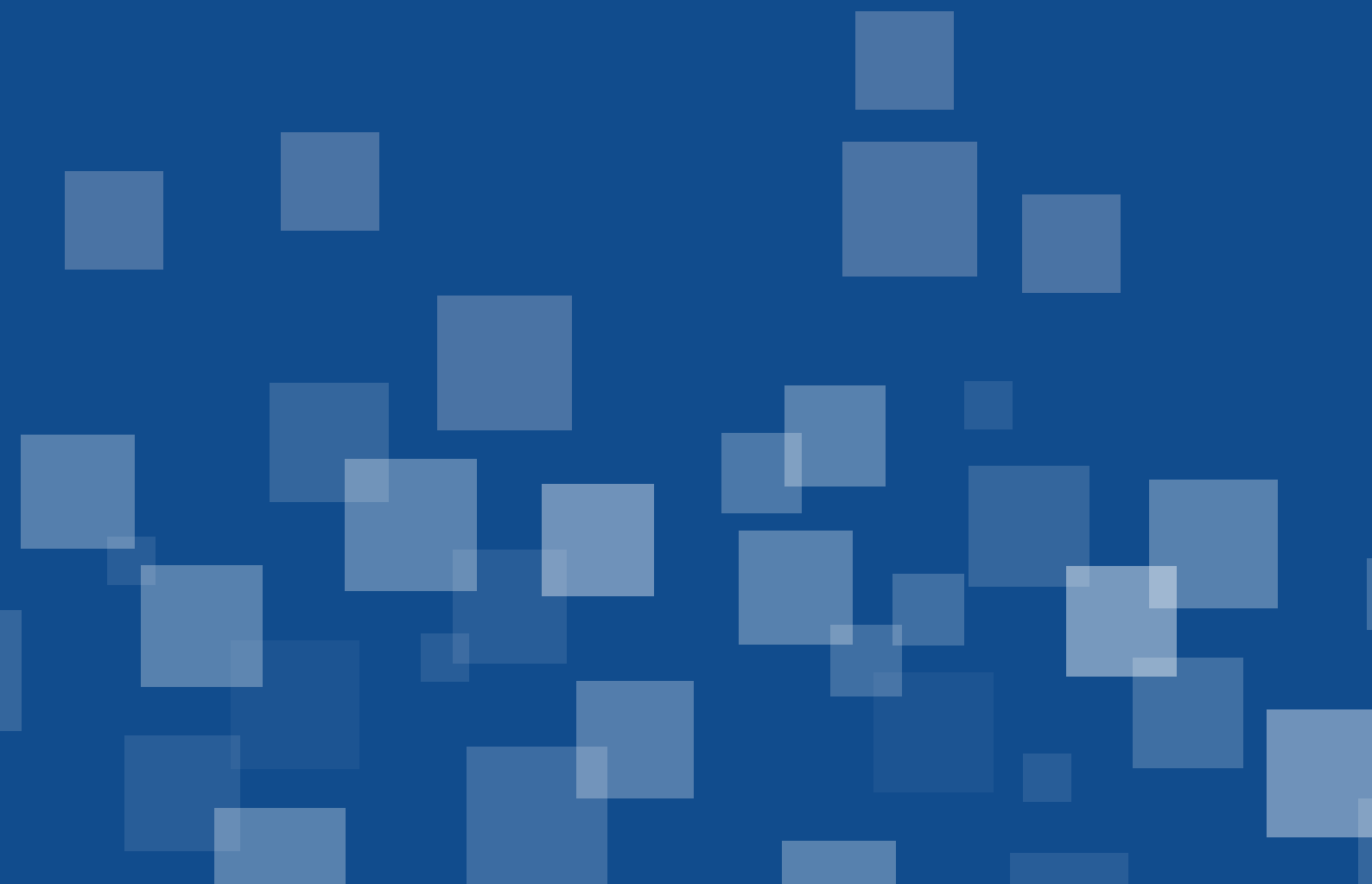


2014 Annual Report

ITAÚSA



INDEX

- 1** ABOUT THIS REPORT
- 2** MESSAGE FROM THE CHAIRMAN OF THE BOARD
- 3** MESSAGE FROM THE CEO
- 4** ITAÚSA
 - Subsidiary companies
 - Recognitions in 2014
 - Presence of Itaúsa
 - Ownership Structure
 - Market context
- 5** CORPORATE GOVERNANCE
 - Risk management
 - Ethical behavior
- 6** STRATEGY AND INVESTMENTS
- 7** ECONOMIC PERFORMANCE
 - Capital markets
- 8** SOCIAL AND ENVIRONMENTAL PERFORMANCE
- 9** GRI SUMMARY
- 10** CORPORATE INFORMATION

The background of the entire page is a solid dark blue. It is decorated with a pattern of squares in various shades of blue and a few in orange. These squares are of different sizes and are arranged in a way that they appear to be floating or overlapping, creating a modern, geometric aesthetic.

1

ABOUT THIS REPORT

1 ABOUT THIS REPORT

Itaúsa – Investimentos Itaú S.A. (Itaúsa), a publicly-held pure holding company, publishes its annual reports as part of its commitment to transparency and accountability to stockholders, employees, clients, suppliers, communities and regulatory agencies – stakeholders that are considered priority in the relationship of the Itaúsa companies. As from 2009, the document started to be prepared based on the guidelines of the Global Reporting initiative (GRI), a global and multi-sector standard of sustainability reporting adopted by more than 7,000 companies around the world. [\[GRI G4-30, G4-24, G4-25\]](#)

This report covers the period from January 1, to December 31, 2014 and, for the second consecutive year, was based on the G4 version of the GRI guidelines in accordance with the Comprehensive option. [\[GRI G4-28\]](#)

The economic and financial and the social and environmental indicators consolidate the performance of the four major subsidiaries that make up the Itaúsa holding company: Itaú Unibanco Holding S.A. (Itaú Unibanco), Duratex S.A. (Duratex), Elekeiroz S.A. (Elekeiroz) and Itautec S.A. (Itautec), and they were audited by PricewaterhouseCoopers (PwC). The economic and financial data was prepared in accordance with the accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities Commission (CVM), and with the International Financial Reporting Standards (IFRS). The social and financial information was compiled by the companies and are further detailed in the annual and/or management reports available on the websites of each company: www.itaun.com.br, www.duratex.com.br, www.elekeiroz.com.br and www.itaute.com.br. The compilation of this information involved the main departments of the subsidiaries and the entire validation process was approved by the Vice President's Office of Itaúsa. [\[GRI G4-17, G4-33\]](#)

Content [\[GRI G4-18\]](#)

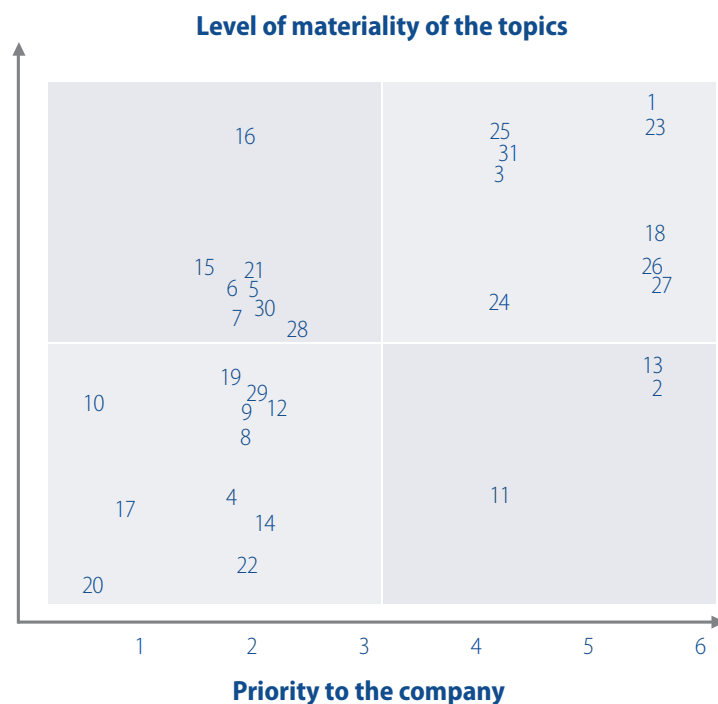
The content of this report prioritizes topics identified as extremely relevant for Itaúsa's sustainability during the consultation process carried out for the report published in 2014. These aspects were considered up-to-date by senior management since there were no significant changes in the business structure. Restatements of information presented in previous reports with respect to aspect scope and boundaries are described along the report. [\[GRI G4-22, G4-23\]](#)

Conducted by an external consulting firm (TheMediaGroup), the process sought to survey perceptions of specialists from the private sector, media, market analysts, civil society, non-governmental organizations and academia, as well as the view of Itaúsa's executives on 31 aspects related to the performance categories listed by the GRI. Based on a cross referencing of the average assessments of specialists and Itaúsa's management, a materiality matrix was prepared.

Divided into four quadrants, the matrix graphically represents the level of importance of the topics assessed by the respondents, and the most relevant ones are those presented in the upper right quadrant. The determination of the limits reflects the internal analysis of the impact of each topic on the value chain inside and outside the Company.

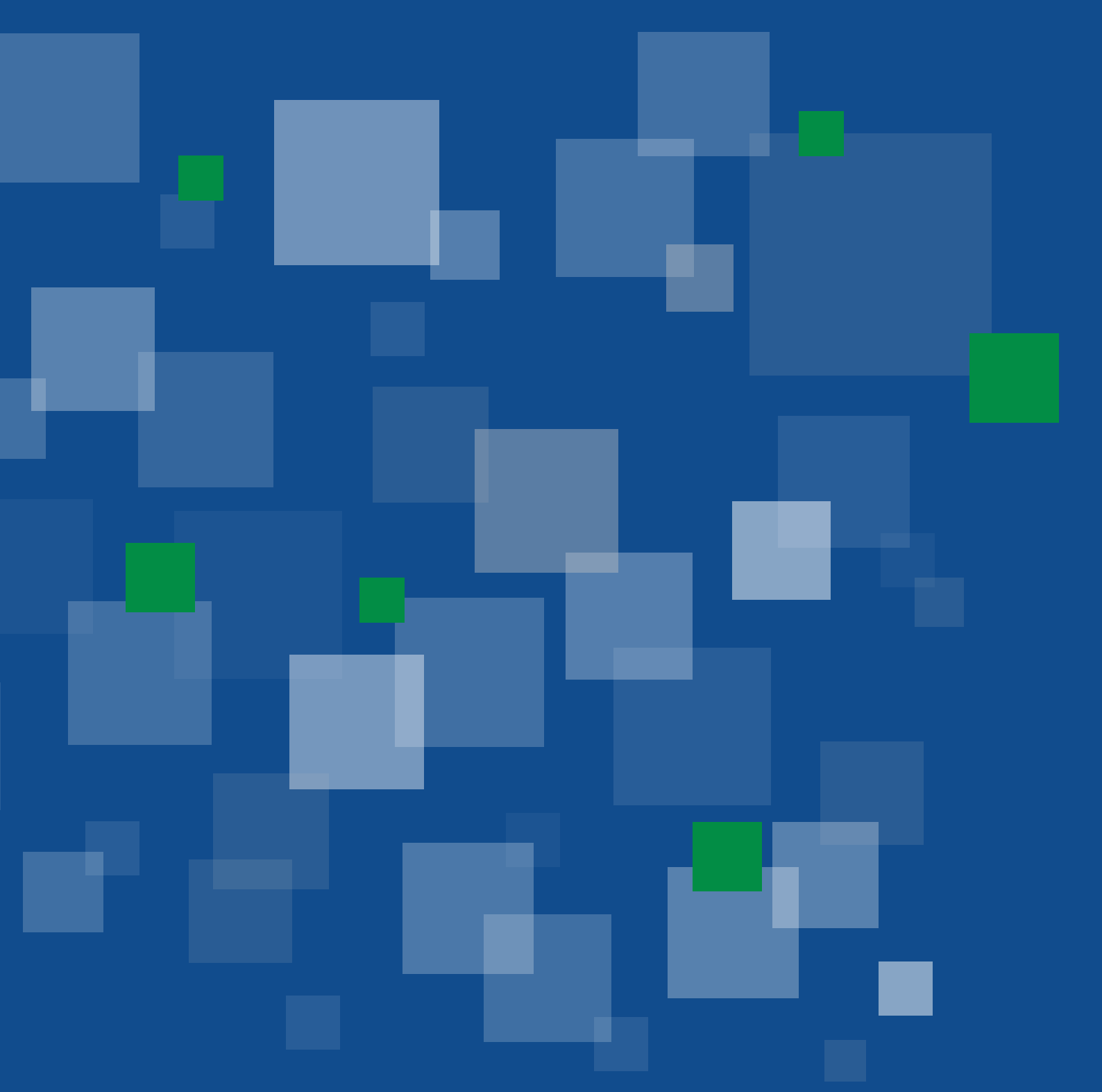
Further information can be obtained through the Contact IR channel on www.itausa.com.br or requested via the investor.relations@itausa.com.br e-mail address. [\[GRI G4-31\]](#)

MATERIALITY MATRIX



MATERIAL ASPECTS

	Material aspect [GRI G4-27, G4-19]	Aspect boundaries [G4-20, G4-21]	Related GRI Indicator
1	Economic performance	Inside Itaúsa: employees Outside Itaúsa: stockholders, clients, suppliers, society	EC1, EC2, EC3, EC4
3	Indirect economic impacts	Outside Itaúsa: society	EC7 EC8
18	Child labor and forced or compulsory labor	Inside Itaúsa: employees Outside Itaúsa: suppliers, society	HR5 HR6
23	Anti-corruption	Inside Itaúsa: employees Outside Itaúsa: stockholders, clients, suppliers, society	SO3 SO4 SO5
24	Position in relation to public policies	Inside Itaúsa: employees Outside Itaúsa: stockholders, society	SO6
25	Grievance mechanisms	Inside Itaúsa: employees Outside Itaúsa: stockholders, clients, suppliers, society	EN34 HR12 SO11 LA16
26	Compliance	Inside Itaúsa: employees Outside Itaúsa: stockholders, clients, suppliers, society	SO8 EN29 PR9
27	Anti-competitive behavior	Inside Itaúsa: employees Outside Itaúsa: stockholders, society	SO7
31	Customer privacy	Inside Itaúsa: employees Outside Itaúsa: clients	PR8



2

MESSAGE FROM THE
CHAIRMAN OF THE BOARD

2

MESSAGE FROM THE
CHAIRMAN OF THE BOARD

[GRI G4-1, G4-2]

Itaúsa, the pure holding company that controls important companies in the Brazilian financial and industrial areas, recorded, in 2014, consolidated net income of R\$8,161 million, an increase of 36% from the previous year. As a result of its performance, the total remuneration paid to stockholders, net of income tax, was R\$2,438 million, higher than the amount of R\$1,877 million distributed in 2013.

For this result, the performance of the financial services area represented by Banco Itaú Unibanco, in which Itaúsa holds around 37% of the capital, was particularly relevant. Indeed, this institution, a leading company in the Brazilian private financial system, reported a net income attributable to the owners of the parent company, of R\$21.6 billion, which corresponded to a return on equity of 24%. The importance of this result seals the success of the full integration achieved between Itaú and Unibanco, which was agreed upon in the last quarter of 2008. Together with its expansion in the domestic market, Itaú Unibanco worked to strengthen its presence in Latin America in 2014 when it entered into an agreement for the merger of Banco Itaú Chile and CorpBanca. The completion of this transaction, after all regulatory approvals, will allow our bank to become the fourth largest financial institution in Chile and the fifth largest financial institution in Colombia and will open the doors for us in Peru. Accordingly, the Itaú Unibanco network, which is already established in Argentina, Uruguay, Paraguay and in Chile itself, will expand in Latin America.

With respect to the industrial area, we maintained the investment plan started in 2013 aimed at expanding the production capacity of Duratex, notably in wood panels and bathroom fixtures and fittings. The slowdown in the real estate market significantly affected the performance of this subsidiary, but we see good opportunities in view of the diversity of products in the portfolio of this Company, which is a leader in the construction materials segment.

At Elekeiroz, we continued to ensure our important presence in the market niches in which we operate, the production of chemical intermediates for industrial use.

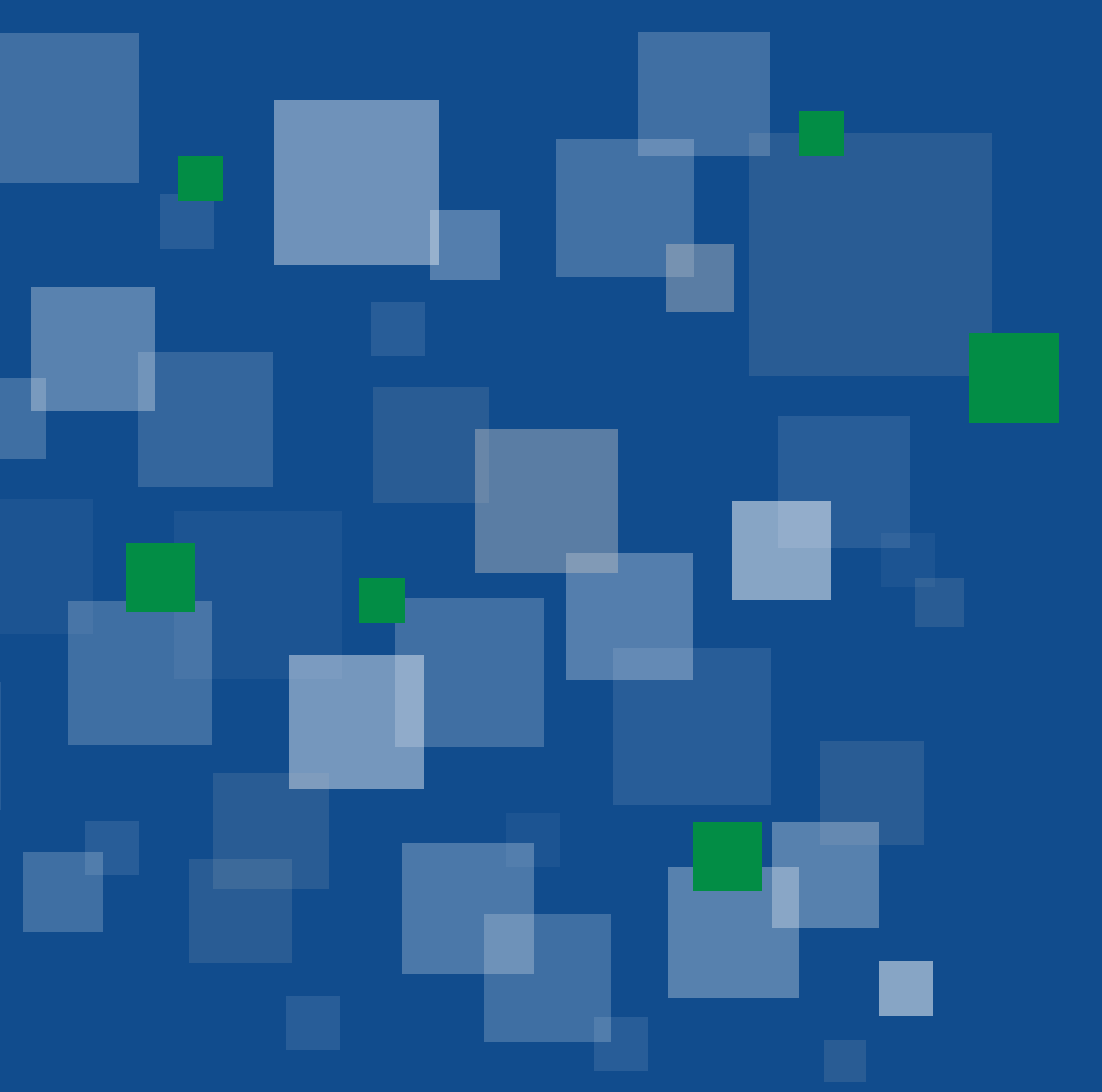
At Itaútec, we continued with our strategic repositioning plan, characterized by the sale of 70% of our banking automation, commercial and service assets to Japan's Oki Electric. At the same time, the IT segment is being gradually discontinued.

The development imprinted on Itaúsa's business since 1975, when it assumed the position of parent company of the Itaú Group, has as a basic reference and driving force, a Culture that has been impregnating its changes over the past 40 years. This Culture, deeply-rooted in the observance of ethical values and principles of technical rigor on a day-to-day basis, explains the prestige achieved by the Organization in both local and foreign corporate environments, and the high standards of efficiency achieved. The safe equity control of Itaúsa, together with its solid financial structure and the always sensible investment management, will continue to ensure in the future – and we are certain of that – its vigorous level of sustainability.

Carlos da Camara Pestana – Chairman of the Board



Consolidated net
income of
R\$8,161 million,
an increase of
36% from the
previous year



3

MESSAGE
FROM THE CEO

3

MESSAGE FROM THE CEO

[GRI G4-1, G4-2]

For more than four decades, supported by ethical principles and by the extreme professionalism in business management, Itaúsa has been managing to safely overcome times of volatility faced by the Brazilian economy.

Without doubt, to reach the end of 2014 with a positive performance has been a victory for Itaúsa. Based on solid pillars – strict internal efficiency controls, ethical integrity and absolute respect for the law, stockholders, employees and clients – our net income at the end of 2014 amounted to R\$7.9 billion, a growth of 39% in relation to 2013, and a return on average equity of 22.1%.

The results become even more expressive when they are compared with the figures of the Brazilian economy, which grew less than expected and showed a perceptible drop in the level of confidence by consumers and businesspeople. GDP is expected to grow around 0.0%. The average inflation rate measured by the Broad Consumer Price Index (IPCA) for 12 months reached 6.4% in December, with an increase of 6.7% in free prices and of 5.3% in administered prices.

Meanwhile, at the end of the year, the currency Brazilian *real* stood at R\$2.66 per U.S. dollar, down 12.7% in 12 months. External factors, such as the drop in commodity prices, as well as domestic factors, such as the increase in the current account deficit, had a decisive impact on the foreign exchange rate, and the depreciation of the currency Brazilian *real* could have been even greater had the Central Bank of Brazil not intervened. In view of this scenario and the expectation of high inflation, the increases in the Selic rate were resumed and rose 175 basis points over the year to 11.75% at the end of 2014.

Strengthening

This not very comforting scenario led us to strengthen even further our ability to grow in adverse environments. The main highlight was the excellent performance of Itaú Unibanco, which consolidates the investments and operations of Itaúsa in the financial services area.

Since 2008, Itaú Unibanco has been the largest Brazilian private bank. But the plans go beyond this. The intention is to expand the network in Latin America. In 2014, an agreement was entered into with the Chilean bank CorpBanca, which will take the Itaú brand not only to this Andean country but also to the neighboring countries. The loan portfolio grew 12.4% in Argentina, Chile, Colombia, Paraguay and Uruguay. In these countries, the personal loans segment grew 18.7% whereas the corporate loans segment grew 9.1%.

At the domestic level, Itaú Unibanco's banking service fees and income from bank charges grew 16% and the income from insurance, pension and capitalization operations before expenses for claims and selling expenses grew 3.8%. Itaú Unibanco is a leading bank in revenues in the credit card segment, totaling R\$313.3 billion, an increase of 22.8% in relation to 2013. These positive figures arise from the acquisition of Credicard in 2013 and from the repositioning of the Rede brand in the capture of cards, with multiple solutions in all digital platforms.

In line with the market's behavior, Itaú Unibanco refined its credit granting policies and, at the end of the year, the default rate was 3.1%, a drop of 60 basis points in relation to 2013. The path will be the same in 2015, with the right moves in the insurance segment in which Itaú Unibanco has sold the Large Risk operations.

Net income:
growth of

39%

in relation to 2013

Long term

In the industrial area, Duratex invested R\$607.9 million, particularly in the increase of its interest in Tablemac (R\$152.1 million) and in the acquisition of forest assets from Caxuana (R\$150.0 million) that were mostly paid with the delivery of 5,600 hectares of land owned by Duratex in São Paulo and that was leased for the company itself for a period of 39 years. In line with the focus of investments aimed at the long-term support of its operations, a joint venture with Usina Caeté was announced for the purpose of forming eucalyptus forests in the State of Alagoas. The company will invest around R\$12 million a year for the next six years. The construction of a MDF plant to support the growth in the consumption of wood panels in the region is under study.

Like every chemical industry in general, Elekeiroz felt the effects of the slowdown of the economy. The domestic market, which accounts for 87% of the sales, showed a drop of 8% whereas exports grew 4%. The total investment in the period amounted to R\$64.2 million, the highlight being the project for the interconnection and adaptation of the industrial gas unit to the company's plant in the Industrial Complex of Camaçari, the result of the purchase of Air Products at the end of 2013. The completion of this project, expected for the second quarter of 2015, will ensure the supply of some raw materials and utilities, improving competitiveness and increasing the offer of products to the domestic market.

Itaotec continued with the strategic repositioning process started with the sale of 70% of its Banking and Commercial Automation and Service Provision business to the Japanese group Oki Electric in 2013. In 2014, the Company continued to work towards the gradual discontinuation of the IT Unit, always honoring the delivery and maintenance of equipment provided for in the contracts that were entered into with customers from the corporate and government sectors. During the negotiation of

the transaction with Oki Electric, the preservation of more than 4,000 jobs was a requirement for the final terms of Itaotec's strategic repositioning.

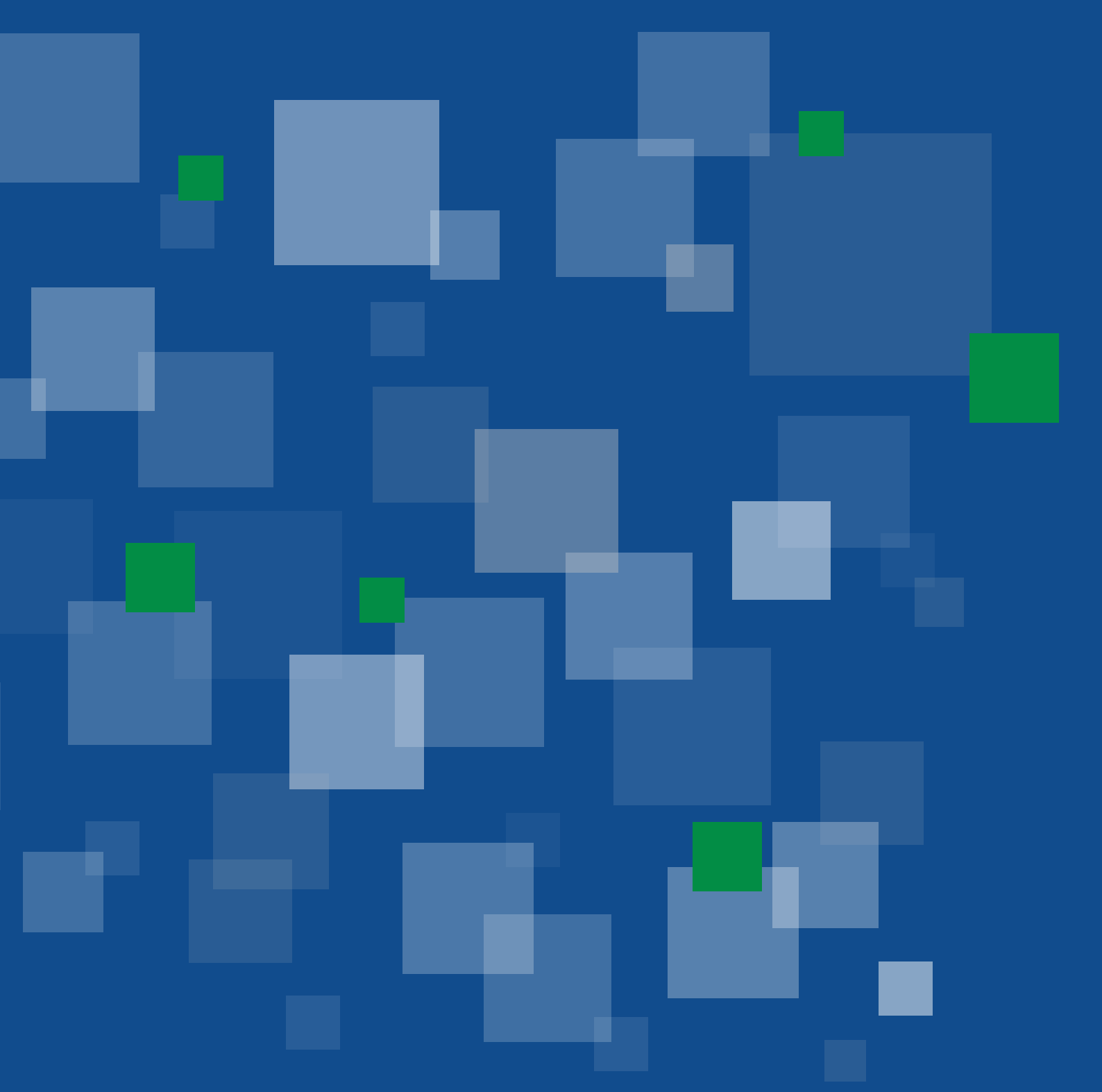
Commitments

The commitment to sustainability that guides our work was recognized with the inclusion of Itaúsa and Itaú Unibanco Holding in the portfolio of the Dow Jones Sustainability World Index (DJSI). This is the 11th time that Itaúsa has been included in the world's leading corporate sustainability ranking, which is made up of 319 companies from 26 countries and only 8 of which are Brazilian. Additionally, together with Itaú Unibanco and Duratex, we were selected to compose the Dow Jones Sustainability Emerging Markets Index. The three companies are also included in the Corporate Sustainability Index (ISE) of the BM&FBOVESPA.

To believe in people, to develop initiatives that minimize the impacts on the environment, to stimulate meritocracy and continuously improve the internal control mechanisms will continue to be Itaúsa's priorities in 2015. Our decisions will always be supported by specific committees, by the skills and strengths of the Board of Directors and Fiscal Council and by the experience and knowledge of our stockholders. With these beliefs, we close another cycle of our history and we will continue to contribute to the development of Brazil, generating satisfaction for all of those who have followed us along our journey.

Alfredo Egydio Arruda Villela Filho – CEO

This is the **11th**
time that Itaúsa
has been included
in the world's
leading corporate
sustainability
ranking



4
ITAÚSA

4 ITAÚSA

Itaúsa is a non-operating pure holding company that controls distinguished companies in the industries in which they operate: Itaú Unibanco, in the financial sector, and Duratex, Elekeiroz and Itaútec, in the industrial sector. [GRI G4-3, G4-4]

The holding company determines, centralizes and aligns the vision for business development and management with the corporate values that guide the companies' operations, and ensures the sharing of common values: appreciation of human capital, ethics in business and creation of value for stockholders. This model preserves the operational autonomy of each company, allowing for the adoption of specific strategies for the different operational segments. The group of companies employed more than 100,000 people at the end of 2014, including 7,600 employees abroad. In addition to Brazil, they are present in more than 20 countries. [GRI G4-6]

Itaúsa is among the 200 largest groups in Brazil according to Exame magazine's *Melhores & Maiores* (Biggest & Best) ranking and in 56th place among the 1,000 largest companies according to *As Melhores da Dinheiro* (The Best of Dinheiro) magazine. A publicly-held company, its shares are traded at the São Paulo Stock Exchange (BM&FBOVESPA) under the ticker symbols ITSA4 (preferred shares) and ITSA3 (common shares) and its total market value at the end of 2014 was R\$57.6 billion. [GRI G4-7, G4-9]

■ MAIN INDICATORS [GRI G4-9]

	PARENT COMPANY			CONSOLIDATED		
	2012	2013	2014	2012	2013	2014
NET INCOME (R\$ MILLION)	4,539	5,698	7,911	4,836	6,011	8,161
RECURRING NET INCOME (R\$ MILLION)	4,777	6,199	7,578	5,056	6,561	7,805
STOCKHOLDERS' EQUITY (R\$ MILLION)	30,027	33,131	39,226	32,674	35,974	42,239
ANNUALIZED RETURN ON AVERAGE EQUITY (%)	15.2	18.2	22.1	14.9	17.6	21.1
RECURRING ANNUALIZED RETURN ON AVERAGE EQUITY (%)	16.0	19.8	21.2	15.6	19.2	20.1

Its shares are included in two major corporate sustainability rankings: The Dow Jones Sustainability World Index (DJSI), which is an international benchmark, and the Corporate Sustainability Index of the BM&FBOVESPA (ISE).

In 2014, Itaúsa shares were selected, for the 11th time, to make up the DJSI, whose portfolio includes 319 companies from 26 countries and only 8 of which are Brazilian – including Itaúsa and Itaú Unibanco. Additionally, together with Duratex and Itaú Unibanco shares, they compose the portfolio of the Dow Jones Sustainability Emerging Markets Index. In the 2014/2015 edition, Itaúsa was granted the highest score in the financial industry in the items: Anti-Crime Policy/Measures; Brand Management; and Financial Stability and Systemic Risk.

In Brazil, for the 8th time, Itaúsa shares were part of the Corporate Sustainability Index (ISE), which included 51 types of shares of 40 companies in its 2014/2015 composition.

Itaúsa was recognized, for the second consecutive year, by CDP Latin America, as one out of the ten Leading Companies in Transparency in accordance with the global scoring methodology applied in the 2014 Edition of the "Climate Change" questionnaire.

48 YEARS OF HISTORY

The history of Itaúsa began in 1966 when Banco Federal Itaú de Investimentos S.A., the first investment bank created in Brazil, was incorporated. In 1970, its name was changed to Banco Itaú de Investimento S.A. and, as from May 1973, it started to be called Banco Itaú Português de Investimento S.A.

During the growth process, it acquired stockholding interests in industrial companies, expanding its role to beyond the financial industry. In 1974, it took the name Investimentos Itaú S.A. and its purpose was changed to support the national private companies in which it invested. The name Itaúsa – Investimentos Itaú S.A. was adopted in 1991, thus incorporating, for good, the abbreviation Itaúsa.

SUBSIDIARY COMPANIES [GRI G4-8]

Itaú Unibanco Holding S.A.

The largest private Brazilian bank and one of the 30 largest banks in the world in market value (US\$71.2 billion on December 31, 2014), Itaú Unibanco is the result of the merger, in 2008, of two of Brazil's soundest financial institutions: Itaú, which had been operating since 1945 in the city of São Paulo, and Unibanco, which was founded in 1924 in the city of Poços de Caldas, State of Minas Gerais. The growth of both was characterized by mergers, acquisitions and takeovers. In 2014, Itaú Unibanco celebrated 90 years of history.

At the end of 2014, it had a network of 5,070 branches and banking service centers in all Brazilian states and 246 branches and banking service centers in the other Latin American countries, in addition to 27,916 ATMs. It operates as a commercial bank (retail), wholesale bank and private bank. The international operations comprise, in addition to Brazil, 18 countries in South America, Central America, North America, Europe, Asia and the Middle East.

On December 31, 2014, the balance of the loan portfolio, including endorsements and sureties, reached R\$526.2 billion, an increase of 9.0% in relation to December 31, 2013. The consolidated assets amounted to R\$1.13 trillion, an increase of 9.7% from the previous year. The total number of employees was 93,175.

Commercial Banking – Retail: The operations include credit cards, asset management, insurance, pension and capitalization products, credit products and services for individuals and very small and small companies. The retail segment also offers consumer credit, with financial products and services to non-accountholders.

Wholesale Banking: By means of Itaú BBA, it offers commercial operations to large companies and operates as an investment bank. The wholesale banking services include services to medium-sized companies (annual revenues higher than R\$30 million).

Consumer Credit – Retail: Offer of financial products and services to our accountholders and non-accountholders. Accordingly, this segment oversees the financing of vehicles outside our branch network, the offering of credit cards to individuals who are non-accountholders and Itaú BMG Consignado operations.

Activities with the Market and Corporate: It manages the financial result associated with capital surplus, subordinated debt surplus and the net balance of tax credits and debts, as well as the financial margin arising from the trading of financial assets via proprietary positions (desks), the management of currency and interest rate gaps and other risk factors and arbitration opportunities in the foreign and domestic markets, as well as the mark-to-market of financial assets.

Duratex S.A.

Duratex is a leading company in the Brazilian market with its two business divisions: Wood and Deca. In the first, it manufactures MDF (Medium Density Fiber Board) and MDP (Medium Density Particle Board) panels, fiberboards, laminated floors and other products under the Durafloor and Duratex brands. The Deca Division manufactures bathroom fixtures and fittings, as well as accessories and electric showers that are sold under the Deca and Hydra brands. [\[GRI G4-4\]](#)

At the end of 2014, it had more than 11,000 employees and 15 industrial units strategically located in the states of São Paulo, Minas Gerais, Pernambuco, Paraíba, Santa Catarina, Rio Grande do Sul and Rio de Janeiro. The Company also has four plants in Colombia by means of an investment of 80.62% in the capital of Tablemac, the largest company in the wood panel industry in that country. Additionally, it has commercial and sales operations through its offices in the United States and Europe – the subsidiaries Duratex North America and Duratex Europe N.V.

The Company has around 272,000 hectares of own, leased and development land with cultivated forests and environmental preservation areas distributed over the states of São Paulo, Minas Gerais, Rio Grande do Sul and Alagoas, 86% of which is certified by the Forest Stewardship Council for its sustainable stewardship.

Elekeiroz S.A.

With 120 years of existence celebrated in 2014, Elekeiroz operates in the manufacturing and sale of chemical intermediates for industrial use. Its products are used in the civil construction, automotive, shoe, clothing and food industries and in other companies of the chemical industry. At the end of 2014, the Company had 724 employees.

It is the only company in South America to produce, on an integrated basis, Oxo chemicals (octane, butane, isobutane and 2-ethylhexanoic acid), phthalic and maleic anhydride, fumaric acid and many types of plasticizers. The many lines of unsaturated polyester resins, some of which using raw materials from renewable sources, formaldehyd, formalin-urea concentrate and sulfuric acid, complete its diversified range of products.

Another differential of the company is the strategic location of the three industrial sites: In the Industrial Complex of Camaçari (State of Bahia) are the two sites that are connected by pipelines to the Petrochemical Center, thus ensuring a wide availability of raw materials and utilities. The other site is located in the municipality of Várzea Paulista (State of São Paulo), which is 60 kilometers from the state capital and has a railway line connected to the Port of Santos, which facilitates the receipt of raw materials and shipment of products.

Itautec S.A.

A Company in the technology industry, in 2014 Itautec continued with its strategic repositioning. In the previous year, it had already entered into a strategic partnership with Japan's Oki Electric Industry Co., Ltd. (Oki Electric) with the sale of 70% of its operations in the Automation and Services segments and started the gradual discontinuation of the IT segment.

The repositioning reflects the reality of the market in which Itautec operates, which was affected over the past few years by a number of factors that led to an expressive drop in the Company's competitiveness, including macroeconomic, commercial and competition aspects that were enhanced by the entry of new players with global production scales.

This process took place without prejudice to the full performance of all the contracts and obligations for the supply, maintenance and warranty of the Itautec/InfoWay brand equipment, as well as to customer service and services associated with this maintenance. In 2014, 48,800 pieces of equipment, including desktops, notebooks and servers were delivered.

RECOGNITIONS IN 2014

Itaú Unibanco



IR Magazine Awards Brazil 2014: Organized by the Brazilian Institute of Investors Relations (IBRI) and IR Magazine, it was recognized in seven categories: Grand Prix of the Best Investor Relations Program (large cap); Best Use of Technology (large cap); Best Teleconference; Best Meeting with Investors (large cap); Best Annual Report; Best Performance in Investor Relation in the 2005-2014 period (large cap); and Best Investor Relations in the Financial Industry.



Latin American Executive Team 2014: Organized by Institutional Investor Magazine, in the "banks" category, as the Best Investor Relations by the Sell and Buy Sides; Best CEO by the Sell and Buy Sides; Best Bank CFO by the Buy Side; and Best Investor Relations Professional by the Sell and Buy Sides.



Apimec (Association of Capital Market Investment Analysts and Professionals) Award : it received the Publicly-held Company Award – Category A granted by Apimec for 2013 for the 6th time.



Bank of the Year : it was chosen as the Bank of the Year in the United States and the Bank of the Year in Brazil, Paraguay and Uruguay by the British magazine *The Banker*, of the Financial Times group, recognized as the most prestigious magazine in the financial industry.



The Most Admired Companies in Brazil : recognition by *Carta Capital* magazine as the best company in the Retail Banking segment. Itaú BBA was the winner in the Corporate Banking segment.



Exame Sustainability Guide : the most sustainable company in the Financial Institutions, Banks and Insurance Companies category. Granted by *Exame* magazine, this is the most important recognition for the industry in Brazil.



Latin Finance's Banks of the Year 2014 : Bank of the Year in Paraguay and Uruguay, highlighting its reputation as a specialist bank in Latin America. In addition to the international recognition, the magazine also chose Itaú BBA as the best investment bank in Brazil.



Marcas Brasileiras Mais Valiosas de 2014: Valued at R\$21.7 billion, the Itaú brand was considered the most valuable brand in Brazil by the international consulting firm Interbrand. The brand has been at the top of the ranking for 11 consecutive years. Rede, Itaú's electronic payment method company, was in the ranking for the first time in 21st place, valued at R\$470 million.

Duratex



Época Green Company: Granted by *Época* magazine, in partnership with the consulting firm PricewaterhouseCoopers (PwC), Duratex won in the industry category.



The Best of Dinheiro: Granted by *IstoÉ Dinheiro* magazine, the Company was chosen for the eighth time as the best company in the Construction Materials and Decoration segment.



Environmental Merit: Granted by Fiesp, Duratex ranked first in the Large and Medium-sized Companies category for the Waste Management project at the Deca units.



Industry Mover: RobecoSAM, a consulting firm that ranks the companies in the Dow Jones Index in its 2015 Sustainability Yearbook, awarded Duratex with the Bronze seal.

DECA



Green Building – Distinguished Brands: The readers of *Green Building* magazine, of the Nova Gestão publishing company, chose Deca and Durafloor as distinguished brands in sustainable construction. Deca came first in the Toilet Bowls, Showers and Metal Fittings category. Durafloor, which ranked third in the Floor category, was the only brand of laminated floors mentioned in the survey.



Top of Mind: *Revenda Construção* magazine heard 3,368 retailers, which granted Duratex the first place in four categories: Bathroom Accessories, Bathroom Fixtures, Bathroom Fittings and Water Saving Bathroom Fittings. In the Toilet Seat category, it won the Distinction award as the second top of the mind brand.



Strong Partnership: Organized by Telha Norte, a Brazilian construction materials retailer, Deca was chosen as the best supplier of the entire chain, in addition to ranking first in the Bathroom Fixtures and Fittings category for the second consecutive year.



Supplier Award – Distinction in Hotel Management: Granted by *Hotéis* magazine, Deca won in the Bathroom Fittings category. The award, which is in its third edition, is aimed at recognizing the companies that distinguished themselves the most in the supply of products and services for the hotel management segment.



Anamaco 2014: Granted by the National Association of Construction Material Sellers (Anamaco), the Hydra Duo Color line won this award in the Product of the Year category.



C&C Casa e Construção: Award for best performance in Metal Fittings and Accessories and also in Bathroom Fixtures.

WOOD



Top Móbile 2014 – Top of the Mind Brands: Granted for the past nine years by *Móbile* magazine, published by Alternative Editorial, the Wood Division won in the Wood Panels category for the seventh consecutive year.

PRESENCE OF ITAÚSA [GRI G4-6]

NEW YORK, MIAMI, CAYMAN ISLANDS,
BAHAMAS

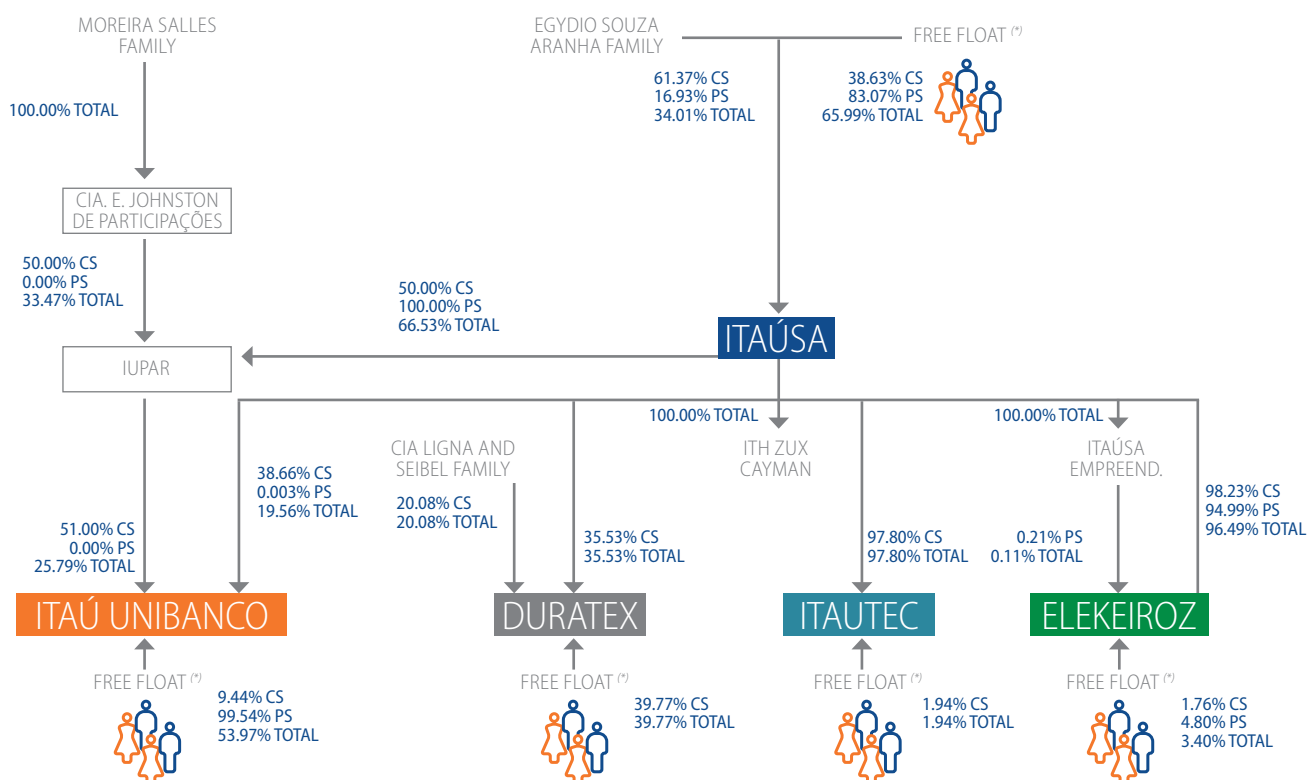
LONDON, LISBON, MADRID, PARIS,
FRANKFURT, SWITZERLAND

TOKYO, SHANGHAI,
DUBAI, HONG KONG

MEXICO

BRAZIL, ARGENTINA, CHILE, PERU, COLOMBIA,
URUGUAY, PARAGUAY

OWNERSHIP STRUCTURE



(*) Excluding the shares held by controlling stockholders and treasury shares.

OWNERSHIP STRUCTURE – ON 12/31/2014 | GRI G4-7

STOCKHOLDERS	COMMON SHARES		PREFERRED SHARES		TOTAL SHARES	
CONTROLLING STOCKHOLDERS	1,438,934	61.37%	635,609	16.93%	2,074,542	34.01%
FREE FLOAT*	905,772	38.63%	3,119,782	83.07%	4,025,553	65.99%
TOTAL SHARES OUTSTANDING	2,344,706	100%	3,755,390	100%	6,100,096	100%
TREASURY	7,718	-	2,320	-	10,038	-
TOTAL SHARES ISSUED	2,352,424	-	3,757,710	-	6,110,134	-

MARKET CONTEXT

In 2014, the recovery of the U.S. economy was consolidated. GDP growth increased from 2.2% in 2013 to 2.4% in 2014. Additionally, almost 3.0 million net jobs were created in 2014 and, consequently, the unemployment rate reached 5.6% in December, lower than the average for the past 50 years.

In the Euro zone, economic activity showed a modest recovery. Annual growth in the third quarter of 2014 was 0.8%, whereas for 2013 it was -0.4%.

The Chinese economy is gradually slowing down due to the economic policies that seek further growth sustainability, with less investment and more consumption.

The second half of the year was characterized by a sharp drop in commodity prices, particularly in the price of oil.

In Brazil, economic activity was below expected and a reduction in the level

of consumer and business confidence was observed. GDP growth for 2014 is expected to be close to zero.

The currency Brazilian *real* depreciated in relation to the U.S. dollar and at the end of the year is stood at R\$2.66 per U.S. dollar, dropping 12.7% in 2014. The foreign exchange rate was pressured by both external factors, such as the appreciation of the U.S. dollar in relation to other currencies and the drop in commodity prices, and domestic factors, such as the increase in the current account deficit. BACEN's intervention, through its currency swap program, avoided further depreciation in the year.

Inflation measured by the Broad Consumer Price Index (IPCA) in 12 months reached 6.4% in December, with an increase of 6.7% in free prices and of 5.3% in administered prices. In view of this inflationary pressure, BACEN started raising the Selic interest rate again in October. In 2014, Brazil's Selic interest rate increased 175 basis points to 11.75% at the end of the year.



5

CORPORATE
GOVERNANCE

5 CORPORATE GOVERNANCE

Responsible for drawing and aligning the vision for the business management that determines the strategic planning of the companies of the Conglomerate, Itaúsa operates in accordance with the best corporate governance practices, as it understands that this model creates value for all of its stakeholders. The model is supported by the concept of transparency to develop an internal and external environment of confidence, equity among capital partners and all stakeholders, accountability and corporate responsibility, under a long-term vision that also considers social and environmental aspects.

The governance structure is composed of the Annual Stockholders' Meeting, the Board of Directors, the Fiscal Council, the Executive Board and the Ethics, Disclosure and Trading Committee. For the purpose of disseminating its vision and culture, the members of Itaúsa's Board of Directors also serve on the boards of the main subsidiaries – Itaú Unibanco, Duratex, Elekeiroz and Itaútec. In the subsidiaries, the number of independent members in the boards exceeds the minimum number required by the most advanced governance rules of publicly-held companies. Itaúsa believes that this is the way to achieve the balance and harmony among the controlling stockholders. [GRI G4-34]



Board of Directors

As the highest governance body, the Board of Directors is responsible for establishing the overall direction of the business, electing, removing and inspecting the management of officers, appointing and removing independent auditors, resolving on the establishment of committees under the Board of Directors and determining the distribution of dividends and the payment of interest on equity, among other duties.

The term of office of the members of the Board is one year as from the date of the Stockholders' Meeting that elected them. The Board of Directors is composed of eight members and has one Chairman, who does not accumulate an executive position, two Vice-Chairmen, three effective members and two alternate members, two of which are independent members and five do not perform executive activities at Itaúsa. All members are male and white, 37.5% of which are between 30 and 50 years of age and 62.5% are over 50 years of age. [GRI G4-39]

In accordance with a decision of stockholders, the members of the Board of Directors are appointed by the controlling parties, and each party is responsible for 1/3 of the composition of the body. The other 1/3 is appointed by a consensus between the parties, taking into account the qualifications and the expertise of the member. Minority stockholders (in a separate voting process) resolved, at the Annual Stockholders' Meeting, to appoint a member to Itaúsa's Board of Directors. The composition of the Board is presented in detail on page 19. [GRI G4-38, G4-40]

Itaúsa is always seeking to avoid conflicts of interest in which strategic issues of the Company clash with the members' personal positions. In addition to the Stockholders' Agreement between the Villela and Setubal groups, the members of the Conglomerate's founding family, this process is assured by an Internal Regulation of the Board of Directors.

⊕ (FOR FURTHER INFORMATION, SEE THE SECTION CORPORATE GOVERNANCE AND THE REFERENCE FORM ON THE WEBSITE WWW.ITAUSA.COM.BR) [GRI G4-41]

Management

For the day-to-day business management, the evaluation process regarding the selection of a new executive is extremely rigorous and proven previous experience, broad expertise in the market and solid education background are required. The activities assigned to professionals in charge of managing economic aspects are closely monitored by senior management and submitted to the approval of the Board of Directors. The assessment of the professionals in the environmental and social areas is the responsibility of each subsidiary, which has the autonomy to judge based on the proper qualifications. [GRI G4-35, G4-36]

For the professional development of its members, economists are invited to the Board of Directors' meetings to brief on the prospects of the Brazilian economy. In the Ethics, Disclosure and Trading Committee's meetings, environmental and social topics are presented and analyzed, including: 1) performance of the Dow Jones Sustainability Index, the Corporate Sustainability Index (ISE) of the BM&FBOVESPA and the Carbon Disclosure Project (CDP), as well as an analysis of the points to be developed, and 2) Code of Conduct of Investor Relations (IR). [GRI G4-43]

Itaúsa recommends its subsidiaries to adopt the self-assessment process of the Board of Directors, as has been done since 2006. It is also considering the adoption of this procedure for its Board, which is composed of members in common.

⊕ (FOR FURTHER INFORMATION, SEE THE REFERENCE FORMS OF THE SUBSIDIARIES). [GRI G4-44]

Compensation

The purposes of Itaúsa's compensation policy are, in general, the same as those of the compensation policies of the Conglomerate companies: to attract, reward, retain and stimulate managers to conduct its business in exchange for sustainable results and always in line with the interests of stockholders. The values adopted by the market, the Company's strategy and the proper risk management over time are taken into account. The general compensation parameters of the management members are set forth in its By-laws, whereas the aggregate amounts for annual compensation of the Board of Directors and Executive Board are resolved at the Annual Stockholders' Meeting, which also establishes the monthly fixed fees of the members of the Fiscal Council. [GRI G4-51, G4-52]

The annual compensation of the members of the Board of Directors and Executive Board is composed of monthly fixed fees, short-term variable compensation (profit sharing) and a benefit plan. The monthly fixed compensation and the benefit plan are aimed at rewarding the level of importance, experience and responsibility of the job performed, whereas the short-term variable compensation, which is semiannual, compensates the management members in accordance with their contribution to the achievement and surpassing of the previously established targets.

In addition to the discussion at the Annual Stockholders' Meeting, the opinions of stakeholders on the compensation policy are taken into account and submitted to the Ethics, Disclosure and Trading Committee through a channel that ensures their right to anonymity and protection against retaliation. The recommendations addressed by the Committee are reported to the Board of Directors. [GRI G4-53]

Policies

In order to strengthen the commitment to transparency and the dissemination of the capital market culture, Itaúsa has a Disclosure Policy that determines the procedures for disseminating information on material acts or facts and maintaining the confidentiality of the information that is not yet public. Meanwhile, the Trading Policy sets out the guidelines for the trading of marketable securities issued by the holding company in order to ensure transparency and prevent the use of privileged information.

Additionally, Itaúsa holds annual public meetings in partnership with the Association of Capital Market Investment Analysts and Professionals (Apimec) where it discusses its results, strategies and prospects. Since 2001, 14 public meetings with analysts have been held. Annual teleconferences are also held, at the end of each year, to present and discuss on the results. Additionally, the Investor Relations department held more than 50 calls and meetings with investors over the year and received around 350 e-mail messages through the Contact IR channel of the Investor Relations website. [GRI G4-49, G4-50]

RISK MANAGEMENT |GRI G4-2|

Risk management is considered essential for optimizing the use of funds and selecting the best business opportunities, as it seeks to map internal and external events that could affect the strategies of the business units. The Shareholders' Agreement, reaffirmed on May 13, 2014, establishes the indebtedness and risk policies of the holding company and its subsidiaries, delimiting the exposure levels in accordance with the stockholders' equities.

The risk management control structure is shared with Itaú Unibanco and is in line with the best market practices. The credit, market, liquidity, operational and underwriting risks are controlled on a centralized basis by an independent unit, conducted by a vice-president who reports to the Chief Executive Officer and Board of Directors that meet every quarter or whenever necessary. If necessary, Itaúsa also shares the risk management structure of its subsidiaries in the industrial area. |GRI G45, G4-47|

The operating structure and internal controls cause the risk management processes to pervade the entire institution and they are in line with the guidelines of the Board of Directors and the executives, who, through committees and higher commissions, determine the overall objectives expressed in targets and limits for the business units. Meanwhile, the control and capital management units support management by means of monitoring and risk and capital analysis processes.

The subsidiaries in the industrial area, in turn, manage their risks on an ongoing basis, periodically assessing the management processes and compliance with the rules and policies approved by management and other bodies. ⊕ (FOR FURTHER DETAILS ON RISK FACTORS AND MANAGEMENT PROCESSES, SEE THE REFERENCE FORM ON WWW.ITAUSA.COM.BR/EN/FINANCIAL-INFORMATION/REFERENCE-FORM AND ON THE INVESTOR RELATIONS WEBSITES OF THE SUBSIDIARIES), |GRI G4-46|

ETHICAL BEHAVIOR |GRI G4-56, G4-57, G4-58|

Itaúsa's subsidiaries have Codes of Ethics and Conduct that align and commit their employees to four key ideas, which define the culture and identity of the companies: ethics, transparency, social function and sustainability. Itaúsa's Code of Ethics, approved in 2011, is a tool that can accurately translate its commitments and values, encouraging attitudes that favor empathy, honesty and cooperation between the institution and its stakeholders.

The document provides for a formal commitment to the human and labor rights contained in the conventions of the United Nations (UN) and the International Labor Organization (ILO), such as combating child, forced or compulsory labor, discrimination in all of its forms and corruption, among other things.

The members of the Board of Directors and Executive Board are responsible for ensuring that the Code of Ethics is respected and must promptly report knowledge of any violation of its principles and guidelines. The companies develop regular programs to disseminate the content of the document, which is subscribed by the employees and attached to contracts with suppliers.

The Ethics, Disclosure and Trading Committee, a body bound to the Board of Directors, is responsible for receiving and investigating notifications on possible ethical violations and the recommendations addressed by this Committee are reported to the Board of Directors. Additionally, the companies maintain ethics channels, ombudsman's offices and customer service centers to receive complaints and suggestions related to ethical issues and the impacts of the operations in relation to society, environment, labor practices and human rights.

The Ethics, Disclosure and Trading Committee has a specific channel to receive reports, doubts and questions on interpretation, complaints and suggestions and ensures the right to anonymity and protection against retaliation. Contacts can be made by telephone +55 11 3179-7959/7957, facsimile +55 11 3179-7939 or e-mail (carlos.zanelato@itausa.com.br) |GRI G4-57, G4-58|

In 2014, no reports were recorded through this channel. The investigations of the facts, if any, are opportunely carried out on a professional, unbiased and secret basis. The Ethics, Disclosure and Trading Committee is composed of at least two and no more than ten professionals annually appointed by the Board of Directors and it meets on a quarterly basis or whenever called by the Investor Relations Officer. |GRI G4-S05|

The background of the slide is a solid dark blue. It is decorated with a pattern of squares in various shades of blue and a few in orange. These squares are of different sizes and are arranged in a way that they appear to be floating or overlapping, creating a modern, geometric aesthetic.

6 STRATEGY AND INVESTMENTS

6 STRATEGY AND INVESTMENTS

Itaúsa determines, centralizes and aligns the vision for business development and management, as well as the corporate values that guide the companies' operations and financial strategies. At the same time, it preserves the operational autonomy of each company, allowing for the adoption of specific strategies in accordance with the requirements of the related operational segments. [GRI G4-42]

■ *Itaú Unibanco Holding*

In January 2014, Itaú Unibanco entered into an agreement with CorpBanca and its controlling stockholders for the purpose of carrying out a merger transaction between Banco Itaú Chile and CorpBanca. Some of the regulatory approvals necessary for the closing of this transaction have already been obtained.

Additionally, in 2014, the following events were announced and approved:

- Corporate restructuring of Itaú BBA approved by the Central Bank of Brazil (Bacen), by the Central Bank of The Bahamas and by the Financial Superintendency of Colombia;
- Stockholders' Agreement of TecBan approved by the Brazilian antitrust agency (Cade). The Stockholders' Agreement became effective in November 2014;
- Sale of the Large Risk insurance operation to the ACE Group approved by Cade and by the Superintendency of Private Insurance (Susep); and
- Unification of Business with Banco Itaú BMG Consignado S.A. approved by Cade and Bacen.

The investments in technology are spent on the development of platforms and services that can simplify the lives of all of those who deal with the bank, focused on mobility and convenience. On December 31, 2014, the funds used in information technology reached more than 78% of the total investments planned for the period from 2012 to 2015, financed with internal resources. The amount is being invested in data processing systems, acquisitions of software, development of systems and the new Data Center, which was inaugurated in March 2015 in the State of São Paulo.

■ *Duratex*

In 2014, the Duratex 2020 was completed. This is a strategic planning that presents targets for the next six years based on the organic and inorganic growth as well as on the diversification of the portfolio of products in related sectors, just like what happened with the acquisition of Thermosystem (electric showers) and Mipel (industrial valves).

In the year, investments amounted to R\$697.9 million, of which R\$607.9 million in cash, the highlight being the increase in the interest in Tablemac (R\$152.1 million) and the acquisition of forest assets from Caxuana (R\$150.0 million), which were mostly paid with the delivery of 5,600 hectares of land owned by Duratex in São Paulo. This land was leased by the company itself for a period of 39 years.

At the end of 2014, a joint venture with Usina Caeté was announced for the purpose of forming eucalyptus forests in Northeastern Brazil, in a plantation area of 13,500 hectares located in the State of Alagoas. The company will invest around R\$12 million a year, to be equally invested by both partners, for the next six years. The construction of a MDF plant to support the growth in the consumption of wood panels in the region is under study.

In order to adjust the offer to the demand and increase the use of the capacity of the most profitable units, in December 2014, Duratex discontinued the activities of the Jundiá II fixtures plant in the State of São Paulo and redirected production to the newly-inaugurated unit in Queimados, State of Pernambuco, which offers more production efficiency and lower costs.

■ *Elekeiroz*

The Company completed the strategic planning cycle in 2014 and it redefined its Mission, Vision and Values and established new strategic guidelines. In order to reach the target of being a leading regional company in the segments in which it operates, Elekeiroz will focus on actions in three strategic development areas:

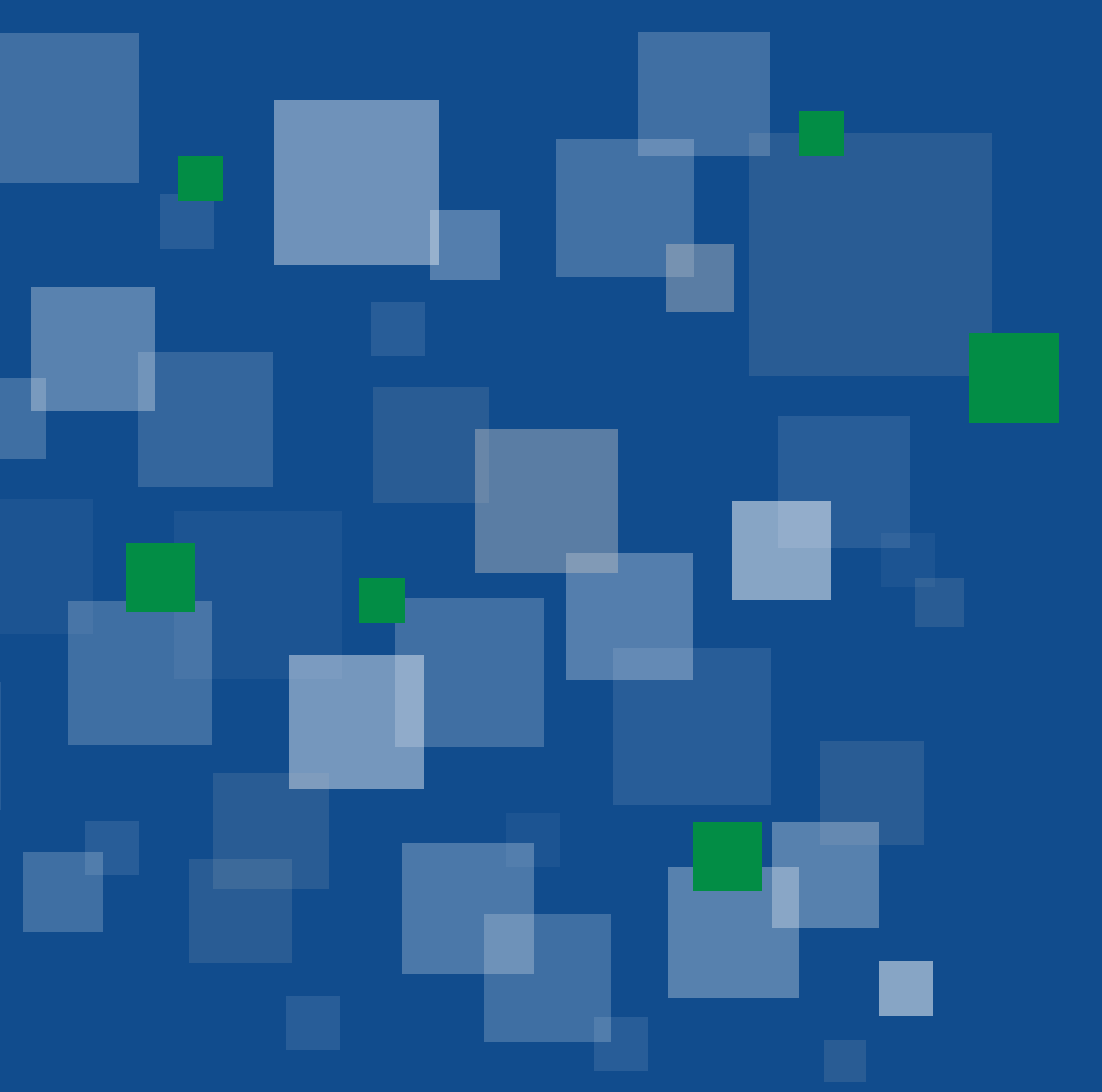
- Become a solution provider in which innovation and market orientation become key factors in the sustainable creation of value;
- Seek competitiveness taking advantage of Brazil's privileged access to natural resources for the development of renewable chemistry;
- Maximize efficiency in the generation and consumption of energy, taking into consideration the current and future scenario of the Brazilian energy mix, as well as the water resources.

The total investment in 2014 amounted to R\$64.2 million, the highlight being the project for the interconnection and adaptation of the industrial gas unit to the company's plant in the Camaçari Industrial Complex. The completion of the project, expected for the second quarter of 2015, will ensure the supply of important inputs in competitive conditions, increasing the offer of products to the domestic market.

In the year, the company acquired the exclusive right to explore the technology for the production of butane and ethanol by means of bio-fermentation processes, based on synthesis gas, without the need to use propane as a raw material. This is a technological breakthrough that opens the doors to the world of biotechnology.

■ *Itautec*

Continuing with the Company's strategic repositioning process, which included the gradual discontinuation of the IT Unit, in 2014, 48,800 pieces of equipment were delivered, including desktops, notebooks and servers, thus complying with the contracts, in the corporate and government segments, entered into in previous periods. Additionally, Itautec continued to honor the contracts for the warranty and maintenance of the equipment of the Itautec/InfoWay brand, thus avoiding any inconveniences for its customers.



7

ECONOMIC
PERFORMANCE

7 ECONOMIC PERFORMANCE

As a pure holding company, Itaúsa's results basically arise from the equity in the earnings of its investees, which is determined based on the net income of its subsidiaries.

Based on these criteria, Itaúsa's recurring net income from January to December 2014 was R\$7,578 million – a growth of 22.2% from the same period of the previous year, with a recurring return on average equity of 21.2%. Net income for the same period reached R\$7.911 million and the return on average equity was 22.1%.

EQUITY IN THE EARNINGS OF SUBSIDIARIES BY AREA

(R\$ MILLION)

	2014	%	2013	%	Evolution (%)
FINANCIAL SERVICES AREA	7,696	99.1%	6,035	96.9%	27.5%
INDUSTRIAL AREA	66	0.9%	193	3.1%	-65.8%
Duratex	125	1.6%	199	3.2%	-37.2%
Elekeiroz	(14)	-0.2%	23	0.4%	-160.9%
Itautec	(45)	-0.6%	(29)	-0.5%	55.2%
OTHERS	2	0.0%	(1)	0.0%	-
TOTAL RECURRING EQUITY IN THE EARNINGS OF SUBSIDIARIES	7,764	100.0%	6,227	100.0%	24.7%
ITAÚSA'S OWN NET INCOME (LOSS) NET OF TAXES	(186)		(28)		-
RECURRING NET INCOME	7,578		6,199		22.2%
NON-RECURRING NET INCOME (LOSS)	333		(501)		-
NET INCOME	7,911		5,698		38.8%

Value added

Itaúsa's consolidated value added amounted to R\$9,648 million, compared with R\$7,781 million in 2013, an increase of 24.0%, and was distributed as follows: 8.8% for personnel; 3.0% in the form of taxes and contributions; 3.6% as interest on third parties' capital and 84.6% as interest on capital.

STATEMENT OF CONSOLIDATED VALUE ADDED | GRI G4-EC1 |

(R\$ MILLION)

	2014	%	2013	%
REVENUES	5,252		5,329	
SALES OF PRODUCTS AND SERVICES	5,021		5,289	
OTHER REVENUES	231		40	
INPUTS ACQUIRED FROM THIRD PARTIES	(3,146)		(2,951)	
COSTS OF PRODUCTS AND SERVICES	(2,517)		(2,206)	
MATERIALS, ENERGY, OUTSOURCED SERVICES AND OTHER	(57)		(333)	
OTHERS	(572)		(412)	
Data processing and telecommunications	(7)		(5)	
Advertisement and promotions	(494)		(100)	
Installations, conservation and maintenance of assets	(7)		(2)	
Transportation	(1)		-	
Travelling	(3)		(9)	
Legal and judicial	-		-	
Others	(60)		(296)	
GROSS VALUE ADDED	2,106		2,378	
DEPRECIATION, AMORTIZATION AND DEPLETION	(651)		(681)	
NET VALUE ADDED PRODUCED	1,455		1,697	

VALUE ADDED RECEIVED IN TRANSFER	8,193		6,084	
SHARE OF INCOME IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	7,908		5,868	
FINANCIAL INCOME	285		216	
TOTAL UNDISTRIBUTED VALUE ADDED	9,648		7,781	
DISTRIBUTION OF VALUE ADDED	9,648	100.00%	7,781	100.00%
PERSONNEL	849	8.80%	1,113	14.30%
Direct compensation	685		891	
Benefits	121		140	
Government Severance Pay Fund (FGTS)	43		82	
TAXES, FEES AND CONTRIBUTIONS	292	3.03%	345	4.43%
Federal	290		342	
State	2		2	
Municipal	-		1	
INTEREST ON THIRD PARTIES' CAPITAL	346	3.59%	312	4.01%
Interest	345		298	
Rentals	1		14	
INTEREST ON CAPITAL	8,161	84.58%	6,011	77.26%
Dividends and interest on capital paid/provided for	2,546		2,151	
Retained earnings for the period	5,365		3,547	
Non-controlling interests in retained earnings	250		313	

Itaú Unibanco Holding

Net income for 2014 attributable to the controlling stockholders was 31.2% higher than in the same period of the previous year and amounted to R\$21.6 billion, equivalent to an annualized return on average equity of 24.3% (21.1% in 2013). Net income in the year to December 2014 reached R\$21.9 billion, a growth of 32.3% in relation to 2013, with a recurring return on average equity of 24.3%.

The factors that contributed to the increase in net income for 2014 were the growth of 16% in banking service fees and income from bank charges together with the increase of 3.8% in income from insurance, pension and capitalization operations before expenses for claims and selling expenses. Operating revenues grew 15.5% in relation to 2013. Even with the acquisition of Credicard at the end of 2013, the increase of general and administrative expenses in the year was 6.6% whereas losses on loans and claims grew only 6.3%, which reflects the strategy to prioritize lower-risk portfolios.

(+) (FURTHER INFORMATION: WWW.ITAU.COM.BR/RELACOES-COM-INVESTIDORES/)

Duratex

Net revenues amounted to R\$3,985 million in 2014, an increase of 2.9% from 2013, resulting from the increase of 4.5% in the volume of products shipped in the Wood Division. Recurring EBITDA totaled R\$952 million, with a margin of 23.9%. Recurring net income was R\$359 million with an annualized return on average equity of 7.9%.

The Wood Division showed a significant recovery of its level of activity in the second half of 2014 with a consistent improvement based on a

movement for the replacement of inventories followed by an increase in the final demand. In the year, 2,787,600 cubic meters of panels were shipped, contributing to net revenues of R\$2,642 million.

In the Deca Division in 2014, there was a reduction of 5.0% in the volume shipped and net revenues for the year dropped 1.8%. Duratex believes that this situation is the result of a more challenging macro scenario, with a significant slowdown in the real estate activity, particularly with respect to the launch of new units. This fact is evidenced by the weak performance of the primary and secondary sale of real estate properties in the period, thus affecting the direct sales to construction companies and the segment of renovations.

(+) (FURTHER INFORMATION: WWW.DURATEX.COM.BR/RI/EN/DEFAULT.ASPX)

Elekeiroz

Net revenues totaled R\$935.0 million, a drop of 7% from 2013. In the domestic market, which accounts for 87% of sales, net revenues dropped 8% whereas exports grew 4%. The cost of products sold totaled R\$889.3 million, a drop of 1% from 2013, in line with the reduction in net revenues.

Net revenues for the year were affected by non-recurring events: (i) write-down of expenditures with engineering for the construction of a new industrial unit in the amount of R\$5.0 million, the project of which was placed on stand-by due to the adverse economic scenario and the high price, in the on the national market, of the related raw materials, (ii) provision for civil contingencies in the amount of R\$13.6 million.

In the period, the Company reported a loss of R\$32.3 million (gross profit of R\$45.7 million) whereas in 2013, net income was R\$39.4 million (gross profit of R\$104.9 million). EBITDA was negative by R\$6.7 million; excluding the non-recurring effects, EBITDA was positive by R\$11.9 million.

At the end of 2014, net debt totaled R\$100.0 million, corresponding to 22% of stockholders' equity.

⊕ (FURTHER INFORMATION: WWW.ELEKEIROZ.COM.BR/EN/PAGES/HOME.ASPX)

Itautec

The consolidated net sales and service revenues for 2014 amounted to R\$101.6 million. Gross loss for the year totaled R\$8.6 million, due to the drop in the return from the IT segment. The equity in the

earnings of subsidiaries due to the 30% interest in Oki Brasil, an associated company, was negative by R\$20.9 million.

The result for 2014 included events related to Finsocial credits (R\$10.3 million); credit in a declaratory action on the unconstitutionality of Laws No. 2,145/53 and No. 7.690/88, which created the Cacex Rate on import licensing (R\$20.0 million); credits arising from income tax and social contribution tax loss carryforwards for the early settlement of debts under the Refis tax refinancing program (R\$10.6 million).

Due to the factors described above, the Company presented net loss of R\$38.7 million in 2014.

⊕ (FURTHER INFORMATION: WWW.ITAUTEC.COM.BR/EN-US/INVESTOR-RELATIONS)

MAIN RESULTS OF THE COMPANIES

(R\$ MILLION)

		Financial area	Industrial area			
		Itaú Unibanco Holding	Duratex ⁵	Elekeiroz	Itautec ^{5,6}	Consolidated Itaúsa ¹
TOTAL ASSETS	2014	1,127,203	8,797	703	290	48,594
	2013	1,027,297	8,178	730	751	41,929
OPERATING INCOME ²	2014	154,990	3,985	935	102	12,929
	2013	119,154	3,873	1,004	439	11,157
NET INCOME	2014	21,555	394	(32)	(39)	8,161
	2013	16,424	520	39	(389)	6,011
STOCKHOLDERS' EQUITY	2014	99,260	4,609	465	109	42,239
	2013	83,223	4,365	504	156	35,974
ANNUALIZED RETURN ON AVERAGE EQUITY (%) ³	2014	24.3%	8.7%	-6.6%	-28.9%	21.1%
	2013	21.1%	12.3%	8.0%	-112.2%	17.6%
INTERNAL FUND RAISING ⁴	2014	58,231	1,030	16	(65)	1,105
	2013	47,706	1,368	71	(183)	965

1. Itaúsa Consolidated includes the consolidation of 100% of subsidiaries and presents amounts net of the eliminations from consolidation and unrealized intercompany income and expenses. The amounts of Itaú Unibanco were not consolidated and are measured using the equity method.

2. Operating income by area of operation was obtained as follows:

Itaú Unibanco Holding: Interest and Investment Income, Income from Dividends, Gain (Loss) on Investments in Securities and Derivatives, Service Revenue, Income from Insurance, Pension and Capitalization Operations before Expenses for Claims and Selling Expenses and Other Revenues.

Duratex, Itautec and Elekeiroz: Sales of Products and Services.

Itaúsa Consolidated: Sales of Products and Services and Equity in the Earnings of Associates and Jointly-controlled Entities.

3. Represents the ratio of Net Income for the period and Average Stockholders' Equity ((December 2013 + Mar + Jun + Sept + Dec)/5).

4. Refers to funds provided by operations under the Statement of Cash Flows.

5. In Duratex and Itautec the amounts presented do not include Operating Income classified in Income from Discontinued Operations.

6. In 2013, Total Assets, Stockholders' Equity and Net Income include the Discontinued Operations.

CAPITAL MARKETS

Itaúsa preferred shares (ITSA4 ticker symbol) are traded on the São Paulo Stock Exchange (BM&FBOVESPA) and their price at the end of 2014 was R\$9.44, an appreciation of 5.9% from the previous year, whereas the main index of the São Paulo Stock Exchange, the Ibovespa, depreciated 2.9%. Common shares (ITSA3) were quoted at R\$9.70 at the end of the year, a 22.2% drop when compared to the end of 2013.

Market capitalization, based on the price of the most liquid shares (preferred shares), was R\$57.6 billion, up 18.1% in relation to the previous year, whereas total market value of the sum of interests in subsidiaries reached R\$73.0 billion. At the end of 2014, Itaúsa's capital comprised 6,110,134,000 shares, of which 3,757,710,000 are preferred shares and 2,352,424,000 are common shares.

The average daily financial volume traded was R\$132 million compared to R\$118 million in the previous year, with 5,689,000 transactions in the year (4,561,000 in 2013).

In the short and long-term prospects, Itaúsa shares appreciated above the average return of both the Ibovespa and the Interbank Deposit Certificate (CDI). In ten years, these shares posted an 18.44% increase with dividend reinvestment and 14.03% without this reinvestment. In the same period, the Ibovespa and the CDI posted variations of 6.68% and 11.63%, respectively. In the short term (one year), the performance was much better than that of other assets: 21.22% with reinvestment, compared to a 2.91% drop of the Ibovespa and a 10.76% increase in the CDI.

Based on this performance, R\$100.00 invested in Itaúsa shares on December 30, 2004 represented R\$543.00 (with dividend reinvestment) and R\$372.00 (without dividend reinvestment) on December 30, 2014.

MAIN INDICATORS PER SHARE

(AMOUNTS IN R\$, UNLESS OTHERWISE INDICATED)

	12/31/2014	12/31/2013	Evolution (%)
NET INCOME OF THE PARENT COMPANY	1.30	0.96	35.9%
RECURRING NET INCOME OF THE PARENT COMPANY	1.25	1.04	19.7%
BOOK VALUE OF THE PARENT COMPANY	6.43	5.51	16.8%
DIVIDENDS/INTEREST ON CAPITAL NET OF INCOME TAX	0.40	0.31	27.9%
PREFERRED SHARE PRICE ¹	9.44	8.10	16.5%
MARKET CAPITALIZATION ² (R\$ MILLION)	57,585	48,744	18.1%

1. Average price of preferred shares on the last day of the period.

2. Calculated based on the average price of preferred shares on the last day of the period (average price of preferred shares multiplied by the number of outstanding shares at the end of the period).

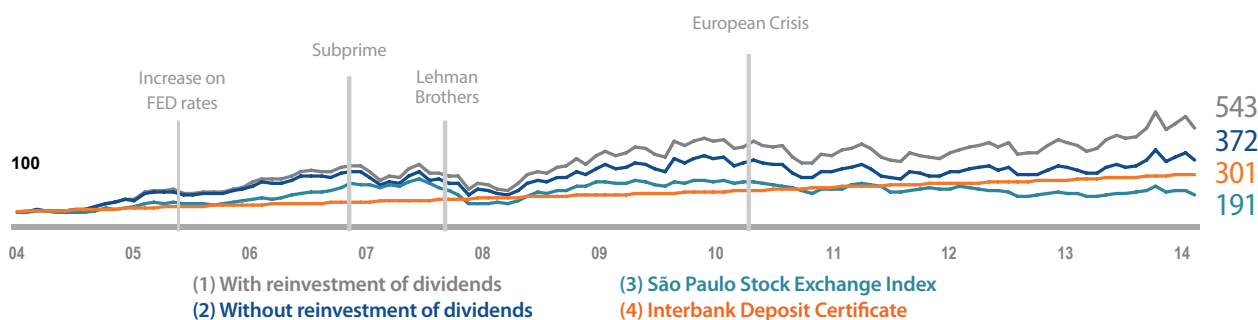
Note: The number of outstanding shares and the share price were adjusted to reflect the 10% share bonus of April 28, 2014.

PREFERRED SHARES APPRECIATION – ITSA4

EVOLUTION OF R\$100 INVESTED ON DECEMBER 30, 2004 UNTIL DECEMBER 30, 2014

Annual Average Appreciation in Reais

	Itaúsa(1)	Itaúsa(2)	Ibov. (3)	CDI (4)
10 YEARS	18.44%	14.03%	6.68%	11.63%
5 YEARS	5.32%	1.37%	-6.12%	9.70%
12 MONTHS	21.22%	16.50%	-2.91%	10.76%

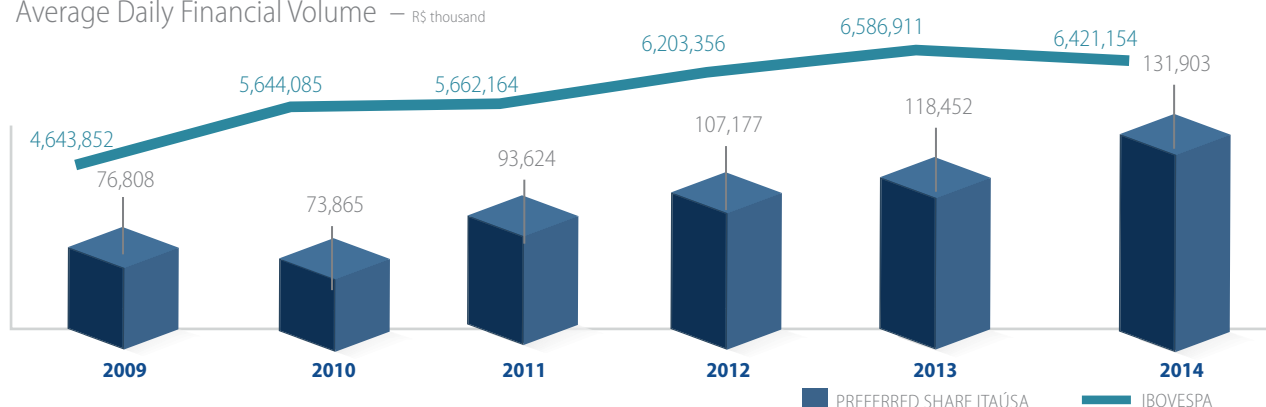


ITAÚSA

Average Daily Financial Volume — R\$ thousand

CAGR (09 – 14): 9.4%

CAGR (09 – 14): 5.6%



Stockholders' remuneration

The By-laws ensure stockholders mandatory minimum dividends of 25% of net income for each year. Historically, Itaúsa has distributed dividends higher than those required by law. In 2014, stockholders' remuneration, including dividends and interest on capital, was R\$2,438 million, an increase of 29.8% in relation to 2013. The percentage of net income distributed by Itaúsa in the form of dividends and interest on capital was 32.4%, 740 basis points higher than the mandatory minimum 25.0%.

Capital increase

After a favorable opinion of the Fiscal Council, the Board of Directors resolved to increase the subscribed and paid up capital from R\$27,025 million to R\$27,325 million, by means of the issue of new shares for private subscription. The funds raised with the capital increase will be used to increase working capital and in the maintenance of Itaúsa's adequate liquidity level.

It will be issued 44,776,120 new shares (17,210,555 common shares and 27,565,565 preferred shares). The subscription price, R\$6.70 per share, is based on the weighted average price of the preferred shares on BM&FBOVESPA in the period from October 6, 2014 to February 2, 2015, adjusted by negative goodwill of 30%.

Itaúsa Discount

On December 31, 2014, Itaúsa shares were traded with a 21.13% discount in relation to the market value of the sum of its interests in the companies, as compared to a 21.2% discount at the end of 2013.

This discount reflects one of the indicators that are most used by analysts, stockholders and investors in the capital market to assess the investment in Itaúsa, as it measures the difference between the market value verified by the holding company and the theoretical market value, which is obtained by adding up the values of the parties that compose it. Therefore, the fair value of Itaúsa shares would be made up of the sum of the market value of its interest in publicly-held subsidiaries.

The market value is calculated considering the price of the most liquid shares (average price on the last day of the period) multiplied by the number of outstanding shares. The table below describes the calculation and presents the discount. The discount table is monthly restated on the Investor Relations website (www.itausa.com.br/en/itausa-in-the-stock-market/itausa-discount).

ITAÚSA DISCOUNT (12/31/2014)

LISTED COMPANIES	Total Shares (th.) (A)	Average Price of Most Liquid Share (R\$) (B)	Market Value of the Companies (R\$ million) (C) = (A) x (B)	Itaúsa's stake in the Companies (%) (D)	Market Value of the Stake (R\$ million) (E) = (C) x (D)
Itaú Unibanco Holding S.A.	5,477,002	34.72	190,161	36.72%	69,823
Duratex S.A.	683,080	8.12	5,384	35.53%	1,913
Itaútec S.A.	11,199	16.10	180	97.80%	176
Elekeiroz S.A.	31,485	8.60	271	96.60%	262
Other Net Assets and Liabilities (F)					838
Market Value of the Sum of the Parts of Itaúsa on 12/30/2014 (G)					73,012
Market Value of Itaúsa on 12/30/2014 (H)	6,100,096	9.44	57,585		57,585
Discount (%) (I) = (H)/(G) - 1					- 21.13%

where:

A. Total outstanding shares representing the capital stock of the listed companies (based on most recent financial statements for each company available from the CVM site – Brazilian Securities and Exchange Commission).

B. The most liquid shares of Itaú Unibanco, Duratex, Itaútec, Elekeiroz and Itaúsa are, respectively: ITUB4 (preferred), DTEX3 (common), ITEC3 (common), ELEK4 (preferred) and ITSA4 (preferred). Average prices for the last day of the period available from the BM&FBOVESPA website (www.bmfbovespa.com.br).

C. Corresponds to the stock exchange value of the listed companies.

D. Itaúsa's direct and indirect stake in the companies' total capital according to Explanatory Note 2.4.a of the Financial Statements of Itaúsa, to be found in the www.itausa.com.br.

E. Market value is the stake held by Itaúsa in each controlled listed company.

F. Net value of other assets and liabilities. Individual balance sheet.

G. Itaúsa's theoretical market value, calculated on the basis of the sum of the market value of the stakes held by Itaúsa in the listed companies.

H.

H. The effective market value, or in other words, the value calculated based on Itaúsa's share price on the stock exchange.

I. The resulting value of the discount. Please note that the discount is valid for the base date on which it was calculated, since it varies from day to day according to the variation in the prices of the listed companies.

Note: balance sheet data of December 31, 2014.

The background of the page is a solid dark blue. It is decorated with a pattern of squares in various shades of blue and green. The squares are of different sizes and are arranged in a way that creates a sense of depth and movement, with some squares appearing to overlap others. The colors range from a very light, almost white blue to a deep, dark blue, and a few small, vibrant green squares are scattered throughout.

8 SOCIAL AND ENVIRONMENTAL PERFORMANCE

8 SOCIAL AND ENVIRONMENTAL PERFORMANCE

Sustainability is incorporated into the strategy of the companies of the Itaúsa Conglomerate by means of a consolidated governance structure integrated into the businesses, which enables internalizing social and environmental issues into daily activities and processes, and managing the direct and indirect economic impacts of their operations.

The concern with environmental impacts, the support for social development and the development of employees, customer service and creation of value are present in all action plans carried out according to the needs of each company. One of the success indicators of this strategy is the inclusion of Itaúsa, Duratex and Itaú Unibanco in the 2014/2015 portfolios of the Dow Jones Sustainability World Index, a benchmark for companies with high standards of sustainability management. Only eight Brazilian companies are part of this select group, two of which are from the Conglomerate, Itaúsa and Itaú Unibanco.

Itaú Unibanco reviewed its Sustainability Policy in 2014, in accordance with the criteria set forth by Resolution No. 4,327 of the Central Bank of Brazil, which determined that financial institutions should adopt a social and environmental risk analysis based on the characteristics, needs, risk exposure and specificities of each business front.

People management

At the end of 2014, Itaúsa had more than 100,000 employees in the Conglomerate, including approximately 7,600 people in foreign units. The employees' fixed compensation plus payroll charges and benefits totaled R\$12.6 billion in the period.

TOTAL WORKFORCE | GRI G4-10|

HIRED FOR AN INDEFINITE PERIOD OF TIME	OWN EMPLOYEES		OUTSOURCED EMPLOYEES ²
Company/Region	Men	Women	
SOUTHEAST	34,380	40,387	25,466
ITAÚ UNIBANCO ¹	26,840	39,280	22,630
DURATEX	7,158	989	2,690
ELEKEIROZ	320	78	144
ITAUTEC	62	40	2
SOUTH	4,008	4,744	3,281
ITAÚ UNIBANCO ¹	2,885	4,413	2,919
DURATEX	1,123	331	362
NORTH	429	710	503
ITAÚ UNIBANCO ¹	429	710	503
NORTHEAST	3,159	2,752	2,939
ITAÚ UNIBANCO ¹	1,674	2,672	2,428
DURATEX	1,207	43	185
ELEKEIROZ	278	37	326
MIDWEST	1,317	2,088	1,402
ITAÚ UNIBANCO ¹	1,317	2,088	1,402
TOTAL	43,293	50,681	33,591
GRAND TOTAL	93,974		33,591

1. Only information on Itaú Unibanco companies under the administration of the Personnel department (Management, Administrative, Production and Trainee positions) are taken into account. The reporting companies that were maintained in 2014 were: Itaú Unibanco, Hipercard, Itaú UBB hold, Megabônus, Microinvest, Banco Itaú BMG, Provar Negócios, LuizaCred, Credicar Promot, Trishop, Fic Promotora, Itaú Seguros, Itaú BMG Gestão, Kinea, Itaú Seg Corp, Itaúseg Saúde, Kinea, Banco Itaúcard, Icarros Ltda., Pró-imóvel, Itaú Adm Prev and Marcep.

2. There is no control of outsourced employees by gender.

OTHER TYPES OF CONTRACTS	INTERNS AND TRAINEES		YOUNG APPRENTICES	
	Men	Women	Men	Women
ITAÚ UNIBANCO ¹	1,548	2,545	482	1,201
DURATEX	40	47	191	71
ELEKEIROZ	14	7	11	-
ITAUTEC	1	-	-	-
TOTAL	1,603	2,599	684	1,272
GRAND TOTAL	4,202		1,956	

1. Only information on Itaú Unibanco companies under the administration of the Personnel department (Management, Administrative, Production and Trainee positions) are taken into account. The reporting companies that were maintained in 2014 were: Itaú Unibanco, Hipercard, Itaú UBB hold, Megabônus, Microinvest, Banco Itaú BMG, Provar Negócios, LuizaCred, Credicar Promot, Trishop, Fic Promotora, Itaú Seguros, Itaú BMG Gestão, Kinea, Itaú Seg Corp, Itauseg Saúde, Kinea, Banco Itaucard, Icarros Ltda., Pró-imóvel, Itaú Adm Prev and Marcep.

Social responsibility

Itaú Unibanco's sustainability activities are based on three strategic focuses: financial education, dialogue and transparency, and social and environmental risks and opportunities. Investments in the social area – particularly those focused on the improvement of education, health, culture, sports and urban mobility – are tied to the institution's purpose of changing people's world for the better.

In 2014, R\$485.1 million was invested in projects, either through funds subsidized by laws (Rouanet Law, Sports Incentive Law) or through donations and sponsorships made by Itaú Unibanco, contributing to projects focused on education, health, culture, sports and mobility. For carrying out these projects, the bank is supported by Fundação Itaú Social, Instituto Unibanco, Itaú Cultural and Espaço Itaú de Cinema.

At the social and cultural level, Duratex invests in projects that aim at establishing a closer relationship with the communities surrounding the industrial and forest units where it operates. These are initiatives to support and develop education and culture and for environmental education.

The information on these projects is presented in detail in the reports of the companies. [\[GRI G4-EC7, G4-EC8\]](#)

Environmental responsibility

The companies have many programs focused on environmental impact management, which comprise initiatives for reducing material, water, and energy consumption, air emissions and waste and effluent generation.

Itaú Unibanco, Duratex and Elekeiroz publish, on an annual basis, an inventory of greenhouse gas emissions (GHG), and continuously improve the transparency of their report, which follows the GHG Protocol guidelines. Itaúsa is responsible for the consolidation of the information of the subsidiaries and for reporting it to the BM&FBOVESPA Carbon Efficient Index (ICO2). The companies of the Conglomerate take part in the Carbon Disclosure Project, an organization that operates a global climate data disclosure system on behalf of 767 institutional investors. By means of a questionnaire, the Carbon Disclosure Project seeks to understand how companies are trying to mitigate the environmental impacts of their business in view of climate change. In 2014, for example, Duratex scores surpassed the average scores of the materials industry and the paper and forest products sub-industry in which it is classified. Itaúsa and Itaú Unibanco were recognized by CDP Latin America as one of the ten Leading Companies in Transparency. The inventory results are published in the subsidiaries' reports.

The impacts from climate change are systematically assessed by Itaú Unibanco and Duratex. For the bank, these issues are a variable in the insurance industry, integrate credit risk analyses for corporate clients and arise as opportunities in the development of new financial products. For Duratex, changes in rain frequency and temperatures affect forest productivity. The company also assesses other aspects related to climate change, from both the standpoint of risks and opportunities. (Details on risks and opportunities arising from climate change are presented in the reports of the companies) [\[GRI G4-EC2\]](#)

The background of the page is a solid dark blue. It is decorated with a pattern of squares in various shades of blue and a few bright orange squares. The squares are of different sizes and are arranged in a seemingly random, overlapping pattern across the upper two-thirds of the page.

9

GRI
SUMMARY

GENERAL STANDARD DISCLOSURE			Omissions	Reason for the omission	Explanation for the omission	External assurance
STRATEGY AND ANALYSIS						
G4-1	Statement about the relevance of sustainability	7, 9, 10				40, 41
G4-2	Key impacts, risks and opportunities	7, 9, 10, 21				40, 41
ORGANIZATIONAL PROFILE						
G4-3	Name of the organization	12				No
G4-4	Primary brands, products and services	12, 13				No
G4-5	Location of the organization's headquarters	44				No
G4-6	Number of countries where the organization operates	12, 16				No
G4-7	Nature of ownership and legal form	12, 17				No
G4-8	Markets served	13				No
G4-9	Scale of the organization	12				No
G4-10	Total number of employees	31				40, 41
G4-11	Employees covered by collective bargaining agreements	The eligible employees of the Conglomerate are covered by collective bargaining agreements. In the relationship with the unions, the priority is to find creative solutions negotiated to minimize any differences and address issues that involve the employees.				40, 41
G4-12	Supply chain	Not applicable. Itaúsa is a pure holding company and does not have revenues from products and/or services. Therefore, there is no supply chain. The subsidiaries are currently analyzing a proper way to measure the extension of their supply chains.				No
G4-13	Significant changes during the reporting period	There were none.				No
COMMITMENTS TO EXTERNAL INITIATIVES						
G4-14	Precautionary principle	Itaúsa and the companies of the Conglomerate apply this principle in the mapping and management of risks.				No
G4-15	Social charters, principles or other initiatives	The main commitments assumed by the subsidiaries include: United Nations Global Compact, Carbon Disclosure Project (CDP), Programa na Mão Certa (On the Right Track Program) and Ethos Institute of Business and Social Responsibility. The details are presented in the reports of the companies.				No
G4-16	Memberships of associations	The companies actively participate in industry associations, including the Brazilian Federation of Banks (Febraban), Federation of Industries of the State of São Paulo (Fiesp) and the Brazilian Association of the Chemical Industry (Abiquim). Further information is presented in the individual reports.				40, 41
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES						
G4-17	Entities included	4				No
G4-18	Process for defining content and boundaries	4				No
G4-19	Material aspects identified	5				No
G4-20	Aspect boundary within the organization	5				No
G4-21	Aspect boundary outside the organization	5				No

GENERAL STANDARD DISCLOSURE			Page/Comment	Omissions	Reason for the omission	Explanation for the omission	External assurance
G4-22	Effect of any restatements of information		4				No
G4-23	Significant changes from previous reporting periods		4				No
STAKEHOLDER ENGAGEMENT							
G4-24	Stakeholder groups engaged by the organization		4				No
G4-25	Basis for identification and selection of stakeholders		4				No
G4-26	Approach to stakeholder engagement	There are specific relationship channels and engagement actions for each stakeholder group that are presented in detail in the reports of the companies.					40, 41
G4-27	Key topics and concerns that have been raised through stakeholder engagement		5				No
REPORT PROFILE							
G4-28	Reporting period		4				No
G4-29	Date of most recent previous report		2014				No
G4-30	Reporting cycle		4				No
G4-31	Contact point		4				No
G4-32	Summary of GRI content		34-40				No
G4-33	Policy and practice with regard to seeking external assurance		4				No
GOVERNANCE							
G4-34	Governance structure		19				40, 41
G4-35	Process for delegating authority for economic, environmental and social topics		20				40, 41
G4-36	Appointment of an executive-level position or positions with responsibility for economic, environmental and social topics		20				40, 41
G4-37	Processes for consultation regarding the economic, environmental and social topics	The consultation to determine the relevance of the topics is carried out every two years as part of the process of preparation of the Sustainability Report. The process involves the participation of the senior management. The most recent consultation was carried out at the beginning of 2014.					40, 41
G4-38	Composition of the highest governance body and its committees		20				40, 41
G4-39	Report whether the Chair of the highest governance body is also an executive officer		19				40, 41
G4-40	Nomination and selection processes		20				40, 41
G4-41	Processes to ensure conflicts of interest are avoided and managed		20				40, 41
G4-42	Roles in the development, approval, and updating of the organization's purpose, mission, vision and value statements and strategies		23				40, 41
G4-43	Measures taken to develop and enhance the knowledge of economic, environmental and social topics		20				40, 41
G4-44	Processes for evaluation of performance with respect to economic, environmental and social topics		20				40, 41

GENERAL STANDARD DISCLOSURE		Page/Comment	Omissions	Reason for the omission	Explanation for the omission	External assurance
G4-45	Role in the identification and management of economic, environmental and social impacts, risks, and opportunities	21				40, 41
G4-46	Role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	21				40, 41
G4-47	Frequency of the review of economic, environmental and social impacts, risks, and opportunities	21				40, 41
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report	Executive Vice President and Investor Relations Officer.				No
G4-49	Process for communicating critical concerns to the highest governance body	20				40, 41
G4-50	Concerns that were communicated to the highest governance body	20				40, 41
G4-51	Compensation policies for the highest governance body and senior executives	20				40, 41
G4-52	Process for determining compensation	20				40, 41
G4-53	Stakeholders' views are taken into account regarding compensation	20				40, 41
G4-54	Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees	Itaúsa is a pure holding company and manages investments in its subsidiaries, therefore, it does not have employees. Each company has its own compensation policy, targets and measures. This information can also be checked in the respective reports of the subsidiaries.				No
G4-55	Ratio of percentage increase in compensation for the organization's highest-paid individual to the median percentage increase for all employees					No
ETHICS AND INTEGRITY						
G4-56	Values, principles, standards and norms of behavior	21				40, 41
G4-57	Mechanisms for seeking advice on ethical behavior	21				40, 41
G4-58	Mechanisms for reporting concerns about unethical behavior	21				40, 41

SPECIFIC STANDARD DISCLOSURES

Material aspects		Page/Comment	Omissions	Reason for the omission	Explanation for the omission	External assurance
ECONOMIC PERFORMANCE						
G4-DMA	Management approach	19, 21, 25, 32				No
G4-EC1	Direct economic value generated and distributed	21				40, 41
G4-EC2	Climate change	32				No
G4-EC3	Benefit plan obligations			The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No
G4-EC4	Financial assistance received from government	In Itaú Unibanco, the amounts refer to social investments subsidized with funds from the Rouanet Law, Sports Incentive Law, among others, which totaled R\$485.1 million 2014. In 2014, Duratex benefited from the reduction of the employer's social security contribution, from funds from the Industrial Development Support Fund (Fain) and from the Program for the Development of the State of Pernambuco (Prodepe), which amounted to R\$15.6 million. Two other credit lines of Duratex (Fundiest and Fundopem) have financial aid from the government, although it is not significant.				No
INDIRECT ECONOMIC IMPACTS						
G4-DMA	Management approach	32				No
G4-EC7	Investments in infrastructure and services	32				40, 41
G4-EC8	Significant indirect economic impacts	32				40, 41
LABOR PRACTICES						
Grievance mechanisms related to labor practices						
G4-DMA	Management approach	19, 21				No
G4-LA16	Grievances related to labor practices			The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No

Material aspects			Omissions	Reason for the omission	Explanation for the omission	External assurance
HUMAN RIGHTS						
Child labor						
G4-DMA	Management approach	19, 21				No
G4-HR5	Risk for incidents of child labor			The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No
Forced or compulsory labor						
G4-DMA	Management approach	19, 21				No
G4-HR6	Risk for incidents of forced or compulsory labor			The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No
Human rights grievance mechanisms						
G4-DMA	Management approach	19, 21				
G4-HR12	Grievances about human rights impacts	Detailed information is presented in the companies' reports.				No
SOCIETY						
Anti-corruption						
G4-DMA	Management approach	19, 21				No
G4-SO3	Assessments for risks related to corruption			The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No

Material aspects		Page/Comment	Omissions	Reason for the omission	Explanation for the omission	External assurance
G4-SO4	Communication and training on anti-corruption			The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No
G4-SO5	Confirmed incidents of corruption and actions taken	19, 21				40,41
Public policy						
G4-DMA	Management approach	19, 21				No
G4-SO6	Contributions to political parties and politicians	The companies have policies approved by the Executive Boards and Boards of Directors and the amounts are publicly disclosed. Detailed information is presented in the reports of Itaú Unibanco and Duratex.		The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No
Anti-competitive behavior						
G4-DMA	Management approach	19, 21				No
G4-SO7	Legal actions for anti-competitive behavior	They haven't been recorded				No
Compliance						
G4-DMA	Management approach	19, 21				No
G4-SO8	Fines and non-monetary sanctions for non-compliance with laws and regulations	Detailed information is presented in the companies' reports		The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No

Material aspects			Omissions	Reason for the omission	Explanation for the omission	External assurance
Grievance mechanisms for impacts on society						
G4-DMA	Management approach	19,21				No
G4-SO11	Grievances about impacts on society	Detailed information is presented in the companies' reports		The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No
PRODUCT RESPONSIBILITY						
Customer privacy						
G4-DMA	Management approach	21, 32				No
G4-PR8	Complaints regarding breaches of customer privacy and losses of customer data	Detailed information is presented in the companies' reports		The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No
Compliance						
G4-DMA	Management approach	21, 32				No
G4-PR9	Fines for non-compliance with laws and regulations concerning the provision and use of products and services	Detailed information is presented in the companies' reports		The standard disclosure or part of the standard disclosure is not applicable.	Itaúsa is a pure holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. Learn more in the "Itaúsa 2014 Annual Report".	No

INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT ON INFORMATION RELATED TO SUSTAINABILITY INCLUDED IN THE ANNUAL REPORT FOR 2014

To the Board of Directors
Itaúsa – Investimentos Itaú S.A.
São Paulo – SP

Introduction

We have been engaged by Itaúsa – Investimentos Itaú S.A. ("Itaúsa") to present our limited assurance report on the compilation and fair presentation of the information related to sustainability included in the Annual Report for 2014 of Itaúsa – Investimentos Itaú S.A. for the year ended December 31, 2014.

Management's responsibility

The management of Itaúsa is responsible for the compilation and fair presentation of the sustainability information included in the Annual Report for 2014, in accordance with the guidelines of the Global Reporting Initiative (GRI-G4) and for such internal control as it determines is necessary to enable the preparation of information free from material misstatement, whether due to fraud or error.

Independent auditor's responsibility

Our responsibility is to express a conclusion on the compilation and fair presentation of the information related to sustainability included in the Annual Report for 2014, based on our limited assurance engagement carried out in accordance with the Brazilian Standard NBC TO 3000, "Assurance Engagements Other than Audit and Review", issued by the Brazilian Federal Accounting Council (CFC), which is equivalent to the international standard ISAE 3000, "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that we comply with ethical requirements, including independence requirements, and perform our engagement to obtain limited assurance that the information related to sustainability included in the Annual Report for 2014 taken as a whole is free from material misstatement.

A limited assurance engagement conducted in accordance with the Brazilian standard NBC TO 3000 and ISAE 3000 mainly consists of making inquiries of management and other professionals of the entity involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that allows us to issue a limited assurance conclusion on the information taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that lead him to believe that the information related to sustainability taken as a whole might present significant misstatements.

The procedures selected are based on our understanding of the aspects related to the compilation and presentation of the information related to sustainability included in the Annual Report for 2014, other circumstances of the engagement and our analysis of the areas in which significant misstatements might exist. The following procedures were adopted:

- (a) planning the work, taking into consideration the materiality and the volume of quantitative and qualitative information and the operating and internal control systems that were used to prepare the information related to sustainability included in the Annual Report for 2014 of Itaúsa;
- (b) understanding the calculation methodology and the procedures adopted for the compilation of indicators through interviews with the managers in charge of the preparation of the information;
- (c) applying analytical procedures to quantitative information and making inquiries regarding the qualitative information and its correlation with the indicators disclosed in the information related to sustainability included in the Annual Report for 2014;
- (d) comparing the financial indicators with the financial statements and/or accounting records; and
- (e) obtaining evidence for the most significant GRI - G4 indicators included in the Annual Report for 2014 and presented in the "GRI Summary".

The limited assurance engagement also included the application of procedures to assess compliance with the guidelines of the Global Reporting Initiative (GRI-G4) applied in the preparation of the information related to sustainability included in the Annual Report for 2014.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Scope and limitations

The procedures applied in a limited assurance engagement are substantially less detailed than those applied in a reasonable assurance engagement, the objective of which is the issuance of an opinion on the compilation and fair presentation of the information related to sustainability included in the Annual Report for 2014. Consequently, we were not able to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement, the objective of which is the issuance of an opinion. If we had performed an engagement with the objective of issuing an opinion, we might have identified other matters and possible misstatements in the information related to sustainability included in the Annual Report for 2014. Accordingly, we do not express an opinion on this information.

Non-financial data are subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate and estimate these data. Qualitative interpretations of the relevance, materiality, and accuracy of the data are subject to individual assumptions and judgments. Furthermore, we did not consider in our engagement the data reported for prior years, nor future projections and goals.

Conclusion

Based on the procedures performed, described herein, no matter has come to our attention that causes us to believe that the information related to sustainability included in the Annual Report for 2014 of Itaúsa – Investimentos Itaú S.A. has not been compiled and fairly presented, in all material respects, in accordance with the guidelines of the Global Reporting Initiative (GRI-G4).

São Paulo, April 22, 2015

PricewaterhouseCoopers

Auditores Independentes
CRC 2SP000160/O-5

Washington Luiz Pereira Cavalcanti

Contador
CRC 1SP172940/O-6



10

CORPORATE
INFORMATION

BOARD OF DIRECTORS (On 12/31/2014)

Chairman

Carlos da Camara Pestana (independent member)

Vice Chairmen

Alfredo Egydio Arruda Villela Filho

Alfredo Egydio Setubal

Effective members

José Sergio Gabrielli de Azevedo (independent member)

Paulo Setubal Neto

Rodolfo Villela Marino

Alternate members

Ricardo Egydio Setubal

Ricardo Villela Marino

FISCAL COUNCIL (On 12/31/2014)

Chairman

Tereza Cristina Grossi Togni

(alternate José Roberto Brant de Carvalho)

Members

José Carlos de Brito e Cunha (alternate Luiz Antonio Careli)

Paulo Ricardo Moraes Amaral (alternate João Costa)

Helena Kerr do Amaral

(alternate Luciana Menegassi Leocadio Silvestrini)

Flavio César Maia Luz (alternate Felício Cintra do Prado Júnior)

EXECUTIVE BOARD (On 12/31/2014)

CEO

Alfredo Egydio Arruda Villela Filho

Executive Vice Presidents

Henri Penchas (Investor Relations Officer)

Roberto Egydio Setubal

ADDRESSES [GRI G4-5]

Itaúsa – Investimentos Itaú S.A.

Head Office: Praça Alfredo Egydio de Souza Aranha, 100
CEP – 04344-902

São Paulo – SP

www.itausa.com.br

Itaú Unibanco Holding S.A.

Praça Alfredo Egydio de Souza Aranha, 100

CEP – 04344-902

São Paulo – State of São Paulo

www.itaub.com.br

Duratex S.A.

Av. Paulista, 1.938 – Terraço

CEP – 01310-942

São Paulo – State of São Paulo

www.duratex.com.br

Elekeiroz S.A.

Av. Paulista, 1.938 – 5º andar

CEP – 01310-942

São Paulo – State of São Paulo

www.elekeiroz.com.br

Itautec S.A.

Av. Paulista, 1.938 – 5º andar

CEP – 01310-942

São Paulo – State of São Paulo

www.itaute.com.br

Investor Relations Officer:

Itaúsa – Investimentos Itaú S.A.

Investor Relations Officer: Henri Penchas

Av. Paulista, 1.938, 5º andar – Bela Vista

São Paulo – State of São Paulo – CEP: 01310-942

Phone: 55 11 3179-7177

Facsimile: 55 11 3179-7101

e-mail address: relacoes.investidores@itausa.com.br

Central Investfone

3003-9285 State Capitals and Metropolitan Regions

0800 720 9285 Other locations

Working hours: Monday through Fridays, from 9 a.m. to 6 p.m.

Service to Stockholders

Belo Horizonte – State of Minas Gerais: Av. João Pinheiro, 195 –
Subsolo – CEP: 30130-180

Brasília – Federal District: SCS Quadra 3 – Edif. D'Angela, 30 –
Bloco A, Sobreloja – CEP: 70300-500

Curitiba – State of Paraná: R. João Negrão, 65 – Sobreloja –
CEP: 80010-200

Porto Alegre – State of Rio Grande do Sul: R. Sete de Setembro, 1069 –
3º andar – CEP: 90010-190

Rio de Janeiro – State of Rio de Janeiro: Av. Almirante Barroso, 52 –
2º andar – CEP: 20031-000

Salvador – State of Bahia: Av. Estados Unidos, 50 – 2º andar –
Edifício Sesquicentenário – CEP: 40010-020

São Paulo – State of São Paulo: R. Boa Vista, 176 – 1º Subsolo –
CEP: 01092-900

EDITORIAL TEAM

General Coordination

Itaúsa's Investor Relations Office

Support

Itaú Unibanco's Investor Relations Team

Duratex's Investor Relations Team

Elekeiroz's Investor Relations Team

Itautec's Investor Relations Team

Writing and edition

Editora Contadino

Graphic design and materiality process

TheMediaGroup