



3Q19 EARNINGS PRESENTATION

November 8th, 2019

Forward looking statements

This presentation may contain certain statements that express the management's expectations, beliefs and assumptions about future events or results. Such statements are not historical fact, being based on currently available competitive, financial and economic data, and on current projections about the industries B3 works in.

The verbs "anticipate," "believe," "estimate," "expect," "forecast," "plan," "predict," "project," "target" and other similar verbs are intended to identify these forward-looking statements, which involve risks and uncertainties that could cause actual results to differ materially from those projected in this presentation and do not guarantee any future B3 performance.

The factors that might affect performance include, but are not limited to: (i) market acceptance of B3 services; (ii) volatility related to (a) the Brazilian economy and securities markets and (b) the highly-competitive industries in which B3 operates; (iii) changes in (a) domestic and foreign legislation and taxation and (b) government policies related to the financial and securities markets; (iv) increasing competition from new entrants to the Brazilian markets; (v) ability to keep up with rapid changes in technological environment, including the implementation of enhanced functionality demanded by B3 customers; (vi) ability to maintain an ongoing process for introducing competitive new products and services, while maintaining the competitiveness of existing ones; (vii) ability to attract new customers in domestic and foreign jurisdictions; (viii) ability to expand the offer of B3 products in foreign jurisdictions.

All forward-looking statements in this presentation are based on information and data available as of the date they were made, and B3 undertakes no obligation to update them in light of new information or future development.

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

3Q19 Highlights

<i>R\$ millions</i>	3Q19	3Q19 / 3Q18 (%)
Total revenue	1,706.6	34.1%
Listed	1,136.5	58.1%
OTC	240.2	-4.1%
Infrastructure for financing	137.7	4.6%
Technology, data and services	192.2	12.3%
Net revenue	1,529.8	32.3%
Adjusted expenses¹	(280.9)	12.2%
Recurring EBITDA¹	1,109.4	42.3%
<i>Recurring EBITDA margin¹</i>	72.5%	509 bps
Financial Result	-5.5	-54.8%
Recurring net income²	851.0	38.7%

Highlights

All-time high volume in the listed segment

- ADTV of R\$17.1 billion in the cash equities market
- ADV of 4.0 million contracts in the listed FICC market

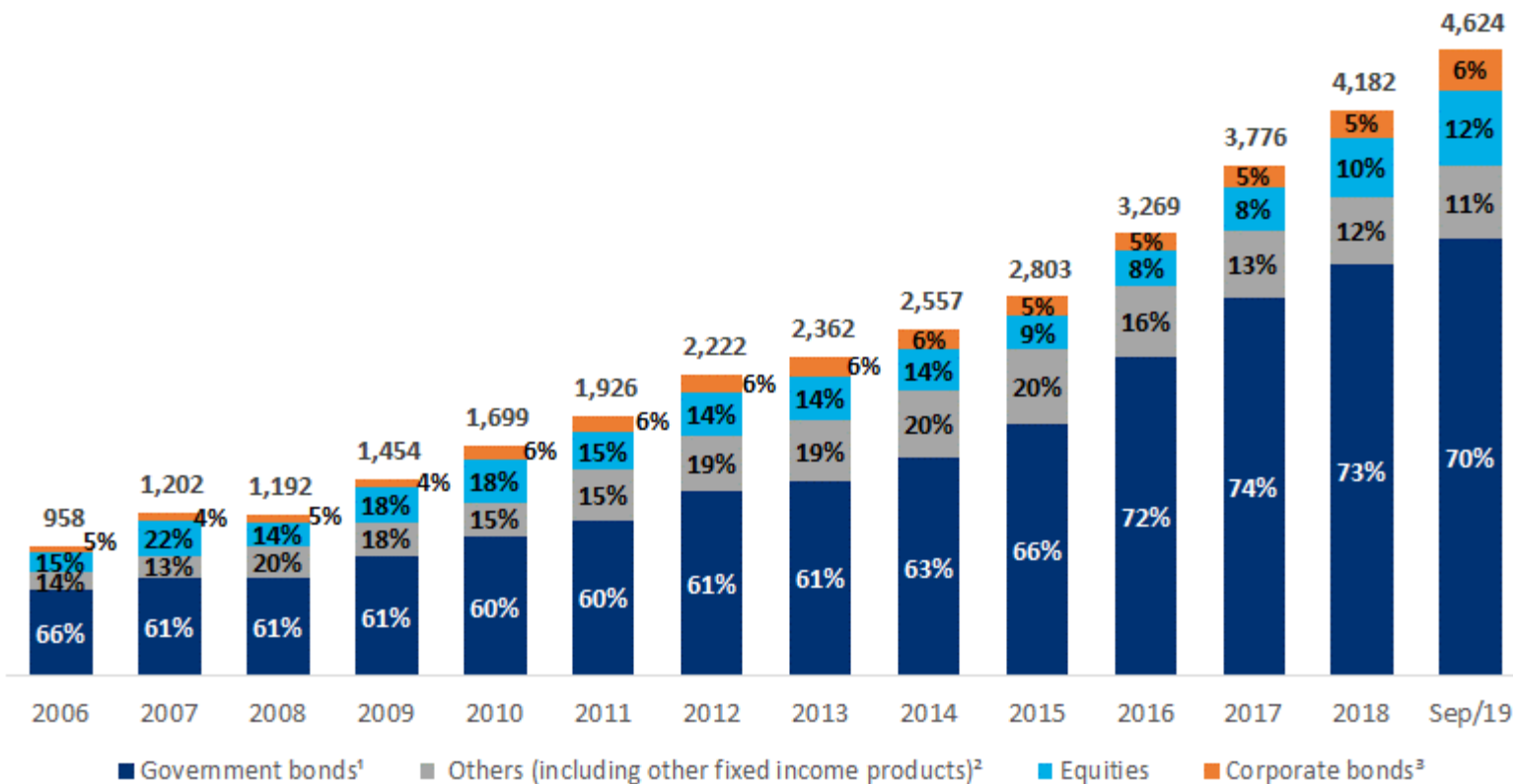
Positive scenario for the development of the local market

- Equity Capital Market (10M19): R\$70 billion raised (5 IPOs and 27 Follow-ons)
- Debt Capital Market (10M19): R\$214 billion raised
- REITs (10M19): R\$26 billion raised
- 1.5 million accounts for individuals investing in equities directly (Oct'19)
- Increased share of equity and corporate debt in the portfolios of institutional investors

Increased relevance of capital markets instruments in funds' portfolios

AUM per asset class (mutual funds)

(R\$ billions)



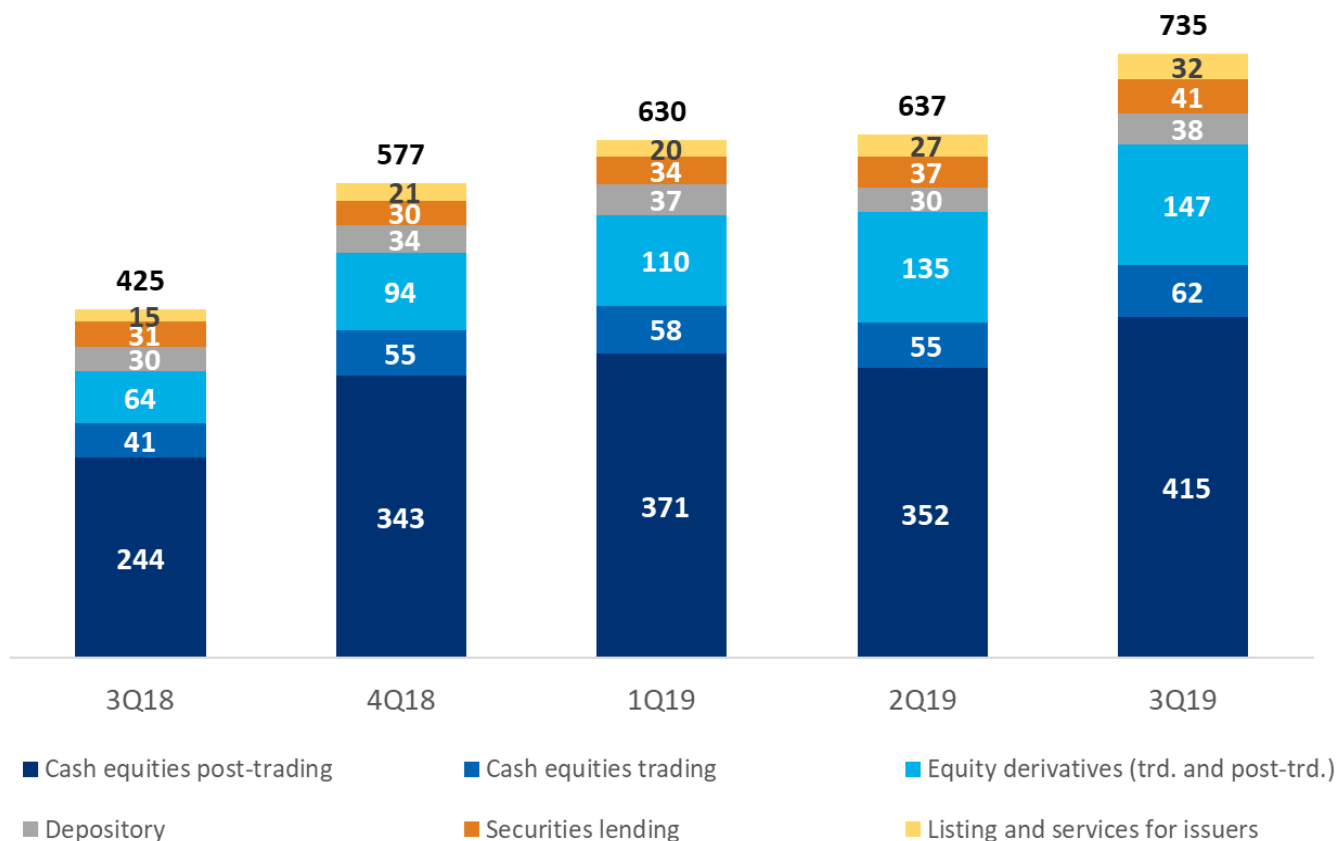
Exposure to capital market products increased by 34% (~R\$200bn) since YE18

- Unprecedented low interest level in Brazil leading investors to seek higher diversification in their portfolios
- This structural change creates a positive outlook for B3's markets

Performance by segment

Listed – equities (43.1% of total B3 revenues)

Revenue (R\$ millions)



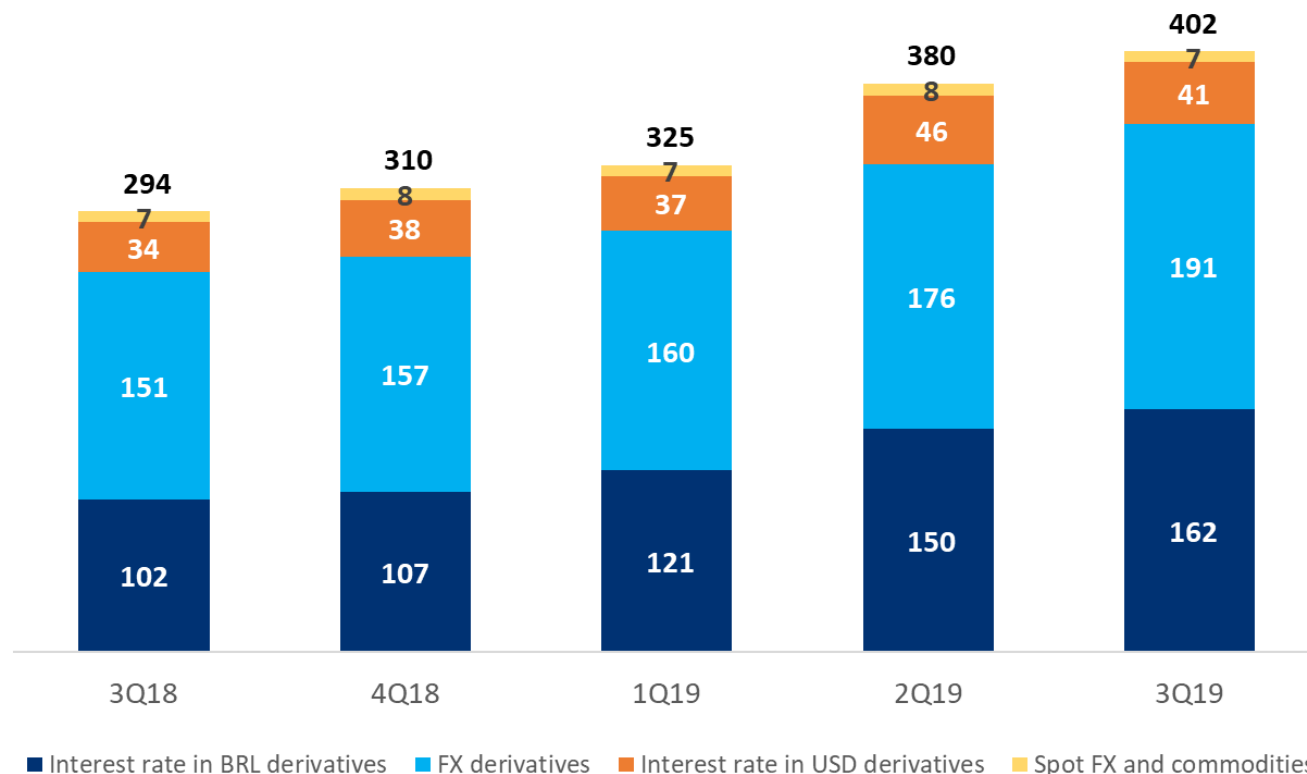
Performance (vs 3Q18): **+73.1%**

- Cash equities
 - ADTV increased 78.9%
 - Lower margins reflecting volume-linked discounts and greater participation of local institutional investors
- ADV of Stock indices future contracts grew 163.1%
- Growth in the number of clients' accounts in the equity depository (incentives for brokerage firms reached R\$17.1 million in 3Q19)
- Revenue from Listing and services for issuers positively impacted by the activity in the local capital market (equity and debt)

Performance by segment (cont.)

Listed – FICC (23.5% of total B3 revenues)

Revenue (R\$ millions)



Performance (vs 3Q18): **+36.4%**

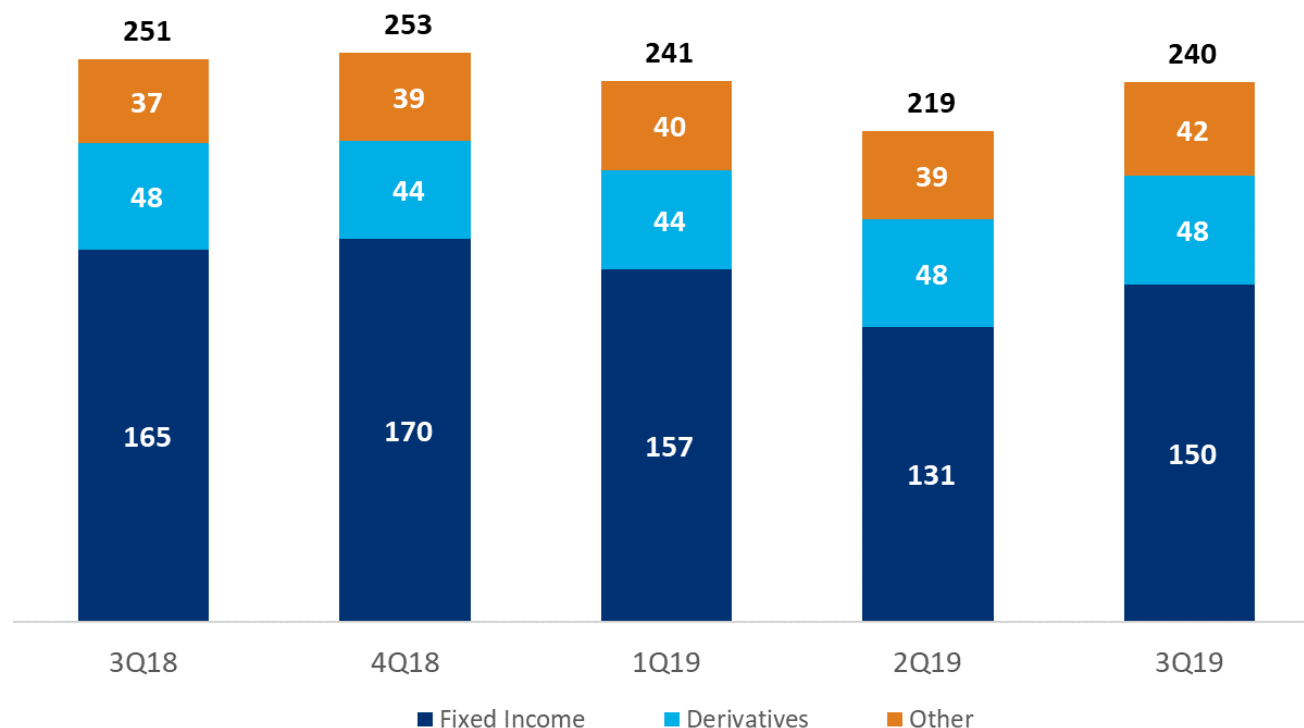
- Interest rates in BRL
 - Growth in the ADV partially offset by lower RPC (concentration in short-term contracts, which have lower RPC than average)
- FX related contracts¹
 - Growth in the ADV driven by the increase in Mini FX rate contracts

¹ The average RPC of FX Rate and Interest Rate in USD contracts in 3Q19 takes into account the average PTAX closing price at the end of Jun/19, Jul/19 and Aug/19 (R\$3.92), while the average RPC for 3Q18 takes into account the average PTAX closing price at the end of Jun/18, Jul/18 and Aug/18 (R\$ 3.92).

Performance by segment (cont.)

OTC (14.1% of total B3 revenues)

Revenue (R\$ millions)



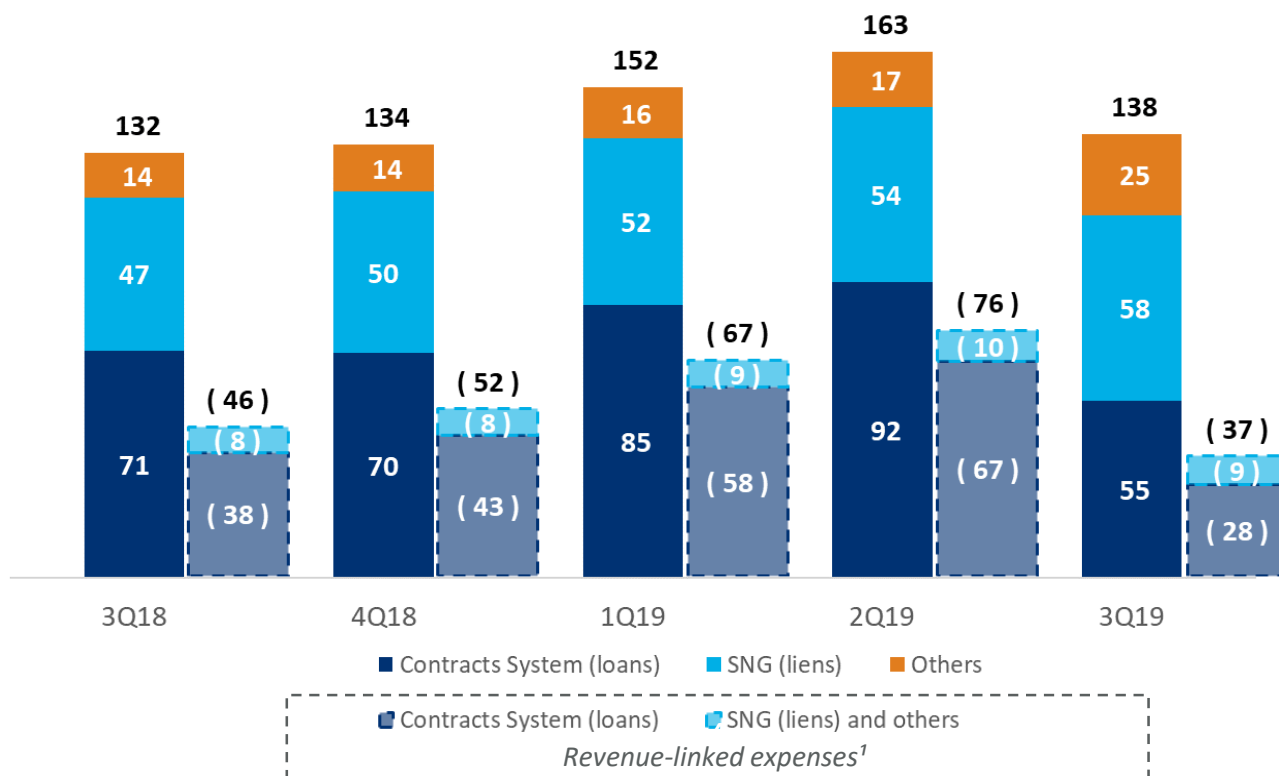
Performance (vs 3Q18): -4.1%

- Fixed Income
 - Treasury Direct: revenue net of rebates of R\$7.2 million in 3Q19 vs R\$28.8 million in 3Q18 (incentives for brokerage firms of R\$33.4 million in 3Q19 vs R\$5.2 million in 3Q18)
 - Increase in issuances of corporate debt offset by redemption of debentures issued by leasing companies¹
- Derivatives
 - Increase in the volumes offset by changes in the product mix

Performance by segment (cont.)

Infrastructure for financing (8.1% of total B3 revenues)

Revenue (R\$ millions)



Performance (vs 3Q18): +4.6%

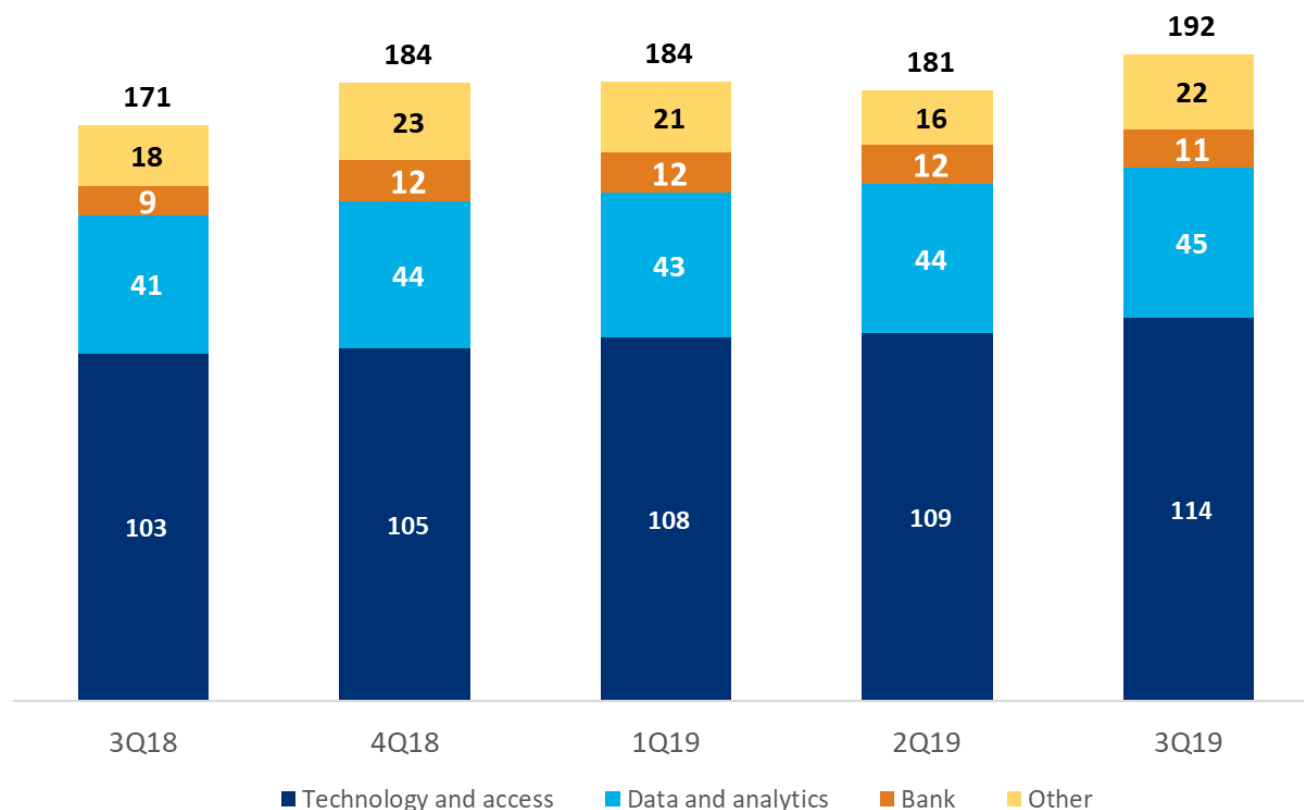
- National Liens System (SNG)
 - 14.5% growth in the number of financed vehicles
- Contracts System
 - Interruption of services in Paraná state in Oct'18
 - New model implemented in some states, in which the cost of the registering company is no longer included in the fees charged by B3 (lower revenue and lower revenue-linked expense), with a net price reduction.
- Others
 - Positive impact from the acquisition of Portal de Documentos

¹ Considers only the revenue-linked expenses related to the Infrastructure for financing segment.

Performance by segment (cont.)

Technology, data and services (11.3% of total B3 revenues)

Revenue (R\$ millions)



Performance (vs 3Q18): **+12.3%**

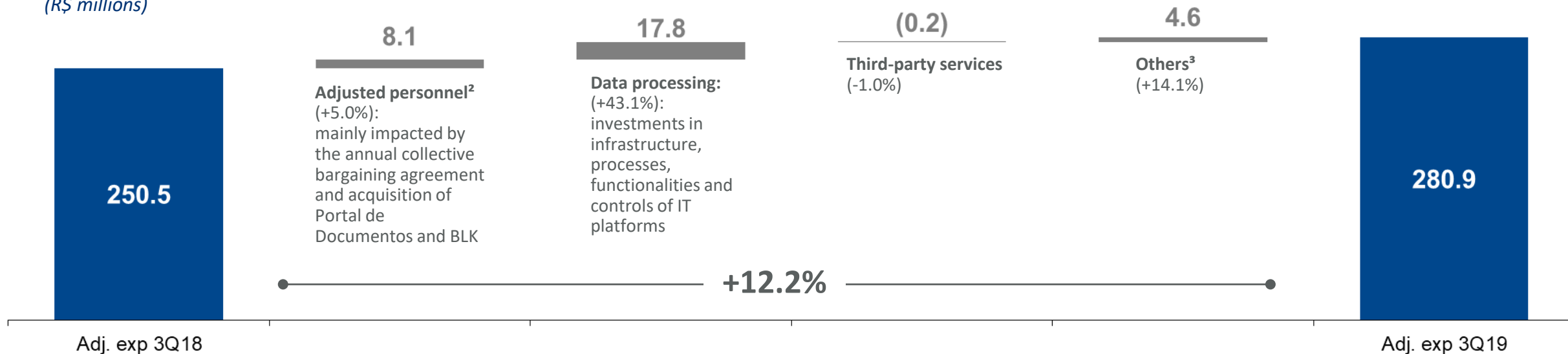
- Technology and access
 - Increase in the number of clients in the OTC segment and addition of BLK revenues

- Data and analytics
 - Positive impact from the appreciation of the US Dollar against the Real (approx. 46% of this revenue is linked to the US Dollar)

- B3 Bank
 - Increase in the number of clients and in revenue from BDRs

Adjusted expenses¹

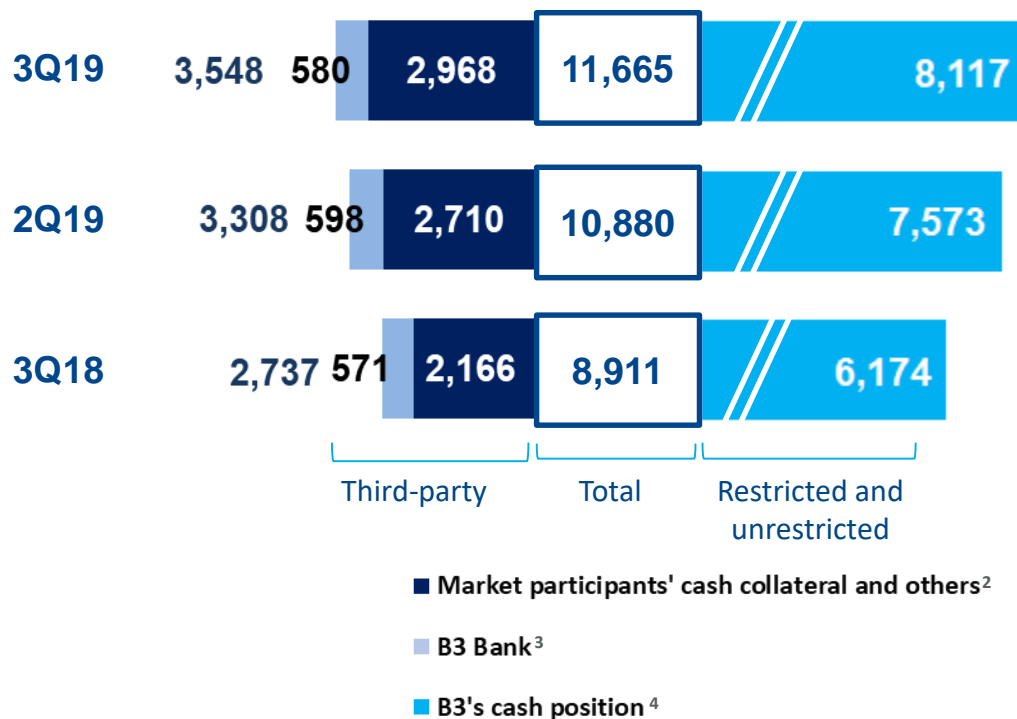
(R\$ millions)



(in R\$ millions and % of total adjusted expenses)	Adjusted personnel	Data processing	Third-party services	Others
3Q19	169.3 (60.3%)	59.2 (21.2%)	14.9 (5.3%)	37.5 (13.4%)
3Q18	161.2 (64.4%)	41.3 (16.5%)	15.0 (6.0%)	32.9 (13.1%)

Financial highlights

Cash and Financial Investments¹ (R\$ millions)

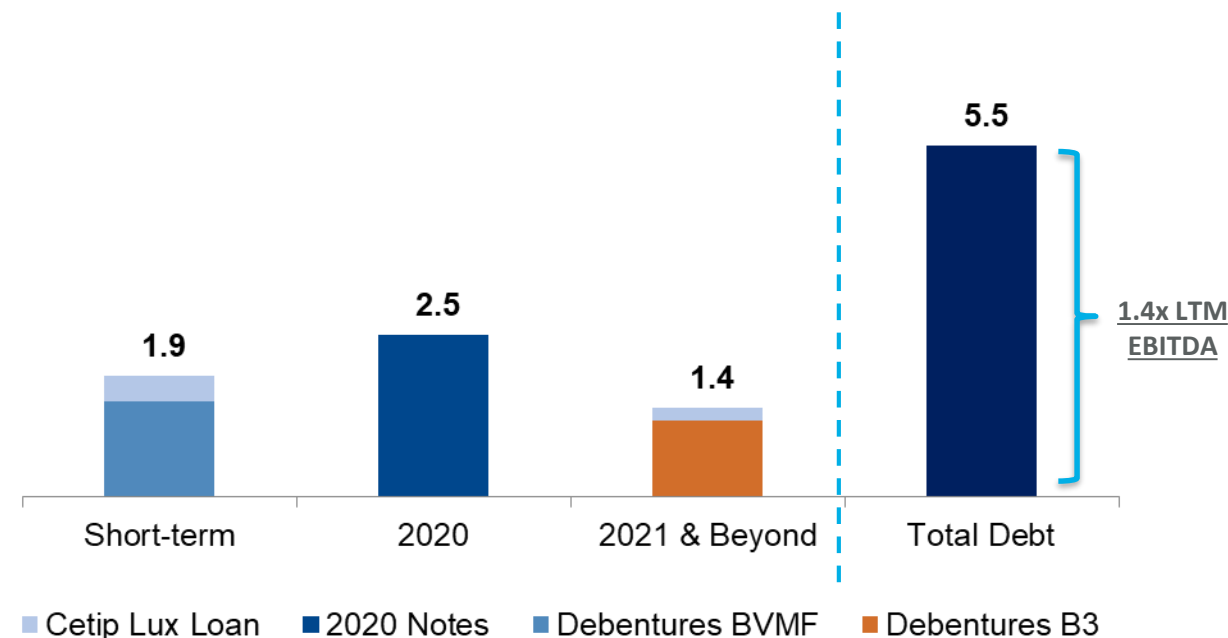


B3's cash supports clearing activities and general corporate needs. Includes R\$649.8 million in IoC and dividends already paid in Oct'19

Third-party cash is not considered as B3's own cash, but the Company earns interest on most of this cash balance

Financial Leverage and Debt Schedule

Debt Amortization Schedule (R\$ billions) and Financial Leverage⁵



2019 guidance:

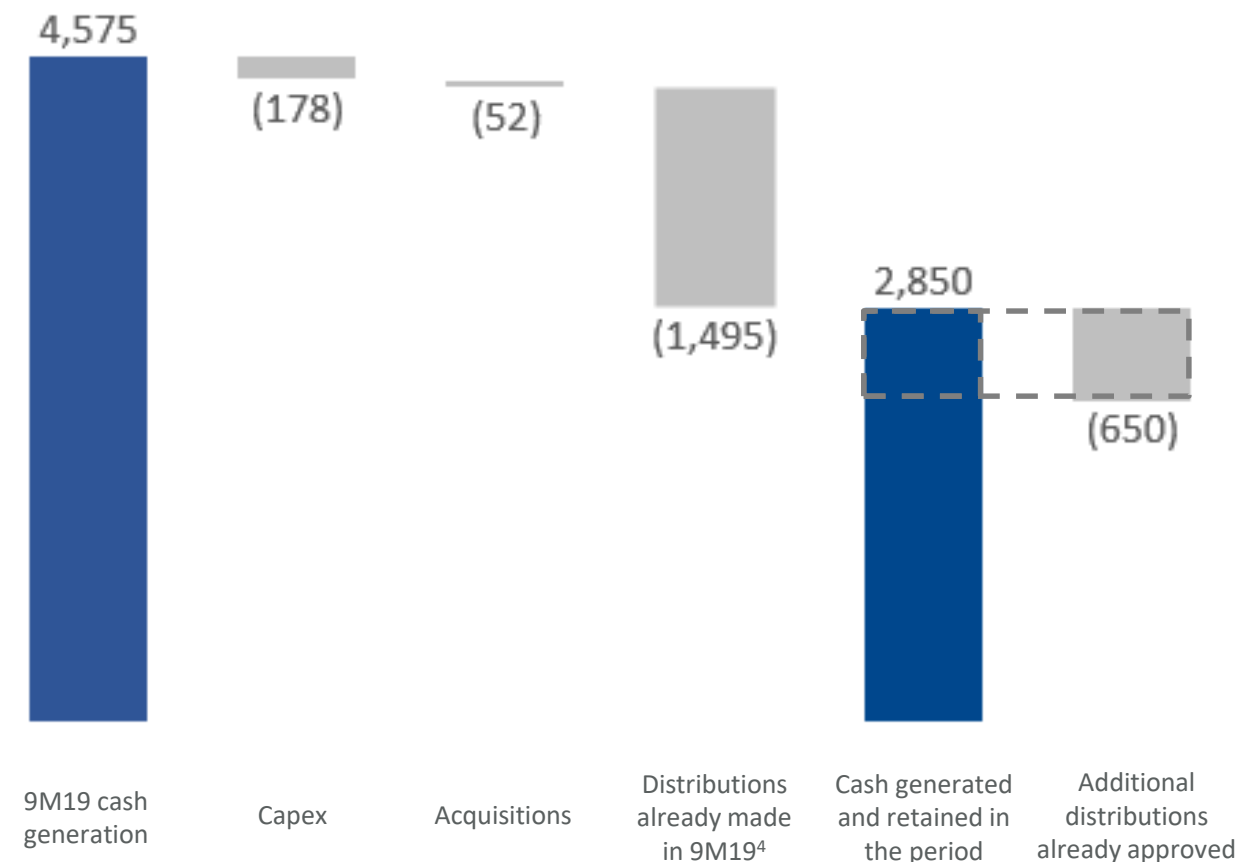
- Financial leverage of up to 1.5x Gross Debt / Recurring LTM EBITDA
- Payout ratio between 120% and 150% of IFRS net income

Financial highlights

Cash generation

<i>R\$ millions</i>	9M19	9M18
Adjusted net cash from operating activities ¹	3,606	3,043
Net cash from investment activities ²	(2)	(71)
Net cash from financing activities before distributions ³	972	(297)
Cash generation (before distributions, capex and acquisitions)	4,575	2,676

Cash destination – 9M19 (*R\$ millions*)



Appendix

Adjusted expenses reconciliation (R\$ million)

	3Q19	3Q18	3Q19/3Q18 (%)	2Q19	3Q19/2Q19 (%)	9M19	9M18	9M19/9M18 (%)
Expenses	(677.7)	(642.0)	5.5%	(679.5)	-0.3%	(2,022.2)	(1,776.4)	13.8%
(+) Depreciation and amortization	257.3	236.4	8.8%	257.6	-0.1%	772.4	709.7	8.8%
(+) Long term stock based compensation	41.4	39.7	4.3%	37.9	9.1%	131.9	88.4	49.2%
(+) Expenses related to the combination with Cetip	-	19.7	-	-	-	-	49.7	-
(+) Provisions (recurring and non-recurring)	49.2	44.3	11.2%	48.8	0.9%	148.5	75.5	96.7%
(+) Revenue-linked expenses	48.9	51.5	-5.1%	85.4	-42.8%	209.1	140.8	48.5%
Adjusted expenses	(280.9)	(250.5)	12.2%	(249.9)	12.4%	(760.3)	(712.4)	6.7%

EBITDA reconciliation (R\$ million)

	3Q19	3Q18	3Q19/3Q18 (%)	2Q19	3Q19/2Q19 (%)	9M19	9M18	9M19/9M18 (%)
EBITDA	1,109.4	750.3	47.9%	999.1	11.0%	3,079.3	2,451.6	25.6%
(+) Expenses related to the combination with Cetip	-	19.7	-	-	-	-	49.7	-
(+) Non-recurring provisions	-	9.4	-	-	-	-	9.4	-
Recurring EBITDA	1,109.4	779.4	42.3%	999.1	11.0%	3,079.3	2,510.8	22.6%
<i>Recurring EBITDA margin</i>	72.5%	67.4%	509 bps	70.3%	221 bps	71.1%	71.4%	-23 bps

Financial Statements

Net income reconciliation (R\$ million)

	3Q19	3Q18	3Q19/3Q18 (%)	2Q19	3Q19/2Q19 (%)	9M19	9M18	9M19/9M18 (%)
Net income (attributable to shareholders)	719.8	465.4	54.7%	654.8	9.9%	1,980.8	1,504.5	31.7%
(+) Expenses related to the combination with Cetip	-	13.0	-	-	-	-	32.8	-
(+) Non-recurring provisions	-	6.2	-	-	-	-	6.2	-
(+) Impairment	-	5.8	-	-	-	-	5.8	-
(+) Amortization of intangibles from combination with Cetip	131.2	123.1	6.6%	130.6	0.5%	392.1	370.2	5.9%
Recurring net income	851.0	613.4	38.7%	785.4	8.4%	2,372.9	1,919.5	23.6%
(+) Deferred Tax (goodwill from Cetip combination)	119.6	119.6	-	119.6	-	358.9	358.9	-
Recurring net income adjusted by goodwill tax benefit	970.6	733.1	32.4%	905.0	7.3%	2,731.8	2,278.4	19.9%