorival Rodrigues Alves) and outpatient clinic with medical care, cardiology, dermatology, acupuncture, nutritional and psychological counseling, physical therapy, and massage; annual checkups for managing directors, associate directors and senior specialists; discount agreements with fitness centers for employees and interns; and the Facilities Exchange (Bolsa Facilidades), which provides access to goods and services that contribute to employee wellbeing through partnerships in sports, culture, recreation and leisure.

Work-life balance (Mais Equilíbrio)	Beneficiaries and/or participants
Mais Você	15,689
Espaço Dorival Rodrigues Alves	10,852

Wellness (Mais Saúde)	Beneficiaries and/or participants
Outpatient clinic	8,578
Fitness centers	520
Walking and running group	8
Flu jab	1,234
Checkup program	34
Support for breastfeeding	10
Blood donation campaign – Hospital Sírio Libanês	126
Weight Watchers	36

Leisure and culture (Mais Lazer e Cultura)	Participants
Exchange Kids for employees' children aged 5-11	180
Secretaries Day	32
Tournaments	23

Diversity and Voluntary Service Week in 2015 involved activities organized by Communication, HR, Education, and Press and Sustainability, including Blind Theater and Action Day Volunteers Meeting.

**Health plan** – The Company's workplace and operations present a low level of risk to health and safety. All employees have access to a corporate health and dental care plan, which also covers spouses and children up to the age of 21, or 24 for university students. In cases of serious illness requiring care not covered by the plan, benefits may be granted on the basis of an individual analysis. **G4-LA7**

Employees can also use two outpatient clinics located on the Company's premises at Praça Antonio Prado and Rua XV de Novembro, and staffed by physicians and nursing technicians every day of the week. The focus is on occupational medicine but urgent care is available. The Company also has discount agreements with pharmacies.

**Pension plan** – BM&FBOVESPA offers a defined-contribution pension plan for voluntary participation by all employees. The number of participants totals 978. **G4-EC3**

The plan for employees enables participants and sponsor to invest more – employees contribute 1%-7% of their monthly salary, with a matching contribution from the Company equivalent to 100%. Employees who leave the Company before the specified retirement date can keep their plans according to the rules stipulated by the bylaws or cancel, in which case they can opt to transfer 100% of the accumulated employee contributions and, based on length of service, up to 90% of

the accumulated sponsor contributions, or withdraw 100% of the accumulated employee contributions and up to 50% of the accumulated sponsor contributions based on length of service.

It is important to note that the Company has no obligations relating to payments in addition to its contributions as sponsor. Regular contributions are booked under personnel expense for the period during which they are due.

### Health and safety <sup>G4-LA5 / G4-LA8</sup>

Pursuant to agreements with the union, the workforce at BM&FBOVESPA is represented on formal health and safety committees comprising employees from different hierarchical levels who help monitor and oversee occupational health and safety programs.

- **Accident Prevention Committee** – To discuss matters relating to accident and occupational disease prevention, the Company has an occupational safety technician and an Internal Workplace Accident Prevention Committee (CIPA) with 18 members representing 100% of the workforce. In the 2015-16 CIPA election, 936 votes were cast, corresponding to 70% of the workforce. Five members and four alternates were elected.
- **Internal Workplace Accident Prevention Week** – The sixth edition of the annual Internal Workplace Accident Prevention Week (SIPAT) presented health-related activities designed to encourage more conscious and positive behavior, including workshops on stress management, balanced diet, and physical and mental wellness. A play was performed and physical exercises were offered with body assessment, as well as blood donation and measurement of blood pressure, blood sugar and cholesterol. Employees also benefited from ergonomics blitzes, workstation interventions with guidance on posture, and relaxation massages. The number of participations during the five-day SIPAT in 2015 totaled 3,408.

### Training <sup>G4-LA9</sup>

In 2015 the Company continued its employee training and development initiatives for employees (1,323) and interns (69), involving 426 women and 966 men.

Considering the various types of corporate training delivered (in-Company, online and external), 135 activities were performed (five specifically for leaders, and 130 for teams and interns), totaling 16,492h for an average of 12h, as shown in the table below.

#### Training hours delivered

Employee category	Women	Men
Managing director	49.0	215.0
Associate director	135.0	752.5
Manager	497.0	1,768.0
Team	4,514.0	7,846.5
Intern	273.0	442.0
<b>Total</b>	<b>5,468</b>	<b>11,024</b>



## Average training hours per employee or intern

Employee category	Women	Men
Managing director	2	7
Associate director	2	9
Manager	3	11
Team	4	7
Intern	4	6
<b>Total</b>	<b>4</b>	<b>8</b>

### Human rights and labor practices

BM&FBOVESPA's employees, interns and suppliers have formal contracts and the Company makes every effort to ensure that all human rights are respected in the workplace. In 2015 no cases of discrimination on grounds of ethnic origin, color, gender, religion, ideology, nationality or social condition were reported. **G4-HR3**

Out of 45 labor claims filed against the Company in 2015, 11 were resolved (ten dismissed and one paid). In 2014, 61 claims were filed, of which 42 were dismissed and 19 paid in 2015. **G4-LA16**

The Company does not perform any activities that are hazardous to health or the environment. It requires responsible practices in selecting and contracting with suppliers, such as appropriate management of environmental impact, ethical conduct, compliance with health and safety legislation, and non-involvement in proven cases of corruption, bribery, forced or slave labor and child labor, on pain of unilateral contract termination.

BM&FBOVESPA maintains its commitment to select and certify suppliers in accordance with its Policy for Acquisition of Goods and Services to mitigate risks relating to image, labor relations, child labor and slave labor. The standard service agreement contains specific human rights clauses. **G4-12 / G4-14**

If human rights violations are detected, the managers responsible must be notified so that they can take appropriate action. To guarantee compliance with some of these aspects, moreover, the Company requires prospective suppliers to complete a questionnaire prior to a visit to their premises to make sure they have a procurement policy and an underage apprentice program in place.

The supplier selection and certification process also entails a detailed analysis of credit and tax clearance, including the regularity of social security contributions, a financial assessment, and verification of socio-environmental practices.

At end-2015 the Company had 622 contractors, all of which complied with the requisite standards regarding human rights and labor practices. There were no complaints or reports of actual or potential material negative impacts on human rights in the supply chain. **G4-12 / G4-HR10 / G4-HR12 / G4-SO9 / G4-SO10 / G4-LA14 / G4-LA15**

It is important to note that owing to the complexity of BM&FBOVESPA's technological infrastructure and its importance to the Company's development, its main suppliers are technology companies and providers of hardware and software solutions, such as servers, network equipment, mainframes, equipment maintenance, technical support, and skilled personnel for specific projects. In 2015, of the total payment to contractors, 57% was allocated to services classed as strategic, especially IT services. **G4-12**

### Anti-corruption practices

In accordance with the guidelines established by Law 12,846/2013 (the Anticorruption Law), BM&FBOVESPA has an Integrity Program to detect and remedy misappropriation, fraud, wrongful practices and similar crimes against government entities, whether domestic or foreign. In August-September 2015, the Audit Department evaluated the internal control

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environment with regard to the impact of corruption and the probability of its occurrence in 35 macro-processes mapped by the Company, representing 100% of the operations submitted to risk assessment. **G4-S03**

Also in 2015, BM&FBOVESPA periodically trained employees, interns and service providers to identify and report suspected cases of corruption and money laundering. At the same time the Company publicized the existence of channels for whistleblowing and reporting possible violations; encouraged their use; and more robustly reviewed its policies, internal norms and Code of Conduct, through which it expressly assumed its commitment to preventing and combating corruption, money laundering and fraud. During the year, 1,490 people (99% of the workforce) completed such training, which was also delivered to suppliers working on the Company's premises and completed by 68% of these professionals. **G4-S04**

In 2015 no cases of infringement or corruption at BM&FBOVESPA were reported to the Code of Conduct Committee, no cases of employee punishment or non-renewal of agreements with business partners due to corruption-related violations were recorded, and there were neither significant fines or non-monetary sanctions for non-compliance with laws and regulations concerning the provision and use of products and services, nor complaints regarding breaches of privacy. **G4-S05 / G4-S08 / G4-PR8 / G4-PR9**

# 7 Sustainability



# BM&FBOVESPA considers sustainability a necessary differentiator to develop its business in synergy with the interests of society and its stakeholders.

## Pioneering innovation and commitment

BM&FBOVESPA has pioneered the inclusion of responsible investment in business strategies as a contribution to genuinely sustainable development. It was the world's first exchange to sign up to the UN Global Compact, in 2004; in 2010 it became the first exchange in any emerging-market country to commit officially to the Principles for Responsible Investment (PRI), another UN initiative led by global institutional investors; and in the same year it was the first exchange in the world to become an organizational stakeholder in the Global Reporting Initiative (GRI), whose methodology it adopts in its annual reports.

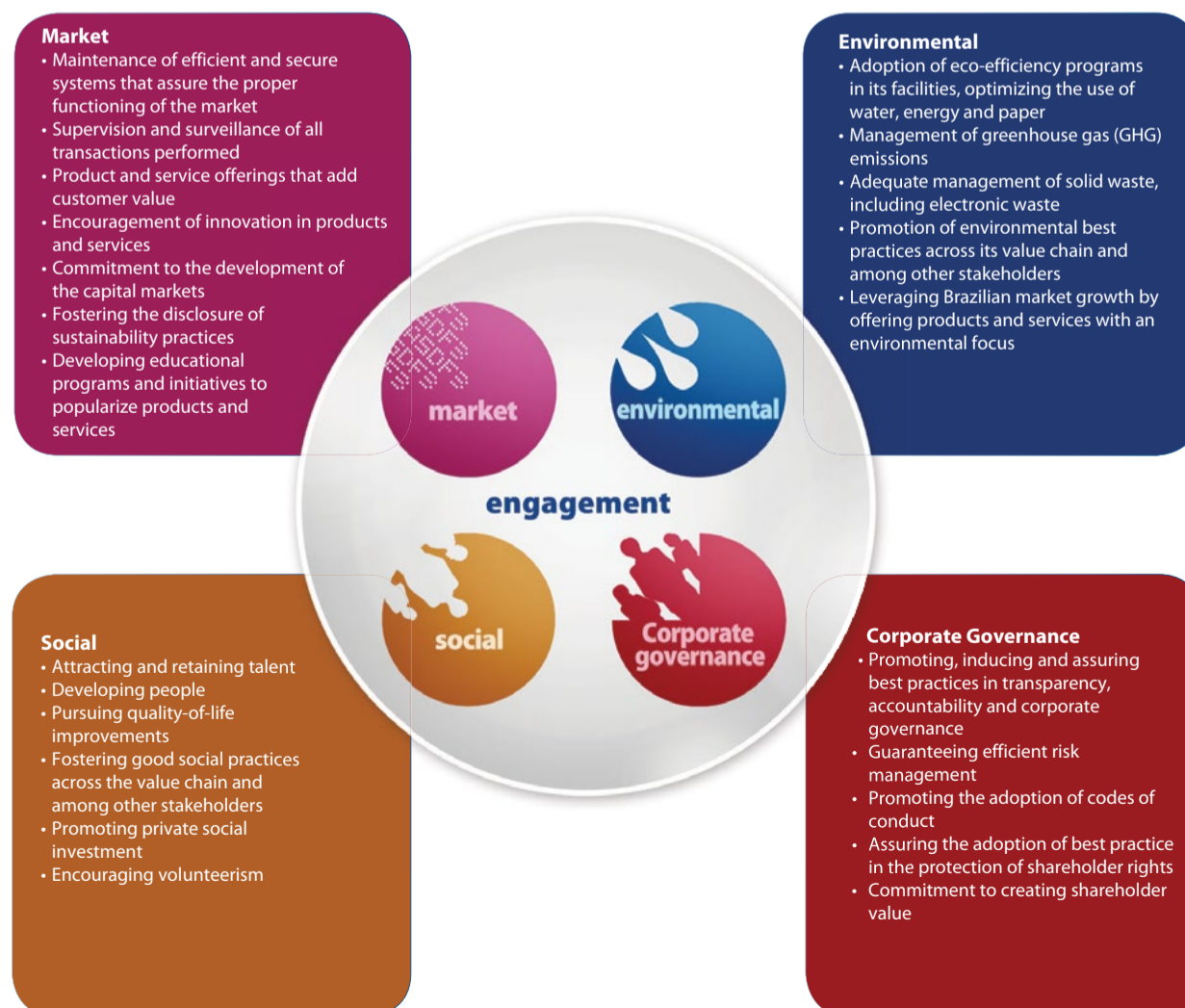
The Company was a founding signatory of the UN's Sustainable Stock Exchanges (SSE) initiative in 2012, and in 2014 it became a member of the Sustainability Working Group set up by the World Federation of Exchanges (WFE).

## Management aligned with the interests of the Company and society

Corporate sustainability is a strategy for BM&FBOVESPA. As a result, maintaining sustainability is a continuous component of its decision-making processes and management activities.

BM&FBOVESPA has a Sustainability Committee and a Sustainability Working Group, responsible respectively for strategic orientation and for proposing and conducting the sustainability agenda on a day-to-day basis so as to contribute to the engagement of the entire workforce.

Reaffirming the importance of this theme, the Company has a Sustainability Policy with four pillars: Market, Environmental, Social, and Corporate Governance. Approved by the Board of Directors, the policy applies to the internal management of all units in Brazil and abroad, including affiliates, and also orients its relationships with external stakeholders.



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## Recognition

The transparency of socio-environmental information is one of the strategic lines adopted by BM&FBOVESPA and is in compliance with its Sustainability Policy. Since 2009 the Company has answered the annual questionnaire of the Climate Change Program run by CDP (Driving Sustainable Economies). In 2015 it ranked for the third time among the ten Brazilian companies with the best transparency.

BM&FBOVESPA ranks third among companies in emerging countries that best disclose their absolute CO2 emissions according to the 2015 ET BRICS 300 Carbon Ranking Report issued by the Environmental Investment Organization (ET Index).

## Inducing best practices

BM&FBOVESPA is strongly committed to stimulating internal and external discussion of sustainability, and extends best practices in transparency and management to its stakeholders in several ways.

Examples of these initiatives include the Corporate Sustainability Index (ISE) and Report or Explain for Sustainability or Integrated Reporting.

**ISE: 10 years of achievements** – In 2015 the Corporate Sustainability Index (ISE) completed ten years of stimulating transparency and socio-environmental performance by the companies listed on BM&FBOVESPA.

The 11th ISE portfolio was announced on November 26, 2015, to remain in force between January 4 and December 29, 2016, with 40 stocks issued by 35 companies representing 16 sectors.

The ISE has a Board of Governors chaired by BM&FBOVESPA and comprising representatives of 11 institutions, with technical support from the Sustainability Research Center (GVces) at the Fundação Getulio Vargas Business School (FGV-EAESP). More information about the ISE can be found at [bmfbovespa.com.br/ise](http://bmfbovespa.com.br/ise).

**Report or Explain for Sustainability or Integrated Reporting** – Since 2012 BM&FBOVESPA has recommended that listed companies state in the Reference Form (item 7.8) whether they publish a report with information relating to the social, environmental and corporate governance dimensions of their activities, and if so where this report is available. If not, they should explain why.

In 2015 the proportion participating in the initiative rose slightly to 311 or 71.65% of all listed companies, up from 71.17% in the previous year.

## Social investment <sup>G4-EC8</sup>

BM&FBOVESPA Institute is a public-interest civil society organization (OSCIP) whose remit is to propose and coordinate the Company's social investment projects relating to education, culture, sports and voluntary service.

Its main projects are BVSA, the Socio-Environmental Investment Exchange; the Job Training Association; the Athletics Club; the Sports and Cultural Center; and the Em Ação (In Action) voluntary service program. <sup>G4-S01</sup>

It is important to note that 100% of the Company's engagement and local community development programs take place in the city in which BM&FBOVESPA's head offices and all of its operations are located. More information can be found at [www.institutobmfbovespa.org.br](http://www.institutobmfbovespa.org.br)

# 8 Operational and Financial Performance



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## In BM&FBOVESPA's view, investments in products and technology increase and diversify revenues, improve the quality of services and consolidate the Company's efficiency.

### Highlights of the Year

Throughout 2015, the markets operated by BM&FBOVESPA were significantly affected by the deterioration in the Brazilian economy and by changes in the global situation. Increased volatility in the market and a sharp devaluation of the Brazilian Real against the US Dollar had a positive effect on revenues from the BM&F segment. In the Bovespa segment, however, we saw a major fall in the market value of listed companies and, in consequence, in volumes traded.

Other revenues not related to volumes in the equities and derivatives markets also increased during the year, mainly reflecting changes in the Company's commercial policies, growth in the securities lending market and the Treasury Direct (Tesouro Direto) platform, as well as currency devaluation, which had a positive effect on market data revenues.

Thus, in spite of the challenges posed by the macroeconomic scenario, total revenues rose 9.5% over 2014, reflecting the diversification of revenues and the soundness of the Company's business model.

Although the revenue diversification lessened the impact on our results of the negative feeling of investors towards Brazilian assets, it should be noted that there has been a slowdown in activity in our derivatives and equities markets, in particular since late 2015.

There was a reduced number of share issuance in the capital market, in particular IPOs. Besides, there was an increase in the number of companies going private. Although this is part of the life cycle of listed companies, it reduces opportunities for investors who seek diversity in their portfolios.

We should also underline other advances in the Company's strategic objectives, such as its new integrated clearinghouse project (the BM&FBOVESPA Clearinghouse). The technological development of the equities phase was completed in 2015. Additionally, new products were launched and the Company continued its efforts to improve the liquidity of listed products, for example, by expanding market maker programs and promoting the securities lending platform.

We should also mention two important developments during the year: the sale of 20% of our investment in the CME Group shares, to reduce the Company's balance sheet risk exposure, and our R\$43.6 million investment in the purchase of 8.3% of the Santiago Stock Exchange (Chile).

Finally, the poor performance of the Bovespa segment, especially during the last quarter of the year, and the revision of growth forecasts, led to the impairment of Bovespa Holding totaling R\$1.7 billion, which had no cash impact, but negatively impacted Company's results.

To sum up, BM&FBOVESPA continues well positioned to take advantage of market growth opportunities, but we must recognize the challenges implicit in the worsening of the macroeconomic scenario. Management remains focused on investing in new products and technologies, which we believe have been fundamental for improving the quality of the services we offer and diversifying revenues over recent years.

## Operating performance

### Financial and commodity derivatives (BM&F Segment)

The average daily volume on the BM&F segment reached R\$2.9 million contracts in 2015, an increase of 10.7% over the previous year, especially due to Interest rate in USD contracts and mini contracts, which rose by 31.7% and 67.5%, respectively.

The performance of the Interest rate in USD contracts mainly reflects the higher level of volatility. In the case of mini contracts, which include stock indices contracts (70.1% of the total) and FX rates contracts (29.9% of the total), growth in volume was due to not just increased volatility but also to the activities of new clients.

The volume of Interest rate in BRL contracts, which are the ones most traded in this segment, grew by 2.9% over 2014, below the segment average, so that their share of total volume fell from 54.9% in 2014 to 51% in 2015.

### Average daily volume (in thousands of contracts, except as otherwise indicated)

	2011	2012	2013	2014	2015	CAGR (2011-2015)	Var. 2015/2014
Interest Rates in BRL	1,797.2	1,925.7	1,856.7	1,417.4	1,458.4	-5.1%	2.9%
FX Rates	495.5	493.9	494.1	493.9	463.9	-1.6%	-6.1%
Stock Indices	123.3	143.1	113.6	118.6	100.9	-4.9%	-15.0%
Interest Rates in USD	145.2	149.8	155.9	219.6	289.2	18.8%	31.7%
Commodities	13.2	11.2	9.2	10.2	7.6	-12.9%	-25.3%
Mini Contracts	114.4	165.7	208.2	310.6	520.3	46.0%	67.5%
OTC	11.7	9.2	10.1	12.4	19.6	13.7%	57.3%
<b>Total</b>	<b>2,700.6</b>	<b>2,898.7</b>	<b>2,847.8</b>	<b>2,582.8</b>	<b>2,860.0</b>	<b>1.4%</b>	<b>10.7%</b>

Average revenue per contract (RPC) was higher in every group of contracts, and considering all groups together the rise was 12.3% over 2014. The key factors contributing to this performance were:

- An increase in RPC for contracts denominated in US Dollars, due to the 28.9% devaluation of the Real, reflected particularly in the RPC of FX Rates contracts (+37.6%) and of Interest Rate in USD contracts (+42.2%); and
- A change in the commercial policy for investors using DMA (Direct Market Access) tools, which came into effect in January 2015.

### Average RPC

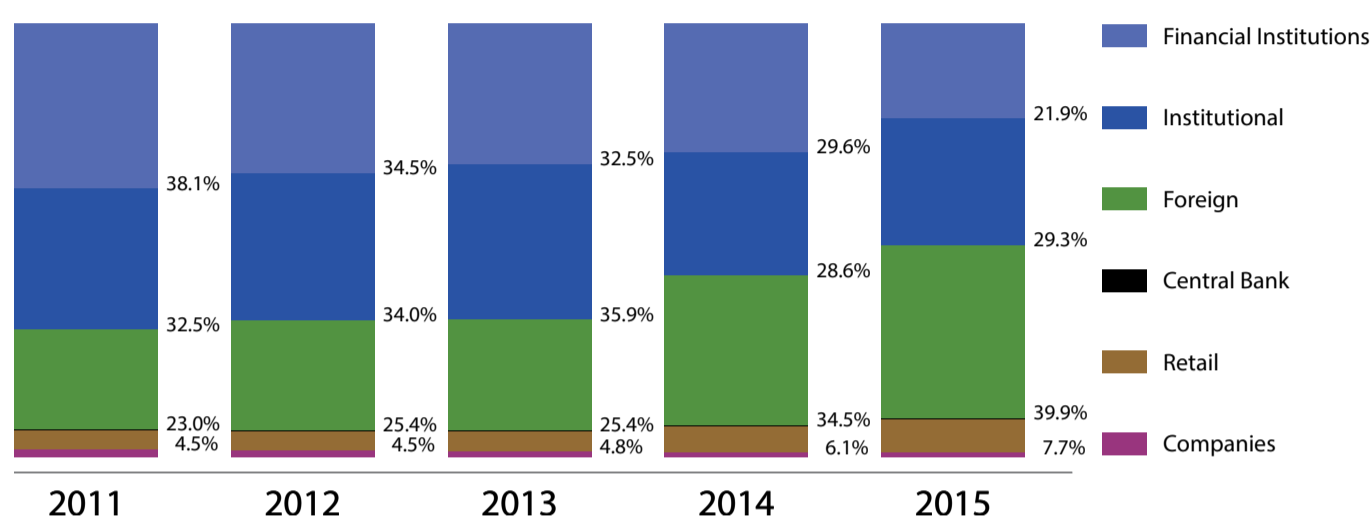
	2011	2012	2013	2014	2015	Var. 2015/2014
Interest Rates in BRL	0.918	1.004	1.046	1.120	1.150	2.7%
FX Rates	1.894	2.205	2.535	2.669	3.671	37.6%
Stock Indices	1.614	1.524	1.761	1.774	2.128	19.9%
Interest Rates in USD	0.941	1.015	1.231	1.294	1.840	42.2%
Commodities	2.029	2.239	2.534	2.390	2.530	5.9%
Mini Contracts	0.129	0.116	0.119	0.117	0.218	86.2%
OTC	1.635	1.769	1.409	2.092	3.925	87.6%
<b>Overall</b>	<b>1.106</b>	<b>1.191</b>	<b>1.282</b>	<b>1.350</b>	<b>1.516</b>	<b>12.3%</b>



With regard to the participation of different groups of investors in the financial derivatives and commodities markets, foreigners boosted the average volume of contracts traded in 2015 by 32.7%, with their share in the total going up from 34.5% to 39.9% during the year. This was due primarily to increased activity on High-Frequency Traders (HFTs).

The share of institutional investors rose from 28.6% in 2014 to 29.3% in 2015, as a result of a 17.7% increase in the average volume of contracts traded. On the other hand, the volume traded by financial institutions fell 15.0%, and their share in the total was down from 29.6% to 21.9% in the year. This was due to the fact that some of these institutions have been reducing their exposure to risk in recent years.

### Distribution of average daily volume traded by investor category (%)



### Equities and equities derivatives (Bovespa Segment)

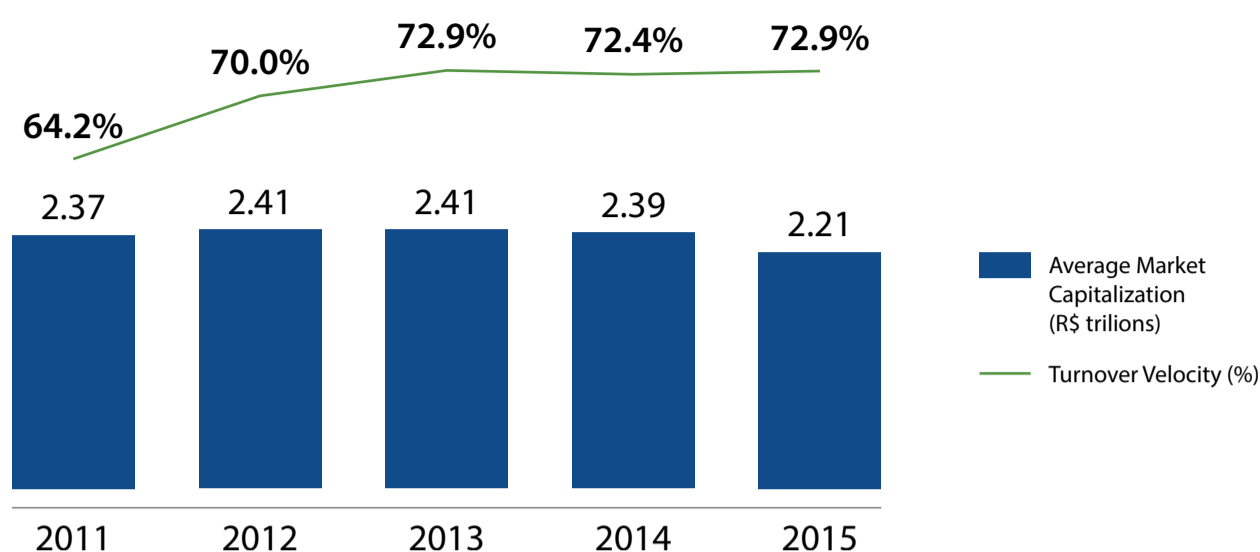
The average daily trading value in cash equities and equities derivatives (options and forwards) in the Bovespa segment was R\$6.8 billion in 2015, 6.9% below the previous year, due mainly to the lower cash market volumes which make up 96.5% of the total traded in this segment.

### Average daily trading value (in R\$ million, except as otherwise indicated)

Markets	2011	2012	2013	2014	2015	CAGR 2011-2015	Var. 2015/2014
Cash	6,096.3	6,861.3	7,094.5	6,975.8	6,552.1	1.8%	-6.1%
Forward	118.0	103.4	91.5	82.4	66.5	-13.3%	-19.2%
Options	276.3	280.1	230.3	233.1	170.3	-11.4%	-27.0%
<b>Total</b>	<b>6,491.6</b>	<b>7,250.7</b>	<b>7,417.7</b>	<b>7,292.5</b>	<b>6,792.8</b>	<b>1.1%</b>	<b>-6.9%</b>

The 6.1% fall in the average daily trading value of the cash market was primarily due to a 7.5% reduction in average market capitalization, which was down from R\$2.39 trillion in 2014 to R\$2.21 trillion in 2015, while turnover velocity remained practically unchanged (72.4% in 2014 against 72.9% in 2015).

## Average market capitalization and turnover velocity



Average market capitalization fell in practically every sector, as a result of the domestic and international scenarios and the drop in global commodities prices. The largest fall in market capitalization was in the Oil, Gas and Biofuels sector, which was 36.1% lower than in the previous year, while for the ten largest Brazilian listed companies the decrease was 11.2% in the same period.

## Average equity market capitalization by sector (in R\$ billion, except as otherwise indicated)

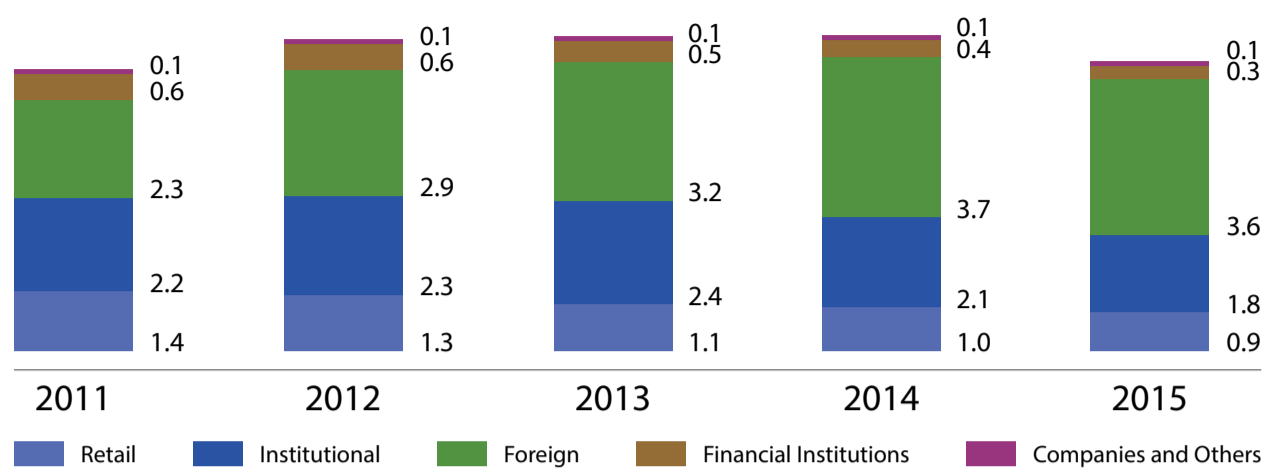
Industry Classification	2014	Total Part. (%) 2014	2015	Total Part. (%) 2015	Var. 2015/2014
Financial	777.6	32.5%	771.7	34.8%	-0.8%
Consumption	645.9	27.0%	667.6	30.1%	3.4%
Basic Materials	264.2	11.0%	209.3	9.4%	-20.8%
Utilities	207.4	8.7%	194.6	8.8%	-6.2%
Oil, Gas and Biofuels	215.8	9.0%	137.8	6.2%	-36.1%
Telecommunications	111.4	4.7%	91.0	4.1%	-18.3%
Construction and Transportation	98.6	4.1%	73.3	3.3%	-25.6%
Others*	69.9	2.9%	70.0	3.2%	0.2%
<b>Total</b>	<b>2,390.7</b>		<b>2,215.4</b>		<b>-7.3%</b>

\*Includes Capital Goods and Services and Information Technology.

Trading margins in this segment remained stable, at 5.287 basis points in 2014 compared to 5.275 basis points in 2015.

Among investor groups on the Bovespa segment, foreign investors continued to account for the largest share, with 52.8% of the overall value traded, followed by local institutional investors with 27.2%. In comparison with the previous year, lower trading volumes were seen in every investors group, especially local institutional investors, whose volumes were down by 12.5%. The increase in domestic interest rates (by 425 basis points between December 2014 and December 2015) was an important factor in the behavior of investors in the equities market.

## Distribution of average daily traded value by investor category (in R\$ billion)

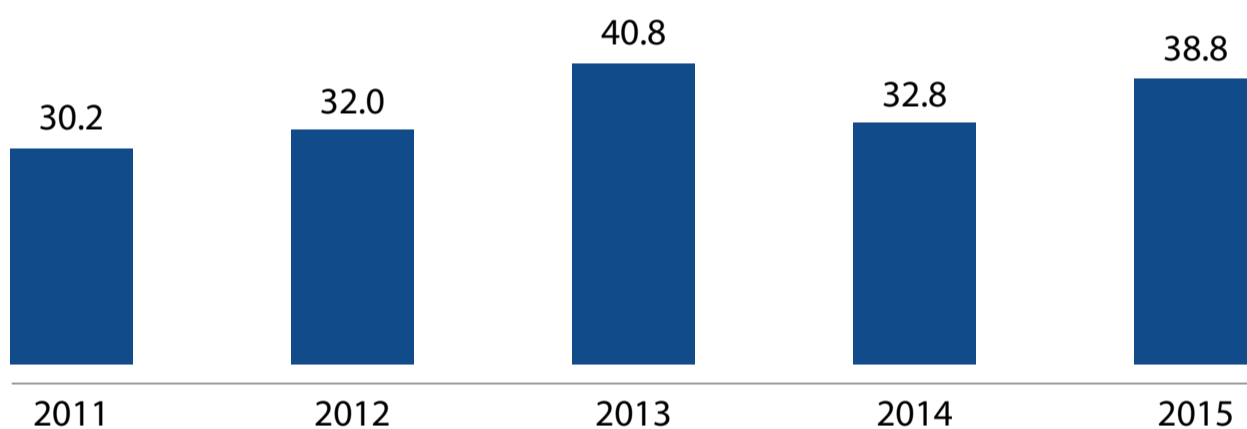


## Other business lines

### Securities Lending

The average financial value of open positions in the securities lending facility reached R\$38.8 billion in 2015, 18.3% higher than in 2014. Securities lending is used by investors who take loans as part of their strategy in the equities market, and by investors seeking additional income as lenders.

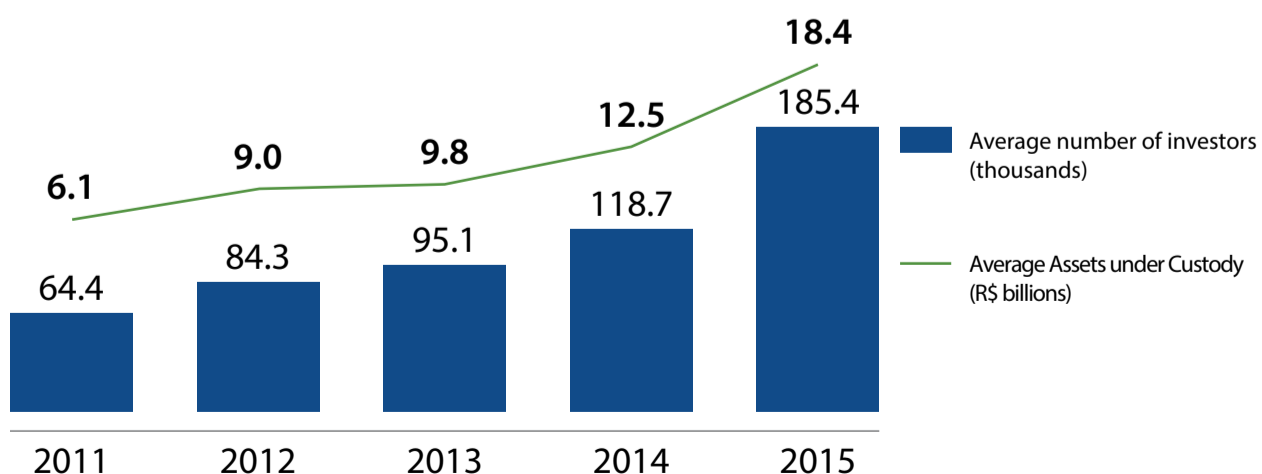
### Securities Lending transactions (in R\$ billion)



### Treasury Direct (Tesouro Direto) platform

Tesouro Direto continues its strong upward trend. Average registered stock rose to R\$18.4 billion in 2015, 46.8% more than in the previous year, while the average number of investors increased by 56.2%, from 118.7 thousand in 2014 to 185.4 thousand (the actual number of investors in December 2015 was 248.7 thousand). Designed in partnership with the Brazilian Treasury, Tesouro Direto continues to be promoted by BM&FBOVESPA through incentive programs in the distribution channel and operating enhancements.

### Dealings on the Treasury Direct platform



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## Economic and financial performance

### Revenues

BM&FBOVESPA ended 2015 with total revenues (before deducting PIS/COFINS and ISS) of R\$2,458.8 million, an increase of 9.5% over 2014. Increased revenues explain this performance from the BM&F segment and from other business lines not tied to volume.

- **Revenues from trading, clearing and settlement – BM&F segment:** amounted to R\$1,074.5 million (43.7% of the total), up by 24.0% over 2014, as a result of an increase of 10.7% in the average daily volume coupled with a 12.3% increase in average RPC.
- **Revenues from trading, clearing and settlement – Bovespa segment:** totaled R\$903 million in 2015 (36.7% of the total), 7.6% lower than in 2014, reflecting a 6.9% drop in the average daily traded value.
- **Other revenues:** amounted to R\$481.3 million (19.6% of the total), up 19.6% over 2014. The main changes in these revenue lines that are not tied to trading volumes were:
  - **Securities Lending:** amounted to R\$103.2 million (4.2% of total), 27.1% higher than in 2014, resulting from an increase of 18.3% in the average value of open interest positions, coupled with a change in the commercial policies for some groups of clients in January 2015.
  - **Depository:** totaled R\$130.8 million in 2015 (5.3% of the total), an increase of 11.7% compared to 2014, due mainly to the growth of 20.3% in revenues from Tesouro Direto, which reached R\$34.7 million in 2015, and to changes in the commercial policies adopted by the depository as from April 2015.
  - **Market data sales (Vendors):** revenues from the sale of data signals amounted to R\$98.4 million (4.0% of total revenues), 40.6% up on the previous year. This result reflects the introduction in July 2015 of a new commercial policy and the devaluation of the Real against the US Dollar, since 62% of these revenues were denominated in US currency.

### Expenses

Expenses amounted to R\$850.7 million in 2015, 5.8% higher than in the previous year, and significantly below inflation of 10.7% for the period. The main highlights were:

- **Personnel and payroll related charges:** amounted to R\$443.0 million, an increase of 25.0% over the previous year, mainly due to the impact of approximately 9% adjustment under the annual collective bargaining agreement, which came into force in August 2015, and to the adoption of a stock grant in 2015 as a long-term incentive.

The costs of the stock grant amounted to R\$99.0 million in 2015, and include: (i) recurring expenses of R\$40.3 million referring to the principal amount granted to the beneficiaries, and R\$26.4 million in provisions for payroll charges to be paid upon the delivery of the shares to the beneficiaries; and (ii) non-recurring expenses of R\$32.2 million related to the cancellation of the stock option plan, as detailed in the Notice to the Market of February 4, 2015. Excluding the effect of the long-term incentive program of 2014 and 2015, personnel and payroll related charges would have grown 5.7% during the year, reflecting the efforts of the Company to reduce the headcount.

- **Data processing:** totaled R\$122.0 million, a slight fall of 1.8% over 2014.
- **Third party services:** amounted to R\$41.1 million in 2015, up 3.2% on the previous year, reflecting an increase in expenditure on advisory services and legal fees for the development of projects and products.

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- **Communication:** totaled R\$5.7 million, a decrease of 57.0% in relation to 2014 due to changes and savings in the process of posting custody statements and trading notices to investors.
  - **Taxes:** amounted to R\$8.2 million, 85.2% less than in the previous year, due to a change in accounting of taxes on dividends received from the CME Group, which now affect the calculation base for the Company's income and social contribution taxes.
  - **Others:** amounted to R\$84.5 million, an increase of 28.6% over 2014, due to a rise in electricity charges; a R\$3.6 million increase in provisions; and a non-recurring investment write-off of R\$6.4 million in 3Q15.

### Impairment of assets

The goodwill created on the acquisition of Bovespa Holding in 2008 is based on both expectation of future profitability and economic and financial appraisal report of the investment.

As mentioned in the economic and financial valuation report on the investment issued by an external and independent specialist, an impairment was recognized for this intangible asset in the amount of R\$1.7 billion, without cash effects, reflecting the deterioration of the macroeconomic scenario, which impacted the Bovespa Segment, through the lower market value of the listed companies and consequently the lower average daily trading value, notably in 4Q15. As result, and also associated to the worse expectation for the interest rates and country risk for the short and long-term, was accounted a reduction in the Bovespa Segment expected future profitability.

### Equity in Results of Investees

The equity-method investment in the CME Group amounted to R\$136.2 million in 2015. The comparison with 2014 is affected by two changes: (i) starting January 2015, this line is now calculated based on after-tax results of the CME Group (up to 2014 the calculation was based on pre-tax results); and (ii) due to the discontinuity of the equity method (see the next item), equity income results were only booked up to September 14, 2015 (the settlement date of payment of the shares sale).

### Extraordinary impacts related to the CME Group

The 2015 financial statements were impacted by the divestment, on September 9, of 20% of the shares held by BM&F-BOVESPA in the CME Group (to 4% from 5% of the US exchange capital stock), which combined with other quantitative and qualitative aspects led to the discontinuity of the equity method of accounting for the investment in the CME Group.

- **Result of divestment of the CME Group shares** – Proceeds of the sale amounted to R\$1,201.3 million, and had a positive effect on the Company's cash balance. The gross profit on this transaction (Gain on disposal of investment in associates) was R\$724.0 million and was included in the Company's tax base, which totaled R\$249.8 million, generating a net profit of R\$474.2 million.
- **Discontinuity of equity method of accounting** – The Company no longer recognizes the investment in the CME Group by the equity method of accounting, and now treats it as a financial asset available for sale (see Note 7). The impacts on the financial statements are:
  - Balance sheet: i) the investment ceases to be treated as a non-current asset (investments – interest in associate) and is now treated as a financial asset available for sale in current assets (financial investments); ii) it is now measured at fair value (marked to market), with variations in the measurement affecting shareholders' equity; and iii) the account "deferred income tax and social contribution" in non-current liabilities now includes a provision for tax on potential gains on this investment.

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- **Income statement:** i) recognition of the result of discontinuing the equity method and of deferred tax, amounting to R\$1,734.9 million and R\$604.4 million, respectively, both with no cash impact; and ii) as from 4Q15 the equity pickup line no longer includes the CME Group, and dividends received are booked as financial revenues and included in the Company's tax base.

It is worth noting that the reduction of the shareholding and the discontinuity of the equity method does not imply changes in the fundamental aspects of the strategic partnership between BM&FBOVESPA and the CME Group.

### Financial result

The financial result was R\$508.8 million in 2015, a rise of 144.4% over the previous year. Financial revenues grew by 106.1% to R\$745.7 million, mainly reflecting i) an increase in interest rates and average cash holdings during the year; and ii) dividends received from the CME Group amounting to R\$173.4 million which, after the discontinuity of equity accounting, were booked as financial revenues. On the other hand, financial expenses increased 54.2% to R\$236.9 million, due to the appreciation of the US Dollar against the Brazilian Real during the year, which affected the amount of interest paid on debt issued overseas. The currency variation also impacted other asset and liability lines in the balance sheet, as well as the Company's financial revenues and expenses, but this did not significantly affect the financial result.

### Income Tax and Social Contribution

Income tax and social contribution amounted to R\$603.8 million in 2015, down by 8.7% over 2014. This is explained mainly by the extraordinary effects of the partial divestment of the CME Group, by tax credits arising from the distribution of interest on capital and by the impairment of intangible assets.

- **Current taxes:** totaled R\$45.6 million in 2015, including R\$5.8 million in tax paid by Banco BM&FBOVESPA, with cash impact. The difference will be set off against tax withheld overseas, with no cash impact.

We should mention that the tax payable on the result of the partial divestment of CME Group shares, amounting to R\$249.8 million, was offset by the distribution of interest on capital in 2015, and therefore had no effect on cash.

- **Deferred taxes:** amounted to R\$558.2 million in 2015, consisting of:
  - Reversal of deferred tax liability in the amount of R\$ 15.2 million (positive), calculated as the net result between R\$550.1 million of deferred tax under temporary differences on goodwill amortization and write-off of deferred tax liability amounting R\$565.3 million arising from the impairment on the goodwill, both with no cash impact;
  - Discontinuity of the equity accounting method, amounting to R\$604.4 million related to the recognition of deferred tax, with no cash impact; and
  - Reversal/recording of other tax credits of R\$31.0 million (positive), with no cash impact.

### Net Income

Net income (attributable to shareholders) amounted to R\$2,202.2 million. Excluding impairment expenses and the extraordinary impacts related to the CME Group, net income was R\$1,695.0 million, up by 73.5% over 2014, being this growth partly explained by the reduction of the tax base generated by the distribution of IoC in 2015.

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## Main Line Items of the Consolidated Balance Sheet as of December, 31 2015

### Asset, Liabilities and Shareholders' Equity

In 2015, BM&FBOVESPA's equity position remained sound, with total assets of R\$26,308.9 million, a rise of 4.1% on 2014, and shareholders' equity of R\$18,352.2 million, 3.4% down year on year.

The major changes in assets, in comparison with 2014, reflect the extraordinary effects of the partial divestment of the CME Group and the impairment of intangible assets.

The proceeds of the partial sale of CME Group shares have been placed in financial investments, and, with equity accounting being discontinued, the value of the remaining portion of this investment has been reclassified from investment in associates to financial investments.

Intangible assets consist mainly of goodwill on expectations of future profitability from the acquisition of Bovespa Holding. This goodwill was tested for impairment in December 2015 and an appraisal report prepared by an external and independent expert identified the need to reduce the recoverable value of this asset by R\$1.7 billion, due to lower expectations for future profitability in the Bovespa segment.

Current liabilities represented 8.0% of total of liabilities and shareholders' equity, reaching R\$2,096.8 million in 2015, 10.8% above the balance at the end of 2014; whereas non-current liabilities accounted for 22.3% of total liabilities and shareholders' equity, at R\$5,859.9 million, a 33.7% increase over 2014. The more significant variations were in the following lines: (i) issue of debt overseas, which was affected by the devaluation of the Real against the US Dollar; and (ii) deferred income tax and social contribution, which in addition to the establishment of deferred tax arising from the tax amortization of goodwill, was also impacted by the discontinuity of equity accounting for the CME Group.

Shareholders' equity amounted to R\$18,352.2 million at the end of 2015 and consists, mainly, of a capital reserve of R\$14,300.3 million, capital stock of R\$2,540.2 million and revenue reserves of R\$1,951.0 million.

### Other financial information

#### Investments **G** <sup>G4-EC1</sup>

Investments of R\$227.0 million were capitalized in 2015, including R\$221.4 million in technology and infrastructure, particularly in the equities phase of the new BM&FBOVESPA Clearinghouse.

#### Budget for adjusted expenses and investments in 2016

In December 2015, the Company announced its budget for adjusted operating expenses and investments in 2016, as follows: (i) adjusted operating expenses budget guidance within a range of R\$640 million to R\$670 million; and (ii) investments budget guidance within a range of R\$200 million to R\$230 million.

#### Distribution of Earnings

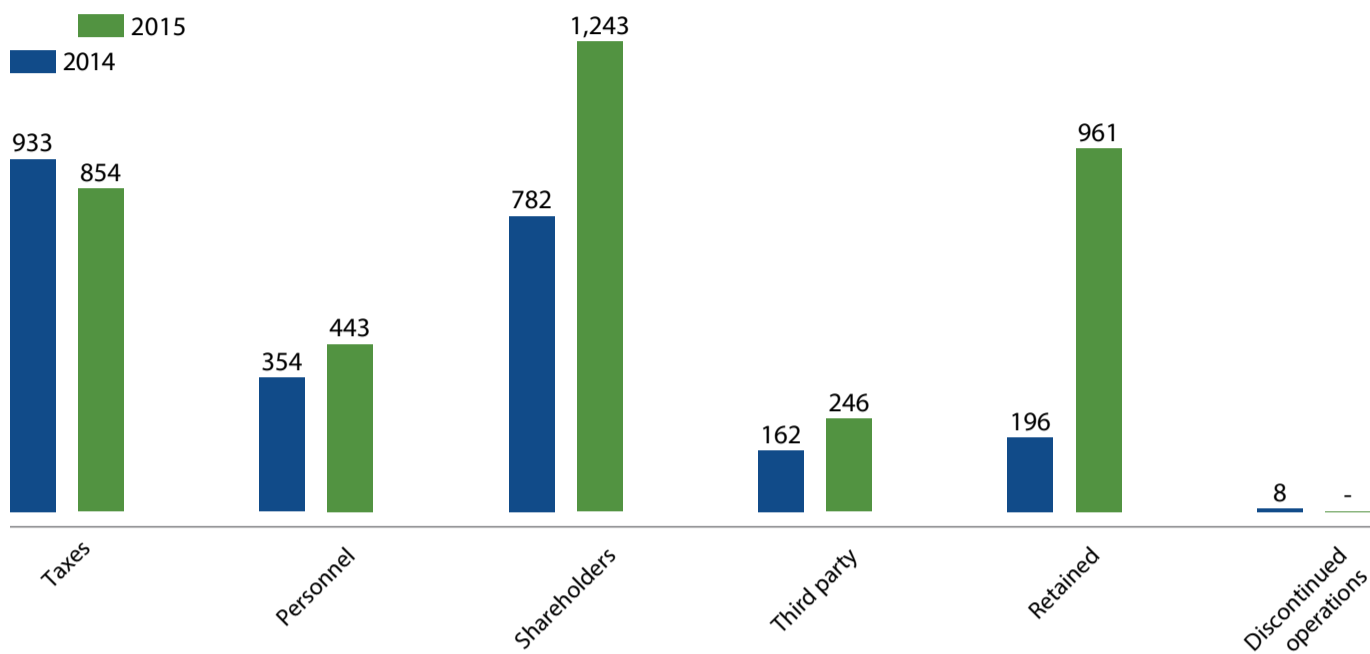
The Board of Directors declared a payment of R\$1,242.6 million in dividends and interest on capital in 2015, bringing the distribution to a 73.3% of the net income attributed to BM&FBOVESPA shareholders, excluding impairment expenses and impacts related to the CME Group.

#### Share Buyback Program

In 2015, the Company repurchased 26.2 million of its own shares (equivalent to 1.5% of the shares in free-float at the beginning of the year) at an average price of R\$10.95, for a total of R\$286.8 million. These transactions are part of the repurchase program approved by the Board of Directors that was in force up to the end of December 2015, authorizing the acquisition of up to 60 million shares. In addition, on December 2015, the Company approved a new repurchase program for up to 40 million shares (2.2% of the total free-float) for 2016.

## Value Added Statement <sup>G4-EC1</sup>

The value added by BM&FBOVESPA in 2015 totaled R\$3.74 billion, an increase of 53.9% in comparison with the previous year. The value added breakdown among its various stakeholders is shown in the chart below, being worth mentioning that: taxes totaled R\$854 million and the payment of interest on capital and dividends totaled R\$1,243 million, being R\$1,019 million related to interest on capital and R\$224 million related to dividends.





# 9 Environmental Performance



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# For BM&FBOVESPA, environmental management is part of its strategy.

## Eco-efficiency

In consonance with the Environmental Pillar of its Sustainability Policy, BM&FBOVESPA seeks to identify and as far as possible mitigate the environmental impacts of its activities both internally and externally. **G4-14**

The Company is committed to adopting eco-efficiency programs on its premises, optimizing the use of water, energy and paper, responsibly managing electronic and other solid waste, and mitigating greenhouse gas emissions. **G4-EN27**

It also promotes good socio-environmental practices by stakeholders and throughout its value chain, not least as a contribution to the development of the Brazilian market for environmentally-focused products and services.

In this context BM&FBOVESPA keeps a careful watch on domestic and international laws and agreements capable of triggering taxation and/or the creation of cap and trade regimes (trading in carbon emissions including those from coal) linked to mandatory reduction targets and the supply of products associated with climate change. It is important to note that the main agricultural commodities traded on BM&FBOVESPA (coffee, corn, soybeans, live cattle and ethanol) are susceptible to physical events that may influence their prices. The Company considers these regulatory and climate uncertainty risks indirect and hard to estimate but monitors them in its risk matrix. **G4-14 / G4-EC2**

## Greenhouse gas emissions

To increase transparency and control of its environmental impact in terms of greenhouse gas emissions (GHG), and to support action to reduce GHG and improve its processes, since 2010 BM&FBOVESPA has conducted a GHG inventory with data referring to the previous year.

Since 2011 the inventory has been verified by a third party and included in the Public Emissions Registry, an initiative of Brazil's GHG Protocol Program, where it can be read and downloaded ([registropublicodeemissoes.com.br](http://registropublicodeemissoes.com.br)).

The 2014 GHG inventory, verified by a third party, covered all BM&FBOVESPA group companies.

The 2015 GHG inventory has not yet been finalized since the process begins in January 2016.

## Scope 1, 2 and 3 emissions

In 2014 BM&FBOVESPA's absolute emissions totaled 4,902.68tCO<sub>2</sub>e, with Scope 1 accounting for 221.64tCO<sub>2</sub>e; Scope 2 for 3,280,94tCO<sub>2</sub>e; and Scope 3 for 1,400.18tCO<sub>2</sub>e.

Scope 1 emissions fell significantly in 2014 compared with the previous year. This decrease was due to a reduction in the amount of cooling gas consumed in 2014. Recharging of air conditioning and other equipment is not constant and may vary from one year to the next depending on use and demand.

Although Scope 2 emissions rose significantly, this was not because consumption increased but owing to a 41% rise in the national power grid emission factor in 2014.

Scope 3 emissions did not follow the same trend as in previous years, falling significantly (35%) compared with 2013. The decrease was due to lower emissions from commuting by employees and business travel.

## Direct and indirect greenhouse gas emissions and electricity consumption

### Scopes 1 and 2 (in metric tons of CO2 equivalent) <sup>G4-EN15 / G4-EN16 / G4-EN19</sup>

	2014	2013	2012
Electricity	3,280.82	2,438.46	1,631.24
Fire extinguishers	1.40	1.75	1.92
Own fleet	10.68	12.34	11.30
Natural gas	6.46	5.91	6.12
Cooling gas	177.85	241.59	482.84
Generators	57.76	62.64	71.23
LPG	4.27	4.17	0.88
<b>Total direct and indirect emissions (tCO2e)</b>	<b>3,539.24</b>	<b>2,766.86</b>	<b>2,205.53</b>

#### Notes

- Cooling gas consumption in 2014, amounting to 177.85 tCO2e, consisted entirely of R-22 refrigerant, which is classed as a GHG but not included in the Kyoto Protocol because it was already covered by the Montreal Protocol as an ozone-depleting CFC.
- Third-party generators accounted for 57.76tCO2e, allocated to Scope 2 as recommended by Brazil's GHG Protocol Program. BM&FBOVESPA's own generators accounted for 20.96 tCO2e (Scope 1).
- BM&FBOVESPA does not emit any ozone-depleting substances, NOx, SOx, persistent organic pollutants (POP), hazardous air pollutants (HAP) or particulate matter (PM). <sup>G4-EN20 / G4-EN21</sup>
- BM&FBOVESPA complies with the National Solid Waste Policy.
- BM&FBOVESPA Settlement Bank complies with the Socio-Environmental Responsibility Policy.
- Reporting of GHG emissions from operations outside Brazil is optional and disaggregated in the Brazil GHG Protocol Program's Public Emissions Registry. As a result, BM&FBOVESPA's Scope 2 emissions consider emissions occurring in other countries where the Company has facilities.
- The 2014 GHG Inventory covered the following gases controlled by the Kyoto Protocol: CO2, CH4, N2O, SF6, NF3, and the HFC and PFC families.

### Indirect greenhouse gas emissions – Scope 3 (in metric tons of CO2 equivalent) <sup>G4-EN17</sup>

	2014	2013	2012
Commuting by employees, interns and service providers	607.61	893.79	646.04
Third-party logistics	3.72	2.64	3.2
Taxis	107.67	58.13	59.50
Travel	735.27	1,119.05	1,388.82
<b>Total indirect emissions (tCO2e)</b>	<b>1,454.27</b>	<b>2,073.61</b>	<b>2,097.56</b>

### Energy consumption

The Company analyzes energy consumption month by month, periodically taking action to reduce it and implementing improvements such as subscribing to an online energy use monitoring service that provides data on its actual use profile, detects waste and controls demand, among other benefits.

### Indirect energy consumption by primary energy source (in gigajoules) <sup>G4-EN3</sup>

Energy source	2015	2014	2013
Electricity	89,709	83,749	83,618

## Energy saving due to conservation and efficiency improvements (in gigajoules) <sup>G4-EN6</sup>

Improvements	2015	2014	2013
Deactivation of extra bulbs on stairs in the Praça Antonio Prado and Rua XV de Novembro buildings	168	175	210
Elevator schedule for the Praça Antonio Prado and Rua XV de Novembro buildings	20	17	21
Rules on weekend use of air conditioning	77	77	92
Replacement of halogen with LED bulbs – Raymundo Magliano Filho Visitor Center (Rua XV de Novembro)	53	45	53
Installation of photocells for staircase lighting – Rua XV de Novembro building and Rua João Brícola entrance (Praça Antonio Prado)	9	9	11
Deactivation of extra bulbs on the façade of the Praça Antonio Prado building and in the colocation area	54	54	72
Replacement of fluorescent with LED bulbs – mezzanine, Rua XV de Novembro	18	15	*
Replacement of conventional light fittings with LED fittings on stairs in the Praça Antonio Prado and Rua XV de Novembro buildings	5	*	*
Deactivation of conventional light fittings on stairs in the Praça Antonio Prado building due to installation of LED fittings	2	*	
Deactivation of corridor and elevator hall lighting on all floors of the Praça Antonio Prado building	124	*	*
Set point temperature for climatization system in the Praça Antonio Prado building raised from 5° C to 6.5° C	25	*	*
<b>Total</b>	<b>555</b>	<b>392</b>	<b>459</b>

\* Items measured from 2015.

## Greenhouse gas emission offsets <sup>G4-EN27</sup>

BM&FBOVESPA reiterates its commitment to voluntary reduction of GHG emissions. In 2015, as in previous years, the Company did not establish a reduction target but undertook a number of initiatives to reduce or optimize emissions.

It is important to note that the Company has offset its GHG emissions since 2013, with 2011 and 2012 as basis years. This initiative is designed to foster better sustainability practices by listed companies and the market generally, among other aims.

BM&FBOVESPA offset irreducible 2014 GHG emissions, becoming carbon neutral for yet another year, by purchasing 4,903 carbon credits (or 4,903 metric tons of CO<sub>2</sub> equivalent). Offsets for 2015 emissions will be processed in second-half 2016.

The credits purchased by the Company, created under the Kyoto Protocol Clean Development Mechanism (CDM) and known as Certified Emission Reductions (CERs), were again generated by the UN-registered renewable energy project Celtins and Cemat Grid Connection of Isolated Systems.

# GRI Content Index For “In Accordance” – Core



# General Standard Disclosures <sup>G4-32</sup>

General Standard Disclosures	Page	Global Compact
<b>Strategy and Analysis</b>		
G4-1	i to iv	
G4-2	5 and 6	
<b>Organizational Profile</b>		
G4-3	10	
G4-4	11	
G4-5	10	
G4-6	10	
G4-7	10	
G4-8	10	
G4-9	10 and 11	
G4-10	10 and 21 and 22	6
G4-11	10	3
G4-12	11 and 26	
G4-13	10	
G4-14	11, 26 and 43	
G4-15	11	
G4-16	11	
<b>Material Aspects Identified and Limits</b>		
G4-17	10	
G4-18	2 and 3	
G4-19	2	
G4-20	2	
G4-21	2	
G4-22	2	
G4-23	2	
<b>Stakeholder Engagement</b>		
G4-24	2	
G4-25	2	
G4-26	2	
G4-27	2	
<b>Report Profile</b>		
G4-28	2	
G4-29	2	
G4-30	2	
G4-31	2	
G4-32	2 and 47 to 50	
G4-33	2*	

\* There was no external assurance for the report

General Standard Disclosures	Page	Global Compact
<b>Governance</b>		
G4-34	13 and 16	
G4-35	13 to 15	
G4-36	15	
G4-38	13 to 15	
G4-40	13 to 15	
G4-41	19	
G4-42	13 and 16	
G4-44	16	
G4-45	19	
G4-46	19	
G4-47	13 and 19	
G4-51	16	
G4-52	16	
<b>Ethics and Integrity</b>		
G4-56	18	10
G4-57	18 and 19	10
G4-58	18 and 19	10

## Specific Standard Disclosures

Material aspects	DMA and indicators	Page	Omissions *	Global Compact
<b>Category: Economy</b>				
Economic performance	<b>G4-DMA</b>	5 to 6; 29 to 30 and 32		
	G4-EC1	41	●	
	G4-EC2	43	●	7
	G4-EC3	24	●	
Market presence	<b>G4-DMA</b>	21 and 29 to 30		
	G4-EC5	21	●	6
Indirect economic impacts	<b>G4-DMA</b>	29 to 30		
	G4-EC7	5 and 41	●	
	G4-EC8	30	●	
<b>Category: Environmental</b>				
Energy	<b>G4-DMA</b>	29 to 30 and 43		
	G4-EN3	44	●	7   8
	G4-EN6	45	●	8   9

\*No omission of information

Material aspects	DMA and indicators	Page	Omissions *	Global Compact
Emissions	<b>G4-DMA</b>	29 to 30 and 43		
	G4-EN15	44	●	7   8
	G4-EN16	44	●	7   8
	G4-EN17	44	●	7   8
	G4-EN19	44	●	8   9
	G4-EN20	44	●	7   8
	G4-EN21	44		7   8
Products and services	<b>G4-DMA</b>	29 to 30 and 43		
	G4-EN27	43 and 45	●	7   8   9

### Category: Social

#### Subcategory: Labor practices and decent work

Employment	<b>G4-DMA</b>	21; 23 and 29 to 30		
	G4-LA1	23	●	6
	G4-LA2	23 to 24	●	
Occupational health and safety	<b>G4-DMA</b>	24; 25 and 29 to 30		
	G4-LA5	25	●	
	G4-LA7	26	●	
	G4-LA8	25	●	
Training and education	<b>G4-DMA</b>	21 and 20 to 30	●	
	G4-LA9	25		6
	G4-LA11	21	●	6
Diversity and equal opportunity	<b>G4-DMA</b>	21 and 29 to 30		
	G4-LA12	22 and 23	●	6
Equal remuneration for women and men	<b>G4-DMA</b>	29 to 30		
	G4-LA13	23	●	6
Supplier assessment for labor practices	<b>G4-DMA</b>	26 and 29 to 30		
	G4-LA14	26	●	
	G4-LA15	26	●	
Labor practices grievance mechanisms	<b>G4-DMA</b>	18 and 29 to 30		
	G4-LA16	26	●	

#### Subcategory: Human rights

Non-discrimination	<b>G4-DMA</b>	26 and 29 to 30		
	G4-HR3	26	●	6
Supplier human rights assessment	<b>G4-DMA</b>	26 and 29 to 30		
	G4-HR10	26	●	2

\* No omission of information



Material aspects	DMA and indicators	Page	Omissions *	Global Compact
Human rights grievance mechanisms	<b>G4-DMA</b>	26		
	G4-HR12		●	1
<b>Subcategory: Society</b>				
Local communities	<b>G4-DMA</b>	29 to 30		
	G4-SO1	30	●	1
Anti-corruption	<b>G4-DMA</b>	26 and 29 to 30		
	G4-SO3	26	●	10
	G4-SO4	26 to 27	●	10
	G4-SO5	27	●	10
Compliance	<b>G4-DMA</b>	27 and 29 to 30	●	
	G4-SO8	27		
Supplier assessment for impacts on society	<b>G4-DMA</b>	26 and 29 to 30		
	G4-SO9	26	●	
	G4-SO10	26	●	
<b>Subcategory: Product responsibility</b>				
Product and service labeling	<b>G4-DMA</b>	7 to 8 and 29 to 30		
	G4-PR5	2	●	
Customer privacy	<b>G4-DMA</b>	27 and 29 to 30		
	G4-PR8	27	●	
Compliance	<b>G4-DMA</b>	27 and 29 to 30		
	G4-PR9	27	●	

\*No omission of information

# Financial Statements

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# Balance sheets

## December 31, 2015 and 2014

(In thousands of reais)

		BM&FBOVESPA		Consolidated	
	Note	2015	2014 (*)	2015	2014 (*)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4 (a)	451,081	497,146	440,845	500,535
Financial investments and marketable securities	4 (b)	7,728,007	2,019,099	7,798,529	1,962,229
Accounts receivable	5	74,273	56,597	75,129	57,571
Other receivables	6	160,378	71,799	157,974	72,319
Taxes recoverable and prepaid	19 (d)	175,007	166,144	175,011	166,154
Prepaid expenses		26,244	26,404	26,298	26,431
<b>Noncurrent assets</b>		<b>17,296,676</b>	<b>22,155,664</b>	<b>17,635,109</b>	<b>22,478,243</b>
<b>Long-term receivables</b>					
Financial investments and marketable securities	4 (b)	1,368,977	981,234	1,815,620	1,392,763
Judicial deposits	14 (g)	140,119	119,870	140,567	120,285
Other receivables	6	-	-	2,200	2,200
Prepaid expenses		3,040	7,293	3,039	7,293
<b>Investments</b>					
Investments in associates	7 (a)	-	3,729,147	-	3,729,147
Investments in subsidiaries	7 (a)	144,462	126,402	-	-
Investment properties	7 (b)	-	-	30,635	32,153
<b>Property and equipment</b>					
	8	450,124	418,502	453,094	421,186
<b>Intangible assets</b>					
	9	15,189,954	16,773,216	15,189,954	16,773,216
Goodwill		14,401,628	16,064,309	14,401,628	16,064,309
Software and projects		788,326	708,907	788,326	708,907
<b>Total assets</b>		<b>25,911,666</b>	<b>24,992,853</b>	<b>26,308,895</b>	<b>25,263,482</b>

(\*) Amounts related to deferred tax liabilities at December 31, 2014 are restated in the balance sheet net of deferred tax assets.

# Balance sheets

## December 31, 2015 and 2014

(In thousands of reais)

		BM&FBOVESPA		Consolidated	
	Note	2015	2014 (*)	2015	2014 (*)
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
		1,715,602	1,635,426	2,096,785	1,891,833
Collateral for transactions	17	1,338,010	1,321,935	1,338,010	1,321,935
Earnings and rights on securities in custody	10	49,224	46,289	49,224	46,289
Suppliers		42,635	66,146	42,708	66,241
Salaries and social charges		116,441	71,808	117,041	72,273
Provision for taxes and contributions payable	11	32,512	24,116	34,551	25,413
Income tax and social contribution		1,064	-	4,944	2,129
Interest payable on debt issued abroad	12	70,181	47,368	70,181	47,368
Dividends and interest on equity payable		2,902	1,687	2,902	1,687
Other liabilities	13	62,633	56,077	437,224	308,498
<b>Noncurrent liabilities</b>					
		5,853,965	4,377,918	5,859,897	4,383,246
Debt issued abroad	12	2,384,084	1,619,123	2,384,084	1,619,123
Deferred income tax and social contribution	19	3,272,276	2,584,525	3,272,276	2,584,525
Provisions for tax, civil and labor contingencies	14 (d)	113,122	97,661	119,054	102,989
Obligation with post-retirement health care benefit	18 (c)	26,122	28,371	26,122	28,371
Other liabilities	13	58,361	48,238	58,361	48,238
<b>Equity</b>					
	15	18,342,099	18,979,509	18,352,213	18,988,403
<b>Capital and reserves attributable to shareholders of BM&amp;FBOVESPA</b>					
Capital		2,540,239	2,540,239	2,540,239	2,540,239
Capital reserve		14,300,310	15,220,354	14,300,310	15,220,354
Revaluation reserves		20,188	20,774	20,188	20,774
Income reserves		1,950,980	990,770	1,950,980	990,770
Treasury shares		(365,235)	(983,274)	(365,235)	(983,274)
Other comprehensive income		(104,383)	1,004,705	(104,383)	1,004,705
Proposed additional dividend		-	185,941	-	185,941
		18,342,099	18,979,509	18,342,099	18,979,509
<b>Non-controlling interests</b>					
		-	-	10,114	8,894
Total liabilities and equity		25,911,666	24,992,853	26,308,895	25,263,482

(\*) Amounts related to deferred tax liabilities at December 31, 2014 are restated in the balance sheet net of deferred tax assets.

# Income statements

Years ended December 31, 2015 and 2014

(In thousands of reais, unless otherwise stated)

		BM&FBOVESPA		Consolidated	
	Note	2015	2014	2015	2014
<b>Revenue</b>					
<b>Expenses</b>	20	<b>2,173,466</b>	<b>1,995,160</b>	<b>2,216,634</b>	<b>2,030,433</b>
<b>Expenses</b>		<b>(831,698)</b>	<b>(786,004)</b>	<b>(850,656)</b>	<b>(804,070)</b>
Administrative and general					
Personnel and related charges		(429,689)	(342,333)	(443,006)	(354,411)
Data processing		(120,067)	(122,230)	(122,020)	(124,202)
Depreciation and amortization		(109,264)	(117,479)	(110,857)	(119,133)
Third-party services		(39,532)	(38,319)	(41,052)	(39,776)
Maintenance in general		(13,157)	(11,096)	(14,210)	(11,927)
Communications		(5,648)	(13,224)	(5,749)	(13,364)
Promotion and publicity		(11,629)	(11,065)	(11,944)	(11,305)
Taxes		(7,095)	(54,733)	(8,212)	(55,590)
Board and committee members' compensation		(9,149)	(8,683)	(9,149)	(8,683)
Sundry	21	(86,468)	(66,842)	(84,457)	(65,679)
<b>Impairment of assets</b>	9	<b>(1,662,681)</b>	-	<b>(1,662,681)</b>	-
<b>Equity pickup</b>	7(a)	<b>157,146</b>	<b>226,926</b>	<b>136,245</b>	<b>212,160</b>
<b>Equity method discontinuation</b>	7(a)	<b>1,734,889</b>	-	<b>1,734,889</b>	-
<b>Gain on disposal of investment in associates</b>	7(a)	<b>723,995</b>	-	<b>723,995</b>	-
<b>Financial result</b>	22	<b>505,104</b>	<b>206,066</b>	<b>508,796</b>	<b>208,157</b>
Financial income		740,466	358,459	745,707	361,761
Financial expenses		(235,362)	(152,393)	(236,911)	(153,604)
<b>Income before income tax and social contribution</b>		<b>2,800,221</b>	<b>1,642,148</b>	<b>2,807,222</b>	<b>1,646,680</b>
<b>Income tax and social contribution</b>	19 (c)	<b>(597,983)</b>	<b>(657,403)</b>	<b>(603,764)</b>	<b>(660,959)</b>
Current		(39,777)	(100,603)	(45,558)	(104,159)
Deferred		(558,206)	(556,800)	(558,206)	(556,800)
<b>Net income from continuing operations</b>		<b>2,202,238</b>	<b>984,745</b>	<b>2,203,458</b>	<b>985,721</b>
<b>Net income (loss) from discontinued operations</b>	24	-	(7,692)	-	(7,807)
<b>Net income for the year</b>		<b>2,202,238</b>	<b>977,053</b>	<b>2,203,458</b>	<b>977,914</b>

# Income statements

Years ended December 31, 2015 and 2014

(In thousands of reais, unless otherwise stated)

		BM&FBOVESPA		Consolidated	
	Note	2015	2014	2015	2014
<b>Attributable to:</b>					
Shareholders of BM&FBOVESPA - Continuing operations		2,202,238	984,745	2,202,238	984,745
Shareholders of BM&FBOVESPA - Discontinued operations		-	(7,692)	-	(7,692)
Non-controlling interests - Continuing operations				1,220	976
Non-controlling interests - Discontinued operations				-	(115)
<b>Earnings per share attributable to shareholders of BM&amp;FBOVESPA (in R\$ per share)</b>					
	15 (h)				
Basic earnings per share				1.229001	0.531763
Diluted earnings per share				1.219860	0.530710

# Statements of comprehensive income

## Years ended December 31, 2015 and 2014

(In thousands of reais)

	Note	BM&FBOVESPA		Consolidated	
		2015	2014	2015	2014
<b>Net income for the year</b>		<b>2,202,238</b>	<b>977,053</b>	<b>2,203,458</b>	<b>977,914</b>
<b>Other comprehensive income (loss) to be reclassified to income for the year in subsequent periods</b>		<b>(1,112,187)</b>	<b>323,739</b>	<b>(1,112,187)</b>	<b>323,739</b>
<b>Translation adjustments</b>					
Exchange rate variation on investment in foreign associate	7(a)	1,718,604	451,195	1,718,604	451,195
Exchange rate variation on financial assets available for sale, net of taxes		35,969	-	35,969	-
Transfer of exchange rate variation to P&L due to disposal of investment	7(a)	(600,793)	-	(600,793)	-
Transfer of exchange rate variation to P&L due to equity method discontinuation		(2,403,173)	-	(2,403,173)	-
		<b>(1,249,393)</b>	<b>451,195</b>	<b>(1,249,393)</b>	<b>451,195</b>
<b>Hedge of net foreign investment</b>					
Hedged value, net of taxes		(488,380)	(126,669)	(488,380)	(126,669)
Transfer of exchange rate variation to P&L due to equity method discontinuation, net of taxes		848,959	-	848,959	-
		<b>360,579</b>	<b>(126,669)</b>	<b>360,579</b>	<b>(126,669)</b>
<b>Cash flow Hedge</b>					
Hedged value, net of taxes		(14,489)	-	(14,489)	-
		<b>(14,489)</b>	<b>-</b>	<b>(14,489)</b>	<b>-</b>
<b>Financial instruments available for sale</b>					
Mark-to-market of available-for-sale financial assets, net of taxes		(133,687)	-	(133,687)	-
		<b>(133,687)</b>	<b>-</b>	<b>(133,687)</b>	<b>-</b>
<b>Comprehensive income of associate and subsidiary</b>					
Comprehensive income of subsidiary	7(a)	9	(2)	9	(2)
Comprehensive income of foreign associate	7(a)	7,774	(785)	7,774	(785)
Transfer of foreign associate's comprehensive income to P&L due to equity method discontinuation	7(a)	(66,384)	-	(66,384)	-
Transfer of foreign associate's comprehensive income to P&L due to disposal of investment	7(a)	(16,596)	-	(16,596)	-
		<b>(75,197)</b>	<b>(787)</b>	<b>(75,197)</b>	<b>(787)</b>
<b>Other comprehensive income not reclassified to income for the year in subsequent periods</b>					
Actuarial gains on post-retirement health care benefits, net of taxes	18(c)	3,099	467	3,099	467
		<b>3,099</b>	<b>467</b>	<b>3,099</b>	<b>467</b>
<b>Total comprehensive income for the year</b>		<b>1,093,150</b>	<b>1,301,259</b>	<b>1,094,370</b>	<b>1,302,120</b>
<b>Attributable to:</b>					
Shareholders of BM&FBOVESPA		1,093,150	1,301,259	1,093,150	1,301,259
Non-controlling shareholders		-	-	1,220	861

# Statements of changes in equity

## Years ended December 31, 2015 and 2014

(In thousands of reais)

	Attributable to shareholders of the parent company											Total equity	
	Note	Capital	Capital reserve	Revaluation reserves (Note 15(c))	Income reserves (Note 15(e))		Treasury shares (Note 15(b))	Other comprehensive income	Proposed additional dividend	Retained earnings	Total		Non-controlling interests
					Legal reserve	Statutory reserves							
<b>Balances at December 31, 2013</b>		<u>2,540,239</u>	<u>16,056,681</u>	<u>21,360</u>	<u>3,453</u>	<u>791,320</u>	<u>(955,026)</u>	<u>680,499</u>	<u>145,703</u>	<u>-</u>	<u>19,284,229</u>	<u>14,663</u>	<u>19,298,892</u>
Translation adjustments		-	-	-	-	-	-	451,195	-	-	451,195	-	451,195
Hedge of net foreign investment		-	-	-	-	-	-	(126,669)	-	-	(126,669)	-	(126,669)
Financial instruments available for sale		-	-	-	-	-	-	(2)	-	-	(2)	-	(2)
Comprehensive income of associate and subsidiary	7	-	-	-	-	-	-	(785)	-	-	(785)	-	(785)
Actuarial gains on post-retirement health care benefits		-	-	-	-	-	-	467	-	-	467	-	467
<b>Total other comprehensive income</b>		-	-	-	-	-	-	<b>324,206</b>	-	-	<b>324,206</b>	-	<b>324,206</b>
Effect on non-controlling interests		-	-	-	-	-	-	-	-	-	-	(93)	(93)
Realization of revaluation reserve - subsidiaries		-	-	(586)	-	-	-	-	-	586	-	-	-
Repurchase of shares	15(b)	-	-	-	-	-	(937,600)	-	-	-	(937,600)	-	(937,600)
Disposal of treasury shares - exercise of stock options	18(a)	-	(5,339)	-	-	-	49,559	-	-	-	44,220	-	44,220
Cancellation of treasury shares	15(b)	-	(859,793)	-	-	-	859,793	-	-	-	-	-	-
Recognition of stock option plan	18(a)	-	28,805	-	-	-	-	-	-	-	28,805	-	28,805
Discontinued operations – non-controlling interests	24	-	-	-	-	-	-	-	-	-	-	(6,537)	(6,537)
Approval/payment of dividend		-	-	-	-	-	-	-	(145,703)	-	(145,703)	-	(145,703)
Net income for the year		-	-	-	-	-	-	-	-	977,053	977,053	861	977,914
Destination of profit:													
Dividends	15(g)	-	-	-	-	-	-	-	185,941	(781,642)	(595,701)	-	(595,701)
Setting up of statutory reserves		-	-	-	-	195,997	-	-	-	(195,997)	-	-	-
<b>Balances at December 31, 2014</b>		<u>2,540,239</u>	<u>15,220,354</u>	<u>20,774</u>	<u>3,453</u>	<u>987,317</u>	<u>(983,274)</u>	<u>1,004,705</u>	<u>185,941</u>	<u>-</u>	<u>18,979,509</u>	<u>8,894</u>	<u>18,988,403</u>



# Statements of changes in equity

## Years ended December 31, 2015 and 2014

(In thousands of reais)

Attributable to shareholders of the parent company												
Note	Capital	Capital reserve	Revaluation reserves (Note 15(c))	Income reserves (Note 15(e))		Treasury shares (Note 15(b))	Other comprehensive income	Proposed additional dividend	Retained earnings	Total	Non-controlling interests	Total equity
				Legal reserve	Statutory reserves							
Translation adjustments	-	-	-	-	-	-	(1,249,393)	-	-	(1,249,393)	-	(1,249,393)
Hedge of net foreign investment	-	-	-	-	-	-	360,579	-	-	360,579	-	360,579
Cash flow Hedge	4	-	-	-	-	-	(14,489)	-	-	(14,489)	-	(14,489)
Financial instruments available for sale	-	-	-	-	-	-	(133,687)	-	-	(133,687)	-	(133,687)
Comprehensive income of associate and subsidiary	7	-	-	-	-	-	(75,197)	-	-	(75,197)	-	(75,197)
Actuarial gains on post-retirement health care benefits	-	-	-	-	-	-	3,099	-	-	3,099	-	3,099
<b>Total other comprehensive income</b>	-	-	-	-	-	-	<b>(1,109,088)</b>	-	-	<b>(1,109,088)</b>	-	<b>(1,109,088)</b>
Realization of revaluation reserve - subsidiaries	-	-	(586)	-	-	-	-	-	586	-	-	-
Repurchase of shares	15(b)	-	-	-	-	(287,030)	-	-	-	(287,030)	-	(287,030)
Disposal of treasury shares - exercise of stock options	18(a)	-	(197)	-	-	-	1,094	-	-	897	-	897
Cancelation of treasury shares	15(b)	-	(903,975)	-	-	903,975	-	-	-	-	-	-
Payment in cash at fair value - options	18(a)	-	(56,198)	-	-	-	-	-	-	(56,198)	-	(56,198)
Recognition of stock option plan	18(a)	-	276	-	-	-	-	-	-	276	-	276
Recognition of stock grant plan	18(a)	-	40,050	-	-	-	-	-	-	40,050	-	40,050
Approval/payment of dividend	15(g)	-	-	-	-	-	-	(185,941)	-	(185,941)	-	(185,941)
Net income for the year	-	-	-	-	-	-	-	-	2,202,238	2,202,238	1,220	2,203,458
Destination of profit:												
Dividends	15(g)	-	-	-	-	-	-	-	(223,581)	(223,581)	-	(223,581)
Interest on equity	15(g)	-	-	-	-	-	-	-	(1,019,033)	(1,019,033)	-	(1,019,033)
Setting up of statutory reserves	-	-	-	-	960,210	-	-	-	(960,210)	-	-	-
<b>Balances at December 31, 2015</b>		<u>2,540,239</u>	<u>14,300,310</u>	<u>20,188</u>	<u>3,453</u>	<u>1,947,527</u>	<u>(365,235)</u>	<u>(104,383)</u>	<u>-</u>	<u>18,342,099</u>	<u>10,114</u>	<u>18,352,213</u>

# Statements of cash flow

## December 31, 2015 and 2014

(In thousands of reais)

	Note	BM&FBOVESPA		Consolidated	
		2015	2014	2015	2014
<b>Cash flow from operating activities</b>					
<b>Net income for the year</b>		2,202,238	977,053	2,203,458	977,914
Adjustments:					
Depreciation/amortization	8 e 9	109,264	117,479	110,857	119,133
Gain/loss on sale of property and equipment		(350)	64	(350)	64
Software and projects written off	9	6,463	2,208	6,463	2,208
Gain/loss on the disposal of investment	7(a)	(723,995)	7,692	(723,995)	7,807
Gain/loss on equity method discontinuation	7(a)	(1,734,889)	-	(1,734,889)	-
Impairment of assets		1,662,681	-	1,662,681	-
Deferred income tax and social contribution		558,206	556,800	558,206	556,800
Equity pickup	7(a)	(157,146)	(226,926)	(136,245)	(212,160)
Variation in non-controlling interests		-	-	1,160	258
Stock option and stock grant plan expenses	18	40,326	28,805	40,326	28,805
Interest expenses	22	138,064	96,923	138,064	96,923
Provision for tax, civil and labor contingencies		13,911	10,177	13,911	10,197
Provision for impairment of receivables		1,664	506	1,664	580
Effect of exchange rate variation on cash flow hedge		2,220	-	2,220	-
<b>Variation in financial investments and marketable securities and collateral for transactions</b>		(6,019,661)	240,483	(6,182,168)	323,842
Investments transferred to financial assets		4,958,023	-	4,958,023	-
Variation in taxes recoverable and prepaid		(8,863)	35,202	(8,857)	35,202
Variation in accounts receivable		(19,340)	(4,407)	(19,222)	(4,709)
Variation in other receivables		(88,579)	9,090	(85,655)	6,825
Variation in prepaid expenses		4,413	(17,370)	4,387	(17,374)
Variation in judicial deposits		(20,249)	(11,605)	(20,282)	(11,620)
Variation in earnings and rights on securities in custody		2,935	(3,636)	2,935	(3,636)
Variation in suppliers		(23,511)	29,467	(23,533)	21,556
Variation in provision for taxes and contributions payable		8,396	(639)	9,138	(412)
Variation in income tax and social contribution		1,064	-	2,815	696
Variation in salaries and social charges		44,633	(2,146)	44,768	(2,275)
Variation in other liabilities		16,679	491	138,849	(89,747)
Variation in provision for tax, civil, and labor contingencies		1,550	4,113	2,154	4,482
Variation in post-retirement health care benefits		2,446	3,139	2,446	3,139
<b>Net cash from (used in) operating activities</b>		<b>978,593</b>	<b>1,852,963</b>	<b>969,329</b>	<b>1,854,498</b>

# Statements of cash flow

## December 31, 2015 and 2014

(In thousands of reais)

	Note	BM&FBOVESPA		Consolidated	
		2015	2014	2015	2014
<b>Cash flow from investing activities</b>					
Proceeds from sale of property and equipment		727	1,172	1,140	1,305
Payment for purchase of property and equipment		(73,093)	(54,410)	(73,867)	(54,639)
Dividends received	7(a)	86,633	167,752	82,633	164,802
Divestiture - CME		1,208,662	-	1,208,662	-
Purchase of software and projects	9	(154,052)	(167,052)	(154,052)	(167,052)
Cash impact from discontinued operations		-	-	-	(13)
<b>Net cash from (used in) investing activities</b>		<b>1,068,877</b>	<b>(52,538)</b>	<b>1,064,516</b>	<b>(55,597)</b>
<b>Cash flow from financing activities</b>					
Disposal of treasury shares - stock options exercised	18(a)	897	44,220	897	44,220
Payment for cancelation of stock options	18(a)	(56,198)	-	(56,198)	-
Repurchase of shares	15(b)	(287,030)	(937,600)	(287,030)	(937,600)
Changes in financing		(767)	(244)	(767)	(244)
Interest paid		(113,664)	(90,433)	(113,664)	(90,433)
Payment of dividends and interest on equity		(1,427,340)	(741,145)	(1,427,340)	(741,145)
<b>Net cash used in financing activities</b>		<b>(1,884,102)</b>	<b>(1,725,202)</b>	<b>(1,884,102)</b>	<b>(1,725,202)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>163,368</b>	<b>75,223</b>	<b>149,743</b>	<b>73,699</b>
<b>Balance of cash and cash equivalents at beginning of year</b>	4(a)	<u>111,997</u>	<u>36,774</u>	<u>115,386</u>	<u>41,687</u>
<b>Balance of cash and cash equivalents at end of year</b>	4(a)	<u>275,365</u>	<u>111,997</u>	<u>265,129</u>	<u>115,386</u>

# Statements of value added

## Years ended December 31, 2015 and 2014

(In thousands of reais)

	Note	BM&FBOVESPA		Consolidated	
		2015	2014	2015	2014
<b>1 - Revenues</b>	20	<b>2,412,603</b>	<b>2,208,569</b>	<b>2,458,847</b>	<b>2,246,452</b>
Trading and/or settlement system		1,977,562	1,843,969	1,977,547	1,843,950
Other revenues		435,041	364,600	481,300	402,502
<b>2 - Goods and services acquired from third parties</b>		<b>1,939,182</b>	<b>262,776</b>	<b>1,942,113</b>	<b>266,253</b>
Expenses (a)		276,501	262,776	279,432	266,253
Impairment of assets	9	1,662,681	-	1,662,681	-
<b>3 - Gross value added (1-2)</b>		<b>473,421</b>	<b>1,945,793</b>	<b>516,734</b>	<b>1,980,199</b>
<b>4 - Retentions</b>		<b>109,264</b>	<b>117,479</b>	<b>110,857</b>	<b>119,133</b>
Depreciation and amortization	8 e 9	109,264	117,479	110,857	119,133
<b>5 - Net value added produced by the Company (3-4)</b>		<b>364,157</b>	<b>1,828,314</b>	<b>405,877</b>	<b>1,861,066</b>
<b>6 - Value added transferred from others</b>		<b>3,356,496</b>	<b>585,385</b>	<b>3,340,836</b>	<b>573,921</b>
Equity pickup	7(a)	157,146	226,926	136,245	212,160
Financial income	22	740,466	358,459	745,707	361,761
Equity method discontinuation	7(a)	1,734,889	-	1,734,889	-
Gain on disposal of investments in associates	7(a)	723,995	-	723,995	-
<b>7 - Total value added to be distributed (5+6)</b>		<b>3,720,653</b>	<b>2,413,699</b>	<b>3,746,713</b>	<b>2,434,987</b>
<b>8 - Distribution of value added</b>		<b>3,720,653</b>	<b>2,413,699</b>	<b>3,746,713</b>	<b>2,434,987</b>
Personnel and related charges		429,689	342,333	443,006	354,411
Board and committee members' compensation		9,149	8,683	9,149	8,683
Taxes, charges and contributions (b)					
Federal		811,812	895,732	820,996	902,104
Municipal		32,403	29,813	33,193	30,464
Financial expenses	22	235,362	152,393	236,911	153,604
Interest on equity and dividends	15(g)	1,242,614	781,642	1,242,614	781,642
Setting up of statutory reserves		959,624	195,411	960,844	196,272
Discontinued operation (Note 24)		-	7,692	-	7,807

(a) Expenses (excludes personnel, board and committee members' compensation, depreciation, taxes and charges).

(b) Includes: taxes and charges, Contribution Taxes on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS), Service Tax (ISS), and current and deferred income tax and social contribution (IRPJ and CSLL).

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# Notes to The Financial Statements

## 1. Operations

BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros (BM&FBOVESPA) is a publicly-held corporation headquartered in the city of São Paulo, primarily engaged in to carry out or invest in companies engaged in the following activities:

- Management of organized securities markets, promoting 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 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).
- 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.

With the objective of responding to the needs of customers and the specific requirements of the market, its wholly-owned subsidiary Banco BM&FBOVESPA 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.

In order to rebalance the composition of the Company's assets, through a notice to the market, on September 9, 2015, BM&FBOVESPA announced the disposal of 20% of CME Group's shares.

Management reassessed whether or not there is significant influence over CME Group, considering current quantitative and qualitative factors, and concluded that "significant influence", as defined by CPC 18, no longer existed. That assessment lead the Company to reclassify its equity position for the period from "Investments in associates", measured by the equity method, to "Financial investments and marketable securities – available for sale", measured at market value.

BM&FBOVESPA maintained the hedge of net investment, originated from debt issued abroad for hedging part of the exchange rate risk of investment in CME Group until equity method discontinuation, when a new hedge was structured (cash flow hedge).

As part of the strategic partnership between BM&FBOVESPA and CME Group, in the third quarter of 2015, BM&FBOVESPA organized the wholly-owned subsidiary BM&FBOVESPA BRV LLC registered in Delaware (USA), in order to ensure to the parties the full exercise of the rights contractually agreed upon. BM&FBOVESPA BRV LLC, jointly with BM&FBOVESPA, will be co-owner of all intellectual property rights related to the stock module of PUMA Trading System platform and any other modules jointly developed by the parties, the ownership of which is assigned to BM&FBOVESPA. Since this Company is a subsidiary engaged in protecting rights, this special purpose entity is not expected to have operating activities.

## 2. Preparation and presentation of financial statements

These financial statements were approved by the Board of Directors of BM&FBOVESPA on February 18, 2016.

The financial statements have been prepared and are being presented in accordance with accounting practices adopted in Brazil.

Deferred tax assets and liabilities related to income are presented net in the financial statements, in accordance with the criteria set out in CPC 32/IAS 12. As a consequence, BM&FBOVESPA is restating the balances disclosed in the financial statements as of December 31, 2014, as follows:

	Balance disclosed at 12/31/2014	Restatement Effects	Balance restated at 12/31/2014
<b>Assets</b>			
Current assets	2,837,189	-	2,837,189
Noncurrent assets	22,430,445	(274,781)	22,155,664
Deferred income tax and social contribution	274,781	(274,781)	-
<b>Total assets</b>	<b>25,267,634</b>	<b>(274,781)</b>	<b>24,992,853</b>
<b>Liabilities and equity</b>			
Current liabilities	1,635,426	-	1,635,426
Noncurrent liabilities	4,652,699	(274,781)	4,377,918
Deferred income tax and social contribution	2,859,306	(274,781)	2,584,525
Equity	18,979,509	-	18,979,509
<b>Total liabilities and equity</b>	<b>25,267,634</b>	<b>(274,781)</b>	<b>24,992,853</b>

### a) Consolidated financial statements

The consolidated financial statements were prepared based on international accounting standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), implemented in Brazil by the Brazilian Accounting Pronouncements Committee (CPC) and through its technical interpretations (ICPC) and guidelines (OCPC), approved by the Brazilian Securities Commission (CVM).

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

	Ownership %	
	2015	2014
Subsidiaries and controlled entities		
Banco BM&FBOVESPA de Serviços de Liquidação e Custódia S.A. ("Banco BM&FBOVESPA")	100.00	100.00
Bolsa de Valores do Rio de Janeiro – BVRJ ("BVRJ")	86.95	86.95
BM&F (USA) Inc.	100.00	100.00
BM&FBOVESPA (UK) Ltd.	100.00	100.00
BM&FBOVESPA BRV LLC	100.00	-

Exclusive investment funds:

- Bradesco Fundo de Investimento Renda Fixa Letters;
- BB Pau Brasil Fundo de Investimento Renda Fixa;
- HSBC Fundo de Investimento Renda Fixa Longo Prazo Eucalipto.

### b) Individual financial statements

The individual financial statements have been prepared in accordance with accounting practices adopted in Brazil, which comprise the provisions contained in the Brazilian Corporate Law (Law No. 6404/76) and embodies the changes introduced through Laws 11638/07 and 11941/09, and the pronouncements, interpretations and guidelines of the Brazilian Accounting Pronouncements Committee (CPC), approved by the Brazilian Securities Commission (CVM).

## 3. Significant accounting practices

### a) Consolidation

The following accounting policies are applied in the preparation of the consolidated financial statements.

#### Subsidiaries

Subsidiaries are fully consolidated from the date on which control is transferred to BM&FBOVESPA. The consolidation is discontinued as from the date when such control ends.

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

## **Associates**

Investments in associates are recorded using the equity method and are initially recognized at cost. BM&FBOVESPA's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment.

BM&FBOVESPA applies the equity method to measure investments in companies over which exercises significant influence. BM&FBOVESPA's judgment as regards the level of influence on investments takes into consideration key factors, such as ownership interest percentage, representation by the Board of Directors, participation in the definition of policies and businesses and material intercompany transactions. For investments in CME Group, the corresponding financial statements were originally prepared under the United States accounting standards (USGAAP), adjusted to the accounting standards effective in Brazil before equity pickup.

### **Equity method discontinuance**

When there is loss of significant influence over an associate, the equity method is discontinued and any retained interest in the investee is remeasured at its fair value, and effects therefrom are recognized in P&L for the period. The amounts recognized in equity under "other comprehensive income", relating to that investee, are reclassified by BM&FBOVESPA from "equity - other comprehensive income" to the result of the period, in accordance with the criteria determined by CPC 18(R2)/IAS28.

### **b) Revenue recognition**

Revenues from the rendering of services and from trading and settlement systems are recognized upon the completion of the transactions, 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 in the income statement 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 initially classifies its financial assets, depending on the purpose of the asset acquisition, into the following categories: measured at fair value through profit or loss, receivables and available for sale.

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 or assets designated by the entity upon initial recognition. Gains or losses arising from the changes in fair value of financial instruments are recorded in the income statement in "Financial results" for the period in which they occur.

#### **Receivables**

This category includes non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables of BM&FBOVESPA mostly comprise customer receivables. Receivables are recorded at amortized cost using the effective interest rate method less any impairment losses.

#### **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives 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 using the effective interest rate method, is recognized in the income statement as financial income. The amount relating to the changes in fair value is recorded as a matching entry to comprehensive income, net of taxes, and transferred to the income statement when the asset is settled or becomes impaired.

#### **ii) Derivative instruments**

Initially, derivatives are recognized at fair value, with the subsequent changes in fair value recognized in the income statement.

#### **iii) Hedge of net investments**

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

Any cumulative gains and losses in equity are transferred to the income statement when the hedged transaction is partially disposed of or sold.

#### **iv) Cash flow hedge – Firm commitment**

Any gain or loss in the hedge instrument related to the effective hedge portion is recognized under equity, in "Other comprehensive income", net of tax effects. Consequently, the exchange variation in hedge instruments, previously recognized in financial result prior to its recognition as a hedge instrument, accumulates in equity and is transferred to income/loss for the same period and the same account group under which the hedged transaction is recognized. When the hedged transaction implies recognition of a non-financial asset, gains and losses recognized in equity are transferred and included in the initial measurement of the asset cost. The non-effective portion of the hedge is immediately recognized in the income statement.



v) **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 and provision for impairment of receivables**

Trade receivables are initially recognized at transaction value and adjusted for a provision for impairment of receivables, if necessary.

f) **Noncurrent assets held for sale**

Noncurrent assets are classified as held for sale when their carrying value is recoverable, particularly in the case of a sale and when the completion of such sale is practically certain. These assets are measured at the lower of their carrying amount and their fair value less costs to sell.

g) **Intangible assets**

**Goodwill**

The goodwill recorded in intangible assets arises from acquisitions conducted by BM&FBOVESPA and is stated at cost less accumulated impairment losses. Recognized impairment losses on goodwill are not reversed.

**Software and projects**

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

Expenses associated with the development or maintenance of software are recognized as expenses 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 income statement 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 another intangible asset.

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

h) **Property and equipment**

Property and equipment items are recorded at acquisition or construction cost, less accumulated depreciation. Depreciation is calculated under the straight-line method and takes into consideration the estimated useful lives of the assets and their residual value. At the end of each period, 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 repair and maintenance costs are recorded in the income statement, as incurred.

Depreciation expense is recognized in the income statement unless it is included in the carrying amount of another asset. Depreciation of property and equipment items used for development activities is included as part of the cost of an intangible asset.

i) **Contingent assets and liabilities, provisions for tax, civil and labor contingencies, and legal obligations**

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

j) **Judicial deposits**

Judicial deposits are related to tax, civil and labor contingencies, subject to monetary adjustment and presented in noncurrent assets.

k) **Collaterals for transactions**

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

l) **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.

m) **Impairment of assets**

Assets that have an indefinite life, such as goodwill, are not subject to amortization and are tested annually for impairment, or in a shorter basis when indications of possible impairment are identified. 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. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

For purposes of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash-Generating Units (CGU)). Non-financial assets other than goodwill that suffered impairment are reviewed subsequently for possible reversal of the impairment at each reporting date.

**n) Employee benefits**

**i) Pension obligations**

BM&FBOVESPA maintains a defined contribution retirement plan with voluntary participation open to all employees. The Company has no obligations to make additional payments as a sponsor. The regular contributions are included in personnel costs in the period they are due.

**ii) Share-based incentives**

BM&FBOVESPA has a long-term incentive plan. Until 2014, BM&FBOVESPA would grant stock options, at the BM&FBOVESPA Stock Option Plan ("Stock Option Plan"), from which remaining outstanding options yet to be exercised arise. As from 2015, BM&FBOVESPA began granting shares, at the BM&FBOVESPA Share Granting Plan ("Share Plan"). The objective is to give 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 retain their management and employees. The fair value of options and shares granted is recognized as an expense during the vesting period (the period during which the specific vesting conditions must be met). At the balance sheet date, BM&FBOVESPA reviews its estimates of the number of options and shares 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, against a capital reserve in equity.

**iii) Profit sharing**

BM&FBOVESPA has semi-annual variable remuneration, organized and paid in cash through the Profit Sharing Program. 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. The provision for such profit sharing program is recognized in income on an accrual basis.

**iv) Other post-employment obligations**

BM&FBOVESPA offers post-retirement healthcare benefit to the employees who have acquired this right until May 2009. The right to this benefit is conditional on the employee remaining with the Company until the retirement age and completing a minimum service period. The expected costs of these benefits are accumulated over the period of employment or the period in which the benefit is expected to be earned, using the actuarial methodology that considers life expectancy of the group in question, increase in costs due to the age and medical inflation, inflation and discount rate. The contributions that participants make according to the specific rule of the Health Care Plan are deducted from these costs. The actuarial gains and losses on the health care plan for retirees are recognized in the income statement in accordance with the rules of IAS 19 and CPC 33 - Employee Benefits, based on actuarial calculation prepared by an independent actuary, according to Note 18(c).

**o) Loans and financing**

Loans and financing are measured initially at fair value, less transaction costs incurred, and are subsequently carried 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.

**p) Foreign currency translation**

The items included in the financial statements 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 financial statements 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 dates of the transactions or the date of evaluation when items are remunerated. The foreign exchange gains and losses arising from the settlement of these transactions and from the translation, at the exchange rates at the end of the period, of monetary assets and liabilities in foreign currencies, are recognized in the income statement, except when deferred in other comprehensive income relating to a hedge of a foreign investment.

Exchange differences on the investments in foreign operations, which have a functional currency different from that of BM&FBOVESPA, are recorded under "Equity adjustments" in other comprehensive income, and are only taken to the income statement for the period when the investment is sold or written off.

**q) 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 and social contribution taxes for the period of BM&FBOVESPA and Banco BM&FBOVESPA are calculated at 15%, plus a 10% surtax on annual taxable profit exceeding R\$240 for income tax, and 9% (15% for Banco BM&FBOVESPA, and 20% from September 1, 2015) on taxable profit for social contribution tax on net profit, and take into account the offset of income and social contribution tax losses, if any, limited to 30% of taxable profit.

Deferred income and social contribution taxes are calculated on respective tax losses, and temporary differences between the tax base on assets and liabilities and their carrying amounts contained in the financial statements.

Deferred tax assets are recognized to the extent that it is probable that there will be future taxable profit available to offset temporary differences and/or tax losses.

The Bolsa de Valores do Rio de Janeiro (BVRJ) is a not-for-profit entity and, therefore, exempt from income tax and social contribution tax.

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 deducted in P&L under "Revenues".

Banco BM&FBOVESPA calculates PIS and COFINS at the rates of 0.65% and 4%, respectively.

The Bolsa de Valores do Rio de Janeiro (BVRJ) pays PIS at the rate of 1% on payroll.

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

r) **Earnings per share**

For purposes of disclosure of earnings per share, basic earnings per share are calculated by dividing the profit attributable to shareholders of BM&FBOVESPA by the average number of shares outstanding during the period. Diluted earnings per share are calculated similarly, except that the quantity of outstanding shares is adjusted to reflect the additional shares that would have been outstanding if potentially dilutive shares had been issued for granted stock options.

s) **Distribution of dividends and interest on equity**

The distribution of dividends and interest on equity to shareholders of BM&FBOVESPA is recognized as a liability in the financial statements at the end of the period, based on the BM&FBOVESPA's Articles of Incorporation. Any amount above the mandatory minimum dividend is accrued only on the date it is approved by the shareholders at an Annual General Meeting. The tax benefit over the interest on equity is recorded in the income statement.

t) **Segment information**

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

u) **Significant accounting estimates and judgments**

Preparation of financial statements requires use of certain significant accounting estimates, as well as use of judgment by management in the process of applying the accounting policies of BM&FBOVESPA. Those more complex areas that require higher degree of judgment, as well as those where the assumptions and estimates are significant for the consolidated financial statements, are the following:

- Equity pickup – Note 3(a)
- Impairment of assets – Notes (3(m) and 9
- Classification of financial instruments – Note 3(d) Shared-based incentives – Note 3(n)
- Post-retirement health care plan – Note 18(c)
- Provisions for tax, civil and labor contingencies, contingent assets and liabilities (Note 14)

v) **Accounting pronouncements issued recently and applicable to future periods**

The pronouncements below have already been published by IASB and are mandatory for the subsequent fiscal years, without early adoption by BM&FBOVESPA. Such pronouncements will be adopted after a technical pronouncement is issued by the Brazilian Financial Accounting Standards Board (CPC), and after their approval by the Brazilian Securities and Exchange Commission (CVM). Management is assessing the possible impacts of such pronouncements on the financial statements.

IFRS 15 – Revenue from Contracts with Customers – Issued in May 2014, and effective on or after January 1, 2017. IFRS 15 replaces the current rules IAS 11 – Construction Contracts and IAS 18 – Revenue, and establishes the principles for measurement, recognition and disclosure of revenue.

IFRS 9 – Financial Instruments – The final version was issued in July 2014, and will be effective on and after January 1, 2018. It replaces IAS 39 – Financial Instruments: Recognition and Measurement and the previous versions of IFRS 9. IFRS 9 establishes new requirements for classification and measurement, impairment and hedge accounting of financial instruments.

w) **Current and noncurrent assets and liabilities**

Assets and liabilities are classified as current whenever their realization or settlement term is one year or less (or another term that follows the normal cycle of BM&FBOVESPA). They are otherwise stated as noncurrent.

## 4. Cash and cash equivalents and financial investments and marketable securities

### a) Cash and cash equivalents

Description	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
Cash and bank deposits in local currency	12,435	98	208	236
Bank deposits in foreign currency	262,930	111,899	264,921	115,150
<b>Cash and cash equivalents</b>	<b>275,365</b>	<b>111,997</b>	<b>265,129</b>	<b>115,386</b>
Bank deposits in foreign currency – third-party funds (1)	175,716	385,149	175,716	385,149
<b>Total cash and cash equivalents</b>	<b>451,081</b>	<b>497,146</b>	<b>440,845</b>	<b>500,535</b>

(1) Third-party funds restricted to settlement of the exchange transaction (Exchange clearing).

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

### b) Financial investments and marketable securities

The breakdown of financial investments and marketable securities by category, nature and maturity is as follows:

Description	BM&FBOVESPA				2015	2014
	Without maturity	More than		More than 5 years		
		Within 3 months	12 months and up to 5 years			
<b>Financial assets measured at fair value through profit or loss</b>						
Financial investment fund (1)	2,827,776	-	-	-	2,827,776	1,910,788
Interest-bearing account - foreign deposits	-	-	-	-	-	33,827
Repurchase agreements (2)	-	-	-	-	-	77
Government securities						
Financial Treasury Bills	-	37	1,109,710	259,253	1,369,000	990,418
National Treasury Bills	-	32,983	14	-	32,997	54,990
National Treasury Notes	-	-	-	-	-	51
Other investments (3)	13,610	-	-	-	13,610	10,182
	2,841,386	33,020	1,109,724	259,253	4,243,383	3,000,333
<b>Financial assets available for sale</b>						
Shares						
CME Group (5)	4,805,033	-	-	-	4,805,033	-
Other (6)	48,568	-	-	-	48,568	-
	4,853,601	-	-	-	4,853,601	-
<b>Total financial investments and marketable securities</b>	<b>7,694,987</b>	<b>33,020</b>	<b>1,109,724</b>	<b>259,253</b>	<b>9,096,984</b>	<b>3,000,333</b>
<b>Short-term</b>					<b>7,728,007</b>	<b>2,019,099</b>
<b>Long-term</b>					<b>1,368,977</b>	<b>981,234</b>

Description	Consolidated					2015	2014
	Without maturity	Within 3 months	More than 3 months and up to 12 months	More than 12 months and up to 5 years	More than 5 years		
<b>Financial assets measured at fair value through profit or loss</b>							
Financial investment fund (4)	331,358	-	-	-	-	331,358	100,244
Interest-bearing account - foreign deposits	1,787	-	-	-	-	1,787	35,085
Repurchase agreements (2)	-	2,371,998	15,628	89	-	2,387,715	1,676,620
Government securities							
Financial Treasury Bills	-	1,059	114,735	1,322,326	338,887	1,777,007	1,147,885
National Treasury Bills	-	36,481	56,778	72,141	-	165,400	320,419
National Treasury Notes	-	-	-	-	-	-	51
Other investments (3)	13,611	-	-	-	-	13,611	10,185
	346,756	2,409,538	187,141	1,394,556	338,887	4,676,878	3,290,489
<b>Financial assets available for sale</b>							
Government securities							
Financial Treasury Bills	-	-	881	65,768	16,299	82,948	62,869
National Treasury Bills	-	133	159	73	-	365	1,278
National Treasury Notes	-	-	320	27	10	357	356
Shares							
CME Group (5)	4,805,033	-	-	-	-	4,805,033	-
Other (6)	48,568	-	-	-	-	48,568	-
	4,853,601	133	1,360	65,868	16,309	4,937,271	64,503
<b>Total financial investments and marketable securities</b>	<b>5,200,357</b>	<b>2,409,671</b>	<b>188,501</b>	<b>1,460,424</b>	<b>355,196</b>	<b>9,614,149</b>	<b>3,354,992</b>
<b>Short-term</b>						<b>7,798,529</b>	<b>1,962,229</b>
<b>Long-term</b>						<b>1,815,620</b>	<b>1,392,763</b>

(1) Refers to investments in financial investment funds, whose portfolios mainly comprise investments in federal government securities and repurchase agreements that have the CDI (Interbank Deposit Certificate rate) as their profitability benchmark. The consolidated balances of investment funds are presented according to the nature and maturity of the portfolio in proportion of the net assets invested.

The net assets of the main investment funds included in the consolidation process of the financial statements are: (i) Bradesco FI Renda Fixa Letters – R\$1,776,830 (R\$1,353,384 at December 31, 2014); (ii) BB Pau Brasil FI Renda Fixa - R\$502,002 (R\$333,182 at December 31, 2014); (iii) HSBC FI Renda Fixa Longo Prazo Eucalipto – R\$217,586 (R\$123,976 at December 31, 2014).

(2) Issued by top-tier banks and backed by government securities.

(3) Refers mainly to investments in gold.

(4) The primary non-exclusive investment funds are: (i) Bradesco Empresas FICFI Referenciado DI Federal, amounting to R\$30,071 (R\$45,020 at December 31, 2014); (ii) Araucária Renda Fixa FI – R\$207,818 (R\$874 at December 31, 2014); and (iii) Santander Fundo de Investimento Cedro Renda Fixa - R\$93,469 (R\$54,333 at December 31, 2014).

(5) Refers to CME Group shares, classified as financial asset available for sale, with a negative mark-to-market of R\$134,414 and exchange variation of R\$33,440, net of tax effects.

(6) These refer basically to shares of the Bolsa de Comercio de Santiago, in Chile, acquired by BM&FBOVESPA in accordance with the strategy of exploring partnership opportunities with other exchanges, classified as available for sale.

The government securities are held in the custody of the Special System for Settlement and Custody (SELIC); the investment fund shares are held in the custody of their respective administrators; the local shares are in the custody of BM&FBOVESPA's Equities and Corporate Bonds Clearinghouse; the Bolsa de Comercio de Santiago shares are in the custody of BTG Pactual Chile; and CME shares are in the custody of Computershare United States.

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

Management periodically monitors its outstanding positions and possible risks of impairment of its 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 impacting P&L for the period. Subsequent recoveries of amounts previously written off are recognized in P&L for the period.

### Derivative financial instruments

Derivative financial instruments comprise future interest rate contracts (DI1) stated at their market values. These contracts are included in the fund portfolios and used to cover fixed interest rate exposures, swapping fixed interest rate for floating interest rate (CDI). 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\$173 (R\$4,927 at December 31, 2014). DI1 contracts have the same maturity dates as the fixed interest rate contracts to which they relate.

### Financial investment policy and financial risk management

BM&FBOVESPA's policy for cash investments favors alternatives with very low risk, highly liquid and with low credit risk, whose overall performance is tied to the SELIC/CDI rate, resulting in a significant proportion of government securities in its portfolio, purchased directly, via repurchase agreements backed by government securities and also through exclusive and non-exclusive funds. Acquisition or disposal of strategic investments, such as the participation in CME Group and in the Bolsa de Comercio de Santiago, are assessed individually and carried out only in accordance with the strategic planning approved by the Board of Directors.

### Sensitivity analysis

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

#### Exposure to Risk Factors (Consolidated)

Risk factor	Risk	2015	2014
		Percentage	Percentage
Share price	Lower share price	66.7%	-
Floating interest rate	Lower CDI / Selic rate	61.1%	96.5%
Currency risk	Appreciation of real vs. foreign currency	34.6%	1.4%
Fixed interest rate	Higher fixed rate	4.1%	1.8%
Gold	Lower gold price	0.2%	0.3%

Due to the transfer of investments in CME Group to the marketable securities portfolio (available for sale) and the shareholding interest held in the Bolsa de Comercio de Santiago, these financial assets are subject to two risk factors at the same time: currency and share price.

#### Share price risk

This risk arises from the possibility that fluctuations in the prices of CME Group shares and the Bolsa de Comercio de Santiago shares, which BM&FBOVESPA has in its portfolio, could affect the amounts involved.

The table below shows a sensitivity analysis on possible impacts of a change of 25% and 50% on the probable scenario for share price, for the next three months.

Risk factor	Impact				
	-50%	-25%	Probable scenario (*)	25%	50%
CME shares in BRL	(2,413,601)	(1,217,885)	(22,169)	1,173,547	2,369,263
Share price in USD	45.09	67.64	90.18	112.73	135.27
Bolsa de Comercio de Santiago shares in BRL	(24,074)	(11,829)	417	12,662	24,908
Share price in CLP	1,109,442	1,664,163	2,218,884	2,773,605	3,328,326

(\*) Share prices were calculated based on future price for the next three months obtained by Bloomberg.

The possible impacts shown by the sensitivity analysis would affect equity, net of taxes.

#### Interest rate risk

This risk arises from the possibility that fluctuations in interest rates could affect the fair value of BM&FBOVESPA's financial instruments.

- **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 substantially indexed to floating interest rates.

The table below shows a sensitivity analysis on possible impacts of a change of 25% and 50% on the probable scenario for the CDI/Selic rate, for the next three months.

Risk factor	Impact				
	Scenario -50%	Scenario -25%	Probable scenario (*)	Scenario 25%	Scenario 50%
CDI	38,636	57,223	75,359	93,069	110,376
CDI rate	7.26%	10.88%	14.51%	18.14%	21.77%

Risk factor	Impact				
	Scenario -50%	Scenario -25%	Probable scenario (*)	Scenario 25%	Scenario 50%
Selic	31,330	46,393	61,085	75,428	89,439
Selic rate	7.38%	11.06%	14.75%	18.44%	22.13%

(\*) CDI and SELIC indexes were calculated based on future interest rates for the next three months obtained by Bloomberg.

- **Fixed-rate position**

Part of BM&FBOVESPA's financial investments and marketable securities bears fixed interest rates, resulting in a net exposure to such rates. However, in terms of percentage, their effects on the portfolio are not considered material.

#### Currency risk

This risk arises from the possibility of fluctuations in exchange rates on product, services and financial instruments in foreign currency having an impact on the related amounts in local currency.

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, own funds abroad, and also shareholding interest in stock exchanges abroad (CME Group and Bolsa de Comercio de Santiago).

The table below shows a sensitivity analysis on possible impacts of a change of 25% and 50% on the probable scenario for forex, for the next three months.

Risk factor	Impact				
	-50%	-25%	Probable scenario (*)	25%	50%
USD	(1,183,625)	(562,553)	58,520	679,592	1,300,664
Exchange rate USD/BRL	1.9995	2.9993	3.9990	4.9988	5.9985

(\*) The USD/BRL exchange rate index was calculated based on the exchange rate for the next three months obtained by Bloomberg.

The possible impacts shown by the sensitivity analysis would substantially affect equity, net of taxes.

In view of the net amounts of other currencies, their impacts are not deemed material.

## Liquidity risk

The following table shows the main financial liabilities of BM&FBOVESPA Group by maturity (undiscounted cash flows basis):

	Without maturity	Within 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Collaterals for transactions	1,338,010	-	-	-	-
Debt issued abroad	-	133,626	133,261	338,812	2,455,455

## Credit risk

Approximately 95% of BM&FBOVESPA's investments are linked to federal government securities, with ratings set by Standard & Poor's and Moody's of "BBB-" and "Baa3", respectively, for long-term issues in local currency.

## Cash flow hedge

In January 2015, BM&FBOVESPA has allocated part of its cash in foreign currency to cover foreign exchange impacts of certain firm commitments in foreign currency (cash flow hedge), in accordance with IAS 39/CPC 38. The hedged cash flows refer to payments to be made until December 31, 2015, even if the agreement terms exceed that date. In 2015, an amount totaling R\$3,879 was transferred from "Other comprehensive income" to income or loss, and the amount of R\$7,535, referring to payment flows hedged as from January 2015, was transferred from "Other comprehensive income" to non-financial assets. Also in that year, an amount totaling R\$4,456 was not considered for cash flow hedging purposes due to review of firm contracts, and such amount was transferred from "Other comprehensive income" to financial income.

In December 2015, BM&FBOVESPA set up a new hedge, allocating part of its cash in foreign currency to hedge exchange differences of firm commitments, referring to payments to be made until December 31, 2016, even if the agreement terms exceed that date. At December 31, 2015, cash in foreign currency allocated to hedge such commitments amounts to R\$67,660 and the amount recorded under equity is R\$1,466, net of tax effects.

In September 2015, due to discontinuance of the net investment hedge (Note 7 (a)), BM&FBOVESPA structured a new hedge accounting (cash flow hedge) to protect part of the currency risk of CME Group shares still held by BM&FBOVESPA, allocating debt securities issued abroad in 2010 (Note 12) as hedging instrument. The amount of R\$15,955, net of tax effects, was recorded in equity, under "Other comprehensive income" for the year.

BM&FBOVESPA has formally allocated the transactions, documenting: (i) hedge objective, (ii) hedge type, (iii) nature of hedged risk, (iv) identification of hedged item, (v) identification of hedging instrument, (iv) assessment of the correlation between hedge and hedged item (retrospective effectiveness test), and (vii) prospective effectiveness assessment.

The application of the effectiveness tests described in the accounting practices (Nota 3(d) (v)) did not identify any ineffectiveness for the year ended December 31, 2015.

## 5. Accounts receivable

Breakdown of accounts receivable is as follows:

Description	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
Fees	13,157	10,487	13,157	10,487
Annual fees	1,198	2,684	1,198	2,684
Vendors - Signal broadcasting	16,787	11,433	16,787	11,433
Trustee and custodial fees	34,048	27,251	34,048	27,251
Other accounts receivable	12,342	9,049	13,198	10,023
<b>Subtotal</b>	<b>77,532</b>	<b>60,904</b>	<b>78,388</b>	<b>61,878</b>
Allowance for doubtful accounts	(3,259)	(4,307)	(3,259)	(4,307)
<b>Total</b>	<b>74,273</b>	<b>56,597</b>	<b>75,129</b>	<b>57,571</b>

The amounts presented above are primarily denominated in Brazilian reais and approximately 90% falls due within 90 days. At December 31, 2015, the amounts overdue above 90 days totaled R\$3,123 (R\$4,281 at December 31, 2014) at BM&FBOVESPA.

The provisioning methodology, as approved by management, is based on the analysis of historical losses. Therefore, for defined ranges of days past due, and based on historical behavior, a percentage is attributed to past-due amounts so as to reflect expected future losses.

Changes in allowance for doubtful accounts:

	BM&FBOVESPA	Consolidated
<b>Balance at December 31, 2013</b>	7,677	7,929
Additions	854	854
Reversals	(349)	(349)
Write-offs	(3,875)	(4,127)
<b>Balance at December 31, 2014</b>	4,307	4,307
Additions	2,350	2,350
Reversals	(704)	(704)
Write-offs	(2,694)	(2,694)
<b>Balance at December 31, 2015</b>	<b>3,259</b>	<b>3,259</b>

## 6. Other receivables

Other receivables comprise the following:

	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
<b>Current</b>				
Dividends receivable - CME Group	148,022	61,635	148,022	61,635
Receivables - related parties (Note 16)	4,647	3,679	212	261
Properties held for sale	3,812	3,812	3,812	3,812
Advance to employees	3,763	2,566	3,763	2,566
FX transactions (Banco BM&FBOVESPA)	-	-	-	2,127
Other	134	107	2,165	1,918
<b>Total</b>	<b>160,378</b>	<b>71,799</b>	<b>157,974</b>	<b>72,319</b>
<b>Noncurrent</b>				
Brokers in court-ordered liquidation (1)	-	-	2,200	2,200
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,200</b>	<b>2,200</b>

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

## 7. Investments

### a) Investments in subsidiaries and associates

Investments in subsidiaries and associates comprise the following:

Companies	Equity	Total shares	Adjusted P&L	% Ownership	Investment 2015	Investment 2014	Equity pickup 2015	Equity pickup 2014
<b>Subsidiaries</b>								
Banco BM&FBOVESPA de Liquidação e Custódia S.A.	72,903	24,000	12,451	100	72,903	64,443	12,451	8,367
Bolsa de Valores do Rio de Janeiro - BVRJ	77,498	115	9,346	86.95	67,385	59,259	8,126	6,503
BM&F (USA) Inc.	1,829	1,000	218	100	1,829	1,095	218	(231)
BM&FBOVESPA (UK) Ltd.	2,345	1,000	106	100	2,345	1,605	106	127
					<b>144,462</b>	<b>126,402</b>	<b>20,901</b>	<b>14,766</b>
<b>Associate</b>								
CME Group, Inc. (1)				5.0	-	3,729,147	136,245	131,195
Recoverable income tax paid abroad (2)					-	-	-	80,965
					<b>-</b>	<b>3,729,147</b>	<b>136,245</b>	<b>212,160</b>
<b>Total</b>					<b>144,462</b>	<b>3,855,549</b>	<b>157,146</b>	<b>226,926</b>

Summary of key financial information of subsidiaries and associates at December 31, 2015:

Description	Banco BM&FBOVESPA	Bolsa de Valores do Rio de Janeiro - BVRJ	BM&F (USA) Inc.	BM&FBOVESPA (UK) Ltd.
Assets	468,813	84,919	1,960	2,797
Liabilities	395,910	7,421	130	452
Revenues	35,159	11,076	1,538	1,826



## Changes in investments:

### Subsidiaries

Investments	Bolsa de Valores do Rio de Janeiro – BVRJ					Total
	Banco BM&FBOVESPA	Bolsa Brasileira de Mercadorias	Bolsa de Valores do Rio de Janeiro – BVRJ	BM&F (USA) Inc.	BM&FBOVESPA (UK) Ltd.	
<b>Balances at December 31, 2013</b>	59,028	7,692	52,756	1,189	1,353	122,018
Equity pickup	8,367	-	6,503	(231)	127	14,766
Exchange rate variation	-	-	-	137	125	262
Comprehensive income (loss) of subsidiary	(2)	-	-	-	-	(2)
IOE received/receivable	(2,950)	-	-	-	-	(2,950)
Discontinued operations (Note 24)	-	(7,692)	-	-	-	(7,692)
<b>Balances at December 31, 2014</b>	<b>64,443</b>	<b>-</b>	<b>59,259</b>	<b>1,095</b>	<b>1,605</b>	<b>126,402</b>
Equity pickup	12,451	-	8,126	218	106	20,901
Exchange rate variation	-	-	-	516	634	1,150
Comprehensive income (loss) of subsidiary	9	-	-	-	-	9
IOE received/receivable	(4,000)	-	-	-	-	(4,000)
<b>Balances at December 31, 2015</b>	<b>72,903</b>	<b>-</b>	<b>67,385</b>	<b>1,829</b>	<b>2,345</b>	<b>144,462</b>

### Associate

Investments	CME Group, Inc.
<b>Balances at December 31, 2013</b>	3,312,606
Equity pickup	131,195
Exchange rate variation (3)	450,933
Comprehensive income (loss) of associate	(785)
Dividends received/receivable	(164,802)
<b>Balances at December 31, 2014</b>	<b>3,729,147</b>
Equity pickup	136,245
Exchange rate variation (3)	1,717,454
Comprehensive income (loss) of associate	7,774
Dividends received	(82,633)
Disposal of 20% of ownership interest (1)	(1,101,598)
Fair-value re-measurement of investments (1)	551,634
Reclassification into financial assets available for sale (1)	(4,958,023)
<b>Balances at December 31, 2015</b>	<b>-</b>

### Associate

- (1) In order to rebalance the composition of the Company's assets, BM&FBOVESPA disposed 20% of CME Group's shares (equivalent to 3,395,544 "Class A" common shares, or 1% of total shares issued by CME Group), thus decreasing its interest held in that group to 13,582,176 shares (4% of total shares issued by CME Group), as disclosed by BM&FBOVESPA on September 9, 2015, through a notice to the market.

With the consolidation of the strategic partnership made in 2010, and the natural development of the knowledge and technology transfer process between the two companies, in addition to the disposal of part of the investment held by the Company, management reviewed its assessment on the Company's significant influence on CME Group, considering current quantitative and qualitative factors, and concluded that it should no longer be characterized as a "significant influence", as defined by CPC 18, on CME Group.

Such assessment made the Company reclassify its shareholding interest in CME Group, as from September 14, 2015 (date of the disposal financial settlement), from "Investments in associate", measured by the equity method, to "Financial investments and marketable securities – available for sale", measured at fair value. The previous net investment hedging structure was discontinued, and other comprehensive income of the hedged item and instrument was recorded in income or loss for the period.

Below are the gross effects on income or loss due to partial disposal of ownership interest in CME Group, and discontinuance of the equity method and net investment hedge:

Description	BM&BOVESPA and Consolidated 12/31/2015
<b>Divestiture</b>	<b>107,065</b>
Gains on divestiture	600,793
Exchange gains (losses) reclassified from other comprehensive income	16,596
Comprehensive income (loss) of foreign associate reclassified into other comprehensive income	(459)
Other	
<b>Gross proceeds from divestiture in associate</b>	<b>723,995</b>
<b>Equity method discontinuance</b>	

Exchange gains (losses) reclassified from other comprehensive income	1,116,871
Exchange gains (losses) of hedged item reclassified from other comprehensive income	1,286,302
Exchange gains (losses) of hedged instrument reclassified from other comprehensive income	(1,286,302)
Comprehensive income (loss) of foreign associate reclassified into other comprehensive income	66,384
Re-measurement of investment in CME Group at fair value	551,634
<b>Gross proceeds from equity method discontinuance</b>	<b>1,734,889</b>

- (2) Refers to recoverable tax paid by the foreign associate, according to Law No. 9249/95 and Revenue Procedure No. 1520/14 of the Brazilian Internal Revenue Service. Law No. 12973, of May 13, 2014, amended taxation rules referring to increase in equity, on income received from foreign country by means of subsidiaries and associates, as from January 1, 2015, as well as in relation to offsetting of tax paid abroad. By virtue of Law No. 12973, which amended the criteria for taxation on income provided by associates abroad, equity pickup is now calculated based on the respective associate's income after taxes.
- (3) In July 2010, BM&FBOVESPA issued securities in US dollars to hedge part of the currency risk of investments in CME Group (hedge of net investment) through the allocation of a non-derivative financial instrument (debt issued abroad) as hedge, as described in Note 12. Due to discontinuance of the equity method, the net investment hedge was replaced by a cash flow hedge, as detailed in Note 4.

## b) Investment properties

This category comprises properties owned by subsidiary Bolsa de Valores do Rio de Janeiro (BVRJ) for rent, which are carried at cost and depreciated at the rate of 4% per annum. There were no additions or write-offs during the year and depreciation totaled R\$1,518 (R\$1,518 in 2014). Rental income for the year ended December 31, 2015 amounted to R\$9,751 (R\$10,480 in 2014).

## 8. Property and equipment

BM&FBOVESPA							
Changes	Buildings	Furniture and fixtures	Computer devices and equipment	Facilities	Other	Construction in progress	Total
<b>Balances at December 31, 2013</b>	113,501	16,756	68,740	49,981	29,955	139,921	418,854
Additions	3,494	2,947	12,136	4,475	1,593	29,765	54,410
Write-offs	-	(408)	(13)	-	(815)	-	(1,236)
Reclassification (Note 9)	-	-	-	-	-	344	344
Transfer (1)	131,011	-	101	171	-	(131,283)	-
Depreciation	(3,356)	(3,531)	(36,276)	(7,389)	(3,318)	-	(53,870)
<b>Balances at December 31, 2014</b>	<b>244,650</b>	<b>15,764</b>	<b>44,688</b>	<b>47,238</b>	<b>27,415</b>	<b>38,747</b>	<b>418,502</b>
Additions	458	2,602	65,170	12,093	1,969	1,097	83,389
Write-offs	(1,107)	(2,188)	(4,524)	(1)	(2,853)	-	(10,673)
Reclassification (Note 9)	(35)	-	-	-	-	(6)	(41)
Transfer	41,492	1,940	25,384	(28,615)	(1,692)	(38,509)	-
Depreciation	(5,298)	(2,677)	(26,607)	(4,278)	(2,193)	-	(41,053)
<b>Balances at December 31, 2015</b>	<b>280,160</b>	<b>15,441</b>	<b>104,111</b>	<b>26,437</b>	<b>22,646</b>	<b>1,329</b>	<b>450,124</b>
<b>At December 31, 2015</b>							
Cost	405,886	48,392	347,172	53,133	63,752	1,329	919,664
Accumulated depreciation	(125,726)	(32,951)	(243,061)	(26,696)	(41,106)	-	(469,540)
<b>Net book balance</b>	<b>280,160</b>	<b>15,441</b>	<b>104,111</b>	<b>26,437</b>	<b>22,646</b>	<b>1,329</b>	<b>450,124</b>
<b>At December 31, 2014</b>							
Cost	349,187	48,908	344,942	85,630	77,845	38,747	945,259
Accumulated depreciation	(104,537)	(33,144)	(300,254)	(38,392)	(50,430)	-	(526,757)
<b>Net book balance</b>	<b>244,650</b>	<b>15,764</b>	<b>44,688</b>	<b>47,238</b>	<b>27,415</b>	<b>38,747</b>	<b>418,502</b>
Consolidated							
Changes	Buildings	Furniture and fixtures	Computer devices and equipment	Facilities	Other	Construction in progress	Total
<b>Balances at December 31, 2013</b>	<b>114,849</b>	<b>16,779</b>	<b>68,810</b>	<b>50,272</b>	<b>32,519</b>	<b>139,921</b>	<b>423,150</b>
Additions	3,494	2,982	12,186	4,475	1,737	29,765	54,639
Write-offs	-	(443)	(62)	-	(864)	-	(1,369)
Reclassification (Note 9)	-	-	-	-	-	344	344
Transfer (1)	131,011	-	101	171	-	(131,283)	-
Depreciation	(3,356)	(3,532)	(36,297)	(7,458)	(3,363)	-	(54,006)
Discontinued operation (Note 24)	(1,348)	(22)	(50)	(7)	(145)	-	(1,572)
<b>Balances at December 31, 2014</b>	<b>244,650</b>	<b>15,764</b>	<b>44,688</b>	<b>47,453</b>	<b>29,884</b>	<b>38,747</b>	<b>421,186</b>
Additions	458	2,706	65,403	12,093	2,406	1,097	84,163
Write-offs	(1,107)	(2,291)	(4,757)	(1)	(2,930)	-	(11,086)
Reclassification (Note 9)	(35)	-	-	-	-	(6)	(41)
Transfer	41,492	1,939	25,384	(28,615)	(1,691)	(38,509)	-
Depreciation	(5,298)	(2,677)	(26,607)	(4,348)	(2,198)	-	(41,128)
<b>Balances at December 31, 2015</b>	<b>280,160</b>	<b>15,441</b>	<b>104,111</b>	<b>26,582</b>	<b>25,471</b>	<b>1,329</b>	<b>453,094</b>
<b>At December 31, 2015</b>							
Cost	405,886	48,670	347,452	54,154	66,633	1,329	924,124
Accumulated depreciation	(125,726)	(33,229)	(243,341)	(27,572)	(41,162)	-	(471,030)
<b>Net book balance</b>	<b>280,160</b>	<b>15,441</b>	<b>104,111</b>	<b>26,582</b>	<b>25,471</b>	<b>1,329</b>	<b>453,094</b>
<b>At December 31, 2014</b>							
Cost	349,187	49,112	345,271	86,651	80,399	38,747	949,367
Accumulated depreciation	(104,537)	(33,348)	(300,583)	(39,198)	(50,515)	-	(528,181)
<b>Net book balance</b>	<b>244,650</b>	<b>15,764</b>	<b>44,688</b>	<b>47,453</b>	<b>29,884</b>	<b>38,747</b>	<b>421,186</b>

(1) Refers to transfer as a result of completion of the new data center building.

In the period, BM&FBOVESPA absorbed as part of the project development cost the amount of R\$4,330 (2014 – R\$1,323) related to the depreciation of equipment used in developing these projects.

BM&FBOVESPA's properties with a carrying amount of approximately R\$93,894 (2014 – R\$37,169) were pledged as collateral in lawsuits. BM&FBOVESPA is not allowed to assign these assets as collateral for other lawsuits or sell them.

Property and equipment are depreciated over their estimated useful lives. Annual depreciation rates of property and equipment items at December 31, 2015 and 2014 are as follows:

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

## 9. Intangible assets

### Goodwill

#### Changes in goodwill

<b>Balance at December 31, 2014</b>	16,064,309
Impairment of assets	<u>(1,662,681)</u>
<b>Balance at December 31, 2015</b>	<b><u>14,401,628</u></b>

The goodwill originated from the acquisition of Bovespa Holding is based on the expected future profitability, supported by an economic and financial valuation report of the investment.

The assumptions adopted for future cash flow projections of BM&FBOVESPA, in the BOVESPA segment (Cash Generating Unit [CGU]), were based on analysis of performance over the past years, growth analyses and expectations in the market and management's expectations and strategies.

The deterioration in the macroeconomic scenario over 2015, especially in the last quarter, affected the Bovespa segment, causing a decrease in the listed companies' market value and, consequently, in traded volumes. Associated with the downturn in the current scenario, the interest rate and country risk projections for the short and long terms also caused a decrease in the CGU's value in use.

Based on the growth expectations of the Bovespa segment, the projected cash flow considers revenues and expenses related to the segment's activities. The projection period of these cash flows covers the period from December 2015 to December 2025. The perpetuity was determined by extrapolating the 2025 cash flow at a growth rate corresponding to that expected for the nominal GDP in the long term, of 7.11% p.a.

Management understands that a projection period of ten years (and not five) is based on the perception that the Brazilian capital markets, in the equities segment, should experience a prolonged growth, reflecting the necessary timing for certain indicators - such as the participation of stocks in investors' portfolio and the relation Market Cap/Brazilian PIB, among others - can reach the same levels observed in other countries, indicating that a long-term growth maturity has been reached.

To determine the present value of the projected cash flow, an average after-tax discount rate of 15.6% p.a. was used, which is equivalent to a 17.4% rate before taxes. (2014 – equivalent to 14.1% and 15.6%, respectively).

BM&FBOVESPA uses an expert independent specialist to assist it in measuring the recoverable amount of the asset (value in use). The report presented by the specialist reveal a negative adjustment to the goodwill book value at December 31, 2015, in the amount of R\$1,662,681.

The three most significant variables that affect the calculated value in use are the discount rates, net revenue growth rate, and perpetuity growth rate. BM&FBOVESPA management analyzed sensitivity in order to determine the impacts of changes in those variables on the calculated value in use: increase by 120bps in discount rate of taxes (standard deviation of discount rates in the past five years); decrease by 190bps in annual average revenue growth rate for the period from 2016 to 2025 (15% reduction); and decrease by 50bps in perpetuity growth rate (standard deviation of average 10-year series of Brazilian actual GDP). Sensitivity scenarios reveal values in use of the CGU between 3% and 14% lower than the value in use estimated in the independent specialist report.

Management will continue to monitor over the next year the latest external and internal indicators in order to identify any deterioration that could result in losses due to impairment of assets.

BM&FBOVESPA management reaffirms that the projection for the CGU's future cash flows contains its best estimates and perceptions regarding the BOVESPA segment and the current macroeconomic scenario.

## Software and projects

Changes	BM&FBOVESPA and Consolidated			
	Cost of internally generated software under development	Software internally generated - projects completed	Software	Total
<b>Balances at December 31, 2013</b>	274,154	272,455	61,407	608,016
Additions	146,020	-	31,003	177,023
Write-offs	(2,208)	-	-	(2,208)
Reclassification (Note 8)	(344)	-	-	(344)
Transfer (1)	(290,014)	290,014	-	-
Amortization	-	(48,218)	(25,362)	(73,580)
<b>Balances at December 31, 2014</b>	127,608	514,251	67,048	708,907
Additions	152,982	-	11,074	164,056
Write-offs	(6,463)	-	-	(6,463)
Reclassification (Note 8)	-	-	41	41
Transfer	(1,778)	1,778	-	-
Amortization	-	(54,422)	(23,793)	(78,215)
<b>Balances at December 31, 2015</b>	<b>272,349</b>	<b>461,607</b>	<b>54,370</b>	<b>788,326</b>
<b>At December 31, 2015</b>				
Cost	272,349	611,133	339,881	1,223,363
Accumulated amortization	-	(149,526)	(285,511)	(435,037)
<b>Net book balance</b>	<b>272,349</b>	<b>461,607</b>	<b>54,370</b>	<b>788,326</b>
<b>At December 31, 2014</b>				
Cost	127,608	609,356	328,766	1,065,730
Accumulated amortization	-	(95,105)	(261,718)	(356,823)
<b>Net book balance</b>	<b>127,608</b>	<b>514,251</b>	<b>67,048</b>	<b>708,907</b>

(1) Refers substantially to transfer as a result of completion of the first phase of the Post-Trade Integration Project.

These refer to system and software development and license acquisition costs with amortization rates ranging from 6.67% to 33% p.a., with implementation and development of new systems and software in progress.

In the year, BM&FBOVESPA absorbed as part of the project development cost the amount of R\$5,674 (2014 – R\$8,648) related to the amortization of software used in developing these projects.

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

## 10. Earnings and rights on securities in custody

These comprise dividends and interest on equity received from listed companies, which will be transferred to the custody agents and by them to their customers, who are the owners of the listed companies' shares.

## 11. Provision for taxes and contributions payable

Description	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
Taxes and contributions withheld at source	10,420	7,134	12,177	8,184
PIS and COFINS payable	19,497	14,805	19,768	15,036
ISS payable	2,595	2,177	2,606	2,193
<b>Total</b>	<b>32,512</b>	<b>24,116</b>	<b>34,551</b>	<b>25,413</b>

## 12. Debt issued abroad

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

The restated loan balance at December 31, 2015 amounts to R\$2,454,265 (R\$1,666,491 at December 31, 2014), which includes the amount of R\$70,181 (R\$47,368 at December 31, 2014) referring to interest incurred until the reporting date. The proceeds from the offering were used to purchase shares in the CME Group on the same date.

The notes have a partial or total early redemption clause, at the option of BM&FBOVESPA, for the greater of: (i) principal plus interest accrued up to the date and (ii) interest accrued up to the 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 year (40 basis points per year).

These notes have been designated as a hedging instrument for the portion corresponding to US\$612 million (notional) of the investment in CME Group Inc.(net investment hedge) until the use of the equity pickup method is discontinued for the related investment (Note 7), when it was replaced by cash flow hedge (Note 4).

The fair value of the debt, calculated using market data, is R\$2,380,489 at December 31, 2015 (R\$1,737,987 at December 31, 2014) (Source: Bloomberg).

### 13. Other liabilities

	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
<b>Current</b>				
Payables – CME	15,632	-	15,632	-
Payables to related parties (Note 16)	8,918	10,249	8,696	10,249
Purchase of treasury shares payable	-	15,763	-	15,763
Custody agents	3,121	5,455	3,121	5,455
Amounts to be transferred - Direct Treasury	17,271	5,361	17,271	5,361
Advance received for the sale of property	8,192	8,192	8,192	8,192
Outsourced services	-	-	-	1,038
Preferred shares payable	1,838	1,838	1,838	1,838
Demand deposits (1)	-	-	90,922	106,400
Repurchase agreements (2)	-	-	283,157	141,296
FX transactions (Banco BM&FBOVESPA)	-	-	-	4,252
Other	7,661	9,219	8,395	8,654
<b>Total</b>	<b>62,633</b>	<b>56,077</b>	<b>437,224</b>	<b>308,498</b>
<b>Noncurrent</b>				
Payables – CME	58,361	48,238	58,361	48,238
<b>Total</b>	<b>58,361</b>	<b>48,238</b>	<b>58,361</b>	<b>48,238</b>

(1) Refer to demand deposits held by corporations at Banco BM&FBOVESPA for the sole purpose of settlement of adjustments and positions of transactions carried out within BM&FBOVESPA and the Special System for Settlement and Custody (SELIC) pursuant to BACEN Circular Letter No. 3196 of July 21, 2005.

(2) Refer to open market funding made by Banco BM&FBOVESPA, comprising repurchase agreements maturing on January 4, 2016 (2014 - January 2, 2015) and backed by National Treasury Notes – B Series (NTN-B) and National Treasury Bills (LTN).

### 14. Provisions for tax, civil and labor contingencies, contingent assets and liabilities and judicial deposits

#### 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 significant future gains.

#### b) Provisions for tax, civil and labor contingencies

BM&FBOVESPA and its subsidiaries are defendants in a number of legal and administrative proceedings involving labor, tax and civil matters arising in the ordinary course of business.

The legal and administrative proceedings are classified by their likelihood of loss (probable, possible or remote), based on the assessment by BM&FBOVESPA's legal department and external legal advisors, using parameters such as previous legal decisions and the history of loss in similar cases.

The proceedings assessed as probable loss are mostly comprised as follows:

- Labor claims mostly relate to claims filed by former 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 of BM&FBOVESPA and its subsidiaries;
- Tax proceedings mostly relate to PIS and COFINS levied on (i) BM&FBOVESPA revenues and (ii) receipt of interest on equity.

#### c) Legal obligations

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

#### d) Changes in balances

Changes in provisions for contingencies and legal obligations are detailed as follows:

	<b>BM&amp;FBOVESPA</b>				
	<b>Civil proceedings</b>	<b>Labor claims</b>	<b>Legal obligations</b>	<b>Tax proceedings</b>	<b>Total</b>
<b>Balances at December 31, 2013</b>	8,242	24,576	35,064	15,489	83,371
Provisions	8	5,630	4,548	-	10,186
Provision expenditure	(151)	(2,405)	(672)	-	(3,228)
Reversal of provisions	(139)	(1,143)	(52)	-	(1,334)
Reassessment of risks	-	738	-	-	738
Monetary restatement	831	3,279	3,196	622	7,928
<b>Balances at December 31, 2014</b>	8,791	30,675	42,084	16,111	97,661
Provisions	-	2,589	7,193	-	9,782
Provision expenditure	-	(3,876)	-	-	(3,876)
Reversal of provisions	-	(1,412)	-	-	(1,412)
Reassessment of risks	-	463	-	-	463
Monetary restatement	898	4,277	3,988	1,341	10,504
<b>Balances at December 31, 2015</b>	<b>9,689</b>	<b>32,716</b>	<b>53,265</b>	<b>17,452</b>	<b>113,122</b>
	<b>Consolidated</b>				
	<b>Civil proceedings</b>	<b>Labor claims</b>	<b>Legal obligations</b>	<b>Tax proceedings</b>	<b>Total</b>
<b>Balances at December 31, 2013</b>	12,967	25,072	35,064	15,489	88,592
Provisions	8	5,650	4,548	-	10,206
Provision expenditure	(151)	(2,478)	(672)	-	(3,301)
Reversal of provisions	(139)	(1,200)	(52)	-	(1,391)
Reassessment of risks	-	683	-	-	683
Monetary restatement	1,366	3,298	3,196	622	8,482
Discontinued operations (Note 24)	-	(282)	-	-	(282)
<b>Balances at December 31, 2014</b>	14,051	30,743	42,084	16,111	102,989
Provisions	-	2,589	7,193	-	9,782
Provision expenditure	-	(3,876)	-	-	(3,876)
Reversal of provisions	-	(1,433)	-	-	(1,433)
Reassessment of risks	-	462	-	-	462
Monetary restatement	1,516	4,285	3,988	1,341	11,130
<b>Balances at December 31, 2015</b>	<b>15,567</b>	<b>32,770</b>	<b>53,265</b>	<b>17,452</b>	<b>119,054</b>

Considering the characteristics of the provisions, the timing of the cash disbursements, if any, cannot be predicted.

#### e) Possible losses

The proceedings assessed as possible loss are so classified as a result of uncertainties surrounding their outcome. They are legal or administrative proceedings for which case law has not yet been established or which still depend on check and analysis of the facts, or even involve specific aspects that reduce the likelihood of loss.

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

- Labor claims mostly relate to claims filed by former employees of BM&FBOVESPA and employees of outsourced service providers, on account of alleged noncompliance with labor legislation. The lawsuits assessed as possible losses at December 31, 2015 total R\$47,558 in BM&FBOVESPA (R\$41,822 at December 31, 2014) and R\$54,812 on a consolidated basis (R\$43,328 at December 31, 2014);
- Civil proceedings mainly relate to aspects of civil liability for losses and damages. The amount involved in civil proceedings classified as possible losses at December 31, 2015 totals R\$165,917 in BM&FBOVESPA (R\$134,264 at December 31, 2014) and R\$355,700 on a consolidated basis (R\$354,533 at December 31, 2014);  
The amount at December 31, 2015 and December 31, 2014 is almost entirely related to three legal proceedings. The first one refers to the possibility of BM&FBOVESPA being required to deliver its shares (surviving company of the merger with BM&F S.A.), corresponding to the shares resulting from the conversion of the membership certificates 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 second administrative proceeding arises from the possibility of BVRJ being required to indemnify an investor for alleged omission in an audit report, brought before the Special Guarantee Fund Commission of BVRJ, of shares that allegedly resulted from transactions carried out by the investor through a broker, which were not included in the custody account. The third proceeding involves the possibility of BM&FBOVESPA being sentenced, jointly with BVRJ, to indemnify the broker, which, for not meeting the requirements, was not authorized to exchange the membership certificates of BVRJ which it alleged to own, with membership certificates of the then São Paulo Stock Exchange, which, in turn, would entitle to issue of BM&FBOVESPA shares.
- The total amount involved in the tax proceedings classified as possible loss at BM&FBOVESPA and on a consolidated basis is R\$671,320 (R\$627,470 at December 31, 2014). The main tax proceedings of BM&FBOVESPA and its subsidiaries refer to the following matters:
  - (i) Classification of the former BM&F and Bovespa, in the period prior to the demutualization, as taxpayers of the Contribution Tax on Gross Revenue for Social Security Financing ("COFINS"), which is the subject matter of two declaratory judgment actions

pleading the declaration that the plaintiffs have no tax obligations owed to the federal tax authorities and seeking non-levy of COFINS on revenue arising from the exercise of the activities for which they were established, the revenue of which does not fall under the concept of billing. The amount involved in the aforementioned proceedings as of December 31, 2015 is R\$59,693 (R\$56,134 at December 31, 2014).

- (ii) Collection of Withholding Income Tax (IRRF) relating to the calendar year 2008, since the Brazilian IRS understands that BM&FBOVESPA would be responsible for withholding and paying IRRF on the alleged capital gains earned by non-resident investors in Bovespa Holding S.A., due to the merger of shares of Bovespa Holding S.A. into BM&FBOVESPA. The amount involved in this administrative proceeding at December 31, 2015 is R\$197,935 (R\$180,117 at December 31, 2014).
- (iii) Alleged levy of social security tax on options granted under the Stock Option Plan of BM&F S.A., assumed by BM&FBOVESPA and exercisable by the beneficiaries of the Plan, in 2007 and 2008, as well as one-time fine due to the non-withholding at source of income tax allegedly due on those options. The inquiries of the Brazilian IRS are based on the understanding that the stock options were granted to employees in the nature of salary as they represent compensation for services rendered. On July 6, 2015, BM&FBOVESPA was informed of CARF's decision, already declared *res judicata*, which granted the Voluntary Appeal filed in the administrative proceeding that challenges the tax assessment notice on the levy of social security contributions, with consequent cancellation of the tax assessment notice. The tax assessment notice cancelled was assessed as possible loss and the amount involved at June 30, 2015 totaled R\$99,286 (R\$94,828 at December 31, 2014). The amounts involved in such administrative proceeding that addresses the fine for the non-withholding at source of income tax, at December 31, 2015, totals R\$55,689 (R\$50,504 at December 31, 2014), assessed as remote loss.
- (iv) Alleged levy of social security taxes on options granted under the Stock Option Plan of BM&F S.A., assumed by BM&FBOVESPA, and of BM&FBOVESPA itself, exercised by the beneficiaries of the Plan in 2009 and 2010, as well as one-time fine due to the non-withholding at source of income tax allegedly due on those options. The inquiries of the Brazilian IRS are based on the understanding that the stock options were granted to employees in the nature of salary as they represent compensation for services rendered. The amounts involved in these administrative proceedings at December 31, 2015 are: (i) R\$137,349 (R\$123,486 at December 31, 2014), relating to social security contributions allegedly due, assessed as possible loss, and (ii) R\$55,046 (R\$49,490 at December 31, 2014), relating to one-time fine for the non-withholding of income tax, assessed as remote loss.
- (v) Alleged levy of social security taxes on options granted under the Stock Option Plan of BM&F S.A., assumed by BM&FBOVESPA, and of BM&FBOVESPA itself, exercised by the beneficiaries of the Plan in 2011 and 2012, as well as one-time fine due to the non-withholding at source of income tax allegedly due on those options. The inquiries of the Brazilian IRS are based on the understanding that the stock options were granted to employees in the nature of salary as they represent compensation for services rendered. The amounts involved in these administrative proceedings at December 31, 2015 are: (i) R\$79,094 (nonexistent proceeding at December 31, 2014), relating to social security taxes allegedly due, assessed as possible loss, and (ii) R\$31,750 (nonexistent proceeding at December 31, 2014), relating to one-time fine for the non-withholding of income tax, assessed as remote loss.
- (vi) Alleged differences in payment of IRPJ and CSLL stemming from questioning of the limits of deductibility of interest on equity paid by BM&FBOVESPA to its shareholders in calendar year 2008. The total amount involved in this administrative proceeding is R\$144,088 (R\$130,674 at December 31, 2014), including late-payment interest and automatic fine.

**f) Remote losses**

On November 29, 2010, BM&FBOVESPA was served a tax deficiency notice from the Brazilian IRS challenging the amortization, for tax purposes in 2008 and 2009, of goodwill generated upon the merger of Bovespa Holding S.A.'s shares into BM&FBOVESPA in May 2008. In October 2011, the Brazilian IRS Judgment Office in São Paulo handed down a decision on the challenge presented by BM&FBOVESPA, upholding, in substance, the tax deficiency notice. In December 2013, the Administrative Board of Tax Appeals (CARF) handed down a decision denying the voluntary appeal filed by BM&FBOVESPA, thus upholding the tax deficiency notice. On March 25, 2015, CARF denied the motions for clarification filed by BM&FBOVESPA. Currently, BM&FBOVESPA awaits the analysis of the special appeal filed. BM&FBOVESPA understands 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 prevailing legislation. The amount involved in this administrative proceeding at December 31, 2015 is R\$1,083,566.

On April 2, 2015, BM&FBOVESPA was served a tax deficiency notice from the Brazilian IRS challenging the amortization, for tax purposes in 2010 and 2011, of goodwill generated upon the merger of Bovespa Holding S.A.'s shares into BM&FBOVESPA in May 2008, and filed an administrative appeal on April 30, 2015. BM&FBOVESPA considers that the likelihood of loss in this tax procedure is remote and will continue to amortize the goodwill for tax purposes as provided for by prevailing legislation. The amount involved in this administrative proceeding at December 31, 2015 is R\$2,111,622.

BM&FBOVESPA, as successor of the former BOVESPA, and subsidiary BVRJ figure as defendants in a claim for property damages and pain and suffering filed by 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 property damages and pain and suffering claimed, the plaintiffs ask that BM&FBOVESPA and BVRJ be sentenced in proportion to their responsibilities. A decision was handed down whereby the claims by the plaintiffs were considered completely unfounded. This decision was confirmed by the High Court of Justice of Rio de Janeiro State by means of a decision published on December 18, 2009. The plaintiffs filed special and extraordinary appeals, both of which were denied. Interlocutory appeals were filed with the High Court of Justice and with the Federal Supreme Court of Brazil, and the appeal was granted for appreciation by the High Court of Justice, so that the special appeal lodged by the plaintiffs may be examined by a higher court. The special appeal was partially disclosed and was unanimously denied in connection with this portion. The

plaintiffs lodged motions for clarification against this decision, which were unanimously denied, then they lodged motions for reconsideration, which are currently awaiting admissibility at the High Court of Justice. Considering this decision, the plaintiffs filed request for reconsideration and, alternatively, a special appeal. The High Court of Justice considered the request for reconsideration as a special appeal and dismissed it, against which the plaintiffs lodged motion for clarification. The proceeding is currently awaiting decision on the motion for clarification. BM&FBOVESPA understands that the likelihood of loss in this suit is remote.

BM&FBOVESPA, as the successor of Bolsa de Mercadorias e Futuros - BM&F ("BM&F") and as disclosed in its Form of Reference (item 4.3), figures as a defendant in civil public actions and class actions filed 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 US dollar futures market run by the former BM&F. On March 15, 2012, those proceedings were deemed valid in the trial court and sentenced most of the defendants, among them, BM&F. The total amount arising from this unfavorable decision is R\$7,005 million, and, according to one of the decisions handed down, the gains that the Central Bank of Brazil obtained by reason of the non-use of international reserves, amounting to R\$5,431 million, may be deducted. BM&FBOVESPA was also sentenced to pay a civil penalty of R\$1,418 million. The figures were measured in January 1999 and should be adjusted for inflation, plus interest and burden of defeat. BM&FBOVESPA believes that these actions are fully groundless and will not recognize in its financial statements any provision for such lawsuits as the risk of loss is remote. Appeals were filed, which have caused the execution of the trial court judgment to be suspended. Currently, BM&FBOVESPA awaits the analysis of these appeals by the Federal Court of Appeals of the 1<sup>st</sup> Chapter.

#### g) Judicial deposits

Description	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
Legal obligations	52,989	40,133	52,989	40,133
Tax proceedings	73,895	69,022	74,185	69,286
Civil proceedings	5,577	5,236	5,577	5,236
Labor claims	7,658	5,479	7,816	5,630
<b>Total</b>	<b>140,119</b>	<b>119,870</b>	<b>140,567</b>	<b>120,285</b>

Out of the total judicial deposits, the following are highlighted: (i) R\$54,149 (R\$50,431 at December 31, 2014) relates to the disputes over the classification of the exchanges as subject to the payment of COFINS, which are assessed as possible loss by BM&FBOVESPA, as described in item "e" above; and (ii) R\$13,127 (R\$12,212 at December 31, 2014) refers to cases regarding PIS and COFINS on interest on equity received. Of the total deposits relating to legal obligations, R\$52,541 (R\$39,693 at December 31, 2014) relates to the processes in which BM&FBOVESPA claims non-levy of additional social security contribution on payroll and payments to self-employed professionals, and challenges the legality of FAP (an index applied to calculate the occupational accident insurance owed by employers).

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

## 15. Equity

#### a) Capital

At the meeting held on February 10, 2015, the Board of Directors approved the cancellation of 85,000,000 shares (Note 15 (b)) issued by BM&FBOVESPA, held in treasury, which were purchased under the share buyback program. Due to such cancellation, the capital of BM&FBOVESPA of R\$2,540,239 is now represented by 1,815,000,000 registered common shares with voting rights and no par value, of which 1,782,094,906 common shares are outstanding at December 31, 2015 (1,808,178,556 common shares at December 31, 2014). At the Special Shareholders' Meeting held on April 13, 2015, the shareholders resolved on amendment of Company's Articles of Incorporation in order to reflect the new number of shares representing the capital.

BM&FBOVESPA is authorized to increase its capital up to the limit of 2,500,000,000 common shares, through a resolution of the Board of Directors, without any amendment to its Articles of Incorporation.

#### b) Treasury shares

##### Share buyback program

At a meeting held on December 11, 2014, the Board of Directors approved the Company's Share Buyback Program, starting on January 1, 2015 and ending on December 31, 2015. The limit of shares that could be repurchased by BM&FBOVESPA was 60,000,000 common shares. In 2015, BM&FBOVESPA acquired 26,187,400 shares, representing 43.6% of the total shares in the share buyback program.

At the meeting held on December 10, 2015, the Board of Directors approved the new Share Buyback Program, starting on January 1, 2016 and ending on December 31, 2016. The limit of shares that can be repurchased by BM&FBOVESPA is 40,000,000 common shares.

The shares acquired under the Share Buyback Program may be canceled or used to meet the exercise of options to purchase shares by the beneficiaries of the Stock Option Plan, or transfer of shares to beneficiaries of the Share Plan.

The changes in treasury shares for the year are as follows:



	Number	Amount
<b>Balances at December 31, 2013</b>	<b>86,417,144</b>	<b>955,026</b>
Purchase of shares - Share buyback program	89,961,600	937,600
Shares cancelled	(80,000,000)	(859,793)
Shares sold - stock options (Note 18)	(4,557,300)	(49,559)
<b>Balances at December 31, 2014</b>	<b>91,821,444</b>	<b>983,274</b>
Purchase of shares - Share buyback program	26,187,400	287,030
Shares cancelled (Note 15(a))	(85,000,000)	(903,975)
Shares sold - stock options (Note 18)	(103,750)	(1,094)
<b>Balances at December 31, 2015</b>	<b>32,905,094</b>	<b>365,235</b>
Average cost of treasury shares (R\$ per share)		11.100
Market value of treasury shares		358,336

**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 in 2007, based on independent experts' appraisal reports.

**d) Capital reserve**

This refers substantially to amounts originated in the merger of Bovespa Holding shares in 2008, and other corporate events allowed by the Brazilian 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) Income reserves**

**(i) Legal reserve**

Legal reserve is annually set up with allocation of 5% of net income for the year, capped at 20% of capital. The legal reserve aims at ensuring integrity of capital and may only be used to absorb losses and increase capital. The legal reserve is not required to be set up considering that its amount plus the capital reserves exceed 30% of the Company capital.

**(ii) Statutory 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 Articles of Incorporation, the Board of Directors may, when the amount of the statutory reserve is sufficient to meet the purposes for which it was originally established, propose that part of the reserve be distributed to the shareholders of the Company.

**f) Other comprehensive income**

The purpose is to record the effects of (i) exchange variation of the investments abroad, (ii) hedge accounting on net foreign investment (Note 12), (iii) cash flow hedge (Note 4), (iv) comprehensive income of subsidiaries, (v) actuarial gains/losses on post-retirement health care benefits, (vi) mark-to-market of financial assets available for sale.

**g) Dividends and interest on equity**

As provided for in the Articles of Incorporation, shareholders are entitled mandatory minimum dividends of 25% of net income for the year, adjusted under Brazilian Corporation Law.

	2015	2014
Net income for the year	2,202,238	977,053
Dividends	223,581	781,642
Interest on equity	1,019,033	-
<b>Total approved for the year</b>	<b>1,242,614</b>	<b>781,642</b>

The dividends approved in relation to P&L for the period are as follows:

Description	Date approved	Date of payment	Gross amount per share (R\$)	Total gross amount
Dividends	05/14/2015	05/29/2015	0.124110	223,581
Interest on equity	08/13/2015	09/08/2015	0.142749	254,392
Interest on equity	11/12/2015	12/04/2015	0.176557	314,641
Interest on equity	12/10/2015	12/29/2015	0.252512	450,000
<b>Total proposed/approved for 2015</b>				<b>1,242,614</b>
Dividends	05/08/2014	05/30/2014	0.111538	204,914
Dividends	08/07/2014	08/29/2014	0.109381	200,061
Dividends	11/13/2014	11/28/2014	0.104814	190,726
Dividends	02/10/2015	04/28/2015	0.103163	185,941
<b>Total proposed/approved for 2014</b>				<b>781,642</b>

## h) Earnings per share

Basic	Consolidated	
	2015	2014
<b>Numerator</b>		
Net income from continuing operations	2,202,238	984,745
Net income from discontinued operations	-	(7,692)
Net income available to shareholders of BM&FBOVESPA	2,202,238	977,053
<b>Denominator</b>		
Weighted average number of outstanding shares	1,791,892,507	1,837,383,111
<b>Basic earnings per share (in R\$)</b>	<b>1.229001</b>	<b>0.531763</b>
<b>Diluted</b>		
<b>Numerator</b>		
Net income from continuing operations	2,202,238	984,745
Net income from discontinued operations	-	(7,692)
Net income available to shareholders of BM&FBOVESPA	2,202,238	977,053
<b>Denominator</b>		
Weighted average number of outstanding shares adjusted by effects of stock options plans	1,805,320,708	1,841,030,654
<b>Diluted earnings per share (in R\$)</b>	<b>1.219860</b>	<b>0.530710</b>

## 16. Transactions with related parties

### a) Transactions and balances with related parties

Description	Assets/(liabilities)		Income/(expense)	
	2015	2014	2015	2014
<b>Banco BM&amp;FBOVESPA de Serviços de Liquidação e Custódia S.A. (1)</b>				
Accounts receivable	1,033	909	-	-
Interest on equity receivable	3,400	2,508	-	-
Recovery of expenses	-	-	11,456	10,407
Income from fees	-	-	14	18
Interest on equity	-	-	4,000	2,950
<b>Bolsa Brasileira de Mercadorias (Note 24)</b>				
Accounts receivable	-	2	-	-
Accounts payable	-	(99)	-	-
Suppliers	-	(2,464)	-	-
Minimum contribution on membership certificates (fees)	-	-	-	(1,193)
Data processing	-	-	-	(2,464)
Property rental	-	-	-	25
Recovery of expenses	-	-	-	78
<b>BM&amp;F (USA) Inc. (1)</b>				
Accounts payable	(80)	-	-	-
Sundry expenses	-	-	(1,529)	(1,026)
<b>BM&amp;FBOVESPA (UK) Ltd. (1)</b>				
Accounts payable	(142)	-	-	-
Sundry expenses	-	-	(1,836)	(1,424)
<b>Bolsa de Valores do Rio de Janeiro (1)</b>				
Accounts receivable	2	1	-	-
Recovery of expenses	-	-	21	22
<b>CME Group</b>				
Dividends receivable	-	61,635	-	-
Accounts payable	-	(48,245)	-	-
Financial expenses	-	-	(781)	(898)
Expenses with fees	-	-	(1,895)	(2,111)
Income from fees	-	-	66	50
<b>BM&amp;FBOVESPA Supervisão de Mercados</b>				
Accounts receivable	196	245	-	-
Accounts payable	(8,695)	(9,904)	-	-
Donation/Contribution	-	-	(12,690)	(15,466)

Recovery of expenses	-	-	2,721	3,035
<b>Associação BM&amp;F</b>				
Accounts receivable	6	4	-	-
Accounts payable	(1)	(239)	-	-
Recovery of expenses	-	-	105	186
Expenses with courses	-	-	(1,270)	(1,458)
Donation	-	-	(1,757)	(239)
Sponsorship	-	-	(3,200)	-
<b>Other related parties</b>				
Accounts receivable	10	10	-	-
Donation	-	-	(125)	(63)
Recovery of expenses	-	-	136	125
Sundry expenses	-	-	-	(163)

(1) Subsidiaries included in the consolidation process.

BM&FBOVESPA follows a policy on transactions with related parties, approved by the Board of Directors, which aims to establish rules to ensure that all decisions involving related-party transactions and other situations of potential conflict of interest are taken to the interests of BM&FBOVESPA and its shareholders.

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

- The amounts owed by Banco BM&FBOVESPA to BM&FBOVESPA refer to the Company's funds used by Banco BM&FBOVESPA in performing its activities under a formal agreement signed by the parties.
- Accounts payable to CME Group refer to the remaining portion for the acquisition of the perpetual license of modules related to the multi-asset class electronic trading platform, PUMA Trading System, which was developed together with the CME Group. In September 2015, CME Group ceased to be a related party to BM&FBOVESPA given the disqualification of its significant influence and consequent discontinuance use of the equity method of accounting (Note 7).
- BSM has entered into an agreement with BM&FBOVESPA for the transfer and recovery of costs, which establishes the reimbursement to BM&FBOVESPA for expenses incurred for resources and infrastructure made available to BSM to assist in the performance of its supervision activities. Such costs are determined on a monthly basis using the methodology specified in the agreement signed by the parties and also include the activities related to the Mecanismo de Ressarcimento de Prejuízos (Loss Recovery Mechanism), as this mechanism is administered by BSM.

BM&FBOVESPA makes transfers in order to supplement financing for the activities of BSM and regular transfers of fines for failure to settle debts and deliver assets by BSM, as set out in Circular Letter 044/2013 of BM&FBOVESPA.

- BM&FBOVESPA monthly pays BM&F (USA) Inc. and BM&FBOVESPA (UK) Ltd. for representing it abroad by liaising with other exchanges and regulators and assisting in bringing new clients to the Brazilian capital market.
- Associação BM&F, Associação Bovespa, Instituto BM&FBOVESPA and Associação Profissionalizante BM&FBOVESPA periodically reimburse BM&FBOVESPA for expenses associated with the resources and infrastructure provided by BM&FBOVESPA to assist them in performing their activities.
- BM&FBOVESPA pays the cost of courses taken by its employees directed to the financial and capital markets offered by Instituto Educacional BM&FBOVESPA, administered by Associação BM&F.

#### b) Key management personnel compensation

Key management personnel include Members of the Board of Directors, Executive Officers, Internal Audit Officer, Corporate Risk Officer, Officer of Banco BM&FBOVESPA and Human Resources Officer.

	2015	2014
<b>Management fees</b>		
Short-term benefits (salaries, profit sharing, etc.)	30,695	29,881
Share-based payment (1)	31,127	13,306
Consideration - cancellation of Stock Options and labor and social security charges (Note 18)	35,093	-

(1) Refers to expenses computed in the year relating to share-based payment, increased by labor and social security charges, and stock options of key management personnel. These expenses were recognized according to the criteria described in Note 18.

## 17. Collateral for transactions

BM&FBOVESPA operating as a central counterparty (CCP) manages four clearinghouses considered systemically important by the Central Bank of Brazil: BM&FBOVESPA (former Derivatives Clearinghouse), Foreign Exchange, Assets, and the Equities and Corporate Bonds Clearinghouse (CBLC).

In its Circular Letter 046/2014, dated August 7, 2014, the Central Bank of Brazil granted BM&FBOVESPA authorization to operate its new clearinghouse, the BM&FBOVESPA Clearinghouse. The new clearinghouse is part of the post-trade integration (IPN) project, an initiative adopted by BM&FBOVESPA to start an integrated clearinghouse that will consolidate the activities performed by the four clearinghouses.

The activities of BM&FBOVESPA Clearinghouse will be limited, in this first phase of the project, to the financial derivatives and commodities market and the gold market, including not only both exchange-traded but also OTC contracts.

The activities carried out by the clearinghouses are governed by Law No. 10214/01, 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), spot foreign exchange market, government securities market (spot, forwards, repurchase operations, futures and lending of securities), variable income (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 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&FBOVESPA might have to use its own equity, as a last resort, to ensure the proper settlement of trades.

The clearinghouses are not directly exposed to market risk, as they do not hold net long or net short positions in the various contracts and assets 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.

Each 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 (BACEN), in accordance with National Monetary Council (CMN) Resolution No. 2882/01 and BACEN Circular No. 3057/01.

The safeguard structures of the clearinghouses are based largely on a 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 and operations involving assets, 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 timeframe can vary depending on the nature of contracts and assets traded.

The models used for calculating the margin requirements are based, in general, on 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 the possibility of the occurrence 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 contracts and assets traded 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 support of statistical models for estimating risk, such as EVT (extreme value theory), estimate of implied volatilities, GARCH (Generalized Autoregressive Conditional Heteroskedasticity) models, and historical simulations. The qualitative analysis considers aspects related to domestic and international economic and political conditions and their impacts on the markets managed by BM&FBOVESPA.

On March 5, 2014, according to BM&FBOVESPA Circular Letter No. 003/2014, new versions of BM&FBOVESPA Clearinghouses rules became effective, aiming towards convergence with international capital requirement rules under Basel III Accord by financial institutions subject to credit risk of clearinghouses. These changes were approved by BACEN in January 2014.

The operations in the BM&FBOVESPA markets are secured by margin deposits in cash, government and corporate securities, letters of guarantee and shares among others. The guarantees received in cash, in the amount of R\$1,338,010 (R\$1,321,935 at December 31, 2014), are recorded as a liability under "Collateral for transactions" and other non-cash collaterals, in the amount of R\$303,824,243 (R\$240,757,242 at December 31, 2014), are recorded in memorandum accounts. At December 31, 2015, collaterals amounted to R\$305,162,253 (R\$242,079,177 at December 31, 2014), as follows:

## a) Collaterals deposited by participants

	2015			
	BM&FBOVESPA Clearinghouse	Equities and Corporate Bonds Clearinghouse (CBLC)	Foreign Exchange Clearinghouse	Assets Clearinghouse
Government securities	216,955,868	37,116,275	8,644,122	280,222
Letters of guarantee	3,552,464	397,000	-	-
Shares	3,458,610	27,241,604	-	-
International securities (1)	-	4,151,480	-	-
Bank Deposit Certificates (CDBs)	1,394,602	277,305	-	-
Cash amounts deposited	1,027,657	134,437	175,716	-
Gold	12,012	3,162	-	-
Other	176,345	163,372	-	-
<b>Total</b>	<b>226,577,558</b>	<b>69,484,635</b>	<b>8,819,838</b>	<b>280,222</b>

	2014			
	BM&FBOVESPA Clearinghouse	Equities and Corporate Bonds Clearinghouse (CBLC)	Foreign Exchange Clearinghouse	Assets Clearinghouse
Government securities	156,814,586	34,636,888	4,470,253	505,583
Letters of guarantee	2,542,590	572,310	-	-
Shares	4,696,902	33,007,191	-	-
International securities (1)	-	1,800,371	-	-
Bank Deposit Certificates (CDBs)	1,177,107	245,456	-	-
Cash amounts deposited	815,294	121,288	385,149	-
Gold	31,264	-	-	-
Other	136,110	120,835	-	-
<b>Total</b>	<b>166,213,853</b>	<b>70,504,339</b>	<b>4,855,402</b>	<b>505,583</b>

(1) American and German government securities as well as ADRs (American Depositary Receipts).

## b) Other safeguard mechanisms

### i) BM&FBOVESPA Clearinghouse

- Joint liability for paying the broker and clearing member that acted as intermediaries, as well as collaterals deposited by such participants.
- Minimum Non-operating Collateral, composed of collaterals transferred by BM&FBOVESPA clearing members and by full trading participants, intended to guarantee the transactions. By the close of business on August 15, 2014, the resources that represent contributions by the clearing member to the Operating Performance Fund were automatically allocated as Minimum Non-operating Collateral at the opening of the BM&FBOVESPA Clearinghouse on August 18, 2014. Minimum Non-operating Collateral is broken down as follows:

Breakdown	2015	2014
Government securities	730,429	725,794
Letters of guarantee	72,200	128,500
Bank Deposit Certificates (CDBs)	2,700	5,300
Cash amounts deposited	-	4
Amounts deposited	<b>805,329</b>	859,598
Amounts required of participants	<b>600,000</b>	672,000
Amount in excess of the minimum required	<b>205,329</b>	187,598

- Fundo de Liquidação (Settlement Fund), comprising collaterals transferred by clearing members and BM&FBOVESPA funds. By the close of business on August 15, 2014, the resources that represent contributions by the clearing member to the Settlement Fund were automatically allocated to the Settlement Fund at the opening of the BM&FBOVESPA Clearinghouse on August 18, 2014. The Settlement Fund is broken down as follows:

Breakdown	2015	2014
Government securities	851,458	776,632
Letters of guarantee	18,000	34,000
Amounts deposited	<b>869,458</b>	810,632
Amounts required of participants	<b>308,000</b>	344,000
Amount required of BM&FBOVESPA (1)	<b>308,000</b>	344,000
Amount in excess of the minimum required	<b>253,458</b>	122,632

(1) Comprising government securities.

- Patrimônio Especial (Especial equity), in the amount of R\$57,526 (R\$50,752 at December 31, 2014), in compliance with the provisions of Article 5 of Law No. 10214 of March 27, 2001 and article 19 of BACEN Circular No. 3057 of August 31, 2001.

## ii) Equities and Corporate Bonds Clearinghouse (CBLC)

- Joint liability for paying the broker and clearing member that acted as intermediaries, as well as collaterals deposited by such participants.
- Fundo de Liquidação (Settlement Fund), composed of collaterals transferred by clearing members and BM&FBOVESPA funds, intended to guarantee the proper settlement of transactions.

<b>Breakdown</b>	<b>2015</b>	<b>2014</b>
Government securities	<b>893,423</b>	665,380
Amounts deposited	<b>893,423</b>	665,380
Amounts required of participants	<b>298,900</b>	280,400
Amount required of BM&FBOVESPA (1)	<b>298,900</b>	280,400
Amount in excess of the minimum required	<b>295,623</b>	104,580

(1) Comprising government securities.

- Patrimônio Especial (Especial equity), in the amount of R\$61,494 (R\$54,256 at December 31, 2014), in compliance with the provisions of Article 5 of Law No. 10214 of March 27, 2001 and article 19 of BACEN Circular No. 3057 of August 31, 2001.

## iii) Foreign Exchange Clearinghouse

- Fundo de Liquidação de Operações de Câmbio, formerly Fundo de Participação, composed of collaterals transferred by Foreign Exchange Clearinghouse participants and BM&FBOVESPA funds, intended to guarantee the proper settlement of transactions.

<b>Breakdown</b>	<b>2015</b>	<b>2014</b>
Government securities	<b>364,804</b>	306,762
Cash amounts deposited	<b>200</b>	200
Amounts deposited	<b>365,004</b>	306,962
Amounts required of participants	<b>105,650</b>	104,650
Amount required of BM&FBOVESPA (1)	<b>105,650</b>	104,650
Amount in excess of the minimum required	<b>153,704</b>	97,662

(1) Comprising government securities.

- Patrimônio Especial (Especial equity), in the amount of R\$57,619 (R\$50,838 at December 31, 2014), in compliance with the provisions of Article 5 of Law No. 10214 of March 27, 2001 and article 19 of BACEN Circular No. 3057 of August 31, 2001.

## iv) Assets Clearinghouse

- Fundo Operacional da Clearing de Ativos, in the amount of R\$40,000 at March 31, 2015 and December 31, 2014, intended to hold funds from BM&FBOVESPA to cover losses arising from participants' operational or administrative failures.
- Patrimônio Especial (Especial equity), in the amount of R\$40,507 (R\$35,737 at December 31, 2014), in compliance with the provisions of Article 5 of Law No. 10214 of March 27, 2001 and article 19 of BACEN Circular No. 3057 of August 31, 2001.

## 17. Employee benefits

### a) Stock options - long-term benefit

Pursuant to the Notice to the Market published on February 4, 2015, BM&FBOVESPA decided to offer to the beneficiaries of the Company's Stock Options Plan (respectively "Beneficiaries" and "Options") the following choices: (i) remaining as holders of their Options, or (ii) cancelling their outstanding Options and receiving an amount in cash with respect to those Options which had already vested ("Vested Options"), or receiving shares of the Company, to be transferred on future dates, with respect to those Options which had not yet vested ("Non-vested Options").

Nearly all of the beneficiaries opted for their share cancellation and the shares received with respect to the cancellation of Non-vested Options were subject to the Stock Grant Plan approved by the Company in an Extraordinary General Meeting on May 13, 2014.

BM&FBOVESPA believes that the resulting long-term incentive model will more effectively align the interests of beneficiaries to those of BM&FBOVESPA and its shareholders in the long term, as well as retain key personnel.

The amounts paid in cash and granted in shares for cancellation of the Options, as defined in CPC 10 (R1) approved by CVM Rule No. 650/10, were calculated based on the fair value of the Options on January 5, 2015, and the results of these calculations were reviewed and validated by specialized external consultants.

The cancelled Vested Options resulted in cash payments equivalent to the Fair Value of those Options. The cancelled Non-vested Options, meanwhile, resulted in the granting of a number of Company shares which was calculated based on the Fair Value of the Non-vested Options on January 5, 2015 and on the closing price of the shares on the same date (R\$9.22).

Programs	# of outstanding options (Dec/14)	Fair value (R\$)	Converted vested options		Converted non-vested options	
			# of options <sup>1</sup>	Total fair value (R\$)	# of options	# of shares
2008	178,412	4.48	173,412	776,886	-	-
2009	621,780	3.72	581,780	2,164,222	-	-
2010	7,183,875	1.94	6,498,875	12,607,818	-	-
2011	6,484,900	3.37	3,971,275	13,383,197	2,257,375	825,138
2012	7,728,386	3.45	3,391,618	11,701,082	4,228,018	1,582,170
2013	9,755,809	4.09	2,414,578	9,875,624	7,243,731	3,213,606
2011 additional	2,113,241	4.90	1,025,300	5,023,970	1,025,280	544,906
2012 additional	1,936,513	4.34	-	-	1,919,785	903,694
2013 additional	2,971,880	4.87	-	-	2,971,880	1,569,771
<b>Total<sup>2</sup></b>	<b>38,974,796</b>		<b>18,056,838</b>	<b>55,532,798</b>	<b>19,646,069</b>	<b>8,639,285</b>

1) This does not include 1,259,389 options granted in the past to employees who have been recently terminated by BM&FBOVESPA, which had term conditions and, therefore, fair values different from those described above. Out of these, 837,389 options were cancelled, resulting in payment in cash of R\$665 while 422,000 options were not converted, since there was no program enrollment by the terminated employees. Total cash payment was R\$56,198.

2) 12.5 thousand options were not converted, since there was no enrollment by the beneficiaries.

The shares granted in exchange for the cancelled Non-vested Options will be subject to the same rules in cases of dismissal, disablement, death or retirement. Furthermore, these shares will have dates for transfer that are the same as the vesting periods established for each Option program and will be transferred to the Beneficiaries in January each year: 3,139,275 in 2016; 3,192,082 in 2017; 1,523,046 in 2018; and 784,882 in 2019.

The guidelines and conditions for the cancellation of options, as well as the cash and equity settlement, were approved by the Board of Directors of BM&FBOVESPA at a meeting held on December 24, 2014, and all of the actions required for its implementation were approved by the Compensation Committee of the Board of Directors at a meeting held on February 4, 2015.

BM&FBOVESPA recognized expenses related to grants of the Option Plan in the amount of R\$276 for the year ended December 31, 2015 (2014 - R\$28,805), matched against capital reserves in equity.

BM&FBOVESPA entered into commitments with beneficiaries to hold them harmless from any potential liabilities related to assessment notices. At December 31, 2015, the potential liabilities are recognized for R\$24,300 (2014 - R\$17,700).

### Stock Options – Summary/Changes

Program	Outstanding contracts at 12/31/2014	Vested options-cash settled	Non-vested options – converted into shares	Non-converted options	Exercised at 12/31/2015	Lapsed at 12/31/2015	Outstanding contracts at 12/31/2015	Fair value of options on the grant date (R\$ per share)	Dilution percentage (1)
Program 2008	178,412	173,412	-	5,000	-	-	5,000	3.71	-
Program 2009	621,780	581,780	-	40,000	(40,000)	-	-	2.93	-
Program 2010	7,183,875	6,861,875	-	322,000	-	(322,000)	-	4.50	-
Program 2011	6,484,900	4,190,025	2,257,375	37,500	(33,750)	-	3,750	2.79	-
Program 2012	7,728,386	3,485,368	4,228,018	15,000	(15,000)	-	-	5.55	-
Program 2013	9,755,809	2,497,078	7,243,731	15,000	(15,000)	-	-	3.43	-
Board of Directors grant 2013	297,000	-	-	297,000	-	-	297,000	2.98	0.02%
Additional Program 2011	2,113,241	1,087,961	1,025,280	-	-	-	-	4.19	-
Additional Program 2012	1,936,513	16,728	1,919,785	-	-	-	-	6.98	-
Additional Program 2013	2,971,880	-	2,971,880	-	-	-	-	4.33	-
<b>Total Programs</b>	<b>39,271,796</b>	<b>18,894,227</b>	<b>19,646,069</b>	<b>731,500</b>	<b>(103,750)</b>	<b>(322,000)</b>	<b>305,750</b>		<b>0.02%</b>

(1) The number of outstanding shares at December 31, 2015 is 1,782,094,906.

## Effects arising from the exercise of options

	2015	2014
Amount received from the exercise of options	897	44,220
(-) Cost of treasury shares disposed of	(1,094)	(49,559)
<b>Effect from disposal of shares</b>	<b>(197)</b>	<b>(5,339)</b>

## Pricing model

### Stock Options

Major assumptions considered in pricing options are as follows:

- Options were evaluated considering the market parameters in force on every grant date of different Stock Option Programs;
- To estimate the risk-free interest rate, the future interest contracts negotiated for the maximum exercise period of each option were considered; and
- The maximum exercise period of options granted in each Stock Option Program was considered to be the maturity term.

Other usual assumptions related to option pricing models, such as inexistence of arbitrage opportunities and constant volatility over time were also considered in the calculation.

### Stock Grant - long-term benefit

The Special Shareholders' Meeting held on May 13, 2014 approved the Stock Grant Plan, which replaced the grant mechanism for the Stock Plan shares as a long-term benefit.

The Stock Plan vests the Board of Directors with power to approve stock grants and manage them, through Stock Grant Plans, which should define, among other specific conditions: (i) the beneficiaries; (ii) the total number of BM&FFBOVESPA shares under the grant program; (iii) criteria for election of the beneficiaries and determining the number of shares to be assigned; (iv) splitting shares into lots; (v) vesting periods for the transfer of shares; (vi) any restrictions on the transfer of shares received by the beneficiaries; and (vii) any provisions on penalties.

For each Stock Program, there should be a minimum total period of three (3) years from the grant date of the shares in a given program and the last date of transfer of shares granted under the same program. Moreover, a minimum vesting period of twelve (12) months should be observed from: (i) the grant date of a program and the first date of transfer of any shares under that Program, and (ii) between each of the transfer dates of shares of that program after the first transfer.

The Stock Plan also defines a specific mechanism for granting shares to the members of the Board of Directors, whereby: (i) the members of the Board of Directors are eligible to be beneficiaries of the grant from the date the General Meeting elects them to office, or another period as defined by the General Meeting; (ii) the beneficiaries members of the Board of Directors as a whole may annually receive a total 172,700 shares of BM&FBOVESPA, which will be distributed on a straight-line basis among the members of the Board of Directors, as approved at the General Meeting; (iii) stock will be granted to members of the Board of Directors in one single lot on the same dates the Programs approve stock grants to other beneficiaries; (iv) the stock considered in the contracts with beneficiaries that are members of the Board of Directors will be transferred two years after the end of term of each Board member in which the contract was executed.

BM&FBOVESPA recognized expenses related to Stock Plan grants in the amount of R\$40,050 for the year ended December 31, 2015, matched with capital reserves in equity, based on the fair value of the share at the grant date of the plans. BM&FBOVESPA also recognized charges in the amount of R\$26,442 as personnel expenses for the year ended December 31, 2015, calculated based on the fair value of the share as at December 31, 2015.

BM&FBOVESPA will record the expenses relating to the Stock Grant Program which were granted for replacement of unvested options of the Stock Option Plan, for the same fair value of options previously granted, in accordance with CPC 10 (R1)/IFRS 2.

### Stock Grant – Summary/Changes

Program	Conversion/ grant date	Vesting	Number of shares	Canceled at 12/31/2015	Outstanding share contracts at 12/31/2015	Fair value of shares on the grant date (R\$ per share)	Dilution percentage (1)
Stock Grant – Converted Options	1/5/2015	1/5/2016	2,687,425	(87,722)	2,599,703		
	1/5/2015	1/5/2017	1,862,287	(58,020)	1,804,267		
	1/5/2015	1/5/2018	1,071,202	(29,950)	1,041,252		
			5,620,914	(175,692)	5,445,222		
Stock Grant – Additional Converted Options	1/5/2015	1/5/2016	451,850	-	451,850		
	1/5/2015	1/5/2017	1,329,795	(3,797)	1,325,998		
	1/5/2015	1/5/2018	451,844	-	451,844		
	1/5/2015	1/7/2019	784,882	-	784,882		
			3,018,371	(3,797)	3,014,574		



Stock Grant - Program 2014	1/2/2015	1/4/2016	930,290	(6,316)	923,974
	1/2/2015	1/2/2017	930,278	(6,316)	923,962
	1/2/2015	1/2/2018	930,272	(47,369)	882,903
	1/2/2015	1/2/2019	930,265	(47,368)	882,897
			3,721,105	(107,369)	3,613,736
Stock Grant – Additional Program 2014	1/2/2015	1/4/2016	384,968	-	384,968
	1/2/2015	1/2/2017	384,968	(8,473)	376,495
	1/2/2015	1/2/2018	384,954	(8,472)	376,482
			1,154,890	(16,945)	1,137,945
Stock Grant - Board of Directors Grant 2014	1/2/2015	4/30/2017	172,700	-	172,700
			172,700	-	172,700
<b>Total</b>			13,687,980	(303,803)	13,384,177

(1) The number of outstanding shares at December 31, 2015 is 1,782,094,906.

### Pricing model

### Stock Grant

For options granted under the Stock Option Plan, the fair value corresponds to the option closing price on the grant date.

### b) Supplementary pension plan

Pension plan “Fundo de Pensão Multipatrocinado das Instituições do Mercado Financeiro e de Capitais (Mercaprev)” is structured as a defined contribution (DC) plan and is sponsored by BM&FBOVESPA among other entities, with voluntary participation open to all employees.

### c) Post-employment health care benefit

BM&FBOVESPA maintains a post-retirement health care plan for a group of employees and former employees. At December 31, 2015, the actuarial liabilities related to this plan amounted to R\$26,122 (R\$28,371 at December 31, 2014), calculated using the following assumptions:

	2015	2014
Discount rate	7.3% p.a.	6.2% p.a.
Economic inflation	5.0% p.a.	5.0% p.a.
Medical inflation	3.0% p.a.	3.0% p.a.
Mortality table	AT-2000	AT-2000

Average life expectancy in years of a pensioner retiring at age 65 is as follows:

Retirement at balance sheet date (age 65)	20 years
Retirement in 25 years (age 40 today)	20 years

Changes in defined benefit obligations for the year as shown below:

	2015	2014
<b>At beginning of year</b>	<b>28,371</b>	25,940
Current service cost	33	46
Past service cost	288	1,110
Interest cost	3,202	2,883
Benefit paid by the plan	(1,076)	(900)
Effect of changes in financial assumptions	(4,038)	642
Effect of plan experience	(658)	(1,350)
<b>At end of year</b>	<b>26,122</b>	28,371

Amounts recognized in the income statement are as follows:

	2015	2014
Current service cost	33	46
Interest on defined benefit obligations	3,202	2,883
Past service cost	288	1,110
<b>Total recognized in income</b>	<b>3,523</b>	4,039

Amounts recognized in the statement of comprehensive income are as follows:

	2015	2014
Effect of changes in financial assumptions	(4,038)	642
Effect of plan experience	(658)	(1,350)
Tax effects	1,597	241
<b>Total recognized in comprehensive income, net of taxes</b>	<b>(3,099)</b>	(467)

The sensitivity of the actuarial liability at December 31, 2015 to the changes in key assumptions is as follows:

	Increase of 0.5%	Decrease of 0.5%
Discount rate	(2)	2
Medical inflation	2	(2)
	<b>Life expectancy</b>	<b>Life expectancy</b>
	<b>+ 1</b>	<b>- 1</b>
Mortality table	1	(1)

## 18. Income and social contribution taxes

### a) Deferred income and social contribution taxes

The balances of deferred tax assets and liabilities are as follows:

	BM&FBOVESPA and Consolidated	
	2015	2014 (*)
<b>Deferred tax assets</b>		
Tax, civil and labor contingencies	24,487	20,360
Tax loss carryforwards	30,581	29,107
Exchange variation on issue of debt abroad	445,562	185,753
Mark to market - CME	69,243	-
Other temporary differences	62,123	39,561
<b>Deferred tax liabilities</b>		
Goodwill amortization (1)	(2,834,715)	(2,849,923)
Mark to market	(374)	-
Effect of exchange rate variation on cash flow hedge	(755)	-
Effect of exchange rate variation on shares abroad	(455,872)	-
Discontinued use of equity method - CME	(589,862)	-
Other temporary differences	(22,694)	(9,383)
<b>Deferred taxes, net</b>	<b>(3,272,276)</b>	<b>(2,584,525)</b>

(\*) Amounts related to deferred tax liabilities at December 31, 2014 are restated in the balance sheet net of deferred tax assets.

(1) Deferred income and social contribution tax liabilities arising from temporary differences between the tax base of goodwill and its carrying amount 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 amount 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 settled, this requiring the recognition of a deferred tax liability.

Changes in deferred tax assets and liabilities during the year:

	BM&FBOVESPA and Consolidated			2015
	2014 (*)	(Debt) credit in the income statement	(Debit) credit in comprehensive income	
<b>Deferred tax assets</b>				
Tax, civil and labor contingencies	20,360	4,127	-	24,487
Deferred assets on tax loss carryforwards	29,107	1,474	-	30,581
Exchange variation on issue of debt abroad	185,753	437,343	(177,534)	445,562
Mark to market - CME	-	-	69,243	69,243
Other temporary differences	39,561	22,562	-	62,123
<b>Deferred tax liabilities</b>				
Goodwill amortization (1)	(2,849,923)	15,208	-	(2,834,715)
Mark to market	-	-	(374)	(374)
Effect of exchange rate variation on cash flow hedge	-	-	(755)	(755)
Effect of exchange rate variation on shares abroad	-	(437,343)	(18,529)	(455,872)
Discontinued use of equity method - CME	-	(589,862)	-	(589,862)
Other temporary differences	(9,383)	(11,715)	(1,596)	(22,694)
<b>Deferred taxes, net</b>	<b>(2,584,525)</b>	<b>(558,206)</b>	<b>(129,545)</b>	<b>(3,272,276)</b>

(1) Changes refer to the net amount between the reversal of R\$565,312 in deferred tax liabilities arising from goodwill impairment (Note 9), and deferred tax liabilities recognized in the amount of R\$550,104 on the goodwill tax amortization.

(\*) Amounts related to deferred tax liabilities at December 31, 2014 are restated in the balance sheet net of deferred tax assets.

### b) Estimated realization period

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

Deferred tax assets (including tax loss carryforwards of R\$30,581) are expected to be realized in the amount of R\$47,209 within one year and R\$584,787 after one year and realization of deferred tax liabilities is expected to occur after one year. At December 31, 2015, the present value of the deferred tax assets, considering their expected realization, is R\$385,778.

Since the income tax and social contribution base arises not only from the profit that may be generated, but also from the existence of nontaxable income, nondeductible expenses, tax incentives and other variables, there is no immediate correlation between BM&FBOVESPA net income and the income subject to income tax and social contribution. Therefore, the expected use of tax assets should not be considered as the only indicator of future income of BM&FBOVESPA.

The balance of goodwill that is deductible for income and social contribution tax purposes amounts to R\$3,156,980 at December 31, 2015 (R\$4,774,932 at December 31, 2014).

The realization of the deferred tax liabilities will occur as the difference between the tax base of goodwill and its carrying amount is reversed, that is, when the carrying amount of the asset is either reduced or settled.

### c) Reconciliation of income tax and social contribution expense

Reconciliation of the income tax and social contribution amounts recorded in P&L (Company and consolidated) and their respective amounts at statutory rates is as under:

	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
Continuing operations	2,800,221	1,642,148	2,807,222	1,646,680
Discontinued operations	-	(7,692)	-	(7,807)
Income before income taxes	2,800,221	1,634,456	2,807,222	1,638,873
Income tax and social contribution before additions and exclusions computed at the statutory rate of 34%	(952,075)	(555,715)	(954,455)	(557,217)
Additions:	(44,119)	(177,812)	(41,774)	(175,900)
Stock Option Plan	(94)	(9,794)	(94)	(9,794)
Nondeductible expenses - permanent	(14,056)	(35,866)	(11,711)	(33,954)
Dividends received abroad	(29,860)	-	(29,860)	-
Income abroad	(109)	(81,020)	(109)	(81,020)
Adhesion to Refis	-	(51,132)	-	(51,132)
Exclusions:	398,541	76,100	392,795	72,134
Equity pickup	52,070	76,100	46,324	72,134
Interest on equity	346,471	-	346,471	-
Other	(330)	24	(330)	24
Income and social contribution taxes	(597,983)	(657,403)	(603,764)	(660,959)

### d) Taxes recoverable and prepaid

Taxes recoverable and prepaid are as follows:

Description	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
Prepaid IRPJ/CSLL – current year	7,580	28	7,580	447
IRRF – Financial investments - current year	66,010	73,407	66,010	73,407
IRPJ and CSLL tax losses - prior years	39,987	2,654	39,987	2,654
Recoverable taxes paid abroad	53,551	56,260	53,551	55,841
PIS/COFINS recoverable	1,618	27,645	1,619	27,645
Other taxes	6,261	6,150	6,264	6,160
<b>Total</b>	<b>175,007</b>	<b>166,144</b>	<b>175,011</b>	<b>166,154</b>

### e) Transitional Taxation Regime (RTT)

Revenue Procedure No. 1397, published September 16, 2013, and Law No. 12973/2014, published May 13, 2014, as passed from Executive Order No. 627/2013, significantly changed the federal tax regulations, especially insofar as they refer to the adjustments required for termination of the Transitional Taxation Regime introduced by Law No. 11941, of May 27, 2009. Law No. 12973/2014 will be effective from calendar year 2015 (article 119), with an option for early adoption as of calendar year 2014 (article 75).

Based on management's analysis on the potential tax impacts from the new provisions of Law No. 12973/2014, BM&FBOVESPA opted for adopting the provisions of articles 1, 2 and 4 to 70th of said Law for calendar year 2014, under the terms and conditions established in the regulation issued by Brazil's IRS.

## 20. Revenue

	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
<b>Trading and/or settlement system - BM&amp;F</b>	<b>1,074,546</b>	866,595	<b>1,074,531</b>	866,577
Derivatives	1,053,513	850,607	1,053,513	850,607
Foreign exchange	20,909	15,988	20,894	15,970
Assets	124	-	124	-
<b>Trading and/or settlement system - Bovespa</b>	<b>903,016</b>	977,374	<b>903,016</b>	977,373
Trading – trading fees	146,645	162,620	146,645	162,620
Transactions – clearing and settlement	734,866	793,493	734,866	793,493
Other	21,505	21,261	21,505	21,260
<b>Other revenue</b>	<b>435,041</b>	364,600	<b>481,300</b>	402,502
Securities lending	103,203	81,203	103,203	81,203
Securities listing	50,058	47,445	50,058	47,445
Depository, custody and back-office	130,829	117,089	130,829	117,089
Trading participant access	39,493	39,333	39,493	39,333
Vendors – quotations and market information	98,434	70,032	98,434	70,032
Banco BM&FBOVESPA – financial intermediation and bank fees	-	-	35,161	27,220
Other	13,024	9,498	24,122	20,180
<b>Deductions</b>	<b>(239,137)</b>	(213,409)	<b>(242,213)</b>	(216,019)
PIS and COFINS	(208,062)	(184,658)	(210,591)	(186,770)
Service Tax	(31,075)	(28,751)	(31,622)	(29,249)
<b>Revenue</b>	<b>2,173,466</b>	1,995,160	<b>2,216,634</b>	2,030,433

## 21. Sundry expenses

Description	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
Contributions and donations	23,415	24,860	23,513	24,945
Sundry provisions (1)	15,575	10,682	15,624	10,776
Electricity, water and sewage	18,437	10,827	18,677	11,010
Travel	4,387	2,765	4,732	3,009
Expenses with entities abroad	3,365	2,449	10	-
Rental	3,367	2,619	3,647	2,868
Consumption material	700	1,084	767	1,131
Minimum trading fees BBM	-	1,193	-	1,193
Insurance	883	848	884	850
Transportation	1,029	1,179	1,044	1,220
Discontinued project – intangible asset	6,463	2,208	6,463	2,208
Incentive program – cash market	5,834	1,889	5,834	1,889
Other	3,013	4,239	3,262	4,580
<b>Total</b>	<b>86,468</b>	66,842	<b>84,457</b>	65,679

(1) Basically refers to the provision for tax, civil and labor contingencies (Note 14) and allowance for doubtful accounts.

## 22. Financial income (expenses)

	BM&FBOVESPA		Consolidated	
	2015	2014	2015	2014
<b>Financial income</b>				
Income from financial assets measured at fair value	466,232	317,408	471,552	320,667
FX gains	91,943	26,008	91,942	26,008
Other financial income	21,469	15,043	21,513	15,086
Dividends on foreign equity (1)	174,769	-	174,769	-
(-)PIS and COFINS on financial income (2)	(13,947)	-	(14,069)	-
	<b>740,466</b>	358,459	<b>745,707</b>	361,761
<b>Financial expenses</b>				
Interest and exchange variation on foreign debt	(138,064)	(96,923)	(138,064)	(96,922)
FX gains	(85,915)	(27,843)	(85,916)	(27,836)
Other financial expenses	(11,383)	(27,627)	(12,931)	(28,846)
	<b>(235,362)</b>	(152,393)	<b>(236,911)</b>	(153,604)
<b>Financial income</b>	<b>505,104</b>	206,066	<b>508,796</b>	208,157

(1) Given the disqualification of the significant influence and consequent discontinued use of the equity method of accounting for CME Group (Note 7), dividends received have been recorded as financial income in the income statement.

(2) From July 2015, pursuant to Decree No. 8426, of April 1, 2015, which reinstated PIS and COFINS rates levied on financial income earned by legal entities subject to the related noncumulative tax computation.

## 23. Segment information

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

### 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 BM&FBOVESPA Bank.

### Bovespa Segment

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

### Institutional and Corporate Products Segment

Mainly refers to services provided as depository of securities, as well as lending and listing of securities (registration in BM&FBOVESPA systems of issuers of securities for trading), data services and classification of commodities, and technological products.

	2015 Consolidated			
	BM&F Segment	Bovespa Segment	Institutional and Corporate Products Segment	Total
Trading and/or settlement system	1,074,531	903,016	481,300	2,458,847
Deductions	(105,263)	(92,098)	(44,852)	(242,213)
<b>Revenue</b>	<b>969,268</b>	<b>810,918</b>	<b>436,448</b>	<b>2,216,634</b>
Adjusted expense	(212,209)	(204,355)	(197,785)	(614,349)
Depreciation and amortization	(45,030)	(40,860)	(24,967)	(110,857)
Stock Options and Stock Grant	(35,123)	(31,961)	(31,898)	(98,982)
Allowance for doubtful accounts and other provisions	(7,959)	(10,356)	(2,662)	(20,977)
Transfer of fines	-	-	(5,491)	(5,491)
<b>Total expenses</b>	<b>(300,321)</b>	<b>(287,532)</b>	<b>(262,803)</b>	<b>(850,656)</b>
<b>Income (loss)</b>	<b>668,947</b>	<b>523,386</b>	<b>173,645</b>	<b>1,365,978</b>
Equity pickup				136,245
Impairment of assets				(1,662,681)
Discontinued use of equity method				1,734,889
Proceeds from investment disposal				723,995
Financial income (expense)				508,796
Income and social contribution taxes				(603,764)
<b>Net income for the year</b>	<b>668,947</b>	<b>523,386</b>	<b>173,645</b>	<b>2,203,458</b>

**2014**  
**Consolidated**

	<b>Institutional and Corporate Products Segment</b>			<b>Total</b>
	<b>BM&amp;F Segment</b>	<b>Bovespa Segment</b>		
Trading and/or settlement system	866,577	977,373	402,502	2,246,452
Deductions	(84,658)	(97,697)	(33,664)	(216,019)
<b>Revenue</b>	<b>781,919</b>	<b>879,676</b>	<b>368,838</b>	<b>2,030,433</b>
Adjusted expense	(211,063)	(191,526)	(183,505)	(586,094)
Depreciation and amortization	(52,308)	(39,818)	(27,007)	(119,133)
Stock Options	(10,175)	(9,164)	(9,466)	(28,805)
Allowance for doubtful accounts and other provisions	(4,499)	(5,893)	(4,102)	(14,494)
Transfer of fines	(2,405)	(3,023)	(703)	(6,131)
Other	(19,385)	(24,364)	(5,664)	(49,413)
<b>Total expenses</b>	<b>(299,835)</b>	<b>(273,788)</b>	<b>(230,447)</b>	<b>(804,070)</b>
<b>Income (loss)</b>	<b>482,084</b>	<b>605,888</b>	<b>138,391</b>	<b>1,226,363</b>
Equity pickup				212,160
Financial income (expense)				208,157
Income and social contribution taxes				(660,959)
Discontinued operations (Note 24)				(7,807)
<b>Net income for the year</b>	<b>482,084</b>	<b>605,888</b>	<b>138,391</b>	<b>977,914</b>

## 24. Discontinued operations

BM&FBOVESPA had been considering its interest in Bolsa Brasileira de Mercadorias over the past few years and determined that the assumptions regarding the expected supplementation of activities performed by Bolsa Brasileira de Mercadorias in the commodities market and activities performed by BM&FBOVESPA (then BM&F) in the futures market would represent opportunities to both entities did not materialize. In this context, BM&FBOVESPA put forward some proposals for discussion with the Board of Directors of Bolsa Brasileira de Mercadorias with a view to realigning the structure of Bolsa Brasileira de Mercadorias. Given that those proposals did not evolve as expected by BM&FBOVESPA, it decided to dispose of its interest in Bolsa Brasileira de Mercadorias, having ceased to act in the capacity of Founding Member.

This decision was informed to the Extraordinary General Meeting held by Bolsa Brasileira de Mercadorias on December 16, 2014, when the matter was deliberated upon and approval was given to the conditions required of BM&FBOVESPA to cease to act in the capacity of Founding Member and to waive its rights and duties. Moreover, an agreement was entered into by Bolsa Brasileira de Mercadorias and BM&FBOVESPA, whereby the former irrevocably and unconditionally relieves the latter from its obligations as a member, and from any responsibility for the liabilities and contingencies of Bolsa Brasileira de Mercadorias, whether currently known or to exist in the future, except in case of malicious intent or gross negligence by BM&FBOVESPA, fully acknowledged in a final judgment. With the waiver to the equity securities issued by Bolsa Brasileira de Mercadorias owned by BM&FBOVESPA and related disassociation from Bolsa Brasileira de Mercadorias, BM&FBOVESPA recognized the investment disposal in the amount of R\$ 7,539, based on its book value as at November 30, 2014.

The results from discontinued operations for 2014 are summarized below:

### Result from discontinued operations

	<b>BBM</b>
	<b>11/30/2014</b>
Operating revenue	3,326
Members' contributions - BM&FBOVESPA	1,094
Members' contributions - Other	1,132
<b>Net operating revenue</b>	<b>5,552</b>
General and administrative expenses	(6,366)
Depreciation and amortization	(110)
Provision for contingencies/Allowance for doubtful accounts	(302)
Financial income	958
<b>Deficit for the period</b>	<b>(268)</b>
Investment disposal	(7,539)
<b>Net income from discontinued operations, net of taxes</b>	<b>(7,807)</b>

## Balance sheet

	<u>BBM</u> <u>11/30/2014</u>
Assets	
Current assets	15,089
Noncurrent assets	1,488
<b>Total</b>	<u>16,577</u>
Liabilities and equity	
Current liabilities	2,103
Noncurrent liabilities	398
Equity	14,076
<b>Total</b>	<u>16,577</u>

## Cash flow from discontinued operations

	<u>BBM</u> <u>11/30/2014</u>
Cash flow from operating activities	119
Cash flow from investing activities	(25)
Cash flow from financing activities	(92)
<b>Net cash generated</b>	<u>2</u>

## 25. Other Information

- a) BM&FBOVESPA seeks advice from insurance brokers to ensure that it has a sufficient level of insurance cover for its size and operations. The main coverage in its insurance policies at December 31, 2015 is shown below:

<u>Insurance line</u>	<u>Amounts insured</u>
Amounts at risk, property damages, buildings and equipment	569,869
Civil liability	134,000
Works of art	16,133

- b) Associação Profissionalizante BM&FBOVESPA (APBM&FBOVESPA) is a not-for-profit entity engaged in promoting educational, social welfare and sports activities. The sports-related initiatives included offering support to the BM&FBOVESPA Athletics Club and sponsorship to athletes (these activities were incorporated by specific association, known as Clube de Atletismo BM&FBOVESPA in July 2013). APBM&FBOVESPA is supported by the BM&FBOVESPA Institute, a not-for-profit association that has BM&FBOVESPA as its founding member.

APBM&FBOVESPA figures as a defendant in legal and administrative proceedings involving tax matters, classified as probable loss, most of which are related to challenges by Brazilian IRS about social security contributions allegedly owed by APBM&FBOVESPA on payments made to third parties and on sponsorships to athletes of the BM&FBOVESPA Athletics Club. If the outcome of these proceedings is not favorable to APBM&FBOVESPA, BM&FBOVESPA may have to provide funds to maintain the activities of such club. The amount involved in said proceedings at December 31, 2015 is R\$18,912.

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# Independent Auditor' Report



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## The Board of Directors, Shareholders and Officers

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

#### São Paulo – SP

We have audited the accompanying individual and consolidated financial statements of BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros (the Company), identified as BM&FBOVESPA and Consolidated, respectively, which comprise the balance sheet as at December 31, 2015, and the related income statement, statement of comprehensive income, of changes in equity and of cash flows for the year then ended, and a summary of significant accounting practices and other explanatory information.

#### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil, and in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Brazilian and international standards on auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the Company's financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting practices used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the individual and consolidated financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros as at December 31, 2015, its individual and consolidated operating performance and its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the IASB.

#### **Other matters**

##### **Statement of value added**

We have also audited the individual and consolidated statement of value added (SVA) for the year ended December 31, 2015, prepared under management's responsibility, whose presentation is required by the Brazilian Corporation Law for publicly-held companies and as additional information by the IFRS, which do not require SVA presentation. These statements have been subject to the same auditing procedures previously described and, in our opinion, are presented fairly, in all material respects, in relation to the overall financial statements.

São Paulo, February 18, 2016.

#### **ERNST & YOUNG**

Auditores Independentes S.S.  
CRC-2SP015199/O-6

#### **Flávio Serpejante Peppe**

Accountant CRC-1SP172167/O-6

#### **Kátia Sayuri Teraoka Kam**

Accountant CRC-1SP272354/O-1

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# **Audit Committee Report**

## Initial information

The Audit Committee of BM&FBOVESPA S.A. is the statutory advisory body directly linked to the Board of Directors. It consists of two directors and four other members, one of whom is a financial specialist and all of them independent, appointed every two years by the directors, who take into account the criteria provided for in the applicable legislation and regulations, as well as best international practices.

## Duties and responsibilities

The Management of BM&FBOVESPA S.A. (hereinafter referred to as BM&FBOVESPA) is responsible for defining and implementing processes and procedures aimed at collecting data for preparing the financial statements, in compliance with corporate legislation, the accounting practices adopted in Brazil and the rules and applicable regulations issued by the Securities and Exchange Commission of Brazil.

Management is also responsible for the internal control processes, policies and procedures that ensure the integrity of the assets, timely recognition of liabilities and the elimination or reduction of the company's risk factors to acceptable levels.

The Department of Internal Controls, Compliance and Corporate Risk is responsible for overseeing the respective environments of these three areas of the company. Furthermore, it is in charge of providing information to support the work of the Audit Committee and the Risk Committee of BM&FBOVESPA.

The duties of the internal audit department are to verify the quality of the internal control systems of BM&FBOVESPA and compliance with the policies and procedures defined by the Management, including those employed when preparing the financial reports.

The independent auditors are responsible for examining the financial statements so as to issue an opinion regarding the latter's compliance with the applicable rules. As a result of their work, the independent auditors issue reports with recommendations about accounting procedures and internal controls, without prejudice to other reports it is charged with preparing, such as special quarterly reviews.

The Audit Committee's functions are described in its Internal Rules and Regulations (available on [www.bmfbovespa.com.br](http://www.bmfbovespa.com.br), tab Relações com Investidores, Governança Corporativa in Estatutos, Códigos e Políticas), which provides for the duties defined in CVM Instruction 509/11.

The Audit Committee bases its judgments and forms its opinions taking into account the information received from the Management, the representations made by the Management about information systems, financial statements and internal controls, and the outcome of the work of the Department of Internal Controls, Compliance and Corporate Risk, the Internal Auditors and the Independent Auditors.

## Activities of the Audit Committee

The Audit Committee convened at 9 ordinary and 1 special session, at which there were 96 meetings with members of the Executive Board, internal and independent auditors and other stakeholders. As a member of the Board of Directors, the Committee Coordinator narrates relevant facts to the Board of Directors whenever applicable.

## Meetings with the Central Bank of Brazil

During the Central Bank's inspection of the company in 2015, the Audit Committee met with the leadership of the inspection team, and discussions involved primarily:

- corporate governance issues;
- information technology controls and procedures;
- internal controls on corporate risks;
- operation of the Audit Committee.

## Meetings with the Executive Board

The Committee met with the Ombudsman and with the executive officers and their respective teams to discuss the structures, the workings of the respective areas, their work processes, occasional shortcomings in the control systems and the enhancement plans.

Among the subject matters requiring special attention from the Committee, the highlights were:

- **IT and Information Security** – During 2015, the Audit Committee continued to give priority attention to the advances in information technology processes and controls and the medium- and long-term action plans.
- A meeting with the Executive Officer for Information Technology and Security and his team discussed matters involving information security processes, particularly improvements related to access management and preventing information leakage. With the Audit Department, the Committee discussed aspects involving Overarching Controls on Information Technology, including Information Security. The Committee was informed of the results of the business continuity tests carried out during 2015 and monitored by internal audit department.
- **Financial Management and Reports** – Discussions with the Financial and Corporate Department, the internal auditors and, when applicable, specialized outside consultants were also dedicated to aspects concerning the evaluation of the premium in BOVESPA Holding and the investment in CME, particularly the accounting treatment regarding the partial sale of BVMF's investment in this company. The draft Reference Form, especially its section on corporate risks, was reviewed and discussed with Management.
- **Contingencies** – Joint discussions with Legal Department, Financial Department, the Independent Auditors and the lawyers responsible involved the principal administrative and legal proceedings and the respective judgments exercises with regard to the probability of success.
- **Anticorruption Law and Anti-Money Laundering (AML)** – Discussions with the Legal Office and with the Executive Office for Operations, Clearing and Depository involved aspects relating to the Anticorruption Law and Anti-Money Laundering (AML).
- **Human Resources** – Discussions with Human Resources Department centered on matters concerning management compensation and benefits, as well as the accounting and tax effects of the new stock grant plan.

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## **Internal Controls and Corporate Risks**

The Committee monitored the works developed for dealing with compliance, and will go on monitoring progress of this structure and its activities in 2016 through to completion of the data survey and implementation stages.

The Committee reviewed the Corporate Risks Report that meets the requirements of CVM Instruction 461/07 and the Internal Controls Report drawn up in accordance with section 3 of CMN Resolution 2554/97.

The Committee regularly receives a summary of the notifications forwarded by the Regulatory Agencies and the Judiciary concerning matters within the Committee's scope.

The Audit Committee, with the support of Internal Audit, became aware of the policies and procedures on related party transactions, use of the company's assets by its management and expenses incurred by management on behalf of the company, and no cases of non-compliance were observed.

The Audit Committee is of the opinion that the procedures intended to raise the efficacy of the internal control and risk management processes are appropriate.

## **Independent Auditors**

The Committee met with the independent auditors to gather information about the policy for maintaining independence when executing their work and decided that there were no conflicts of interest in the work, over and above auditing the financial statements, which the Executive Board may occasionally request. Also discussed by the Audit Committee and the independent auditors were: risk analysis of the audit they carried out, work planning in order to establish the nature, time and extent of the principal audit procedures chosen, possible attention points identified and how these were to be audited. In addition, discussions with EY covered the results of the audit it had carried out on Central Counterparty Risk and IT.

Upon conclusion of the special review work on the Quarterly Information (ITR) during 2015, the main conclusions were discussed with the auditors. At the start of the preliminary and final audit work on December 31, 2015, specific meetings were held to revisit the audit risk areas, the respective procedures and the main findings.

All points deemed relevant were covered so as to assess the potential risks involving the financial statements and how to mitigate those risks using audit and control procedures.

In January 2016, the Committee carried out a formal evaluation of the independent auditors, having considered the quality and the volume of information provided sufficient.

No situations were detected that might compromise the independence of the external auditors.

## **Internal Audit**

At the end of 2015, the Internal Audit Office was given the Quality Certification by Instituto dos Auditores Internos do Brasil (the Institute of Internal Auditors of Brazil), or IIA Brasil.

BM&FBOVESPA S.A. was found to be in compliance with the best practices and highest international standards for Internal Audit. The Audit Committee has technical oversight of the Internal Audit. In 2015 it approved the Annual Internal Audit Plan and its modifications, and periodically accompanied its progress. The audit reports were submitted and discussed with the Committee, which considers the scope, methodology and results of the work carried out satisfactory.

The Audit Committee continues to monitor the Action Plans arising from the audit points raised in all areas that were audited. In January 2016, the Committee formally evaluated the internal audit, at which time significant improvements in the quality of the work carried out were identified.

## **Audit Committee Recommendations**

During 2015 the action plans resulting from previous years' recommendations were properly implemented, duly monitored by the Audit Committee.

## **Conclusion**

The Audit Committee asserts that all relevant facts which it was given in order to understand the work carried out and described in this report are properly disclosed in the Management Report and in the audited financial statements as at December 31, 2015, recommending their approval by the Board of Directors.

São Paulo, February 18, 2016

Nelson Carvalho – Committee Coordinator, Financial Specialist and Representative of the Board of Directors of BM&FBOVESPA

Luiz Antônio de Sampaio Campos – Representative of the Board of Directors of BM&FBOVESPA

Paulo Roberto Simões da Cunha

Pedro Oliva Marcilio de Sousa

Sérgio Darcy da Silva Alves

Tereza Grossi

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## Credits

### **COORDINATION**

Investor Relations Department  
Communication, HR and Education Department  
Press and Sustainability Department  
Internal Control, Compliance and Corporate Risk Department  
Financial Department

### **COMPOSITION**

Rose Jordão

### **TRANSLATION AND REVISION**

Transcreation Ltda.

### **GRAPHIC DESIGN**

BM&FBOVESPA

### **TYPOGRAPHY**

GB8 Design e Editoração Ltda.

### **CONTENT CONSULTING**

TheMediaGroup

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Visit the BM&FBOVESPA IR website

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