



ITAÚSA

Complete Financial Statements **March 31, 2010**



ITAÚSA - INVESTIMENTOS ITAÚ S.A.

MANAGEMENT REPORT – 1ST QUARTER OF 2010

To our Stockholders:

We present the Management Report and the financial statements of Itaúsa - Investimentos Itaú S.A. (Itaúsa) and its subsidiaries for the first quarter of 2010, prepared in accordance with the regulations established by the Brazilian Corporate Law and the Brazilian Securities and Exchange Commission (CVM). These financial statements have been approved by the Fiscal Council.

Progress of Itaú Unibanco's integration and favorable industrial scenario are the highlights of the quarter

Itaú Unibanco proceeded with the integration of operations with the merger of 63 Unibanco branches the Itaú platform in the first quarter of 2010. During the year, the operation will demand investments of R\$ 580 million, considering construction, equipment and material expenses. As part of the strategy towards differentiated service to individual clients, Itaú Unibanco created Itaú Uniclass to those who fit between the retail and Personnalité client bases, in specific spaces in certain branches of the Itaú network.

Duratex serves sectors that have greatly improved, as compared to the same period of 2009, such as the furniture and finishing material for civil construction sectors. The first quarter of the year was marked by important investments for the company's competitiveness, such as the organization of the resin plant in the city of Agudos, State of São Paulo, and the orders for equipment required for increasing Deca's production capacity.

In this quarter, Itautec posted an increase in the shipment of banking automation products, mainly in the domestic market. Its product portfolio was expanded with the launch of InfoWay NetTop NT2010, a desktop with innovative design and compact tow case, and of the InfoWay Note W7410 notebook, a piece of equipment that joins the robust settings and shows good value for money.

Elekeiroz faces a favorable scenario for its business development, mainly due to the economic growth in Asian countries and the strong domestic demand in the civil construction and vehicle segments, among others. The indicators in the first quarter of 2010 confirm the increased industrial production of the chemical sector, in line with the good performance of the Brazilian economy as a whole.

SUBSEQUENT EVENTS

In April 2010, the Annual Stockholders' Meetings of Itaúsa and its main subsidiaries, Itaú Unibanco (on the 26th), Itautec (on the 27th), Elekeiroz (on the 27th) and Duratex (on the 29th) were held. The resolutions are available for consultation on Itaúsa's and each of its main subsidiaries' websites.

BUSINESS PERFORMANCE

MAIN INDICATORS OF RESULTS OF ITAÚSA CONSOLIDATED

R\$ Million

	Parent company		Minority interest		Group	
	Jan to Mar/10	Jan to Mar/09	Jan to Mar/10	Jan to Mar/09	Jan to Mar/10	Jan to Mar/09
Net income	1,079	901	2,387	1,853	3,466	2,754
Recurring net income (Note 21d)	1,051	955	2,344	1,896	3,395	2,851
Stockholders' equity	20,533	17,229	39,829	33,383	60,362	50,612
Return on average equity (%)	21.4%	21.3%	24.5%	22.8%	23.4%	22.3%
Recurring return on average equity (%)	20.8%	22.6%	24.0%	23.3%	23.0%	23.1%

MAIN FINANCIAL INDICATORS

	Mar/10	Mar/09	Change (%)
Results per share – R\$			
Net income of parent company	0.25	0.23	6.9
Recurring net income of parent company	0.24	0.25	(1.7)
Recurring net income of parent company (without considering the bonus of shares in 2008)	0.27	0.25	7.9
Book value of parent company	4.72	4.44	6.4
Interest on capital and dividends	0.07	0.07	(1.4)
Price of preferred share (PN) (1)	12.17	8.03	51.6
Market capitalization (2) – R\$ million	52,889	31,168	69.7

(1) Calculated based on the average quotation of preferred shares on the last day of the period.

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

MAIN INDICATORS OF THE COMPANIES CONTROLLED BY ITAÚSA

R\$ Million

	January to March	FINANCIAL SERVICES AREA		INDUSTRIAL AREA		CONSOLIDATED/ GROUP (1)
		Itaú Unibanco Holding	Duratex	Itautec	Elekeiroz	
Total assets	2010	634,663	4,556	1,264	594	642,594
	2009	624,541	3,240	1,186	623	631,244
Operating revenues (2)	2010	27,915	607	464	205	28,589
	2009	29,510	394	430	129	30,175
Net income	2010	3,234	81	6	7	3,466
	2009	2,015	47	5	(19)	2,754
Stockholders' equity	2010	52,975	2,423	502	449	60,362
	2009	44,999	1,759	457	421	50,612
Return on average equity (%) (3)	2010	25.0%	13.5%	4.8%	6.0%	23.4%
	2009	18.2%	10.7%	4.4%	-17.8%	18.6%
Internal fund generation (4)	2010	10,688	177	11	16	10,695
	2009	5,569	68	16	(45)	5,119

(1) Consolidated/Group data is net of consolidation elimination and unrealized results of intercompany transactions.

(2) Operating revenue by area of operations was obtained as follows:

- Itaú Unibanco: income from financial operations, income from recovery of credits written off as loss, income from services rendered, income from bank charges, income from insurance, pension plan and capitalization premiums, and other operating income; and .
- Duratex S.A., Itautec S.A. and Elekeiroz S.A.: net revenue from sales of products and/or services.

(3) Represents the ratio of net income for the period and the average equity ((Dec+Mar)/2).

(4) Refers to funds arising from operations, according to the Statement of Cash Flows.

FINANCIAL SERVICES AREA

We report below the highlights of our performance in the first quarter of 2010.

At the end of March 2010, total consolidated assets reached R\$ 634.7 billion. Net income for the first quarter of 2010 reached R\$ 3.2 billion, with annualized return of 25.0% on average equity (18.2% for the first quarter of 2009). Recurring net income was R\$ 3.2 billion, with annualized return of 24.4%. Itaú Unibanco paid or provided for its own taxes and contributions in the amount of R\$ 3.1 billion for the first quarter of 2010. The Bank also withheld and passed on taxes in the amount of R\$ 1.7 billion, which were directly levied on financial operations.

Consolidated stockholders' equity totaled R\$ 53.0 billion at the end of March 2010. The Basel ratio stood at 17.3% at the end of March 2010, based on economic-financial consolidated.

The loan portfolio, including endorsements and sureties, reached R\$ 284.7 billion, an increase of 4.4% as compared to March 31, 2009. In Brazil, non-mandatory loans to the individuals segment reached R\$ 104.3 billion. The large company portfolio reached R\$ 89.1 billion, whereas the very small, small and middle-market company portfolio reached R\$ 64.3 billion, and the real estate loans reached R\$ 9.4 billion on March 31, 2010, posting an increase of 41.7% as compared to the prior year.

In the investment banking area, Itaú BBA took part in operations of debentures and promissory notes that totaled R\$ 1.3 billion, and of securitization that totaled R\$ 152 million in 2010. In the Brazilian Financial and Capital Markets Association (ANBIMA) ranking, it occupied the third position regarding distribution of fixed income in the first quarter of 2010. In capital markets, it consolidated the leadership position after coordinating six public offerings that totaled R\$ 8.6 billion in the period.

The credit cards Itaucard, Unicard and Hipercard accounted for transactions of customers in the amount of R\$ 23.0 billion, which represents a growth of 26.4% in relation to the same quarter of the prior year. The net income for the first quarter of Redecard S.A. amounted to R\$ 352.6 million, a growth of 11.2% in relation to the same period of the prior year.

Free, raised and managed assets amounted to R\$ 894.1 billion, an increase of 10.4% as compared to March 31, 2009. Technical provisions for insurance, pension plan and capitalization totaled R\$ 54.3 billion at the end of March 2010.

Itaú Unibanco's preferred shares rose 65.4%, as compared to the quotation of March 31, 2009. The market value at Stock Exchanges of Itaú Unibanco, calculated considering the average quotation of preferred shares outstanding at the last trading session of the period, reached R\$ 176.2 billion at the end of March. According to the company Bloomberg, Itaú Unibanco ranked tenth among banks in the world at March 31, 2010, having market value as parameter.

INDUSTRIAL AREA

Duratex

Duratex showed an improved operating performance in relation to 2009, in view of the increased demand in the finishing materials for civil construction and furniture segments, the company's main sales markets. The company's good moment was also helped by a more favorable scenario in prices and the synergies and economy of scale from the Duratex and Satipel merger.

There were improvements in the current ratio, as the company had R\$ 1.68 in assets for each R\$ 1.00 owed in the short term.

Total debt at the end of March amounted to R\$ 1.508,5 million, equivalent to the net debt of R\$ 998.9 million, which represents a 9.8% decline in relation to December 2009. This net debt level is equivalent to 1.27 times the annualized Ebitda for the period, which is considered low. For comparison purposes, it was 1.46 times in the fourth quarter of the prior year. In the period, R\$ 237.6 million in new loans was taken out and R\$ 164.1 million was amortized.

Net revenue totaled R\$ 606.6 million, equivalent to a strong 54.0% increase in this indicator in relation to the same period of 2009.

The company's operating result, measured by Ebitda, showed a strong increase of 46.3% to R\$ 196.1 million in relation to the same period of 2009, equivalent to an Ebitda margin of 32.3%, whereas it stood at 26.0% in March 2009.

The net income of R\$ 80.6 million represented a growth of 72.0% in relation to the first quarter of 2009, equivalent to a return on annualized average equity for the period of 13.5%, as compared to 10.7% for the same period of the prior year.

The Wood Division ended the quarter with a rise of 34.9% in the shipped volume in relation to the same period of 2009, equivalent to 562.6 thousand cubic meters. The signs of improvement started to appear in the second half of last year, as the credit line to the retail furniture sales was resumed, together with longer financing terms.

In Deca Division, the shipment of products showed a strong growth of 12.4% in relation to the same period of 2009, having reached 4.8 million parts, of which the greatest increase was noted in the shipment of finished products with higher added value.

Itautec

Accumulated gross revenue from sales and services for the first quarter of 2010 reached R\$ 518.8 million, 9.9% higher than that for the same period of 2009, and we highlight the increased shipment of banking automation products for the period. Net revenue amounted to R\$ 463.8 million, a growth of 7.9%. Gross profit reached R\$ 81.5 million, resulting in a gross margin of 17.6%, slightly higher than that achieved in the first quarter of 2009.

Operating income, amounting to R\$ 10.3 million, was 15.6 % higher than that for the first quarter of 2009, whereas the Ebitda for the quarter reached R\$ 19.6 million, posting a growth of 4.3%. Net income amounted to R\$ 5,8 million, with annualized return of 4.8% on average equity. Total assets at the end of March amounted to R\$ 1.3 billion. Net debt reached R\$ 287.9 million, a 32.9% increase in relation to the end of 2009.

The gross revenue from the sale of bank and business automation's hardware and software in Brazil, plus the amount from operations of Itautec subsidiaries abroad, reached R\$ 107.5 million, 158.0% higher than that in the first quarter of 2009. In the quarter, 3.1 thousand ATMS were shipped, a volume 376.8% greater than that in the same period of 2009.

In the foreign market, Itautec's operations in Portugal were outstanding, with the roll-out project of over two thousand card readers in a financial institution of that country.

The sales volume of IT equipment in the quarter grew 14.8% in relation to the same period of the prior year, of which we highlight the increase in the notebook market share from 43.0% to 51.2%. Despite this increased volume, gross revenue from this area declined 2.4%, reaching R\$ 189.6 million, in view of the lower average prices of equipment, as a result of the US dollar devaluation between the two periods.

The shipment of notebooks totaled 59.1 thousand units, a volume 36.7% larger in relation to the same quarter of 2009. In the desktop segment, 55 thousand units were sold, a 0.8% fall in relation to the first quarter of the prior year. In the quarter, the InfoWay NetTop NT2010 desktop and the InfoWay Note W7410 notebook were launched.

The Services area recorded gross revenue of R\$ 92.3 million for the first quarter of 2010, 8.6% lower than that of the same period of the prior year. In the period, new service agreements were entered into with Federal Government-linked institutions for infrastructure, installation and server warranty, in addition to field services.

The consolidated accumulated revenue of Tallard subsidiaries amounted to R\$ 129.4 million, posting a 4.2% decrease in relation to the first quarter of 2009.

Subsequent event

On April 30, 2010, Itaotec S/A communicated to the market the execution of an agreement with AVNET, INC., related to the purchase and sale of shares of capital stock of Tallard companies, through which Itaotec operates in the product distribution market.

The amount to be received is approximately: (a) R\$ 45 million related to the amount of shares to be disposed of and (b) R\$ 24 million related to credits arising from loans. The financial settlement of this operation will occur by the beginning of July 2010, after the compliance with certain preconditions.

The operation will not have material effect on the results and stockholders' equity of Itaotec S.A.

The operation reinforces Itaotec's strategy of focusing its actions in the sale of own IT items, banking and commercial automation products, in addition to service provision and outsourcing, in line with the sustainability vision of the company.

The details of the operation are described in the Notice to Stockholders and in the Call Notice for the Extraordinary Stockholders Meeting published on May 7, 2010.

Elekeiroz

Following the good performance of the Brazilian economy in the first quarter of 2010, the industrial production in the chemical sector increased over 20%, as compared to same period of 2009. In terms of value, the increase in exports was 43%, imports rose 38% and sales in domestic market posted a 22% increase. The global chemical industry – and, therefore, the Brazilian one – continues with its downturn following major investments. The Brazilian chemical industry has not fully recovered the volumes, prices and margins of the pre-crisis period. Elekeiroz expects positive results for its business in 2010, should the strong growth continues in Asia and the good performance of the civil construction, automobile and other end consumer products sectors remain unchanged in Brazil.

In the first quarter of 2010, the physical shipment of the company's products was 110.9 thousand tons, a 31% increase as compared to the same period of 2009. This result, however, represented a decline of 11% in relation to the same period of 2008. Out of the total, 62.4 thousand tons refer to organic products and 48.4 thousand tons refer to inorganic products and resale.

The company recorded R\$ 249.0 million of gross revenue and R\$ 196.0 million of net revenue in the first quarter of 2010. These amounts exceed those of the first quarter of 2009 by 56% and 61%, respectively.

Totaling R\$ 53,0 million, exports rose 122% as compared to the same quarter of 2009 and 60% in relation to 2008, even with the unfavorable foreign exchange rate. Exports were destined for 20 countries, mainly to China, which accounted for 60% of total amount.

The company's gross profit totaled R\$ 21.4 million, as compared to R\$ 1.5 million in 2009. Net income was R\$ 6.6 million, in contrast to a loss of R\$ 19.2 million in the same period of 2009. Positive Ebitda was R\$ 16.4 million, as compared to negative R\$ 47.3 million in the first quarter of 2009, when inventory amounts were adjusted.

The programs focused on the increase in productivity, maintenance of existing facilities, safety of employees and preservation of the environment were granted investments of R\$ 3.4 million in the period.

PEOPLE MANAGEMENT

Itaúsa and its subsidiaries had approximately 120 thousand employees at March 31, 2010. In the period from January to March, 2010 they invested R\$ 37 million in education, training and development programs. Fixed compensation of personnel, plus charges and benefits, totaled R\$ 2.4 billion. Welfare benefits granted to employees and their dependants totaled R\$ 432 million.

SUSTAINABILITY AND CORPORATE RESPONSIBILITY

New products and everyday actions reinforce our commitment with society's welfare

Itaú Unibanco

The portfolio of socially-responsible products was reinforced with the launch of Fundo Social Itaú Personnalité Futura (Itaú Personnalité Futura social fund), which will allocate 30% of the management fee amount to Canal Futura (Futura television channel), which programming is mainly focused on education.

In a partnership with the Municipality of São Paulo, Itaú Unibanco opened the Parque Municipal Prefeito Mário Covas (Mayor Mário Covas Municipal Park), and reopened the fully restored Greenhouse 3 of the Manequinho Lopes Nursery, at the Ibirapuera Park.

The Garantia Sustentável Garantech (Garantech sustainable guarantee) program, which carries out the environmentally correct discharge of out-of-order or unused electrical and electronic devices, reaches to 11 cities in the State of São Paulo.

Duratex

Duratex invested R\$ 3.4 million in actions focused on the environment, particularly the treatment of effluents, collection of residues, and maintenance of forest lands.

Itautec

Itautec invested in the training of professionals of its commercial area, preparing them to assist customers in finding out how the adoption of social and environment criteria in IT projects may be in line with the strategic purposes of the organizations.

The Recycling Bulletin – a weekly newsletter – showed ways to use water and energy without waste and invited all employees to take part in “The Hour of the Planet”, a worldwide event that mobilizes society against global warming.

The InfoWay NetTop NT2010 desktop and InfoWay Note W7410 notebook, launched by Itautec in the quarter, are manufactured in conformity with the RoHS European guideline, which restricts the use of heavy metals and other harmful components in the manufacturing process.

Elekeiroz

Elekeiroz is a signatory of the Responsible Action Program, created by the International Council of Chemical Associations and managed by Abiquim (Brazilian Association of Chemical Industry) in Brazil.

SOCIAL, CULTURAL AND ENVIRONMENTAL INVESTMENTS

Efforts in a number of fronts: youth education, culture promotion and health care

Itaú Unibanco

A new edition of the Olimpíada de Língua Portuguesa Escrevendo o Futuro (Portuguese Language Olympiad – writing the future), a Fundação Itaú Social's program in partnership with the Ministry of Education, was launched in March. In 2010, this initiative will cover all Brazilian cities, with the participation of 9 million students and 200 thousand teachers in 80 thousand schools. Another ongoing project supported by Fundação Itaú Social is the Melhoria da Educação no Município (improved education in the municipality) program, which promotes the Advanced Course on Evaluation of Public Policies and Social Projects, aimed at increasing the number of professionals and training teachers so that they become specialized in this subject.

In the first quarter of the year, Instituto Cultural held 104 domestic and foreign events. Noteworthy was the exhibition Helio Oiticica – Museu É o Mundo (Helio Oiticica – museum is the world) and the video exhibit Visionários – Audiovisual (visionaries) in Latin America. In March, the call notices of the Rumos Itaú Cultural (directions) program were issued for the following categories: Theater, Music, Literature and Research.

Itautec

In March, Itautec conducted a campaign to warn on the importance of the early diagnosis of breast cancer and purchased products from the Brazilian Institute for Cancer Control (IBCC), which income is intended for the institute.

AWARDS AND RECOGNITION

Renowned Brazilian and international institutions acknowledge the companies' performance

Itaú Unibanco

Itaú was granted the AAA+ rating by the Management & Excellence (M&E), a Spanish consulting company, which assesses factors such as corporate governance, sustainability, transparency, corporate social responsibility and ethics.

Itaú Unibanco also received, from Global Finance magazine, the award World's Best Foreign Exchange Providers 2010 for Brazil, for the second consecutive year. Also for the second year in a row, the Bank was considered the Best Trade Finance Providers 2010 for Brazil by the Global Finance magazine.

In the annual award held by Euromoney magazine, Itaú Unibanco was the winner in the categories Best Private Banking in Brazil 2010 and Best Private Banking in Chile 2010. The magazine also acknowledged the bank, for the fourth consecutive time, as Latin America's Best Managed Companies - Most Convincing & Coherent Business Strategy - by sector: Banking & Financial.

The Bank also received the "Segurador Brasil 2010" (insurer) award, in the Best performance in the Special Risks and Asset Extended Guarantee categories, and for Outstanding Role/Leader in Sales in a number of segments.

Duratex

The Deca Division received the Red Dot Award 2010, granted to the Twin filter line, in the Home & Kitchen category. The award, one of the most significant of the German design market, had over 4,200 applications of companies from 57 countries. Deca was the first Brazilian company to win this award.

Itautec

Itautec was ranked first in the Pesquisa INFO de Marcas (brands INFO survey) as the most known brand, both in banking and commercial automation. Organized by the InfoExame magazine, the survey also focuses on the companies considered reliable by the main CIOs in the market.

Subsidiary Itautec in Portugal was recognized for its pioneering role and technological innovation in company management at the Optimus Innovation Awards 2010, winning an honorable mention in the Innovation and Pioneering Role category. Held by the sixth consecutive year, the award highlights cutting-edge projects able to contribute to the country modernization and productivity.

Elekeiroz

In April 2010, in an event subsequent to the closing of the quarter, Elekeiroz was ranked first in the 5th Fiesp (Federation of Industries of the State of São Paulo) Award for Water Conservation and Reuse. The award was granted due to three projects for reduction of water collection in the Jundiá river, reduction in the emission of effluents and collection of rain water.

INDEPENDENT AUDITORS – CVM INSTRUCTION No. 381

. Procedures adopted by the Company

The policy adopted by Itaúsa and its subsidiaries to engage non-audit related services from our independent auditors is based on the applicable regulations and internationally accepted principles that preserve the auditor's independence. These principles include the following: (a) an auditor cannot audit his or her own work, (b) an auditor cannot function in the role of management in companies where he or she provides external audit services; and (c) an auditor cannot promote the interests of its client.

During the period from January to March 2010, the independent auditors and related parties did not provide non-audit related services in excess of 5% of total external audit fees.

According to CVM Instruction No. 381, we list below the engaged services and related dates:

- March 3, 2010– Licenses for using an electronic library of international accounting standards (Comperio) – Itaú Unibanco Holding – Brazil;

. Summary of the Independent Auditors' justification

The provision of the above described non-audit related professional services do not affect the independence or the objectivity of the external audit of Itaúsa and its subsidiary/affiliated companies. The policy adopted for providing non-audit related services to Itaúsa is based on principles that preserve the independence of Independent Auditors, all of which were considered in the provision of the referred services.

ACKNOWLEDGEMENTS

We thank our stockholders and clients for their trust, which we always try to pay back by obtaining results differentiated from those of the market, and making available quality products and services, and our employees for their talent, which has enabled the sustainable growth of our business.

(Approved at the Board of Directors' Meeting of May 10, 2010).

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

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Accountant

REGINALDO JOSÉ CAMILO
CT-CRC-1SP - 114.497/O – 9

ITAÚ UNIBANCO HOLDING S.A.

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(1) Awaiting BACEN's approval

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REINALDO RUBBI (*)

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RICARDO JOSÉ BARALDI(*) *Investor Relations Director*

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

Consolidated Balance Sheet

(In thousands of Reais)

ASSETS	NOTES	03/31/2010	03/31/2009
CURRENT ASSETS		483,707,984	477,734,215
CASH AND CASH EQUIVALENTS		11,320,260	13,151,175
INTERBANK INVESTMENTS	4b and 6	131,440,734	122,440,821
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS	4c, 4d and 7	99,957,532	107,314,588
Securities		50,542,312	61,948,443
Derivative financial instruments		4,567,088	7,918,848
Assets guaranteeing technical provisions - PGBL/VGBL fund quotas	17b	40,152,632	32,334,342
Assets guaranteeing technical provisions – other securities	17b	4,695,500	5,112,955
INTERBANK ACCOUNTS OF SUBSIDIARIES		36,011,824	15,371,989
LOAN, LEASE AND OTHER CREDIT OPERATIONS	8	142,633,582	145,937,335
Operations with credit granting characteristics	4e and 8a	156,118,901	157,702,253
(Allowance for loan losses)	4f and 8b	(13,485,319)	(11,764,918)
INVENTORIES	4g and 9	785,072	668,289
Products		785,072	657,033
Real estate		-	11,256
OTHER RECEIVABLES		58,781,272	69,518,663
Foreign exchange portfolio	10	24,946,995	38,464,106
Deferred tax assets	20b I	9,972,255	7,180,667
Transactions with credit card issuers	4e	9,052,783	7,038,400
Receivables from insurance and reinsurance operations	4n I	3,487,233	3,740,258
Sundry	11	11,381,812	13,215,662
(Allowance for loan losses)		(59,806)	(120,430)
OTHER ASSETS	4h and 12	830,424	912,654
PREPAID EXPENSES	4i and 13	1,947,284	2,418,701
NON-CURRENT ASSETS		158,886,258	153,509,738
LONG-TERM RECEIVABLES		144,791,761	140,306,287
INTERBANK INVESTMENTS	4b and 6	5,226,075	4,168,606
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS	4c, 4d and 7	22,245,525	29,940,214
Securities		15,392,878	23,630,964
Derivative financial instruments		3,594,752	2,147,019
Assets guaranteeing technical provisions – other securities	17b	3,257,895	4,162,231
INTERBANK ACCOUNTS OF SUBSIDIARIES		538,633	672,201
LOAN, LEASE AND OTHER CREDIT OPERATIONS	8	86,313,383	72,715,777
Operations with credit granting characteristics	4e and 8a	95,997,714	82,588,011
(Allowance for loan losses)	4f and 8b	(9,684,331)	(9,872,234)
OTHER RECEIVABLES		29,081,726	31,206,072
Foreign exchange portfolio	10	1,874,408	960,009
Deferred tax assets	20b I	16,722,081	19,637,262
Sundry	11	10,485,237	10,608,801
OTHER ASSETS	4h and 12	5,939	11,760
PREPAID EXPENSES	4i and 13	1,380,480	1,591,657
INVESTMENTS	4j and 14a II	2,301,210	2,255,323
Investments in affiliates		1,154,465	1,329,865
Other investments		1,146,745	925,458
FIXED ASSETS	4k and 15	7,596,185	6,433,863
Fixed assets for own use		14,994,828	14,329,762
Leased properties		18,553	18,553
Forest reserves		370,373	193,358
(Accumulated depreciation)		(7,787,569)	(8,107,810)
INTANGIBLE ASSETS	4l and 15	4,197,102	4,514,265
TOTAL ASSETS		642,594,242	631,243,953

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

Consolidated Balance Sheet

(In thousands of Reais)

LIABILITIES	NOTES	03/31/2010	03/31/2009
CURRENT LIABILITIES		340,742,011	357,133,290
FUNDS RAISED BY SUBSIDIARIES	4b and 16	241,722,705	240,237,155
Foreign currency		10,619,410	18,308,409
Local currency		134,000,547	133,825,662
Money market		97,102,748	88,103,084
SUBORDINATED DEBT	4b and 16	22,785	1,232,755
DERIVATIVE FINANCIAL INSTRUMENTS	4d and 7b	3,795,750	6,342,577
BORROWINGS	4b and 16	1,645,233	609,172
Foreign currency		443,392	275,636
Local currency		1,201,841	333,536
STATUTORY AND SOCIAL CONTRIBUTIONS		2,736,571	2,382,874
TAX AND SOCIAL SECURITY CONTRIBUTIONS	4o, 4p and 20c	6,050,697	6,271,494
OTHER LIABILITIES		67,739,786	76,599,167
Foreign exchange portfolio	10	25,437,107	37,752,175
Credit card operations		24,025,001	18,098,319
Securitization of foreign payment orders	4b and 16	-	277,735
Sundry	18	18,277,678	20,470,938
INTERBANK ACCOUNTS OF SUBSIDIARIES		7,540,092	5,973,688
TECHNICAL PROVISIONS FOR INSURANCE, PENSION PLAN AND CAPITALIZATION	4n and 17a	9,488,392	17,484,408
NON-CURRENT LIABILITIES		241,490,083	223,498,775
LONG-TERM LIABILITIES		241,490,083	223,498,775
FUNDS RAISED BY SUBSIDIARIES	4b and 16	145,141,462	148,367,670
Foreign currency		8,671,270	9,727,822
Local currency		86,032,574	99,447,158
Money market		50,437,618	39,192,690
SUBORDINATED DEBT	4b and 16	25,733,136	21,677,098
DERIVATIVE FINANCIAL INSTRUMENTS	4d and 7b	3,701,752	2,717,781
BORROWINGS	4b and 16	159,948	710,747
Foreign currency		1,585	269,544
Local currency		158,363	441,203
TAX AND SOCIAL SECURITY CONTRIBUTIONS	4o, 4p and 20c	13,954,096	12,906,369
OTHER LIABILITIES		8,014,151	8,906,527
Foreign exchange portfolio	10	1,845,973	954,198
Credit card operations		12,654	-
Securitization of foreign payment orders	4b and 16	-	1,066,435
Sundry	18	6,155,524	6,885,894
TECHNICAL PROVISIONS FOR INSURANCE, PENSION PLAN AND CAPITALIZATION	4n and 17a	44,785,538	28,212,583
MINORITY INTEREST IN SUBSIDIARIES	21	39,829,276	33,383,167
STOCKHOLDERS' EQUITY OF THE PARENT COMPANY	22	20,532,872	17,228,721
Capital		13,000,000	10,000,000
Capital reserves		173,493	194,989
Revaluation reserves		26,405	27,120
Revenue reserves		7,291,508	7,156,708
Asset valuation adjustment	4c, 4d and 7a	56,710	(104,592)
(Treasury shares)		(15,244)	(45,504)
STOCKHOLDERS' EQUITY OF THE ITAÚSA GROUP		60,362,148	50,611,888
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		642,594,242	631,243,953

The accompanying notes are an integral part of these financial statements.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Consolidated Statement of Income
(In thousands of Reais)

	NOTES	01/01 to 03/31/2010	01/01 to 03/31/2009
OPERATING REVENUES		28,588,507	30,174,952
Sales of products and services		5,322,054	4,408,201
Insurance, pension plan and capitalization Financial	17c	4,407,942	4,379,214
Financial		12,777,980	12,709,701
Financial income from insurance, pension plan and capitalization operations	17c	1,023,305	1,172,589
Securities		4,620,673	7,122,994
Equity in earnings of affiliates	14 II	73,878	85,115
Other operating revenues	23	362,675	297,138
OPERATING EXPENSES		(23,942,155)	(26,581,161)
Cost of products and services		(931,824)	(743,658)
Insurance, pension plan and capitalization	17c	(3,760,146)	(3,877,627)
Equity	8c	(3,320,211)	(3,736,630)
Administrative		(5,450,019)	(5,306,909)
Management fees		(111,615)	(138,346)
Financial		(7,425,017)	(9,396,408)
Financial expenses on technical provisions for pension plan and capitalization	17c	(896,163)	(1,026,715)
Other operating expenses	24	(2,047,160)	(2,354,868)
OPERATING INCOME		4,646,352	3,593,791
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING		4,646,352	3,593,791
INCOME TAX AND SOCIAL CONTRIBUTION	4p and 20a I	(1,111,551)	(778,481)
Due on operations for the period		(1,474,345)	(1,362,181)
Related to temporary differences		362,794	583,700
PROFIT SHARING – Management members - Statutory - Law No. 6,404 of 12/15/1976		(68,915)	(61,247)
NET INCOME OF THE GROUP		3,465,886	2,754,063
MINORITY INTEREST IN SUBSIDIARIES	21	(2,386,839)	(1,852,592)
NET INCOME OF PARENT COMPANY		1,079,047	901,471
NUMBER OF OUTSTANDING SHARES – In thousands	22a	4,345,833	3,881,480
NET INCOME OF PARENT COMPANY PER SHARE – R\$		0.25	0.23
BOOK VALUE OF PARENT COMPANY PER SHARE – R\$		4.72	4.44
EXCLUSION OF NONRECURRING EFFECTS	28c	(28,290)	53,498
NET INCOME OF PARENT COMPANY WITHOUT NONRECURRING EFFECTS		1,050,757	954,969
NET INCOME OF PARENT COMPANY PER SHARE – R\$		0.24	0.25
NET INCOME OF PARENT COMPANY PER SHARE (WITHOUT BONUS EFFECT IN 2009) – R\$		0.27	0.25

The accompanying notes are an integral part of these financial statements.

ITAÚSA- INVESTIMENTOS ITAÚ S.A.
Consolidated Statement of Cash Flows
(In thousands of Reais)

	NOTE	01/01 to 03/31/2010	01/01 to 03/31/2009
ADJUSTED NET INCOME		10,694,071	5,119,158
Net income		1,079,047	901,471
Adjustments to net income:		9,615,024	4,217,687
Adjustment to market value of securities and derivative financial instruments (assets/liabilities)		45,162	(2,050,473)
Allowance for loan losses		3,866,360	3,834,399
Results from operations with subordinated debt		506,451	517,300
Results from securitization of foreign payment orders		-	12,911
Change in technical provision for insurance, pension plan and capitalization		896,163	1,026,715
Depreciation and amortization		571,417	540,341
Adjustment to legal liabilities – tax and social security		1,761,773	277,810
Adjustment to provision for contingent liabilities		899,232	(309,795)
Deferred taxes		(362,794)	(583,700)
Equity in earnings of affiliates		(38,419)	(23,367)
Income from available-for-sale securities		(739,814)	(1,026,890)
Income from held-to-maturity securities		(40,493)	59,082
(Gain) loss from sale of investments		(166,326)	(818)
Minority interest		2,386,839	1,852,592
Other		29,473	91,580
CHANGE IN ASSETS AND LIABILITIES		(25,228,594)	17,111,317
(Increase) decrease in interbank investments		(5,427,297)	15,302,311
(Increase) decrease in securities and derivative financial instruments (assets/liabilities)		(3,220,963)	4,517,413
(Increase) decrease in interbank accounts of subsidiaries		(17,517,918)	1,189,043
(Increase) decrease in loan, lease and other credit operations		(10,914,244)	(1,469,394)
(Increase) decrease in inventories		(26,554)	96,326
(Increase) decrease in other receivables and other assets		295,747	(2,195,983)
(Increase) decrease in foreign exchange operations		18,606	349,774
(Increase) decrease in prepaid expenses		209,994	224,627
Increase (decrease) in funds obtained by subsidiaries - foreign currency		1,543,547	(3,250,487)
Increase (decrease) in funds obtained by subsidiaries - local currency		(4,799,032)	(3,597,194)
Increase (decrease) in funds obtained by subsidiaries – money market		15,900,543	3,001,280
Increase (decrease) in borrowings – foreign currency		30,475	(81,285)
Increase (decrease) in borrowings – local currency		166,923	8,017
Increase (decrease) in credit card operations		(1,669,911)	924,492
Increase (decrease) in securitization of foreign payment orders		-	(2,497,474)
Increase (decrease) in social contributions and tax and other liabilities		193,785	5,158,537
Increase (decrease) in technical provision for insurance, pension plan and capitalization		895,866	402,379
Payment of income tax and social contribution		(908,161)	(971,065)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		(14,534,523)	22,230,475
Interest on capital / dividends received from affiliated companies		9,541	1,617
Funds received from sale of available-for-sale securities		7,618,046	8,843,250
Funds received from redemption of held-to-maturity securities		197	197
Sale of investments		178,164	1,321
Payment of income tax and social contribution from sale of investments		(52,753)	(449)
Sale of fixed assets		15,632	27,028
Write-offs of intangible assets		67,937	-
Purchase of available-for-sale securities		(2,850,367)	(13,610,370)
Purchase of held-to-maturity securities		(95,674)	-
Net cash and cash equivalents of assets and liabilities arising from the purchase of Redecard S.A. and Other		-	(485,994)
Purchase of investments		(160,077)	(10,364)
Purchase of fixed assets and forest reserves		(402,796)	(442,247)
Investment in intangible assets		(132,647)	(91,399)
NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES		4,195,203	(5,767,410)
Increase (decrease) in subordinated debt		3,211,254	(33,270)
Change in minority interest		277,417	80,674
Interest on capital paid to minority stockholders		(23,341)	(1,189,222)
Interest on capital paid		(684,284)	(729,330)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		2,781,046	(1,871,148)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4a and 5	(7,558,274)	14,591,917
Cash and cash equivalents at the beginning of the period		65,999,092	47,856,858
Cash and cash equivalents at the end of the period		58,440,818	62,448,775

The accompanying notes are an integral part of these financial statements.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Consolidated Statement of Added Value
(In thousands of Reais)

	01/01 to 03/31/2010	%	01/01 to 03/31/2009	%
INCOME	20,538,109		21,748,714	
Sale of goods, products and services	5,322,054		4,408,201	
Result from insurance, pension plan and capitalization operations	774,938		647,461	
Financial and from securities	17,398,653		19,832,695	
Allowance for loan losses – (increase)	(3,020,651)		(3,436,781)	
Other	63,115		297,138	
EXPENSES	(7,741,273)		(9,824,853)	
Financial	(7,425,017)		(9,396,408)	
Other	(316,256)		(428,445)	
INPUTS PURCHASED FROM THIRD PARTIES	(3,568,090)		(3,176,421)	
Costs of products, goods and services sold	(931,824)		(743,658)	
Materials	(86,078)		(64,643)	
Third-party services	(664,680)		(707,135)	
Other	(1,885,508)		(1,660,985)	
Data processing and telecommunications	(671,056)		(578,284)	
Advertising, promotions and publications	(228,826)		(171,300)	
Conservation and maintenance	(497,281)		(443,869)	
Transportation	(142,509)		(91,589)	
Security	(101,727)		(95,727)	
Travel expenses	(28,994)		(25,798)	
Other	(215,115)		(254,418)	
GROSS ADDED VALUE	9,228,746		8,747,440	
DEPRECIATION, AMORTIZATION AND DEPLETION	(571,417)		(540,341)	
NET ADDED VALUE PRODUCED BY THE COMPANY	8,657,329		8,207,099	
ADDED VALUE RECEIVED AS A TRANSFER	38,419		23,367	
Equity in earnings	38,419		23,367	
TOTAL ADDED VALUE TO BE DISTRIBUTED	8,695,748		8,230,466	
DISTRIBUTION OF ADDED VALUE	8,695,748	100.00%	8,230,466	100.00%
Personnel	2,746,518	31.58%	2,974,423	36.14%
Compensation	2,152,825		2,466,527	
Benefits	433,856		374,562	
FGTS – government severance pay fund	159,837		133,334	
Taxes, fees and contributions	2,271,564	26.12%	2,283,860	27.75%
Federal	1,992,581		2,051,237	
State	125,276		90,693	
Municipal	153,707		141,930	
Return on managed assets - Rent	211,780	2.44%	218,120	2.65%
Return on own assets	3,465,886	39.86%	2,754,063	33.46%
Dividends and interest on capital paid/provided for	360,118		324,870	
Retained earnings for the year	718,929		576,601	
Minority interest in retained earnings	2,386,839		1,852,592	

The accompanying notes are an integral part of these financial statements.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

Balance Sheet

(In thousands of Reais)

ASSETS	NOTES	03/31/2010	03/31/2009
CURRENT ASSETS		1,741,315	1,664,240
Cash and cash equivalents		21	22
Securities	4c and 7a	1,216,447	913,607
Deferred tax assets	20b I	97,822	287,252
Other sundry receivables	11	427,025	463,359
NON-CURRENT ASSETS		24,126,177	22,368,623
LONG-TERM RECEIVABLES		37,142	42,317
Securities	4c and 7a	34	34
Deferred tax assets	20b I	3,722	9,430
Other sundry receivables	11	33,386	32,853
INVESTMENTS		22,483,552	20,720,599
Investments in subsidiaries	14 I	22,470,348	20,707,395
Other investments		13,204	13,204
FIXED ASSETS	4k and 15	7,200	7,424
INTANGIBLE ASSETS	4l and 15	1,598,283	1,598,283
TOTAL ASSETS		25,867,492	24,032,863
LIABILITIES			
CURRENT LIABILITIES		849,077	1,165,257
Dividends/Interest on capital payable		742,955	920,206
Tax and social security contributions	4o, 4p and 20c	103,934	200,406
Other liabilities		2,188	44,645
NON-CURRENT LIABILITIES		19,923	10,678
LONG-TERM LIABILITIES	4o, 4p and 20c	19,923	10,678
Tax and social security contributions		18,811	10,678
Other liabilities		1,112	-
STOCKHOLDERS' EQUITY	22	24,998,492	22,856,928
Capital		13,000,000	10,000,000
Capital reserves		173,493	194,989
Revaluation reserves		26,405	27,120
Revenue reserves		11,757,128	12,784,915
Asset valuation adjustment	4c, 4d and 7a	56,710	(104,592)
(Treasury shares)		(15,244)	(45,504)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		25,867,492	24,032,863

The accompanying notes are an integral part of these financial statements.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.**Statement of Income***(In thousands of Reais)*

	NOTES	01/01 to 03/31/2010	01/01 to 03/31/2009
OPERATING REVENUES		955,166	815,020
Securities		22,399	45,370
Equity in earnings of affiliates	14 l	931,899	768,183
Other operating revenues		868	1,467
OPERATING EXPENSES		(115,610)	(130,452)
Equity		(213)	(209)
Administrative		(3,982)	(8,641)
Management fees		(3,163)	(2,387)
Other operating expenses	24	(108,252)	(119,215)
OPERATING INCOME		839,556	684,568
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING		839,556	684,568
INCOME TAX AND SOCIAL CONTRIBUTION	4p	(12,897)	98,392
Due on operations for the period		(46,624)	(107,191)
Related to temporary differences		33,727	205,583
PROFIT SHARING - Officers - Statutory - Law No. 6,404 of 12/15/1976		(2,354)	(1,808)
NET INCOME		824,305	781,152
NUMBER OF OUTSTANDING SHARES – In thousands	22a	4,345,833	3,881,480
NET INCOME PER SHARE – R\$		0.19	0.20
BOOK VALUE PER SHARE – R\$		5.75	5.89
EXCLUSION OF NONRECURRING EFFECTS	28c	(28,290)	53,498
NET INCOME WITHOUT NONRECURRING EFFECTS		796,015	834,650
NET INCOME PER SHARE – R\$		0.18	0.22
NET INCOME PER SHARE (WITHOUT BONUS EFFECT IN 2009) – R\$		0.20	0.22

The accompanying notes are an integral part of these financial statements.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Statement of Changes in Stockholders' Equity (Note 22)
(In thousands of Reals)

	Capital	Capital reserves				Revaluation reserves	Revenue reserves			Asset valuation adjustment (Note 7a)	Treasury shares	Retained earnings	Total
		Monetary adjustment Law No. 8,200	Premium on subscription of shares	Other capital reserves	Options for tax incentives		Legal	Unrealized profits	Statutory				
BALANCES AT 01/01/2009	10,000,000	25,013	1,405	126,621	1,629	29,358	1,410,917	220,125	10,725,528	(154,622)	(45,504)	-	22,340,470
Change in adjustment to market value	-	-	-	-	-	-	-	-	-	52,036	-	-	52,036
Accumulated conversion adjustments in subsidiaries	-	-	-	-	-	-	-	-	-	(2,006)	-	-	(2,006)
Granting of options recognized in subsidiaries	-	-	-	40,321	-	-	-	-	(29,175)	-	-	-	11,146
Reversal/Realization of reserves	-	-	-	-	-	(2,238)	-	-	-	-	-	2,238	-
Net income for the period	-	-	-	-	-	-	-	-	-	-	-	781,152	781,152
Appropriations:													
Legal	-	-	-	-	-	-	39,057	-	-	-	-	(39,057)	-
Statutory	-	-	-	-	-	-	-	-	418,463	-	-	(418,463)	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	(54,341)	(54,341)
Interest on capital	-	-	-	-	-	-	-	-	-	-	-	(271,529)	(271,529)
BALANCES AT 03/31/2009	10,000,000	25,013	1,405	166,942	1,629	27,120	1,449,974	220,125	11,114,816	(104,592)	(45,504)	-	22,856,928
CHANGES IN THE PERIOD	-	-	-	40,321	-	(2,238)	39,057	-	389,288	50,030	-	-	516,458
BALANCES AT 01/01/2010	13,000,000	25,013	2,009	145,590	1,629	26,526	1,556,019	-	9,726,540	38,271	(15,244)	-	24,506,353
Change in adjustment to market value	-	-	-	-	-	-	-	-	-	18,439	-	-	18,439
Granting of options recognized in subsidiaries	-	-	-	(748)	-	-	-	-	10,260	-	-	-	9,512
Realization of reserves	-	-	-	-	-	(121)	-	-	-	-	-	121	-
Reversal of interest on capital - prior year	-	-	-	-	-	-	-	-	-	-	-	1	1
Net income for the period	-	-	-	-	-	-	-	-	-	-	-	824,305	824,305
Appropriations:													
Legal	-	-	-	-	-	-	41,215	-	-	-	-	(41,215)	-
Statutory	-	-	-	-	-	-	-	-	423,094	-	-	(423,094)	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	(60,841)	(60,841)
Interest on capital	-	-	-	-	-	-	-	-	-	-	-	(299,277)	(299,277)
BALANCES AT 03/31/2010	13,000,000	25,013	2,009	144,842	1,629	26,405	1,597,234	-	10,159,894	56,710	(15,244)	-	24,998,492
CHANGES IN THE PERIOD	-	-	-	(748)	-	(121)	41,215	-	433,354	18,439	-	-	492,139

The accompanying notes are an integral part of these financial statements.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.**Statement of Cash Flows***(In thousands of Reais)*

	NOTES	01/01 to 03/31/2010	01/01 to 03/31/2009
ADJUSTED NET INCOME (LOSS)		(141,108)	(192,405)
Net income		824,305	781,152
Adjustments to net income:		(965,413)	(973,557)
Equity in earnings of subsidiaries and affiliated companies		(931,899)	(768,183)
Deferred taxes		(33,727)	(205,583)
Depreciation and amortization		213	209
CHANGE IN ASSETS AND LIABILITIES		96,749	155,719
(Increase) decrease in sundry receivables and other assets		20,369	(75,029)
(Increase) decrease in prepaid expenses		(2)	-
(Decrease) increase in provisions and accounts payable and other liabilities		76,382	230,748
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		(44,359)	(36,686)
Securities		27,376	84,862
Purchase of investments		-	(73,501)
Purchase of fixed assets		(81)	(148)
Interest on capital/Dividends received		963,849	983,928
NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES		991,144	995,141
Interest on capital and dividends paid		(684,284)	(729,330)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		(684,284)	(729,330)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		262,501	229,125
CASH AND CASH EQUIVALENTS	4a e 5		
At the beginning of the period		136,114	54
At the end of the period		398,615	229,179

The accompanying notes are an integral part of these financial statements.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.**Statement of Added Value***(In thousands of Reais)*

	01/01 to 03/31/2010	%	01/01 to 03/31/2009	%
INCOME	7,034		210,623	
Financial and from securities	22,399		45,370	
Other revenues (expenses)	(15,365)		165,253	
INPUTS PURCHASED FROM THIRD PARTIES	(2,373)		(7,030)	
Materials, energy, services and others	(592)		(2,654)	
Third-party services	(750)		(221)	
Other	(1,031)		(4,155)	
Security	(2)		(2,529)	
Agreement for apportionment of common costs	(485)		(1,023)	
Advertising, promotions and publications	(544)		(603)	
GROSS ADDED VALUE	4,661		203,593	
DEPRECIATION, AMORTIZATION, AND DEPLETION	(213)		(209)	
NET ADDED VALUE PRODUCED BY THE COMPANY	4,448		203,384	
ADDED VALUE RECEIVED AS A TRANSFER	931,899		768,183	
Equity in earnings	931,899		768,183	
TOTAL ADDED VALUE TO BE DISTRIBUTED	936,347	100.00%	971,567	100.00%
DISTRIBUTION OF ADDED VALUE	936,347		971,567	
Personnel	6,378	0.68%	4,775	0.49%
Compensation	5,893		4,395	
Benefits	340		161	
FGTS – Government severance pay fund	145		219	
Taxes, fees and contributions	105,617	11.28%	185,568	19.10%
Federal	105,606		185,561	
State	-		2	
Municipal	11		5	
Return on managed assets	47	0.01%	72	0.01%
Rent	47		72	
Return on own assets	824,305	88.03%	781,152	80.40%
Interest on capital	360,118		325,870	
Retained earnings for the year	464,187		455,282	

The accompanying notes are an integral part of these financial statements.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
NOTES TO THE FINANCIAL STATEMENTS
FROM JANUARY 1 TO MARCH 31, 2010 AND 2009

(In thousands of Reais)

NOTE 1 - OPERATIONS

Itaúsa – Investimentos Itaú S.A. (ITAÚSA) has as its main objective supporting the companies in which it holds an equity interest, through studies, analyses and suggestions on the operating policy and projects for the expansion of the mentioned companies, obtaining resources to meet the related additional needs of risk capital through subscription or acquisition of securities issued, to strengthen their position in the capital market and related activities or subsidiaries of interest of the mentioned companies, except for those restricted to financial institutions.

NOTE 2 – PRESENTATION OF THE FINANCIAL STATEMENTS

The financial statements of ITAÚSA and of its subsidiaries (ITAÚSA CONSOLIDATED) have been prepared in accordance with the accounting practices adopted in Brazil, based on the Brazilian Corporate Law, including the amendments introduced by Laws No. 11,638, of December 28, 2007 and No. 11,941, of May 27, 2009, in conformity, when applicable, with instructions issued by the Brazilian Securities and Exchange Commission (CVM), the Central Bank of Brazil (BACEN), the National Monetary Council (CMN), the Superintendency of Private Insurance (SUSEP), and the National Council of Private Insurance (CNSP), which include the use of estimates necessary to calculate accounting provisions.

In order to enable the proper analysis of the net income, the heading “Net income without nonrecurring effects” is presented below the Consolidated Statement of Income, and this effect is highlighted in a heading called “Exclusion of nonrecurring effects” (Note 28c).

Lease Operations are presented at present value in the Balance Sheet, and the related income and expenses, which represent the financial result of these operations, are presented grouped together under Financial Income in the Statement of Income. Advances on exchange contracts are reclassified from Other Liabilities – Foreign Exchange Portfolio. The foreign exchange result is presented on an adjusted basis, with the reclassification of expenses and income, in order to represent exclusively the impact of variations and differences of rates on the balance sheet accounts denominated in foreign currencies.

Convergence into international accounting standards

In 2009 CVM approved a set of pronouncements and technical interpretations issued by the Accounting Pronouncements Committee (CPC). As permitted by the CVM Resolution No. 603 of November 10, 2009, ITAÚSA and its subsidiaries will adopt these procedures from the Financial Statements as of December 31, 2010 and December 31, 2009 for comparative purposes.

These standards were evaluated by ITAÚSA and its subsidiaries and the main technical pronouncements that may impact the stockholders' equity and/or results are as follows:

- CPC 2 (IAS 21) - Effects on changes in foreign exchange rates and conversion of financial statements for the companies of the Financial Services area that have not applied the pronouncement yet, in view of determination of the regulatory body. Effect on results from January 1 to March 31, 2010 (without effect on stockholders' equity) for allocation of foreign exchange variation in the stockholders' equity related to controlled companies using functional currency other than Real, basically represented by the Itaú Europa, Chile, Argentina, Uruguay and Paraguay units.
- CPC 11 (IFRS 2) – Insurance contracts: Management does not expect significant effects;
- CPC 15 (IFRS 3) – Business combinations: In the period from January 1 to March 31, 2010, there was not any transaction that could exert significant effects;
- CPC 24 (IAS 10) – Subsequent events: Dividends and interest on capital declared after the accounting period to which the financial statements refer, if these are above the minimum mandatory dividend they shall be reversed with effect on stockholders' equity (Note 22b I);
- CPC 29 (IAS 41) – Biological assets and agricultural products: They should be valued at fair value less selling expenses, with changes recorded in net income for the year.

- CPC 32 (IAS 12) – Taxes on income: Recognition of a credit in the stockholders' equity of the opening balance sheet of an amount of deferred tax assets not recorded according to Note 20b IV;
- CPC 33 (IAS 19) – Employee benefits: Recognition of a credit in the stockholders' equity of the opening balance sheet of the surplus of benefit plans according to Note 17c;
- CPC 38 (IAS 39) – Financial instruments: Recognition and Measurement – Loss on recoverable amount for not receiving financial assets: Review of the procedures adopted for setting up the Allowance for Loan losses. The management does not expect an amount above that recorded in the allowance.

The other pronouncements and technical interpretation shall basically impact the reporting of information.

In the current phase of studies and analysis of the impacts of adopting these guidelines, they are not sufficient on the bases of to enable the presentation of accurate estimates of the possible effects of adoption of these new accounting standards.

NOTE 3 – CONSOLIDATED FINANCIAL STATEMENTS

Intercompany transactions and balances and results have been eliminated on consolidation. The investments held by consolidated companies in Exclusive Investment Funds are consolidated. The investments in these fund portfolios are classified by type of transaction and were distributed by type of security, in the same categories in which these securities had been originally allocated.

The difference in Net Income and Stockholders' Equity between ITAÚSA and ITAÚSA CONSOLIDATED (Note 22d) results from the adoption of different criteria for the amortization of goodwill until December 31, 2008. In ITAÚSA and its subsidiaries, the goodwill was amortized based on the expected future profitability (10 years), whereas in ITAÚSA CONSOLIDATED it was fully amortized in the years when these investments occurred. From January 1, 2009 the goodwill is recorded under the heading Intangible Assets.

The negative goodwill computed on the purchase of investment is amortized only upon realization of investments and recorded in the Balance Sheet under Other Sundry Liabilities.

The consolidated financial statements comprise ITAÚSA and its direct and indirect subsidiaries, among which we highlight:

		Incorporation country	Interest (%)	
			03/31/2010	03/31/2009
FINANCIAL SERVICES AREA				
Afinco Américas Madeira, SGPS, Sociedade Unipessoal, Ltda.		Portugal	35.43	35.61
Banco Fiat S.A.		Brazil	35.43	35.61
Banco Itaú Argentina S.A.		Argentina	35.43	35.61
Banco Itaú BBA S.A.		Brazil	35.43	35.61
Banco Itaú Chile S.A.		Chile	35.43	35.61
Banco Itaú Europa Luxembourg S.A.		Luxembourg	35.43	35.60
Banco Itaú Europa, S.A.		Portugal	35.43	35.61
Banco Itaú Uruguay S.A.		Uruguay	35.43	35.61
Banco Itaucard S.A.		Brazil	35.43	35.61
Banco Itaucard Financiamentos S.A.		Brazil	35.43	35.61
Banco Itauleasing S.A.		Brazil	35.43	35.61
BIU Participações S.A.	(1)	Brazil	23.44	23.56
Cia. Itaú de Capitalização		Brazil	35.43	35.61
Dibens Leasing S.A. - Arrendamento Mercantil		Brazil	35.43	35.61
FAI - Financeira Americanas Itaú S.A. Crédito, Financiamento e Investimento	(2)	Brazil	17.72	17.81
Fiat Administradora de Consórcios Ltda.		Brazil	35.43	35.61
Financeira Itaú CBD S.A. Crédito, Financiamento e Investimento	(3)	Brazil	17.72	17.81
Hipercard Banco Múltiplo S.A.		Brazil	35.43	35.61
Itaú Administradora de Consórcios Ltda.		Brazil	35.43	35.61
Itaú Bank, Ltd.	(4)	Cayman Islands	35.43	35.61
Itaú Corretora de Valores S.A.		Brazil	35.43	35.61
Itaú Seguros S.A.		Brazil	35.43	35.61
Itaú Unibanco Holding S.A.	(5)	Brazil	35.43	35.61
Itaú Unibanco S.A.		Brazil	35.43	35.61
Itaú Vida e Previdência S.A.		Brazil	35.43	35.61
Itaú XL Seguros Corporativos S.A.	(3)	Brazil	17.72	17.81
Itaúsa Export S.A.		Brazil	35.43	35.61
IUPAR - Itaú Unibanco Participações S.A.	(2)	Brazil	66.53	66.53
Oca Casa Financiera S.A.		Uruguay	35.43	35.61
Orbitall Serviços e Processamento de Informações Comerciais S.A.		Brazil	35.43	35.61
Porto Seguro S.A.	(6)	Brazil	10.63	-
Redecard S.A. (Note 2)	(5) (7)	Brazil	17.00	17.07
Unibanco Cayman Bank Ltd.		Cayman Islands	35.43	35.61
Unibanco Participações Societárias S.A.		Brazil	18.07	18.16
INDUSTRIAL AREA				
Duratex S.A.	(5)	Brazil	35.27	42.23
Elekeiroz S.A.	(5)	Brazil	96.45	96.45
Itaúsa Empreendimentos S.A.		Brazil	99.96	99.96
Itautec S.A.	(5)	Brazil	94.01	94.01

(1) Company fully consolidated from September 30, 2009;

(2) Company with shared control included proportionally in consolidation;

(3) Company with shared control, fully included in consolidation, as authorized by CVM, in view of the business management by Itaú Unibanco Holding S.A. (ITAÚ UNIBANCO HOLDING);

(4) It does not include redeemable preferred shares (Note 16);

(5) Listed company;

(6) Company controlled by Porto Seguro Itaú Unibanco Participações S.A. included proportionally in consolidation from December 31, 2009;

(7) Company fully consolidated from March 31, 2009.

NOTE 4 – SUMMARY OF THE MAIN ACCOUNTING PRACTICES

a) Cash and cash equivalents (Note 5) - For purposes of Consolidated Statement of Cash Flows, it includes cash and current accounts in banks (considered in the heading cash and cash equivalents), interbank deposits and securities purchased under agreements to resell – funded position (considered in the heading interbank investments) that have original maturities of up to 90 days or less.

b) Interbank investments, funds raised by subsidiaries, borrowings, subordinated debt and other receivables and payables (Note 6 and 16) – Transactions subject to monetary correction and foreign exchange variation and operations with fixed charges are recorded at present value, net of the transaction costs incurred, calculated “pro rata die” based on the effective rate of transactions.

c) Securities (Note 7)

I - Recorded at cost of acquisition restated by the index and/or effective interest rate and presented in the Balance Sheet. Securities are classified into the following categories:

- Trading securities – acquired to be actively and frequently traded, and adjusted to market value, with a contra-entry to the results for the period. Assets in this category are classified as current assets;
- Available-for-sale securities – securities that can be negotiated but are not acquired to be actively and frequently traded. They are adjusted to their market value with a contra-entry to an account disclosed in stockholders' equity; and
- Held-to-maturity securities – securities, except for non-redeemable shares, for which the bank has the financial condition and intends or is required to hold them in the portfolio up to their maturity, are recorded at cost of acquisition, or market value, whenever these are transferred from another category. The securities are adjusted up to their maturity date, not being adjusted to market value.

Gains and losses on available-for-sale securities, when realized, are recognized at the trading date in the statement of income, with a contra-entry to a specific stockholders' equity account.

Decreases in the market value of available-for-sale and held-to-maturity securities below their related costs, resulting from non-temporary reasons, are recorded in results as realized losses.

II - The effects of the procedures described in item I above, in ITAÚSA's subsidiaries, recorded under stockholders' equity or the statement of income, were equally recorded in stockholders' equity or in the equity of earnings of parent company in proportion to the ownership percentage.

d) Derivative financial instruments (Note 7) - these are classified on the date of their acquisition, according to management's intention of using them either as a hedge or not. Transactions involving financial instruments, carried out upon the client's request, for their own account, or which do not comply with the hedging criteria (mainly derivatives used to manage the overall risk exposure), are stated at market value, including realized and unrealized gains and losses, which are recorded directly in the statement of income.

The derivatives used for protection against risk exposure or to modify the characteristics of financial assets and liabilities, which have changes in market value highly associated with those of the items being protected at the beginning and throughout the duration of the contract, and which are found effective to reduce the risk related to the exposure being protected, are classified as a hedge, in accordance with their nature:

- Market Risk Hedge – financial assets and liabilities, as well as their related financial instruments, are accounted for at their market value plus realized and unrealized gains and losses, which are recorded directly in the statement of income.
- Cash Flow Hedge - the effective amount of the hedge of financial assets and liabilities, as well as their related financial instruments, are accounted for at their market value plus realized and unrealized gains and losses, net of tax effects, when applicable, and recorded in a specific account in stockholders' equity. The ineffective portion of hedge is recorded directly in the statement of income.

e) Loan, lease and other credit operations (Operations with credit granting characteristics) (Note 8) – these transactions are recorded at present value and calculated “pro rata die” based on the variation of the contracted index and interest rate, and are recorded on the accrual basis until the 60th day overdue in financial companies. After the 60th day, income is recognized upon the effective receipt of installments. Credit card operations include receivables arising from the purchases made by cardholders. The funds related to these amounts are recorded in Other Liabilities – Credit Card Operations, which also include funds arising from other credits related to transactions with credit card issuers.

f) Allowance for loan losses (Note 8) - The balance of the allowance for loan losses was recorded based on the credit risk analysis, at an amount considered sufficient to cover loan losses. The financial subsidiaries complied with the rules determined by CMN Resolution No. 2,682 of December 21, 1999, among which are:

- Provisions are recorded from the date loans are granted, based on the client's risk rating and on the periodic quality evaluation of clients and industries, and not only in the event of default;
- Based exclusively on delinquency, write-offs of credit operations against loss may be carried out 360 days after the due date of the credit or 540 days for operations that mature after a period of 36 months.

g) Inventories (Note 9) – These are valued at the average acquisition or production cost, which is lower than replacement costs or realizable values and, when applicable, decreased by the provision for obsolescence. Imports in transit are stated at the accumulated cost of each import.

h) Other assets (Note 12) - These assets are mainly comprised by assets held for sale relating to real estate available for sale, own real estate not in use or real estate received as payment in kind, which are adjusted to market value through the set-up of a provision, according to current regulations, and reinsurance unearned premiums (Note 4 n I).

i) Prepaid expenses (Note 13) – These refer to expenditures which will benefit future periods.

j) Investments (Note 14) – In jointly-controlled subsidiaries and affiliated companies with significant influence or interest of 20% or more in voting capital, investments are accounted for under the equity method.

The financial statements of foreign branches and subsidiaries are adapted to comply with Brazilian accounting practices and converted into reais, the foreign exchange rate changes resulting from such conversion being recognized in Asset Valuation Adjustment in Stockholders' Equity, except for the companies of the Financial Services area, which are recognized in net income for the year, in compliance with determination by the regulatory body.

The foreign exchange variations in these investments, which functional currency is Real, are recognized in income and those which functional currency is other than ITAÚSA's, are recognized in Asset Valuation Adjustment in Stockholders' Equity.

Other investments are recorded at cost less the provision for loss and annual recoverability test, when applicable.

- k) Fixed assets (Note 15)** – These assets are stated at cost of acquisition or construction, less accumulated depreciation. They correspond to rights related to tangible assets intended for maintenance of the company's operations or exercised for such purpose, including assets arising from transactions that transfer to the company their benefits, risks and controls. The items acquired through Lease contracts are recorded as contra-entry to Lease obligations.

In the Financial Area, leased assets are stated at cost of acquisition less accumulated depreciation. The depreciation of leased assets is recognized under the straight-line method, based on their usual useful lives, taking into account that the useful life shall be decreased by 30% should it meet the conditions provided for by Ordinance No. 113 of February 26, 1988 issued by the Ministry of Finance. Receivables are recorded in lease receivable at the contractual amount, with contra-entry to unearned income accounts. The recognition in income will occur on the due date of the installments.

Depreciation is calculated using the straight-line method, based on monetarily restated cost, at the following annual rates.

Real estate	4% to 8%
Leasehold improvements	From 10%
Installations, furniture, equipment and security, transportation and communication systems	10% to 25%
EDP systems	20% to 50%

- l) Intangible assets (Note 15)** – correspond to rights acquired whose subjects are intangible assets intended for maintenance of the company or which are exercised for such purpose. They are composed of rights acquired to credit payrolls and partnership agreements, amortized over the agreement terms, and software and customer portfolios, amortized over a term varying from five to ten years and goodwill arising from the purchase of investments subject to annual recoverability test (Note 4m).
- m) Reduction to the recoverable value of assets** – a loss is recognized when there are clear evidences that assets are stated at a non-recoverable value. This procedure is adopted annually, at the end of each year.
- n) Insurance, pension plan and capitalization operations (Note 17)** - Insurance premiums, acceptance coinsurance and selling expenses are accounted for in accordance with the insurance effectiveness term, through the recognition and reversal of the provision for unearned premiums and deferred selling expenses. Interest arising from fractioning of insurance premiums is accounted for as incurred. Revenues from social security contributions, gross revenue from capitalization certificates and respective technical provisions are recognized upon receipt.

I - Credits from operations and other assets related to insurance and reinsurance operations:

- Insurance premiums receivable - Refer to installments of insurance premiums receivable, current and past due, in accordance with insurance policies issued;
- Reinsurance recoverable amounts – Refer to claims paid to the insured party pending recovery from Reinsurer, installments of unsettled claims and incurred but not reported claims - Reinsurance (IBNR), classified in assets in accordance with the criteria established by SUSEP;
- Reinsurance unearned premiums – Recognized to determine the portion of reinsurance unearned premiums, calculated “pro rata die”, and for risks of policies not issued, computed based on estimates, based on the actuarial technical study and in compliance with the criteria established by SUSEP.

II- Technical provisions of insurance, pension plan and capitalization – technical provisions are recognized according to the criteria established and technical notes approved by SUSEP.

II.I - Insurance:

- Provision for unearned premiums – recognized to determine unearned premiums relating to the risk coverage period, calculated “pro rata die”, and relating to risks not yet issued, calculated based on estimates, according to an actuarial technical study.
- Provision for premium deficiency – recognized according to the Technical Actuarial Note in case of insufficient Provision for unearned premiums;
- Provision for unsettled claims - recognized based on claims of loss in an amount sufficient to cover future commitments, awaiting judicial decision, which amounts are determined by court appointed experts and legal advisors that make assessments based on the insured amounts and technical regulations, taking into consideration the likelihood of unfavorable outcome to the insurance company.
- Provision for claims incurred but not reported (IBNR) – recognized for the estimated amount of claims occurred for risks assumed in the portfolio but not reported.

II.II-Pension Plan and Individual life with living benefits – correspond to liabilities assumed such as retirement plans, disability, pension and annuity:

- Mathematical provisions for benefits to be granted and benefits granted – correspond to commitments assumed with participants, but for which benefits are not yet due, and to those receiving the benefits, respectively;
- Provision for insufficient contribution – recognized in case of insufficient mathematical provisions;
- Provision for events incurred but not reported (IBNR) – recognized at the estimated amount of events occurred but not reported;
- Provision for financial surplus – recognized at the difference between the contributions adjusted daily by the Investment Portfolio and the funds guaranteeing them, according to the plan’s regulation;
- Provision for financial variation – recognized according to the methodology provided for in the Technical Actuarial Note in order to guarantee that the financial assets are sufficient to cover mathematical provisions.

II.III-Capitalization:

- Mathematical provision for redemptions – represents capitalization certificates received to be redeemed;
- Provision for raffle contingencies – recognized according to the methodology provided for in the Technical Actuarial Note to cover the Provision for raffles in the event of insufficient funds.

o) Contingent assets and liabilities and legal liabilities – tax and social security (Note 19) – the following procedures were adopted:

I - Contingent assets and liabilities

Refer to potential rights and obligations arising from past events, the occurrence of which is dependent upon future events.

- Contingent assets - not recognized, except upon evidence ensuring a high reliability level of realization, usually represented by claims awarded a final and unappealable judgment and confirmation of the recoverability of the claim through receipt of amounts or offset against another liability;

- Contingent liabilities - basically arise from administrative proceedings and lawsuits, inherent in the normal course of business, filed by third parties, former employees and governmental bodies, in connection with civil, labor, tax and social security lawsuits and other risks. These contingencies are calculated based on conservative practices, being usually recorded based on the opinion of legal advisors and considering the probability that financial resources shall be required for settling the obligation, the amount of which may be estimated with sufficient certainty. Contingencies are classified either as probable, for which provisions are recognized; possible, which are disclosed but not recognized; and remote, for which recognition or disclosure are not required. Any contingent amounts are measured through the use of models and criteria which allow their adequate measurement, in spite of the uncertainty of their term and amounts.

Escrow deposits are restated in accordance with the current legislation.

Contingencies guaranteed by indemnity clauses in privatization processes and with liquidity are only recognized upon judicial notification with simultaneous recognition of receivables, without any effect on results.

II - Legal liabilities – tax and social security

Represented by amounts payable related to tax liabilities, the legality or constitutionality of which are subject to administrative or judicial defense, recognized at the full amount under discussion

Liabilities and related escrow deposits are adjusted in accordance with the current legislation.

- p) Taxes (Note 20)** - these provisions are calculated according to current legislation at the rates shown below, using the related calculation bases.

Income tax	15.00%
Additional income tax	10.00%
Social contribution (1)	9.00%
PIS (2)	1.65%
COFINS (2)	7.60%
ISS	up to 5,00%

(1) As from May 1, 2008, for financial subsidiaries and equivalent companies, the rate was changed from 9% to 15%, as provided for by articles 17 and 41 of Law No. 11,727, of June 24, 2008;

(2) For financial and similar companies, the PIS and COFINS rates are 0.65% and 4%, respectively.

The changes introduced by Laws No. 11,638 and No. 11,941 (articles 37 and 38), which modified the criterion for recognizing revenues, costs and expenses, computed to determine the net income for the year, did not produce effects for purposes of determining the taxable income of companies that opt for the Transition Tax Regime (RTT), so for tax purposes the rules effective on December 31, 2007 were followed. The tax effects arising from the adoption of such rules are recorded, for accounting purposes, in the corresponding deferred assets and liabilities.

NOTE 5 - CASH AND CASH EQUIVALENTS

For purposes of Statement of Cash Flows, cash and cash equivalents of ITAÚSA CONSOLIDATED are composed of the following:

	03/31/2010	03/31/2009
Cash and cash equivalents	11,320,260	13,151,175
Interbank deposits	5,035,694	6,955,402
Securities purchased under agreements to resell – Funded position	42,084,864	42,342,198
TOTAL	58,440,818	62,448,775

In ITAÚSA, these are composed of the following:

	03/31/2010	03/31/2009
Cash and cash equivalents	21	22
Securities – instant liquidity	398,594	229,157
TOTAL	398,615	229,179

NOTE 6 - INTERBANK INVESTMENTS – FINANCIAL SERVICES AREA

We present below the composition of the interbank investments of the subsidiaries of the Financial Services Area:

	03/31/2010	03/31/2009
Money market	119,205,054	103,410,588
Funded position (*)	54,376,603	42,342,198
Financed position	57,831,185	60,918,222
With free movement	1,526,158	1,495,519
Without free movement	56,305,027	59,422,703
Short position	6,997,266	150,168
Money market – Assets Guaranteeing Technical Provisions - SUSEP	3,634,839	2,014,112
Interbank deposits	13,826,916	21,184,727
TOTAL	136,666,809	126,609,427

(*) Includes R\$ 9,419,393 (R\$ 9,646,946 at 03/31/2009) related to money market with free movement, in which securities are basically restricted to guarantee transactions at the BM&FBovespa S.A. - Bolsa de Valores, Mercadorias e Futuros (Brazilian Mercantile & Futures Exchange) and the Central Bank of Brazil (BACEN).

NOTE 7 – SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS AND LIABILITIES)

Following is the composition of the heading "Securities and Derivative Financial Instruments", classified by maturity and presented at their cost and market values, as well as the effects recorded directly in stockholders' equity and results of subsidiaries and ITAÚSA.

a) Summary

Description	Cost	Adjustment to market value with impact on		Market value		Per maturity					Market value
		Results	Stockholders' equity	03/31/2010	0 - 30	31 - 90	91 - 180	181 - 365	366 - 720	Over 720 days	03/31/2009
Trading securities (1)	75,321,419	383,175	-	75,704,594	43,026,029	1,171,687	4,204,727	2,971,985	7,698,822	16,631,344	72,621,508
Available-for-sale securities	35,241,976	-	528,825	35,770,801	4,204,744	4,170,264	3,251,172	7,887,917	4,070,404	12,186,300	50,254,538
Held-to-maturity securities (2)	2,565,822	-	-	2,565,822	105	3,228	11,314	153,294	243,694	2,154,187	4,312,889
Derivative financial instruments	8,208,425	(41,563)	(5,022)	8,161,840	1,411,123	1,109,948	902,592	1,143,425	1,117,684	2,477,068	10,065,867
Total securities and derivative financial instruments (assets)	121,337,642	339,689	523,803	122,203,057	48,642,001	6,455,127	8,369,805	12,156,621	13,130,604	33,448,899	137,254,802
Adjustments of securities reclassified in prior years to the held-to-maturity category			15,088								
Accounting adjustment - Hedge - Circular No. 3,082			(127,480)								
Deferred taxes			(159,845)								
Minority interest in subsidiaries			(164,794)								
Adjustment of securities of unconsolidated affiliates			(29,862)								
Amount separately disclosed in the stockholders' equity of ITAÚSA			56,910								
Derivative financial instruments (liabilities)	(7,457,602)	(39,900)	-	(7,497,502)	(1,165,504)	(902,659)	(724,149)	(1,003,438)	(1,207,259)	(2,494,493)	(9,060,358)

(1) Includes the portfolio of PGBL and VGBL plan securities, in the amount of R\$ 40,152,632 (R\$ 32,334,342 at 03/31/2009), the ownership and embedded risks of which belong to clients, and recorded as marketable securities in compliance with SUSEP requirements, with contra-entry to liabilities in Technical Provision for Pension Plans.

(2) Securities classified under this category, if stated at market value, would present a positive adjustment of R\$ 398,178 (positive adjustment of R\$ 454,887 at 03/31/2009).

At ITAÚSA, it included the amount of R\$1,216,481 (R\$ 913,641 at 03/31/2009), which is basically comprised of Investment Fund Quotas.

Management, through its Financial Risk Management Committee, sets out guidelines for classification of securities. Classification of portfolio securities, as well as those acquired in the period, are periodically and systematically evaluated in accordance with such guidelines. No reclassifications or changes to the existing guidelines have been made in the period.

b) Derivative financial instruments

The globalization of the markets in recent years has resulted in a high level of sophistication in the financial products used. As a result of this process, there has been an increasing demand for derivative financial instruments to manage market risks, mainly arising from fluctuations in interest and exchange rates, commodities and other asset prices. Accordingly, ITAÚSA and its subsidiaries operate in the derivative markets for meeting the growing needs of their clients, as well as carrying out their risk management policy. Such policy is based on the use of derivative instruments to minimize the risks resulting from commercial and financial operations.

The derivative financial instruments' business with clients is carried out after the approval of credit limits. The process of limit approval takes into consideration potential stress scenarios.

Knowing the client, the sector in which it operates and its risk appetite profile, in addition to providing information on the risks involved in the transaction and the negotiated conditions, ensures transparency in the relationship between the parties and the supply of a product that better meet the needs of the client in view of its operating characteristics.

The derivative transactions carried out by ITAÚSA and its subsidiaries with clients are neutralized in order to eliminate market risks.

Most derivative contracts traded by the institution with clients in Brazil are swap, forward, option and futures contracts, which are registered at the BM&F Bovespa or at the CETIP S.A. - OTC Clearing House (CETIP). Overseas transactions are carried out with futures, forwards, options and swaps with registration mainly in the Chicago, New York and London Exchanges. It should be emphasized that there are over-the-counter operations, but their risks are low as compared to the institutions' total. Noteworthy is also the fact that there are no structured operations based on subprime assets and all operations are based on risk factors traded at stock exchanges.

The main risk factors of the derivatives, assumed at March 31, 2010, were related to the foreign exchange rate, interest rate, commodities, U.S. dollar coupon, Reference Rate coupon, Libor and variable income. The management of these and other market risk factors is supported by the infrastructure of sophisticated statistical and deterministic models. Based on this management model, the institution, with the use of transactions involving derivatives, has been able to optimize the risk-return ratios, even under highly volatile situations.

Most derivatives included in the institution's portfolio are traded at stock exchanges. The prices disclosed by stock exchanges are used for these derivatives, except in cases in which the low representativeness of price due to illiquidity of a specific contract is identified. Derivatives typically precified like this are futures contracts. Likewise, there are other instruments whose quotations (fair prices) are directly disclosed by independent institutions and which are precified based on this direct information. A great part of the Brazilian government securities, highly-liquid international (public and private) securities and shares fit into this situation.

For derivatives whose prices are not directly disclosed by stock exchanges, fair prices are obtained by pricing models which use market information, deducted based on prices disclosed for higher liquidity assets. Interest and market volatility curves which provide entry data for the models are extracted from those prices. Over-the-counter derivatives, forward contracts and securities without much liquidity are in this situation.

The total value of margins pledged in guarantee was R\$ 7,338,585 (R\$ 16,017,763 at March 31, 2009) and was basically composed of government securities.

1- See below the composition of the Derivative Financial Instruments portfolio (assets and liabilities) by type of instrument and reference ratio, stated at notional amount, cost and market value.

	Balance sheet					
	Memorandum account		account	Adjustment to	Market value	
	Notional amount		receivable / (received)(payable) / paid	market value (in results)		
	03/31/2010	03/31/2009	03/31/2010	03/31/2010	03/31/2010	03/31/2009
Futures contracts	249,427,627	241,226,483	155,503	35,448	190,951	334,578
Purchase commitments	87,315,167	94,545,372	(27,291)	44,843	17,552	256,852
Foreign currency	4,216,555	16,016,170	(4,517)	34,542	30,025	276,008
Interbank market	67,764,301	68,369,828	(4,777)	8,867	4,090	(519)
Indices	13,938,201	9,632,425	(17,997)	971	(17,026)	5,733
Securities	1,156,751	480,227	-	17	17	283
Other	239,359	46,722	-	446	446	(24,653)
Commitments to sell	162,112,460	146,681,111	182,794	(9,395)	173,399	77,726
Foreign currency	14,038,686	22,385,432	63,621	(10,709)	52,912	(54,513)
Interbank market	113,115,666	94,906,026	11,807	(125)	11,682	(4,027)
Indices	28,213,878	28,557,370	94,022	2,229	96,251	107,903
Securities	2,975,689	819,178	4,135	(788)	3,347	(277)
Other	3,768,541	13,105	9,209	(2)	9,207	28,640
Swap contracts			47,145	90,530	137,675	477,618
Asset position	68,418,104	71,115,866	1,806,953	675,043	2,481,996	3,059,573
Foreign currency	8,382,464	13,702,189	44,304	62,934	107,238	1,364,452
Interbank market	27,056,909	35,644,996	997,050	17,887	1,014,937	626,388
Fixed rate	12,960,967	7,650,902	211,661	147,856	359,517	361,609
Floating rate	3,348,535	3,241,759	(440)	1,469	1,029	12,903
Indices	16,578,408	10,245,173	546,497	444,877	991,374	675,864
Securities	8,979	58,937	3,677	(993)	2,684	17,463
Other	81,842	571,910	4,204	1,013	5,217	894
Liability position	68,370,959	70,535,203	(1,759,808)	(584,513)	(2,344,321)	(2,581,955)
Foreign currency	10,789,680	18,738,754	(265,895)	(11,278)	(277,173)	(942,309)
Interbank market	21,192,895	19,567,160	(734,816)	84,674	(650,142)	(93,350)
Fixed rate	11,241,187	14,448,656	(108,665)	(194,809)	(303,474)	(587,413)
Floating rate	8,322,822	3,217,998	(14,244)	278	(13,966)	(263,560)
Indices	16,660,228	13,993,589	(618,384)	(462,642)	(1,081,026)	(683,417)
Securities	-	30,353	-	-	-	(11,881)
Other	164,147	538,693	(17,804)	(736)	(18,540)	(25)
Option contracts	2,096,288,621	525,580,552	261,400	(194,958)	66,441	(1,337,471)
Purchase commitments – long position	596,170,256	178,317,075	1,250,977	(500,754)	750,224	1,925,815
Foreign currency	25,040,056	54,908,745	617,920	(303,872)	314,049	1,772,873
Interbank market	486,180,997	13,922,215	336,539	(156,029)	180,510	28,460
Fixed rate	-	7,000	-	-	-	1,356
Floating rate	49,832	-	281	(39)	242	-
Indices	82,994,063	109,303,732	210,037	(61,027)	149,010	95,440
Securities	1,431,190	99,877	63,790	7,219	71,009	24,795
Other	474,118	75,506	22,410	12,994	35,404	2,891
Commitments to sell – long position	567,071,491	116,145,283	892,153	(189,717)	702,436	1,147,059
Foreign currency	14,787,774	11,232,019	262,850	(88,801)	174,049	202,268
Interbank market	454,690,012	102,942	131,261	(65,058)	66,203	20,492
Indices	95,101,043	103,686,069	57,151	(25,052)	32,099	655,855
Securities	2,212,501	910,531	429,441	(10,625)	418,816	335,651
Other	280,161	213,722	11,450	(181)	11,269	34,793
Purchase commitments – short position	379,491,155	107,535,084	(1,339,112)	491,515	(847,599)	(2,293,523)
Foreign currency	22,246,951	42,185,824	(706,514)	305,940	(400,576)	(2,122,777)
Interbank market	256,251,836	13,801,953	(285,752)	132,192	(153,560)	(17,480)
Indices	99,353,687	51,417,635	(292,851)	58,616	(234,235)	(146,532)
Securities	1,429,442	64,135	(41,290)	(2,781)	(44,071)	(5,718)
Other	209,239	65,537	(12,705)	(2,452)	(15,157)	(1,016)
Commitments to sell – short position	553,555,719	123,583,110	(542,618)	3,998	(538,620)	(2,116,822)
Foreign currency	16,262,130	28,192,426	(254,522)	(80,912)	(335,434)	(1,441,561)
Interbank market	470,421,352	30,776	(161,024)	43,442	(117,582)	(25,106)
Fixed rate	-	-	-	-	-	(10,098)
Indices	66,213,288	95,259,598	(90,928)	31,175	(59,753)	(610,825)
Securities	533,577	79,996	(20,412)	(1,299)	(21,711)	(15,634)
Other	125,372	20,314	(15,732)	11,592	(4,140)	(13,598)
Forward contracts	2,988,875	471,990	281,257	307	281,564	441,384
Purchases receivable	1,289,160	29,851	1,288,556	(317)	1,288,239	4,697
Foreign currency	-	29,851	-	-	-	4,697
Fixed rate	416,058	-	416,132	(75)	416,057	-
Floating rate	873,102	-	872,424	(242)	872,182	-
Purchases payable	53,254	445	(1,288,557)	316	(1,288,241)	(122)
Interbank market	53,254	-	-	(3)	(3)	-
Fixed rate	-	-	(416,133)	77	(416,056)	-
Floating rate	-	-	(872,424)	242	(872,182)	-
Other	-	445	-	-	-	(122)
Sales receivable	1,646,461	441,694	1,643,103	71	1,643,174	436,855
Fixed rate	779,610	-	780,776	(25)	780,751	-
Floating rate	581,496	-	581,092	(212)	580,880	-
Other	285,355	441,694	281,235	308	281,543	436,855
Sales deliverable	-	-	(1,361,845)	237	(1,361,608)	(46)
Foreign currency	-	-	23	-	23	-
Fixed rate	-	-	(780,776)	25	(780,751)	-
Floating rate	-	-	(581,092)	212	(580,880)	-
Other	-	-	-	-	-	(46)

Memorandum account Notional amount	Balance sheet account receivable/ (received)(payable) /paid			Adjustment to market value (in results)	Market value	
	03/31/2010	03/31/2009	03/31/2010		03/31/2010	03/31/2009
Credit derivatives	4,380,191	9,177,982	(119,439)	(9,505)	(128,944)	(267,489)
Asset position	1,531,006	6,242,528	20,746	(4,953)	15,793	56,598
Foreign currency	89,478	299,618	881	602	1,483	6,344
Fixed rate	1,404,619	5,942,910	19,819	(6,914)	12,905	50,254
Indices	2,023	-	-	-	-	-
Securities	34,886	-	46	1,359	1,405	-
Liability position	2,849,185	2,935,454	(140,185)	(4,552)	(144,737)	(324,087)
Foreign currency	-	286,982	(920)	(475)	(1,395)	(20,277)
Interbank market	50,000	-	(29)	(23)	(52)	-
Fixed rate	2,789,455	2,648,472	(139,127)	(2,821)	(141,948)	(303,810)
Securities	9,730	-	(109)	(1,233)	(1,342)	-
Forwards operations	25,386,987	22,797,897	(102,542)	(22,911)	(125,453)	806,468
Asset position	12,861,456	12,639,674	431,291	(35,098)	396,193	1,387,812
Foreign currency	11,846,670	11,223,223	373,780	(3,006)	370,774	1,358,505
Fixed rate	242,982	709,157	14,336	(27)	14,309	21,960
Floating rate	544,096	707,294	5,262	-	5,262	7,347
Indices	113,984	-	2,291	-	2,291	-
Other	113,724	-	35,622	(32,065)	3,557	-
Liability position	12,525,531	10,158,223	(533,833)	12,187	(521,646)	(581,344)
Foreign currency	11,745,798	8,694,458	(497,547)	28,133	(469,414)	(517,970)
Interbank market	7,120	2,122	(378)	-	(378)	(186)
Fixed rate	74,698	884,381	(5,708)	-	(5,708)	(57,806)
Floating rate	356,200	463,040	(3,890)	-	(3,890)	(3,777)
Indices	142,480	114,222	(2,033)	-	(2,033)	(1,605)
Other	199,235	-	(24,277)	(15,946)	(40,223)	-
Forwards with target flow	-	261,431	-	-	-	(15,995)
Asset position – Foreign currency	-	82,582	-	-	-	33,869
Liability position – Foreign currency	-	178,849	-	-	-	(49,864)
Target flow of Forward	-	261,431	-	-	-	(67,126)
Asset position – Foreign currency	-	70,815	-	-	-	29,867
Liability position – Foreign currency	-	190,616	-	-	-	(96,993)
Swap with target flow	1,123,697	6,425,909	(29,889)	(58,254)	(88,143)	(78,994)
Asset position	546,904	3,164,282	28,656	(26,711)	1,945	91,191
Foreign currency	347,654	1,168,265	28,474	(28,339)	135	17,187
Interbank market	159,636	1,060,925	182	1,628	1,810	27,745
Fixed rate	39,614	204,590	-	-	-	(176)
Floating rate	-	18,308	-	-	-	-
Indices	-	3,068	-	-	-	-
Other	-	709,126	-	-	-	46,435
Liability position	576,793	3,261,627	(58,545)	(31,543)	(90,088)	(170,185)
Foreign currency	325,000	1,736,246	(36,031)	(23,705)	(59,736)	(153,309)
Interbank market	233,960	781,066	(22,040)	(8,312)	(30,352)	(16,733)
Fixed rate	17,833	42,954	(474)	474	-	(25)
Floating rate	-	18,337	-	-	-	(118)
Indices	-	18,409	-	-	-	-
Other	-	664,615	-	-	-	-
Target flow of swap	2,762,660	7,382,222	(83,547)	135,558	52,011	360,905
Asset position	2,084,098	5,782,827	124,104	45,831	169,935	654,071
Foreign currency	2,082,334	5,692,192	124,104	45,831	169,935	644,331
Indices	1,764	8,824	-	-	-	-
Other	-	81,811	-	-	-	9,740
Liability position	678,562	1,599,395	(207,651)	89,727	(117,924)	(293,166)
Foreign currency	678,562	1,580,989	(207,651)	89,727	(117,924)	(283,752)
Other	-	18,406	-	-	-	(9,414)
Other derivative financial instruments	2,597,206	11,779,764	340,937	(62,699)	278,238	351,631
Asset position	2,588,433	8,209,305	566,383	(45,429)	520,954	903,882
Foreign currency	202,723	6,167,130	231,836	(985)	230,851	822,157
Interbank market	-	659,313	-	-	-	458
Fixed rate	382,559	36,603	204,705	(180)	204,525	1,227
Other	2,003,151	1,346,259	129,842	(44,264)	85,578	80,040
Liability position	8,773	3,570,459	(225,448)	(17,270)	(242,718)	(552,251)
Foreign currency	-	3,276,936	(216,294)	(17,270)	(233,564)	(320,470)
Fixed rate	8,773	222,439	(9,154)	-	(9,154)	(190,578)
Other	-	71,084	-	-	-	(41,203)
		ASSETS	8,208,425	(46,585)	8,161,840	10,065,867
		LIABILITIES	(7,457,602)	(39,900)	(7,497,502)	(9,060,358)
		TOTAL	750,823	(86,485)	664,338	1,005,509
Derivative contracts mature as follows (in days):						
Clearing	0 - 30	31 - 180	181 - 365	Over 365	03/31/2010	03/31/2009
Futures	38,986,840	108,463,776	51,098,251	50,878,760	249,427,627	241,226,483
Swaps	8,426,876	28,341,032	6,870,507	22,972,736	66,611,151	68,766,052
Options	331,371,354	1,172,229,319	572,352,181	20,335,767	2,096,288,621	525,580,552
Forwards	1,017,187	134,230	22,419	1,815,039	2,988,875	471,990
Credit derivatives	133,323	1,082,365	550,169	2,614,334	4,380,191	9,177,982
Forwards	8,808,306	10,274,094	4,298,463	2,006,124	25,386,987	22,797,897
Forwards with target flow	-	-	-	-	-	261,431
Target flow of forwards	-	-	-	-	-	261,431
Swaps with target flow	56,527	20,245	126,657	314,819	518,248	2,994,490
Target flow of swap	21,295	90,417	1,474,388	1,176,560	2,762,660	7,382,222
Other	6,365	160,440	556,646	1,873,755	2,597,206	11,779,764

At March 31, 2010, subsidiary ITAÚ UNIBANCO HOLDING S.A. had derivative operations in the swap with target flow and target forward with 3 clients, without total exposure for these products at an exchange rate of R\$ 1,7810 per dollar, for settlement at maturity. Of these clients, 3 have AA, A or B risk rating.

II - See below the composition of the derivative financial instruments portfolio by type of instrument, stated at their notional amounts, per trading location (organized or over-the-counter market) and counterparties:

	03/31/2010										
	Futures	Swaps	Options	Forwards	Credit derivatives	Forwards	Forwards with target flow	Target flow of forward	Swap with target flow	Target flow of swap	Other
BM&F Bovespa	223,488,736	12,612,271	2,065,399,601	338,610							
Over-the-counter market	25,938,891	53,998,880	30,889,020	2,650,265	4,380,191	25,386,987			518,248	2,762,660	2,597,206
Financial institutions	24,548,968	29,889,618	27,871,906	835,226	4,376,629	13,070,660	-	-	-	43,635	2,588,433
Companies	1,389,923	23,299,806	3,006,771	1,815,039	3,562	12,259,524	-	-	518,248	2,719,025	3,745
Individuals	-	809,456	10,343	-	-	56,803	-	-	-	-	5,028
Total	249,427,627	66,611,151	2,096,288,621	2,988,875	4,380,191	25,386,987			518,248	2,762,660	2,597,206
Total 03/31/2009	241,226,483	68,766,052	525,580,552	471,990	9,177,982	22,797,897	261,431	261,431	2,994,490	7,382,222	11,779,764

III - Credit derivatives

	Credit risk amount	
	03/31/2010	03/31/2009
Transferred	(1,408,422)	(3,644,482)
Credit swaps whose underlying assets are:		
Securities	(1,404,618)	(3,644,290)
Derivatives with companies	-	(192)
Total return rate swaps whose underlying assets are:		
Securities	(3,804)	-
Received	2,971,768	4,070,164
Credit swaps whose underlying assets are:		
Securities	2,969,987	3,602,878
Loan operations	-	24,955
Total return rate swaps whose underlying assets are:		
Securities	1,781	442,331
Total	1,563,346	425,682

During the period, there was no occurrence of credit event related to those set forth in agreements.

IV - Accounting hedge

- a) The purpose of the hedge relationship of subsidiary ITAU UNIBANCO HOLDING is to protect the cash flow of payment of debt interest (CDB / Redeemable preferred shares) related to its variable interest rate risk (CDI / LIBOR), making the cash flow constant (fixed rate) and regardless of the variations of DI Cetip Over and LIBOR.

To protect the future cash flows of debt against exposure to variable interest rate (CDI), at March 31, 2010 subsidiary ITAU UNIBANCO HOLDING negotiated DI Futures agreements at BM&FBOVESPA with maturity between 2010 and 2017 in the amount of R\$ 4,258,711 (R\$ 15,983,274 at 03/31/2009). To protect the future cash flows of debt against exposure to variable interest rate (LIBOR), at December 31, 2009 ITAU UNIBANCO HOLDING negotiated swap contracts with maturity in 2015 in the amount of R\$ 700,061. These derivative financial instruments gave rise to adjustment to market value net of tax effects recorded in stockholders' equity of R\$ (70,560) (R\$ (302,689) at 03/31/2009), of which R\$ (67,670) (R\$ (302,689) at 03/31/2009) refers to CDB and R\$ (2,890) refers to Redeemable Preferred shares. The hedged items total R\$ 5,026,438 (R\$ 15,532,381 at 03/31/2009), of which R\$ 4,326,377 are CDB with maturities between 2010 and 2017 and R\$ 700,061 are swaps of redeemable preferred shares with maturity in 2015.

The gains or losses related to the accounting hedge of cash flows that we expect to recognize in Results in the next 12 months amount to R\$ 227,877.

The effectiveness computed for hedge portfolio was in conformity with the provisions of BACEN Circular No. 3,082 of January 30, 2002.

- b) The swap operations contracted in a negotiation associated with the funding and/or investment in the amount of R\$ 268,155 (R\$ 1,142,300 at 03/31/2009) are recorded at amounts restated in accordance with variations occurred in respective ratios ("curve") and are not valued at their market value, as permitted by BACEN Circular No. 3,150/02.

c) Sensitivity analysis

The risks arising from the financial instruments of ITAÚSA CONSOLIDATED are mostly related to the operations of its subsidiary ITAÚ UNIBANCO – Financial Services Area, which, according to the criteria for classification of operations provided for BACEN Resolution No. 3,464/07 and Circular No. 3,354/07, and the New Capital Accord – Basel II, are separated in Trading and Banking portfolios. The exposures arising from the subsidiaries of the industrial area are shown separately and consolidated, given its lower relevance and for better presentation of values.

The sensitivity analyses shown below do not predict the dynamics of the operation of the risk and treasury areas, because once loss related to positions is found, risk mitigating measures are quickly taken, minimizing the possibility of significant losses. In addition, we point out that the presented results do not necessarily translate into accounting results, because the study's sole purpose is to disclose the exposure to risks and the respective protective actions, taking into account the fair value of financial instruments, irrespective of the accounting practices adopted by the institutions.

Exposures		03/31/2010 (*)		
Risk factors	Risk of variation in:	Scenarios		
		I	II	III
Fixed rate	Fixed rate in Reais	(11,701)	(554,620)	(1,076,820)
Foreign exchange coupons	Rates of foreign exchange coupon	1,519	(21,338)	(40,778)
Foreign currency	Exchange variation	(1,081)	(15,774)	(31,548)
Price indices	Rates of price indices coupons	(1,028)	(37,218)	(73,165)
Long-term interest rate	Rate of TJLP coupon	(6)	(32,218)	(63,435)
Reference rate	Rate of TR coupon	3,592	(157,624)	(255,674)
Variable income	Share price	17,439	(254,387)	(508,774)
Total without correlation - Financial services area		8,733	(1,073,179)	(2,050,194)
Total with correlation - Financial services area		5,738	(705,086)	(1,346,991)
Total without correlation - Industrial area (**)			(5,722)	(10,041)

(*) Amounts net of tax effects.

(**) Includes exposures in foreign currency, interest rates and prices.

The considerable impact on the fixed-income factor is related to the market risks of fixed-rate financing of the banking portfolio, which are not recognized as marked to market and, therefore, are not necessarily fully subject to hedge.

Scenario I: For exposures of the Financial Services Area, addition of 1 base point to the fixed-rate curve, currency coupon, inflation and interest rate indices, and 1 percentage point in currency and share prices, which is based on market information (BM&F BOVESPA, Andima, etc). For exposures of the Industrial area, market rates and quotations are used, with immaterial effect.

Scenario II: Shocks at approximately 25% in the portfolio of March 31, 2010, considering the largest resulting losses per risk factor.

Scenario III: Shocks at approximately 50% in the portfolio of March 31, 2010, considering the largest resulting losses per risk factor.

All derivative financial instruments engaged by ITAÚSA CONSOLIDATED are shown in Note 7b.

NOTE 8 - LOAN, LEASE AND OTHER CREDIT OPERATIONS - FINANCIAL SERVICES AREA

a) Summary

I – By type of operations

	03/31/2010	03/31/2009
Loan operations	173,331,298	158,656,014
Lease operations	45,789,017	49,953,263
Credit card operations	29,334,254	24,027,303
Advance on exchange contracts (1)	3,287,569	7,323,683
Other sundry receivables (2)	374,477	330,001
Total	252,116,615	240,290,264
Endorsements and sureties (3)	32,593,067	32,439,162
Total with endorsements and sureties	284,709,682	272,729,426

(1) Includes Advances on Exchange Contracts and Income from Advances Granted, reclassified from Other Liabilities – Foreign Exchange Portfolio/Other Receivables (Note 10);

(2) Includes Securities and Receivables, Debtors for Purchase of Assets and Endorsements and Sureties paid;

(3) Recorded in Memorandum Accounts.

II – By business sector

	03/31/2010	%	03/31/2009	%
Public sector	1,818,081	0.7%	1,621,034	0.7%
Private sector	250,298,534	99.3%	238,669,230	99.3%
Companies	135,031,307	53.6%	134,697,869	56.1%
Individuals	115,267,227	45.6%	103,971,361	43.3%
Total	252,116,615	100.0%	240,290,264	100.0%

b) Changes in allowance for loan losses

	01/01 to 03/31/2010	01/01 to 03/31/2009
Opening balance	(24,051,873)	(19,972,155)
Net increase for the period	(3,866,360)	(3,834,399)
Minimum required by Resolution No. 2,682/99	(3,866,360)	(4,373,399)
Additional	-	539,000
Write-Off	4,748,583	2,169,402
Closing balance	(23,169,650)	(21,637,152)
Specific allowance (1) (3)	(11,743,102)	(9,670,571)
Generic allowance (2) (3)	(5,322,548)	(4,714,581)
Additional allowance (4)	(6,104,000)	(7,252,000)

(1) Operations with overdue installments for more than 14 days or under responsibility of bankruptcy or in process of bankruptcy companies;

(2) For operations not covered in the previous item due to the classification of the client or operation;

(3) The specific and generic allowances reflect the effects of the supplementary allowance totaling R\$ 452,071 (R\$ 430,860 at 03/31/2009) as it does not consider the option established by article 5 of the CMN Resolution No. 2,682 of 12/21/1999, amended by article 2 of CMN Resolution No. 2,697 of 02/24/2000, that the loan transactions with clients whose total liability is below R\$ 50 could be determined based solely on the overdue amounts;

(4) Refers to the provision in excess of the minimum required by CMN Resolution No.2,682, of December 12, 1999, recognized within the prudential criteria adopted by management in accordance with good banking practice, in order to enable the absorption of possible increases in default arising from a strong reversal of the economic cycle, quantified in view of the historic performance of loan portfolios in economic crises situations.

As from December 31, 2008, considering the economic scenario and the uncertainties related to it, the criteria for recognition of the additional allowance for loan losses were revised, including the portion related to risks associated to a more pessimistic scenario. Over 2009, the effects of the crisis were partially consummated, giving rise to an increase in the required regulatory capital of the additional allowance for loan losses regarding the portfolio.

At March 31, 2010, the balance of the allowance in relation to the loan portfolio is equivalent to 9.2% (9.0% at 03/31/2009).

c) Recovery and renegotiation of credits

I - Composition of the result of allowance for loan losses

	01/01 to 03/31/2010	01/01 to 03/31/2009
Expenses for allowance for loan losses	(3,866,360)	(3,834,399)
Income from recovery of credits written off as loss	845,709	397,618
Result of allowance for loan losses (*)	(3,020,651)	(3,436,781)

(*) Registered in Operating Expenses - Equity.

II – Renegotiated Credits

	03/31/2010	03/31/2009
Renegotiated credits	7,636,866	6,051,813
Allowance for loan losses	(3,875,521)	(3,049,474)
(%)	50.7	50.4

NOTE 9 – INVENTORIES – INDUSTRIAL AREA

	03/31/2010	03/31/2009
Products	785,072	657,033
Raw material	334,729	312,688
Work in process	44,864	57,171
Finished products	338,875	251,373
Storeroom	67,038	58,126
(Provision for losses) (*)	(434)	(22,325)
Real estate	-	11,256
Total	785,072	668,289

(*) In 2009, in view of the worsened economic scenario triggered by the global crisis, with strong devaluation of certain products traded by the affiliate Elekeiroz S.A., an appraisal of inventories of finished products and raw materials was carried out, considering their expected realizable values, resulting in the need for recognizing a provision for losses in certain items

NOTE 10 – FOREIGN EXCHANGE PORTFOLIO – FINANCIAL SERVICES AREA

	03/31/2010	03/31/2009
ASSETS – OTHER RECEIVABLES	26,821,403	39,424,115
Exchange purchase pending settlement – foreign currency	19,636,030	24,801,070
Bills of exchange and term documents – foreign currency	81	69
Exchange sale rights – local currency	7,535,192	15,005,673
(Advances received – local currency)	(349,900)	(382,697)
LIABILITIES – OTHER LIABILITIES (Note 2)	27,283,080	38,706,373
Exchange sale pending settlement – foreign currency	16,035,593	18,642,083
Liabilities from purchase of foreign currency – local currency	11,243,308	20,059,520
Other	4,179	4,770
MEMORANDUM ACCOUNTS	549,461	446,940
Outstanding import credits – foreign currency	530,826	390,146
Confirmed export credits – foreign currency	18,635	56,794

NOTE 11 - OTHER SUNDRY RECEIVABLES

	03/31/2010	03/31/2009
Escrow deposits in guarantee of provision for contingent liabilities (Note 19b)	6,474,077	5,557,685
Escrow deposits for legal liabilities – tax and social security (Note 19c)	3,861,114	4,856,915
Negotiation and intermediation of securities	1,747,643	2,271,034
Taxes and contributions for offset	3,833,793	4,179,519
Social contribution for offset – Provisional Measure No. 2,158 of August 24, 2001 (Note 20b I)	915,027	1,251,695
Receivables from reimbursement of contingent liabilities (Note 19b)	1,111,369	1,261,045
Income receivable	896,100	1,108,196
Trade notes receivable	1,018,853	866,603
Escrow deposits for foreign fund raising program	551,597	810,914
Operations without credit granting characteristics	<u>251,399</u>	<u>435,054</u>
Securities and credits receivable	588,621	637,738
(Allowance for other loan losses)	(337,222)	(202,684)
Tax incentive options	828	4,635
Sundry debtors	<u>901,151</u>	<u>816,772</u>
Domestic	768,542	671,248
Foreign	132,609	145,524
Other	304,098	404,396
Total	<u>21,867,049</u>	<u>23,824,463</u>

At ITAÚSA, basically comprise Income Receivable related to Dividends and Interest on Capital amounting to R\$ 344,235 (R\$ 305,231 at 03/31/2009) and Taxes and Contributions for Offset of R\$ 57,571 (R\$ 154,265 at 03/31/2009).

NOTE 12 - OTHER ASSETS

	03/31/2010	03/31/2009
Assets not for own use	446,252	598,230
(Valuation allowance)	(179,878)	(229,434)
Unearned premiums of reinsurance	569,989	555,618
Total	836,363	924,414

NOTE 13 - PREPAID EXPENSES

	03/31/2010	03/31/2009
Commissions	<u>1,952,381</u>	<u>2,551,606</u>
Related to insurance and pension plan	463,604	297,771
Related to vehicle financing	1,268,667	2,170,482
Other	220,110	83,353
Fundo Garantidor de Crédito (*)	667,109	848,312
Advertising	470,852	349,463
Other	237,422	260,977
Total	3,327,764	4,010,358

(*) At parent company ITAU UNIBANCO, it refers to spontaneous payment, equivalent to the prepayment of installments of the contribution to Fundo Garantidor de Crédito (Brazilian deposit guarantee fund), according to BACEN Circular No. 3,416, of 10/24/2008.

NOTE 14 - INVESTMENTS

I – Interest in subsidiaries - ITAÚSA

Companies	Balances at 12/31/2009	Dividends and interest on capital received (2)	Equity in earnings of subsidiaries	Change in adjustment to market value	Accumulated conversion adjustments	Granting of options recognized	Balances at 03/31/2010 (1)	Balances at 03/31/2009 (1)	Equity in earnings of subsidiaries from 01/01 to 03/31/2009
Itaú Unibanco Holding S.A.	11,489,002	(362,320)	628,533 (3)	9,291	17	4,764	11,769,287	10,940,781	523,084 (3)
IUPAR - Itaú Unibanco Participações S.A.	8,534,540	(37,935)	269,686	8,982	16	4,466	8,779,755	7,997,505	234,130
Itaucorp S.A.	847,805	-	9,689	54	(24)	83	857,607	789,400	(9,290)
Duratex S.A.	581,308	(6,402)	19,318 (3)	-	(139)	199	594,284	523,543	14,046 (3)
Itautec S.A.	362,892	-	2,579	-	229	-	365,700	344,363	9,319
Elekpart Participações e Administração S.A.	51,144	-	757	7	3	-	51,911	48,597	(2,162)
ITH Zux Cayman Company Ltd.	29,496	-	929 (4)	-	-	-	30,425	42,884	(514) (4)
Elekeiroz S.A.	13,528	-	252	3	1	-	13,784	12,721	(728)
Other subsidiaries	7,438	-	156	1	-	-	7,595	7,601	298
GRAND TOTAL	21,917,153	(406,657)	931,899	18,338	103	9,512	22,470,348	20,707,395	768,183

(1) Includes negative goodwill;

(2) Income receivable includes dividends and interest on capital receivable;

(3) Includes non-operating income (expense) arising from change in interest;

(4) Includes foreign exchange expense.

Companies	Capital	Stockholders' equity	Net income for the period	Number of shares owned by ITAÚSA		Equity share in voting capital (%)	Equity share in capital (%)
				Common	Preferred		
Itaú Unibanco Holding S.A.	45,000,000	65,067,647	2,510,113	828,666,681	77,083	36.20	18.29
IUPAR - Itaú Unibanco Participações S.A.	6,000,000	13,196,270	405,326	355,227,092	350,942,273	50.00	66.53
Itaucorp S.A.	402,990	871,759	9,682	12,241,504	3,875,153	99.94	99.96
Duratex S.A.	1,288,085	2,423,254	80,627	113,252,306	-	24.74	24.74
Itautec S.A.	250,000	502,093	5,755	10,366,478	-	88.97	88.97
Elekpart Participações e Administração S.A.	220,000	432,044	6,297	68,680,661	-	12.02	12.02
ITH Zux Cayman Company Ltd.	62,335	41,490	2	35,000,000	-	100.00	100.00
Elekeiroz S.A.	220,000	449,428	6,673	559,180	631,430	3.85	3.78

II - Composition of investments

	03/31/2010	03/31/2009
Investment in affiliates	1,154,465	1,329,865
Domestic	291,026	352,820
Allianz Seguros S.A.	-	148,566
Serasa S.A.	254,013	159,926
Other	37,013	44,328
Foreign	863,439	977,045
Banco BPI, S.A.	863,439	974,487
Other	-	2,558
Other investments	1,146,745	925,458
Investments through tax incentives	164,115	166,233
Equity securities	8,474	8,167
Shares and quotas	659,218	444,770
Interest in Instituto de Resseguros do Brasil - IRB	229,699	226,149
Other	268,354	262,380
(Provision for losses)	(183,115)	(182,241)
TOTAL	2,301,210	2,255,323

III – Composition of equity in earnings of affiliates

	01/01 to 03/31/2010	01/01 to 03/31/2009
Investment in affiliates - Domestic	25,141	12,435
Investment in affiliates - Abroad	14,285	15,869
Dividends received from Other investments	35,459	61,748
Equity in earnings of subsidiaries, not arising from net income	(1,007)	(4,937)
TOTAL	73,878	85,115

NOTE 15 – FIXED AND INTANGIBLE ASSETS

	03/31/2010			03/31/2009
	Cost	Accumulated depreciation/ amortization/ depletion	Net book amount	Net book amount
Fixed assets	15,383,753	(7,787,569)	7,596,185	6,433,863
Own fixed assets	14,994,828	(7,787,569)	7,207,259	6,221,953
Real estate	5,549,448	(2,249,716)	3,299,732	3,142,211
Land	1,518,446	-	1,518,446	1,294,764
Buildings	3,075,358	(1,805,129)	1,270,228	916,201
Leasehold improvements	955,645	(444,587)	511,058	931,246
Other fixed assets	9,445,380	(5,537,853)	3,907,527	3,079,742
Installations	979,500	(461,658)	517,842	194,290
Furniture and equipment	3,772,607	(1,550,882)	2,221,724	1,687,010
EDP systems	4,072,204	(3,145,731)	926,473	974,759
Other (communication, security and transportation)	621,070	(379,582)	241,488	223,683
Leased fixed assets	18,553	-	18,553	18,553
Furniture and equipment	18,553	-	18,553	18,553
Forest reserves	370,373	-	370,373	193,358
Intangible assets	6,042,406	(1,845,303)	4,197,102	4,514,265
Rights for acquisition of payrolls	2,432,470	(957,375)	1,475,095	2,162,271
Association for the promotion and offer of financial products	1,438,002	(25,184)	1,412,818	1,112,380
Expenditures on acquisition of software	1,260,258	(759,389)	500,869	400,446
Right to manage investment funds	280,650	(92,794)	187,857	283,330
Other intangible assets (*)	631,025	(10,561)	620,464	555,837

(*) Basically refers to goodwill on purchase of shares of Redecard S.A.

At ITAÚSA, Fixed Assets are basically composed of Buildings amounting to R\$ 4,723 (R\$ 4,931 at 03/31/2009) and Intangible Assets are represented by goodwill on purchase of investments.

NOTE 16 – FUNDING RAISED BY SUBSIDIARIES AND BORROWINGS AND ONLENDING – FINANCIAL SERVICES AREA

	03/31/2010	03/31/2009
Foreign currency	19,290,680	28,036,231
Funds from acceptances and issuance of securities	6,408,197	8,128,015
Borrowings and onlending (1)	12,882,483	19,908,216
Local currency	220,033,121	233,272,820
Deposits	183,302,257	202,149,021
Funds from acceptances and issuance of securities	12,385,410	12,431,365
Borrowings and onlending	24,345,454	18,692,434
Securitization of foreign payment orders	-	1,344,170
Deposits received under securities repurchase agreements	147,540,366	127,295,774
Own portfolio	81,935,086	62,763,349
Third-party portfolio	57,673,147	63,979,261
Free portfolio	7,932,133	553,164
Subordinated debt	25,755,921	22,909,853
CDB	23,904,735	20,055,151
Euronotes	834,935	1,098,212
Eurobonds	897,531	1,634,224
Bonds	136,447	158,609
(-) Transaction costs incurred (Note 4b)	(17,727)	(36,343)
Redeemable preferred shares (2)	700,126	910,192
Total	413,320,214	413,769,040

(1) *Foreign borrowings are basically represented by investments in foreign exchange transactions related to export pre-financing and import financing.*

(2) *Redeemable Preferred Shares are classified in the Balance Sheet under Minority Interest.*

NOTE 17 - INSURANCE, PENSION PLAN AND CAPITALIZATION OPERATIONS – FINANCIAL SERVICES AREA**a) Composition of the technical provisions**

	INSURANCE		PENSION PLAN		CAPITALIZATION		TOTAL	
	03/31/2010	03/31/2009	03/31/2010	03/31/2009	03/31/2010	03/31/2009	03/31/2010	03/31/2009
Mathematical provision of benefits to be granted and benefits granted	32,093	34,265	44,055,029	35,992,372	-	-	44,087,122	36,026,637
Unearned premiums	3,229,616	3,138,312	-	-	-	-	3,229,616	3,138,312
Unsettled claims	2,289,561	2,212,291	-	-	-	-	2,289,561	2,212,291
Financial surplus	1,861	2,036	465,442	396,970	-	-	467,303	399,006
IBNR	704,753	830,609	12,905	9,943	-	-	717,658	840,552
Financial variation	488	376	116,653	109,022	-	-	117,141	109,398
Premium deficiency	252,049	159,443	-	-	-	-	252,049	159,443
Insufficient contribution	118	-	517,853	422,891	-	-	517,971	422,891
Mathematical provision for redemptions	-	-	-	-	2,291,109	2,072,410	2,291,109	2,072,410
Raffle contingency	-	-	-	-	35,844	41,345	35,844	41,345
Other	69,192	65,127	174,970	186,699	24,394	22,880	268,556	274,706
TOTAL	6,579,731	6,442,459	45,342,852	37,117,897	2,351,347	2,136,635	54,273,930	45,696,991

b) Assets Guaranteeing Technical Provisions - SUSEP

	INSURANCE		PENSION PLAN		CAPITALIZATION		TOTAL	
	03/31/2010	03/31/2009	03/31/2010	03/31/2009	03/31/2010	03/31/2009	03/31/2010	03/31/2009
Interbank investments – money market	1,506,555	590,870	1,038,991	739,969	1,089,293	683,273	3,634,839	2,014,112
Securities and derivative financial instruments	2,431,338	3,297,348	44,370,636	36,720,876	1,304,053	1,591,304	48,106,027	41,609,528
PGBL/VGBL fund quotas (1)	-	-	40,152,632	32,334,342	-	-	40,152,632	32,334,342
Government securities - Brazil	-	-	27,458,506	18,809,888	-	-	27,458,506	18,809,888
Financial Treasury Bills	-	-	10,801,974	6,327,635	-	-	10,801,974	6,327,635
National Treasury Bills	-	-	7,834,052	3,766,842	-	-	7,834,052	3,766,842
National Treasury Notes	-	-	8,822,480	8,715,411	-	-	8,822,480	8,715,411
Corporate securities	-	-	11,464,998	12,877,837	-	-	11,464,998	12,877,837
Bank Deposit Certificates	-	-	7,025,499	5,868,133	-	-	7,025,499	5,868,133
Shares	-	-	1,153,902	776,663	-	-	1,153,902	776,663
Debentures	-	-	2,523,703	4,641,860	-	-	2,523,703	4,641,860
Promissory Notes	-	-	1,021	230,477	-	-	1,021	230,477
Quotas of funds	-	-	760,873	1,360,704	-	-	760,873	1,360,704
PGBL/VGBL fund quotas	-	-	1,069,404	608,714	-	-	1,069,404	608,714
Derivative financial instruments	-	-	125,217	3,213	-	-	125,217	3,213
Accounts receivable / (payable)	-	-	34,507	34,690	-	-	34,507	34,690
Other securities	2,431,338	3,297,348	4,218,004	4,386,534	1,304,053	1,591,304	7,953,395	9,275,186
Government	1,689,577	2,285,938	3,318,249	3,157,569	60,905	874,249	5,068,731	6,317,756
Private	741,761	1,011,410	899,755	1,228,965	1,243,148	717,055	2,884,664	2,957,430
Receivables from insurance and reinsurance operations (2)	2,605,060	2,644,079	-	-	-	-	2,605,060	2,644,079
Credit rights	1,036,278	891,840	-	-	-	-	1,036,278	891,840
Reinsurance	1,568,782	1,752,239	-	-	-	-	1,568,782	1,752,239
Escrow deposits for loss	65,674	130,222	-	-	-	-	65,674	130,222
TOTAL	6,608,627	6,662,519	45,409,627	37,460,845	2,393,346	2,274,577	54,411,600	46,397,941

(1) The PGBL and VGBL plans securities portfolios, the ownership and embedded risks of which are the customer's responsibility, are recorded as securities – trading securities, as determined by SUSEP, with a contra-entry to long-term liabilities, in the account Technical Provisions for Pension Plans.

(2) Recorded under Other receivables and Other assets.

c) Results of Operations

	INSURANCE		PENSION PLAN		CAPITALIZATION		TOTAL	
	01/01 to 03/31/2010	01/01 to 03/31/2009	01/01 to 03/31/2010	01/01 to 03/31/2009	01/01 to 03/31/2010	01/01 to 03/31/2009	01/01 to 03/31/2010	01/01 to 03/31/2009
Income from financial operations	79,397	47,244	32,764	85,462	14,981	13,168	127,142	145,874
Financial income from insurance, pension plan and capitalization operations	107,787	60,742	867,122	1,063,071	48,396	48,776	1,023,305	1,172,589
Financial expenses from insurance, pension plan and capitalization operations	(28,390)	(13,498)	(834,358)	(977,609)	(33,415)	(35,608)	(896,163)	(1,026,715)
Results of operations from insurance, pension plan and capitalization	494,882	288,733	56,592	122,478	96,322	90,376	647,796	501,587
Premiums and contributions	1,794,131	1,512,769	1,950,591	2,415,036	410,829	381,421	4,155,551	4,309,226
Changes in technical provisions	(76,063)	54,081	(1,872,949)	(2,266,329)	(301,348)	(235,131)	(2,250,360)	(2,447,379)
Expenses for claims	(800,002)	(925,481)	-	-	-	-	(800,002)	(925,481)
Selling expenses	(363,501)	(320,066)	(9,782)	(12,321)	(1,547)	(3,861)	(374,830)	(336,248)
Expenses for benefits and raffles	-	-	(9,754)	(6,145)	(10,664)	(6,648)	(20,418)	(12,793)
Other revenues and expenses	(59,683)	(32,570)	(1,514)	(7,763)	(948)	(45,405)	(62,145)	(85,738)
TOTAL	574,279	335,977	89,356	207,940	111,303	103,544	774,938	647,461

NOTE 18 - OTHER SUNDRY LIABILITIES

	03/31/2010	03/31/2009
Provisions for contingent liabilities (Note 19b)	7,627,461	8,486,795
Collection and payment of taxes and contributions	4,242,336	5,413,042
Negotiation and intermediation of securities	2,415,806	3,005,635
Personnel provision	1,004,104	936,106
Suppliers	323,887	321,553
Sundry creditors	<u>2,684,035</u>	<u>2,699,642</u>
Domestic	2,523,792	2,324,981
Foreign	160,243	374,661
Related to insurance operations	1,158,611	1,209,922
Creditors of funds to be released	464,910	283,979
Liabilities for purchase of assets and rights	163,978	98,472
Provision for health insurance (1)	598,664	534,212
Provision for integration expenditures with ITAÚ UNIBANCO merger	683,873	1,226,236
Provision to cover actuarial deficit (Note 27c)	134,472	119,378
Expenses for lease interests	95,334	127,380
Liabilities for official agreements and rendering of payment services	451,860	431,808
Provisions for sundry creditors	983,989	1,040,588
Sundry (2)	1,399,882	1,422,084
Total	<u>24,433,202</u>	<u>27,356,832</u>

(1) Provision set up to cover possible future deficits up to the total discontinuance of the portfolio, arising from the difference of adjustments to monthly installments, authorized annually by the regulatory body, and the actual variation of hospital costs that affect the compensation of claims;

(2) Basically composed of discounts in investments in subsidiaries not eliminated in Consolidation.

NOTE 19 - CONTINGENT ASSETS AND LIABILITIES AND LEGAL LIABILITIES – TAX AND SOCIAL SECURITY

ITAÚSA and its subsidiaries are involved in contingencies in the ordinary course of their businesses, as follows:

- a) **Contingent Assets:** there are no contingent assets recorded.
- b) **Contingent Liabilities:** these are calculated and classified as follows:

- **Calculation criteria:**

Civil lawsuits: quantified upon judicial notification, and adjusted monthly:

- Collective (lawsuits related to claims considered similar and usual and the amounts of which are not considered significant): according to the statistical references per group of lawsuits, type of legal body (Small Claims Court or Regular Court) and claimant; or
- Individual (lawsuits related to claims considered unusual and the amounts of which are considered significant): at the claimed indemnity amount, based on the evidence presented and on the evaluation of legal advisors – which considers case law, legal opinions raised, evidence produced in the records and the judicial decisions to be issued – relating to the risk level of loss of lawsuits.

These are adjusted to the amounts deposited as guarantee for their execution or to the definitive execution amount (indisputable amount) when the claim is awarded a final and unappealable judgment.

Labor claims: these are calculated upon judicial notification and adjusted monthly by the moving average of payment of lawsuits closed in the last 12 months plus the average cost of fees paid for lawsuits related to claims considered similar and usual and adjusted: to the amounts deposited in guarantee to the execution amount (indisputable amount) when it is in the stage of being a final and unappealable decision, or based on the individual analysis of the potential amount of probable loss for lawsuits with significant amounts.

Tax and social security lawsuits: calculated upon judicial notification of administrative proceedings based on their monthly adjusted amounts.

Other Risks: calculated mainly based on the assessment of credit risk on joint obligations.

- **Contingencies classified as probable:** are recognized in the accounting books and comprise:

- Civil lawsuits: demanding compensation for property damage and pain and suffering, such as protest of bills, return of checks, and inclusion of information in the credit protection registry, most of these actions being filed in the Small Claims Court and therefore limited to 40 minimum monthly wages;
- Labor claims: seeking the recovery of alleged labor rights based on labor legislation specific to the related profession, such as overtime, salary equalization, reinstatement, transfer allowance, pension plan supplement and other;
- Tax and social security lawsuits: represented mainly by lawsuits and administrative proceedings involving federal and municipal taxes;
- Other Risks represented basically by the joint obligation for securitized rural loans.

The table below shows the changes in the respective provisions for contingent liabilities and the respective escrow deposits balances:

Change in provision for contingent liabilities	01/01 to 03/31/2010				01/01 to 03/31/2009	
	Civil	Labor	Tax and social security	Other	Total	Total
Opening balance	2,423,031	3,216,569	1,560,339	257,671	7,457,610	7,880,115
(-) Contingencies guaranteed by indemnity clauses (Note 4o I)	(98,628)	(573,261)	(35,331)	-	(707,220)	(692,451)
Restatement/Charges	27,660	18,662	17,309	-	63,631	264,733
Subtotal	2,352,063	2,661,970	1,542,317	257,671	6,814,021	7,452,397
Changes in the period reflected in results (Note 24)	276,918	114,617	(11,343)	4,018	384,210	551,952
Increase (1) (2)	327,962	126,887	17,104	4,018	475,971	665,597
Reversal	(51,044)	(12,270)	(28,447)	-	(91,761)	(113,645)
Payment	(194,909)	(41,075)	(61,160)	-	(297,144)	(310,545)
Subtotal	2,434,072	2,735,512	1,469,814	261,689	6,901,087	7,693,804
(+) Contingencies guaranteed by indemnity clauses (Note 4o I)	112,465	567,423	46,486	-	726,374	792,991
Closing balance (Note 18)	2,546,537	3,302,935	1,516,300	261,689	7,627,461	8,486,795
Closing balance at March 31, 2009 (Note 18)	2,347,965	3,155,796	2,733,975	249,059	8,486,795	
Escrow deposits at 03/31/2010 (Note 11)	1,272,095	1,564,503	641,473	-	3,478,071	
Escrow deposits at 03/31/2009 (Note 11)	941,521	1,429,305	904,855	-	3,275,681	

(*) Civil provisions include the provision for economic plans amounting to R\$ 119,033 (R\$ 84,277 from January 1 to March 31, 2009).

(2) Tax and Social Security provisions comprise basically the effects arising from the adhesion to the program of Payment or Installment Payment of Federal Taxes (Note 19d).

- Contingencies classified as possible: not recognized in the accounting books and comprise Civil lawsuits amounting to R\$ 417,593 and Tax and Social Security Lawsuits amounting to R\$ 3,922,534. The principal characteristics of these lawsuits are described below:
 - Losses and Discounts in Loan Operations – R\$ 479,820: tax assessment notices in which the deductibility of these losses and expenses upon receipt of credits is discussed.
 - ISS – Banking Institutions – R\$ 433,978: refers to tax assessment notices issued by municipalities for collection of ISS on amounts recorded in several accounts, on the grounds of being service revenue.
 - Usufruct of Shares - IRPJ, CSLL, PIS and COFINS – R\$ 342,649: required levy of taxes on the amount received at the engagement date, in view of the onerous usufruct of shares and units, which was recorded as a contra entry to the investment account in permanent assets.
 - Dismissal of offset request – R\$ 287,761: offset requests which were not validated due to formal issues or alleged lack of evidence of credit liquidity. Issued discussed at the administrative level.
 - Revenues earned abroad – R\$ 264,878: tax assessment notices in relation to which we discuss criteria for determining the calculation basis, offset of taxes paid abroad and taxable event.
 - Goodwill on purchase of investments – R\$ 231,839: assessment notices in which we discuss the deduction of goodwill of merged companies.
 - Levy of social security contributions on non-compensatory amounts – R\$ 177,172: administrative and court discussion on the portions that, according to the company's understanding, are not part of contribution salary for social security tax purposes.
 - Cost of Acquisition of Customers Portfolio – R\$ 173,391: aims at recognizing the deduction, from the IRPJ and CSLL calculation basis, of expenses assumed by Banco Itaú with the amortization of assets related to the acquisition of the customers portfolio of the Group banks.
 - IRPJ/PDD (Income tax/Allowance for loan losses) – R\$ 165,479: in compliance with the principle of anteriority, it aims at rejecting the application, in the same fiscal year, of Regulatory Instruction (IN) No. 80/93, which reduced the percentage from 1.5% to 0.5% for realization of the Allowance for Loan Losses in base year 1993, by adopting IN No. 76/87 and CMN Resolution No. 1,748, of August 31, 1990.
 - Differences in the completion of Declaration of Federal Contributions and Taxes (DCTF) – R\$ 154,968: required levy of withholding tax (IRRF) arising from the challenge, by the Federal Revenue Services authorities, concerning the completion of DCTF and missing payments (DARFs).
 - ISS – Place of Granting of Leasing – R\$ 143,731: tax assessment notices and/or tax foreclosures of municipalities that allege the levy of ISS on leasing operations in their territories.

In ITAÚSA CONSOLIDATED, the following, which are in guarantee of voluntary appeals related to contingent liabilities, are restricted, deposited or recorded:

	03/31/2010	03/31/2009
Securities	1,217,219	1,615,990
Deposits in guarantee (Note 11)	2,996,006	2,282,004
Permanent assets (*)	731,435	802,706

As per article 32 of Law No. 10,522, of July 19, 2002. On April 10, 2007, in the Unconstitutionality Lawsuit No. 1.976, the Federal Supreme Court ruled unconstitutional the requirement of guarantees for considering voluntary appeals. The company is requesting the cancellation of the pledging of guarantees to the Federal Revenue Service.

The Receivables balance arising from reimbursements of contingencies totals R\$ 1,111,369 (R\$ 1,261,045 at 03/31/2009) (Note 11), basically represented by the guarantee in the Banco Banerj S.A. privatization process occurred in 1997, in which the State of Rio de Janeiro created a fund to guarantee the equity recomposition from losses on Civil, Labor and Tax Contingencies.

c) Legal Liabilities – Tax and Social Security and Escrow Deposits for Filing Legal Processes – recognized at the full amount being questioned and respective escrow deposits, as follows:

Change in legal liabilities	01/01 to 03/31/2010	01/01 to 03/31/2009
Opening balance	7,001,868	9,298,851
Charges on taxes	81,947	355,940
Changes in the period reflected in results	<u>(21,895)</u>	<u>303,090</u>
Increase	200,278	400,312
Reversal (*)	(222,173)	(97,222)
Payment	(1,939,914)	-
Closing balance (Note 20c)	5,122,006	9,957,881

() Refers basically to the effects arising from the adhesion to the Cash or Installment Payment of Federal Taxes (Note 19d) and reversal of provision of PIS EC 17/97 x Principles of Anteriority, anteriority over 90 days, and non-retroactivity.*

Change in escrow deposits	01/01 to 03/31/2010	01/01 to 03/31/2009
Opening balance	3,743,022	4,478,050
Appropriation of income	77,846	263,128
Changes in the period	<u>40,246</u>	<u>115,737</u>
Deposits	47,751	122,714
Withdrawals	-	(4,622)
Conversion into income	(7,505)	(2,355)
Closing balance (Note 11)	3,861,114	4,856,915

The main natures of processes are described as follows:

- PIS and COFINS – R\$ 2,431,170, assert the right of paying contributions to PIS and COFINS on revenue, not adopting the provisions of Article 3, paragraph 1, of Law No. 9,718/98, of November 27, 1998, which established the extension of the calculation bases of these contributions. The corresponding escrow deposit totals R\$ 1,168,270;
- CSLL – R\$ 492,464, assert the right of paying CSLL at 9%, applicable to companies in general, rejecting the provisions of Article 41 of Law No. 11,727 of June 24, 2008, which sets forth a differentiated rate (15%) for financial institutions and insurance companies, in view of the infraction to the principle of equality. The corresponding escrow deposit totals R\$ 137,324;
- IRPJ and CSLL – R\$ 464,134, aimed at rejecting the requirement set forth by Regulatory Instruction No. 213 of October 7, 2002, in view of its illegality, determining the inclusion of equity in earnings in the calculation of taxable income and the CSLL calculation basis, including the disposal of investment abroad. The corresponding escrow deposit totals R\$ 404,672;
- PIS X Constitutional Amendments Nos. 10/96 and 17/97 – R\$ 354,934, aimed at rejecting the levy of PIS based on principles of anteriority, anteriority over 90 days and non-retroactivity of Constitutional Amendments Nos. 10/96 and 17/97, and nonexistence of legislation for this period. Successively, aimed at paying PIS over the mentioned period based on Supplementary Law No. 7/70. The corresponding escrow deposit totals R\$ 66,677;
- INSS – R\$ 251,957, aimed at rejecting the levy of social security contribution at 15%, as well as an additional rate of 2.5%, on compensation paid to service providers that are individuals and managers, set forth by Supplementary Law No. 84/96, in view of its unconstitutionality, as this contribution has the same taxable year and income tax calculation basis, going against the provisions of Articles 153, item III, 154, item I, 156, item III and 195, paragraph 4, of Federal Constitution. The corresponding escrow deposit totals R\$ 284,377.

d) Program for Cash or Installment Payment of Federal Taxes - Law No. 11,941/09

ITAÚSA and its subsidiaries adhered to the Program for Cash or Installment Payment of Federal Taxes, established by Law No. 11,941, of May 27, 2009. The program included the debits administered by the Federal Reserve Service of Brazil and the General Attorney's Office of the National Treasury past due before November 30, 2008. For the period, the main propositions included in this program were the increase to the PIS and COFINS calculation basis, as per paragraph 1 of article 3 of Law No. 9,718 of November 27, 1998, by the subsidiary companies of the financial services area classified as Legal Liability. The net effect in income was R\$ 144,712, recorded in Other Operating Income (Note 28c). The respective effect in ITAÚSA was R\$ 51.294.

NOTE 20 - TAXES

a) Composition of expenses for taxes and contributions

I - We show below the Income Tax and Social Contribution due on the operations for the period and on temporary differences arising from additions and exclusions:

Due on operations for the period	01/01 to 03/31/2010	01/01 to 03/31/2009
Income before income tax and social contribution	4,646,352	3,593,791
Charges (income tax and social contribution) at the rates in effect (Note 4p)	(1,856,213)	(1,336,889)
Increase/decrease to Income Tax and Social Contribution charges arising from:		
Permanent (additions) exclusions	569,770	329,089
Investments in affiliates	15,077	9,634
Foreign exchange variation on investments abroad	115,469	(155,941)
Interest on capital	320,461	271,756
Dividends, interest on external debt bonds and tax incentives	87,002	179,949
Other	31,761	24,254
Temporary (additions) exclusions	724,517	538,567
Allowance for loan losses	(684,770)	(621,075)
Excess (insufficiency) of depreciation of leased assets	470,937	746,831
Adjustment to market value of trading securities and derivative financial instruments, and adjustments from operations in futures markets	(67,023)	441,835
Interest on capital	(37,248)	(55,683)
Legal liabilities – tax and social security, contingent liabilities and restatement of escrow deposits	745,096	(212,967)
Realization of goodwill on purchase of investments	440,352	163,871
Integration expenditures with ITAÚ UNIBANCO merger	64,525	42,128
Other non-deductible provisions	(207,352)	33,627
(Increase) Offset of tax losses/ social contribution loss carryforwards	(912,419)	(892,948)
Expenses for income tax and social contribution	(1,474,345)	(1,362,181)
Related to temporary differences		
Increase (reversal) for the period	187,820	354,381
Prior periods increase (reversal)	174,974	229,319
Income (expenses) from deferred taxes	362,794	583,700
Total income tax and social contribution	(1,111,551)	(778,481)

II - Composition of tax expenses:

	01/01 to 03/31/2010			01/01 to 03/31/2009		
	On sales of products and services (1)	On other revenues (Note 24)	Total	On sales of products and services (1)	On other revenues (Note 24)	Total
PIS and COFINS	(113,276)	(769,379)	(882,655)	(68,978)	(785,190)	(854,168)
ISS	(3,924)	(132,650)	(136,574)	(4,537)	(121,126)	(125,663)
IPI	(9,651)	-	(9,651)	(39,267)	-	(39,267)
ICMS	(124,765)	-	(124,765)	(89,439)	-	(89,439)
Other	(10,138)	(69,890)	(80,028)	(2,949)	(73,219)	(76,168)
Total (Note 4p)	(261,754)	(971,919)	(1,233,673)	(205,170)	(979,535)	(1,184,705)

(1) These taxes have been deducted from the heading Sales of Products and Services.

At ITAÚSA, tax expenses included in Other Operating Expenses basically comprise PIS in the amount of R\$ 10,141 (R\$ 13,893 from 01/01 to 03/31/2009) and COFINS in the amount of R\$ 46,740 (R\$ 63,990 from 01/01 to 03/31/2009).

III- Tax effects on foreign exchange management of investments abroad

In order to minimize the effects on income in connection with the foreign exchange variation on investments abroad, net of respective tax effects, ITAÚSA and ITAÚ UNIBANCO carry out derivative transactions in foreign currency (hedge) (Note 28b).

Results of these transactions are considered in the calculation basis of income tax and social contribution, according to their nature, while the foreign exchange variation on investments abroad is not included therein, pursuant to tax legislation in force.

b) Deferred taxes

I - The deferred tax asset balance, segregated based on its origin (Income Tax and Social Contribution), is shown as follows:

	12/31/2009	Realization / Reversal	Increase	03/31/2010	03/31/2009
Reflected in income and expense accounts	26,197,021	(2,694,239)	3,126,627	26,629,409	26,648,068
Related to tax losses and social contribution loss carryforwards	3,124,724	(100,897)	799,218	3,823,045	3,914,865
Temporary differences:	23,072,297	(2,593,342)	2,327,409	22,806,364	22,733,203
Allowance for loan losses	9,908,764	(758,268)	1,309,822	10,460,318	7,770,316
Legal liabilities – tax and social security	2,026,933	(734,931)	1,326	1,293,328	1,954,837
Provision for contingent liabilities	2,359,636	(100,771)	163,975	2,422,840	2,814,406
Civil	899,984	(69,243)	113,764	944,505	858,524
Labor	858,556	-	17,649	876,205	874,455
Tax and social security	495,639	(28,870)	32,558	499,327	986,800
Other	105,457	(2,658)	4	102,803	94,627
Adjustment to market value of securities and derivative financial instruments (assets and liabilities)	132,808	(132,808)	160,796	160,796	347,887
Allowance for real estate	81,012	(4,957)	-	76,055	66,977
Goodwill on purchase of investments	6,480,855	(354,533)	-	6,126,322	7,398,897
Provision for integration expenditures with ITAÚ UNIBANCO merger	286,806	(12,621)	-	274,185	490,453
Provision related to health insurance operations	238,396	-	1,069	239,465	213,685
Other	1,557,087	(494,453)	690,421	1,753,055	1,675,745
Reflected in stockholders' equity accounts – adjustment to market value of available-for-sale securities	72,680	(16,372)	8,619	64,927	169,861
Total deferred tax assets	26,269,701	(2,710,611)	3,135,246	26,694,336	26,817,929
Social contribution for offset arising from option foreseen in Article 8 of Provisional Measure No. 2,158-35 of 08/24/2001 (Note 11)	933,723	(18,696)	-	915,027	1,251,695

At ITAÚSA, Deferred Tax Assets amount to R\$ 101,544 (R\$ 296,682 at 03/31/2009) and are basically represented by tax losses/social contribution loss carryforwards, the expectation of realization of which is up to seven years.

II - Provision for Deferred Income Tax and Social Contribution balance and its changes are shown as follows:

	12/31/2009	Realization / Reversal	Increase	03/31/2010	03/31/2009
Reflected in income and expense accounts	8,650,218	(66,180)	484,112	9,068,150	7,132,356
Excess of depreciation of leased assets	7,567,878	-	424,329	7,992,207	6,037,264
Taxation of results abroad – capital gains	35,911	-	361	36,272	17,746
Adjustments from operations in futures market	42,463	(1,586)	13,328	54,205	65,917
Adjustment to market value of trading securities and derivative financial instruments	144,540	-	8,326	152,866	281,834
Restatement of escrow deposits related to legal and contingent liabilities	665,918	-	37,768	703,686	478,179
Income on sale of permanent asset items and rights	29,674	(28,714)	-	960	4,496
Other	163,834	(35,880)	-	127,954	246,920
Reflected in stockholders' equity accounts – adjustment to market value of available-for-sale securities	141,521	-	31,364	172,885	81,889
Total (Note 20c)	8,791,739	(66,180)	515,476	9,241,035	7,214,245

At ITAÚSA, the Provision for Deferred Income Tax and Contributions amounts to R\$ 10,323 (R\$ 2,343 em 03/31/2009) and is represented by taxes levied on restatement of escrow deposits and Income on sale of permanent asset items and rights.

- III- The estimate of realization and present value of Deferred Tax Assets and Social Contribution for Offset, arising from Provisional Measure No. 2,158-35 of 08/24/2001 and from the Provision for Deferred Income Tax and Social Contribution existing at December 31, 2010, in accordance with the expected generation of future taxable income, based on the history of profitability and technical feasibility studies, are:

Realization year	Deferred tax assets			Social contribution for offset	Provision for deferred income tax and social contribution	Net deferred taxes
	Temporary differences	Tax losses/social contribution loss carryforwards	Total			
2010	7,687,050	842,635	8,529,686	491,141	(506,128)	8,514,699
2011	2,698,665	859,595	3,558,260	361,087	(1,571,414)	2,347,933
2012	3,537,839	170,733	3,708,573	22,671	(2,084,080)	1,647,164
2013	3,675,219	137,371	3,812,590	9,993	(2,499,015)	1,323,568
2014	2,459,721	141,572	2,601,293	10,455	(1,688,404)	923,344
Over 2014	2,812,796	1,671,139	4,483,935	19,680	(891,995)	3,611,620
Total	22,871,291	3,823,045	26,694,336	915,027	(9,241,035)	18,368,328
Present value (*)	20,238,193	3,140,711	23,378,905	859,255	(7,516,271)	16,721,889

(*) The average funding rate was used to determine the present value, net of tax effects.

The projections of future taxable income include estimates related to macroeconomic variables, foreign exchange rates, interest rates, volume of financial operations and sale of products and services, among others, which can vary in relation to actual data and amounts.

Net income in the financial statements is not directly related to taxable income for income tax and social contribution, due to differences existing between accounting criteria and tax legislation, besides corporate aspects. Accordingly, we recommend that the trend of the realization of deferred tax assets arising from temporary differences, income tax and social contribution loss carryforwards be not used as an indication of future net income.

- IV - In view of the unconstitutionality lawsuit related to the increase in the social contribution rate, established by Articles 17 and 41 of Law No. 11,727 of June 24, 2008 (for financial subsidiaries and equivalent companies), filed on June 26, 2008 by the National Confederation of the Financial System (CONSIF), deferred tax assets were recorded not taking into consideration the surplus rate in Tax Liabilities, the surplus balance of R\$ 2,216,263 was not recorded (R\$ 2,208,824 at 03/31/2009).

Unrecorded deferred tax assets amount to R\$ 2,271,340 (R\$ 2,282,060 at 03/31/2009) at ITAÚSA CONSOLIDATED.

At March 31, 2010, there were no unrecorded deferred tax assets at ITAÚSA.

c) Tax and social security contributions

The balance of Tax and Social Security Contributions is composed as follows:

	03/31/2010	03/31/2009
Taxes and contributions on income payable	1,017,962	874,644
Taxes and contributions payable	4,623,790	1,131,093
Provision for deferred income tax and social contribution (Note 20b II)	9,241,035	7,214,245
Legal liabilities – tax and social security (Note 19c)	5,122,006	9,957,881
Total	20,004,793	19,177,863

At ITAÚSA, the balance of Tax and Social Security Contributions totals R\$ 122,745 (R\$ 211,084 at 03/31/2009) and is basically comprised of Taxes and Contributions on Income Payable of R\$ 103,934 (R\$ 200,406 at 03/31/2009), Provision for Deferred Income Tax and Social Contribution of R\$10,323 (R\$ 2,343 at 03/31/2009) and Legal Liabilities – Tax and Social Security of R\$ 8,488 (R\$ 8,335 at 03/31/2009).

d) Taxes paid or provided for and withheld from third parties

The amount of taxes paid or provided for is basically levied on income, revenue and payroll. In relation to the amounts withheld and collected from third parties, the Company started to take into consideration the interest on capital paid and on the service provision, in addition to that levied on financial operations.

	03/31/2010	03/31/2009
Taxes paid or provided for	3,374,145	3,407,712
Taxes withheld and collected from third parties	1,698,891	1,909,391
Total	5,073,036	5,317,103

NOTE 21 - MINORITY INTEREST IN SUBSIDIARIES

	Stockholders' equity		Results	
	03/31/2010	03/31/2009	01/01 to 03/31/2010	01/01 to 03/31/2009
Itaú Unibanco Holding S.A.	34,558,284	29,291,227	(2,084,039)	(1,625,147)
Unibanco Participações Societárias S.A.	1,112,048	1,095,444	(20,661)	(17,296)
Duratex S.A.	1,556,331	997,729	(52,320)	(26,967)
Itaú Bank, Ltd (*)	700,126	910,192	-	-
Redecard S.A. (Note 2)	532,586	520,074	(175,177)	(166,173)
Itaú XL Seguros Corporativos S.A.	127,814	111,134	(4,550)	(4,562)
Financeira Itaú CBD S.A. Crédito, Financiamento e Investimento	194,754	89,619	(22,956)	(3,625)
Biu Participações S.A.	87,256	-	(6,773)	-
Três "B" Empreendimentos e Participações Ltda.	-	73,659	-	(3,458)
Itaú Gestão de Ativos S.A.	60,373	60,142	(337)	(326)
Itaotec S.A.	30,268	27,379	(351)	(328)
Biogeração de Energia S.A.	29,853	26,321	(641)	(817)
Investimentos Bemge S.A.	16,695	16,228	(252)	(284)
Elekeiroz S.A.	15,190	14,205	(234)	677
Other	807,698	149,814	(18,548)	(4,286)
Total	39,829,276	33,383,167	(2,386,839)	(1,852,592)

(*) Represented by redeemable preferred shares issued on December 31, 2002 by Itaú Bank Ltd., in the amount of US\$ 393,072 thousand, with maturity on March 31, 2015 and semiannual dividends calculated based on LIBOR plus 1.25% p.a..

NOTE 22 – STOCKHOLDERS' EQUITY - ITAÚSA**a) Capital**

Capital amounts to R\$ 13,000,000 and comprises 4,347,214,678 book-entry shares, with no par value, of which 1,670,037,112 are common and 2,677,177,566 are preferred without voting rights, but with the following advantages:

- Priority in the receipt of annual minimum dividend of R\$ 10.00 per thousand shares, non-cumulative;
- Tag-along rights, in the event of the public offer of common shares, at a price equal to 80% of the amount paid per share with voting rights in the controlling stake, as well as a dividend at least equal to that of the common shares.

The table below shows the change in shares of capital stock and treasury shares during the period:

	NUMBER		
	Common	Preferred	Total
Shares of capital stock at December 31, 2009	1,670,037,112	2,677,177,566	4,347,214,678
Shares of capital stock at March 31, 2010	1,670,037,112	2,677,177,566	4,347,214,678
Treasury shares at December 31, 2009 (*)	-	1,382,038	1,382,038
Treasury shares at March 31, 2010	-	1,382,038	1,382,038
Outstanding shares at March 31, 2010	1,670,037,112	2,675,795,528	4,345,832,640
Outstanding shares at March 31, 2009	1,491,119,451	2,390,360,978	3,881,480,429

(*) Own shares purchased based on authorizations from the Board of Directors, to be held in Treasury for subsequent cancellation.

b) Dividends

Stockholders are entitled to a mandatory dividend of not less than 25% of annual net income, which is adjusted according to the rules set forth in Brazilian Corporate Law. Both types of shares participate equally, after common shares have received dividends equal to the minimum priority dividend to be paid to preferred shares.

I - Calculation

Net income	824,305	
Adjustments		
(-) Legal reserve	(41,215)	
Dividend calculation basis	783,090	
Mandatory minimum dividend	195,772	
Proposed dividends / interest on capital	315,227	40.25%

II – Provision of interest on capital and dividends

	Gross	WTS	Net
Provided for	360,118	(44,891)	315,227
Dividends - 1 quarterly installment of R\$ 0.0140 per share paid on July 1, 2010	60,841	-	60,841
Interest on capital	299,277	(44,891)	254,386
Total at 03/31/2010 - R\$ 0.0725 net per share	360,118	(44,891)	315,227
Total at 03/31/2009 - R\$ 0.0735 net per share	325,870	(40,729)	285,141

c) Revenue reserves

	03/31/2010	03/31/2009
Revenue reserves	11,757,128	12,784,915
Legal	1,597,234	1,449,974
Unrealized profits	-	220,125
Statutory	<u>10,159,894</u>	<u>11,114,816</u>
Dividends equalization (1)	3,734,869	4,235,083
Working capital increase (2)	3,164,021	2,878,437
Increase in capital of investees (3)	3,261,004	4,001,296

(1) Reserve for Dividends Equalization – its purpose is to guarantee funds for the payment or advances of dividends, including interest on capital, to maintain the flow of the stockholders' compensation;

(2) Reserve for Working Capital Increase – its purpose is to guarantee funds for the company's operations;

(3) Reserve for Increase in Capital of Investees – its purpose is to guarantee the preferred subscription right in the capital increases of investees.

d) Reconciliation of net income and stockholders' equity between ITAÚSA and ITAÚSA CONSOLIDATED (Note 3)

	Net income		Stockholders' equity	
	01/01 to 03/31/2010	01/01 to 03/31/2009	03/31/2010	03/31/2009
ITAÚSA	824,305	781,152	24,998,492	22,856,928
Amortization of goodwill	254,742	120,319	(4,465,620)	(5,628,207)
ITAÚSA CONSOLIDATED	1,079,047	901,471	20,532,872	17,228,721

NOTE 23 - OTHER OPERATING REVENUES

	01/01 to 03/31/2010	01/01 to 03/31/2009
Reversal of operating provisions	<u>163,718</u>	<u>137,242</u>
Contingent and legal liabilities – tax and social security (Notes 19b, c and d)	145,267	93,447
Other	18,451	43,795
Recovery of charges and expenses	25,701	78,257
Income from sale of investments and other assets	99,242	17,410
Other	74,014	64,229
Total	<u>362,675</u>	<u>297,138</u>

NOTE 24 - OTHER OPERATING EXPENSES

	01/01 to 03/31/2010	01/01 to 03/31/2009
Tax expenses (Note 20a II)	(971,919)	(979,535)
Provisions for contingencies (Note 19b)	<u>(282,535)</u>	<u>(386,125)</u>
Civil	(276,918)	(340,949)
Tax and social security	(1,599)	(47,352)
Other	(4,018)	2,176
Provision for health insurance	(2,673)	(3,578)
Operating expenses from industrial companies	(122,330)	(99,423)
Selling - credit cards	(331,277)	(299,713)
Claims	(122,809)	(140,885)
Refund of interbank costs	(43,675)	(58,366)
Other	(169,942)	(387,243)
Total	<u>(2,047,160)</u>	<u>(2,354,868)</u>

At ITAÚSA, basically composed of Tax Expenses in the amount of R\$ 57,538 (R\$ 77,893 from 01/01 to 03/31/2009).

NOTE 25 – RELATED PARTIES

- a) These transactions between related parties are carried out at amounts, terms and average rates in accordance with normal market practices during the period, as well as under reciprocal conditions.

Transactions between companies included in consolidation were eliminated from the consolidated financial statements and take into consideration the lack of risk.

The unconsolidated related parties are the following:

- The controlling stockholders of ITAÚSA;
- Fundação Itaúbanco, FUNBEP – Fundo de Pensão Multipatrocinado, Caixa de Previdência dos Funcionários do BEG (PREBEG), Fundação Bemgeprev, Itaúbank Sociedade de Previdência Privada, UBB-Prev - Previdência Complementar, Banorte - Fundação Manoel Baptista da Silva de Seguridade Social and Fundação Itaúsa Industrial, closed-end private pension entities, that administer supplementary retirement plans sponsored by ITAÚSA and/or its subsidiaries (Note 27a);
- Fundação Itaú Social, Instituto Itaú Cultural - IIC, Instituto Unibanco, Instituto Assistencial Pedro Di Perna, Instituto Unibanco de Cinema, and Associação Clube “A”, entities sponsored by ITAÚ UNIBANCO and subsidiaries to act in their respective areas of interest.

The transactions with these related parties are not significant in the overall context of ITAÚSA CONSOLIDATED operations, and besides those already mentioned above, are basically characterized by:

	ITAÚSA				ITAÚSA CONSOLIDATED			
	ASSETS/ (LIABILITIES)		REVENUE/ (EXPENSES)		ASSETS/(LIABILITIES)		REVENUE/(EXPENSES)	
	03/31/2010	03/31/2009	01/01 to 03/31/2010	01/01 to 03/31/2009	03/31/2010	03/31/2009	01/01 to 03/31/2010	01/01 to 03/31/2009
Amounts receivable from (payable to) related companies	22,259	(41,325)	(50,296)	(41,325)	(24,225)	(12,371)	-	-
Itaú Unibanco S.A.	22,259	(41,325)	(50,296)	(41,325)	-	-	-	-
Fundação Itaúbanco	-	-	-	-	664	472	-	-
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	-	-	154	146	-	-
PREBEG - Caixa de Previdência dos Funcionários do BEG	-	-	-	-	(11,735)	(13,091)	-	-
Fundação BEMGEPREV	-	-	-	-	(13,450)	9	-	-
Instituto Unibanco	-	-	-	-	125	78	-	-
Instituto Assistencial Pedro Di Perna	-	-	-	-	17	15	-	-
Demand deposits	-	-	-	-	1,977	2,702	-	-
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	-	-	367	2,178	-	-
Fundação Itaúbanco	-	-	-	-	1,026	139	-	-
Instituto Itaú Cultural	-	-	-	-	368	103	-	-
Other	-	-	-	-	216	282	-	-
Service revenue	-	-	-	-	-	-	2,462	2,123
Fundação Itaúbanco	-	-	-	-	-	-	1,539	1,364
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	-	-	-	-	441	429
Instituto Unibanco	-	-	-	-	-	-	352	214
Other	-	-	-	-	-	-	130	116
Rent expenses	-	-	-	-	-	-	(7,404)	(7,690)
PREBEG - Caixa de Previdência dos Funcionários do BEG	-	-	-	-	-	-	(54)	(55)
Fundação Itaúbanco	-	-	-	-	-	-	(5,745)	(6,001)
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	-	-	-	-	(1,605)	(1,634)
Donation expenses	-	-	-	-	-	-	(10,467)	(10,010)
Instituto Itaú Cultural	-	-	-	-	-	-	(10,417)	(9,760)
Associação Clube “A”	-	-	-	-	-	-	-	(100)
Fundação Itaú Social	-	-	-	-	-	-	(50)	(150)

In addition to the aforementioned operations, ITAÚSA and non-consolidated related parties, as an integral part of the Agreement for Apportionment of Common Costs, recorded in Other Administrative Expenses, the amount of R\$ 482 (R\$ 1,022 from 01/01 to 03/31/2009) in view of the use of the common structure.

In addition to these transactions, there are guarantees provided by ITAÚSA, represented by endorsements, sureties and others, as follows:

	03/31/2010	03/31/2009
Duratex S.A.	394,293	305,928
Elekeiroz S.A.	18,394	50,597
Itautec S.A.	166,657	171,825
Total	579,343	528,350

b) Compensation of the Management Key Personnel

The fees attributed in the period to ITAÚSA management members are as follows:

	03/31/2010	03/31/2009
Compensation	2,997	2,254
Profit sharing	2,587	1,879
Contributions to pension plans	451	334
Total	6,035	4,466

Information related to benefits to employees and post-employment are detailed in Notes 27a and 27b, respectively.

c) Stockholding Interest

The members of the Board of Directors and Executive Board held in the aggregate the following stockholding interest in ITAÚSA:

	03/31/2010	03/31/2009
Common shares	33.5%	27.6%
Preferred shares	9.9%	8.7%
Total shares	18.9%	15.9%

NOTE 26 – FINANCIAL INSTRUMENTS - MARKET VALUE

The financial statements are prepared in accordance with accounting principles which assume the normal continuity of the operations of ITAÚSA and its subsidiaries.

The book value of each financial instrument, whether included or not in the balance sheet, when compared to the value that might be obtained in an active market, or in the absence of such market, using the net present value of future cash flows adjusted based on the current market interest, is approximately equal to the market value, or does not have a market quotation available, except for the instruments in the table below:

	Book value		Market		Unrealized income/(loss) (*)			
	03/31/2010	03/31/2009	03/31/2010	03/31/2009	Results		Stockholders' equity	
					03/31/2010	03/31/2009	03/31/2010	03/31/2009
Interbank investments (Note 6)	136,666,809	126,609,427	136,697,332	126,656,247	30,523	46,820	30,523	46,820
Securities and derivative financial instruments (Note 7)	122,203,057	137,254,802	122,601,235	137,709,689	942,091	668,778	398,178	454,887
Adjustment of available-for-sale securities					528,825	194,076	-	-
Adjustment of held-to-maturity securities					413,266	474,702	398,178	454,887
Loan, lease and other credit operations (Notes 8 and 11)	228,946,965	218,653,112	229,356,864	218,349,118	409,899	(303,994)	409,899	(303,994)
Investments								
BM&F BOVESPA S.A.	58,107	74,529	542,051	421,118	483,944	346,589	483,944	346,589
BPI	863,439	974,487	804,800	786,387	(58,639)	(188,100)	(58,639)	(188,100)
Cetip S.A.	32,070	-	313,547	-	281,477	-	281,477	-
Redecard S.A.	1,720,546	1,179,896	11,070,368	9,438,414	9,349,822	8,258,518	9,349,822	8,258,518
Serasa S.A.	254,013	159,926	642,733	624,087	388,720	464,161	388,720	464,161
Visa Inc.	-	5,363	-	100,073	-	94,710	-	94,710
Funds raised by subsidiaries (Note 16)	386,864,167	388,604,825	386,949,288	388,627,850	(85,121)	(23,025)	(85,121)	(23,025)
Securitization of foreign payment orders (Note 16)	-	1,344,170	-	1,222,640	-	121,530	-	121,530
Subordinated debt and redeemable preferred shares (Note 16)	26,456,047	23,820,045	26,522,652	24,164,610	(66,605)	(344,565)	(66,605)	(344,565)
Treasury shares	962,446	1,599,877	1,575,240	1,535,784	611,205	(53,696)	612,794	(64,093)
Total unrealized					12,287,316	9,087,726	11,744,992	8,863,438

(*) It does not consider the related tax effects. Includes unrealized income of minority stockholders in the amount of R\$ 7,933,623 (R\$ 5,853,863 at 03/31/2009) in results and R\$ 7,975,576 (R\$ 5,704,704 at 03/31/2009) in stockholders' equity.

To obtain the market values for these financial instruments, the following criteria were adopted:

- Interbank investments were determined based on their nominal amounts, monetarily restated to maturity dates and discounted to present value using future market interest rates and swap market rates for fixed-rate securities and using market interest rates for fixed-rate securities, achieved at the closing of BM&F at the balance sheet date, for floating-rate securities;
- Securities and derivative financial instruments, according to the established rules, are recorded at their market value, except for those classified as Held to Maturity. Government securities allocated in this category have their market value calculated based on the rates obtained in the market, and validated through the comparison with information provided by the National Association of Open Market Institutions (ANDIMA). Private securities included in this category have their market value calculated using a criterion similar to the one adopted for Investments in Interbank Deposits, as described above;
- Loans with maturity over 90 days, when available, were calculated based on their net present value of future cash flows discounted at market interest rates effective on the balance sheet date, taking into account the effects of hedges as well (swap contracts);
- Investments - in BPI, Redecard S.A., BM&FBovespa S.A. and Visa Inc. are determined based on stock market quotations, and in Serasa S.A. are determined based on the last transaction prices;
- Time and interbank deposits and funds from acceptance and issuance of securities and foreign borrowings through securities, when available, were calculated based on their present value determined by future cash flows discounted at market rates discounted at the closing of BM&F on the balance sheet date;
- Securitization of foreign payment orders, based on the net present value of the future cash flows estimated as from the interest curves of the indexation market places, net of the interest rates practiced in the market on the balance sheet date, considering the credit risk of the issuer, calculated based on the market price of other securities issued by the same issuer;
- Subordinated debt, based on the net present value of future fixed or floating cash flows in foreign currency, net of the interest rates practiced in the market on the balance sheet date and considering the credit risk of the issuer. The floating cash flows are estimated as from the interest curves of the indexation market places;
- Treasury shares are valued according to the average quotation available on the last trading day of the month or, if this is not available, according to the most recent quotation on prior trading days, published in the daily bulletin of each Stock Exchange.

NOTE 27 – BENEFITS TO EMPLOYEES

Under the terms of CVM Resolution No. 371, dated December 13, 2000, we present the policies adopted by ITAÚSA and its subsidiaries regarding benefits to employees, as well as the accounting procedures adopted:

a) Supplementary retirement benefits:

ITAÚSA and its subsidiary companies sponsor the following supplementary retirement plans:

Entity	Benefit plan
Fundação Itaúbanco	Supplementary retirement plan – PAC (1)
	Franprev benefit plan - PBF (1)
	002 benefit plan - PB002 (1)
	Itaulam basic plan - PBI (1)
Fundação Bemgeprev	Itaulam Supplementary Plan - PSI (2)
	Itaubanco Defined Contribution Plan (3) (4)
Fundação Itaúsa Industrial	Supplementary Retirement Plan – Flexible Premium Annuity (ACMV)
Funbep Fundo de Pensão Multipatrocinado	Defined Contribution Benefit Plan - PAI-CD (3)
	Defined Benefit Plan - BD (1)
Caixa de Previdência dos Funcionários do Banco Beg - Prebeg	Funbep I Benefit Plan (1)
Itaú Fundo Multipatrocinado	Funbep II Benefit Plan (2)
	Prebeg Benefit Plan (1)
Citiprev - Entidade Fechada de Previdência Complementar	Itaú Defined Benefit Plan (1)
	Itaú Defined Contribution Plan (2)
Itaubank Sociedade de Previdência Privada	Redecard Basic Retirement Plan (1)
	Redecard Supplementary Retirement Plan (2)
UBB-PREV - Previdência Complementar	Itaubank Retirement Plan (3)
	Unibanco Pension Plan (3)
Banorte Fundação Manoel Baptista da Silva de Seguridade Social	Basic Plan (1)
	IJMS Plan (1)
	Benefit Plan II (1)

(1) Defined benefit plan;

(2) Variable contribution plan;

(3) Defined contribution plan.

(4) The Itaúbanco Defined Contribution Plan was devised as a result of the partial spin-off of the Supplementary retirement plan - PAC, and is being offered to former participants of the latter - including self-sponsored participants and those employees who have opted for this plan, or when this option is presumed in view of the deferred proportional benefit - who are not receiving supplementary retirement by the PAC. Those participants who have not joined the Itaúbanco Defined Contribution Plan, as well as those contributing to the PAC, will remain in this latter, without any continuity solution, and will have their vested rights guaranteed. As set forth in the Itaúbanco Defined Contribution Plan regulation, the period for commitment or novation of any contract will end on April 30, 2010. Accordingly, the effects arising from the partial spin-off of the PAC will be known only after the end of this period.

The basic purpose of the defined benefit and variable contribution plans is to grant a benefit that, as a life annuity benefit (in case of FUNBEP, PREBEG, PB002, Credicard, UBB Prev and Banorte, also as survivorship annuities), will supplement the pension paid by social security. In case of the defined contribution plan, the benefit is calculated based on the contributions made and its payment is made for an established period, which does not require actuarial calculation.

All of these plans, except for the PAI-CD plan, are closed to new participants. As regards the new employees hired after the closing, they have the option to participate in a defined contribution plan managed by Itaú Vida e Previdência S.A. (PGBL) and in the case of the Financial Services Area and Insurance Area companies, or by Fundação Itaúsa Industrial (PAI-CD), in case of the Industrial Area companies.

During the period, the contributions paid totaled R\$ 15,255 (R\$ 11,742 from January 1 to March 31, 2009). The contribution rate increases based on the participant's salary.

b) Post-employment benefits:

ITAÚSA and its subsidiaries do not offer other post-employment benefits, except in those cases arising from maintenance obligations according to the acquisition agreements signed by ITAÚ UNIBANCO, under the terms and conditions established, in which health plans are totally or partially sponsored for retired workers and beneficiaries. During the period, the contributions made totaled R\$ 1,380 (R\$ 1,364 from January 1 to March 31, 2009). The contribution rate increases based on the beneficiary's age.

c) Net amount of assets and actuarial liabilities of the benefit plans:

The net assets and actuarial liabilities, which consider the actuarial obligations, calculated in conformity with the criteria established by CVM Resolution No. 371, of December 13, 2000, are summarized below:

	03/31/2010	03/31/2009
Net assets of the plans	15,165,480	13,129,289
Actuarial liabilities	(12,406,554)	(11,686,070)
Surplus (*)	2,758,926	1,443,219

(*) According to paragraph 49g of the attachment to CVM Resolution No. 371 of December 13, 2000, the net asset was not recognized.

In addition to the reserves recorded by the plans, the sponsors record provisions in the amount of R\$ 134,472 (R\$ 119,378 at 03/31/2009) to cover possible actuarial liabilities.

d) Change in net assets, actuarial liabilities, and surplus:

	01/01 to 03/31/2010			01/01 to 03/31/2009		
	Assets	Actuarial liabilities	Surplus	Assets	Actuarial liabilities	Surplus
Present value – beginning of the period	14,745,458	(12,186,634)	2,558,824	12,886,825	(9,722,945)	3,163,880
Adjustments in the period (1)	-	-	-	(51)	(127,661)	(127,712)
Expected return on assets / Cost of current service + Interest	449,034	(371,055)	77,979	390,743	(360,441)	30,302
Benefits paid	(151,135)	151,135	-	(133,362)	133,362	-
Contributions of sponsors/participants	35,128	-	35,128	28,437	-	28,437
Gains/(losses) in the period (2)	86,995	-	86,995	(43,303)	(1,608,385)	(1,651,688)
Present value – end of the period	15,165,480	(12,406,554)	2,758,926	13,129,289	(11,686,070)	1,443,219

(1) Effect corresponding to the reclassification of the option of former employees.

(2) Losses in assets correspond to the actual earnings obtained below the expected return rate of assets.

e) Main assumptions used in actuarial valuation:

	Financial services area			Industrial Area (2)
	Itaú Unibanco Holding (1)	Redecard Plan		
Discount rate	12.24% p.a.	11.45 % p.a.		10.66% p.a.
Expected return rate on assets	12.32% p.a.	12.92 % p.a.		11.62% p.a.
Mortality table (3)	AT-2000	AT-83		AT-2000
Turnover	Itaú Exp. 2003/2004	Mercer Service		Zero
Future salary growth	7.12% p.a.	6.50 % p.a.		7.12% p.a.
Growth of the pension fund and social security benefits	4.00% p.a.	4.50 % p.a.		4.00% p.a.
Inflation	4.00% p.a.	4.50 % p.a.		4.00% p.a.
Actuarial method (4)	Projected Unit Credit	Projected Unit Credit		Credit

(1) Corresponds to the assumptions adopted by the plans managed by Fundação Itaú Unibanco, Bemgeprev, Funbep, Prebeg, UBB Prev and Fundação Banorte;

(2) Corresponds to the assumptions adopted by the Defined Benefit plan managed by Fundação Itaú Industrial;

(3) The mortality tables adopted correspond to those disclosed by the Society of Actuaries - SOA, the North-American Entity which corresponds to IBA – Brazilian Institute of Actuarial Science, which reflects a 10% increase in the probabilities of survival as compared to the respective basic tables;

(4) Using the Projected Unit Credit, the mathematical reserve is determined by the current projected benefit amount multiplied by the ratio between the length of service in the company at the assessment date and the length of service that will be reached at the date when the benefit is granted. The cost is determined taking into account the current projected benefit amount distributed over the years that each participant is employed.

NOTE 28 – ADDITIONAL INFORMATION**a) Insured assets:**

ITAÚSA and its subsidiaries, despite the low risk exposure due to a non-physical concentration of their assets, have the policy to insure their securities and assets at amounts considered sufficient to cover possible claims.

b) Foreign currencies

The balance in Reais linked to foreign currency were:

	03/31/2010	03/31/2009
Permanent foreign investments	18,593,999	19,844,101
Net amount of other assets and liabilities indexed to foreign currency, including derivatives	(33,615,502)	(36,217,839)
Net foreign exchange position	(15,021,503)	(16,373,738)

The net foreign exchange position, considering the tax effects on the net balance of other assets and liabilities indexed to foreign currency, reflects the low exposure to exchange variations.

c) Nonrecurring results

In order to allow the appropriate analysis of the financial statements for the period, we present the net income with exclusion of the following main nonrecurring effects, net of respective tax effects:

	ITAUSA		ITAUSA CONSOLIDATED	
	01/01 to 03/31/2010	01/01 to 03/31/2009	01/01 to 03/31/2010	01/01 to 03/31/2009
Net income	824,305	781,152	1,079,047	901,471
Exclusion of nonrecurring effects	(28,290)	53,498	(28,290)	53,498
Purchase of treasury shares - Duratex S.A.	1,259	66	1,259	66
Purchase of treasury shares - ITAÚ UNIBANCO HOLDING	(6,102)	1,587	(6,102)	1,587
Provision for contingencies – economic plans	27,847	19,742	27,847	19,742
Loss on the realization of inventories	-	27,599	-	27,599
Program for tax recovery - Law No. 11,941/09 (Note 19d)	(51,294)	-	(51,294)	-
Discontinuance of Jundiá and Taquari Units - Duratex	-	4,504	-	4,504
Recurring net income	796,015	834,650	1,050,757	954,969

d) SUBSEQUENTS EVENTS**I) Increase in capital**

At the Extraordinary Stockholders' Meeting held on April 30, 2010 approved the increase of R\$ 266,000 in the capital of the company was approved, upon issuance of new shares for private subscription, which shall be paid in until June 10, 2010 in cash or by offsetting the receivables from interest on capital declared by the company.

II) Disposal of Tallard by Itaotec

On April 30, 2010, Itaotec S/A communicated to the market the signature of the contract with AVNET, INC. for the purchase and sale of the capital stocks of the Tallard companies, through which Itaotec carries out operations in the product distribution market.

The amount receivable is approximately as follows: (a) R\$ 45 million related to the amount of shares to be sold, and (b) R\$ 24 million related to receivables arising from loans. This transaction will be financially settled until the beginning of July 2010, after the fulfillment of certain preconditions.

This transaction will not produce material effects on the income and stockholder's equity of Itaotec S/A.

It reinforces Itaotec's strategy of concentrating its operations in the sale of its own of IT, banking automation and commercial products, and in the provision of services and outsourcing, with the company's sustainability vision.

III) Merger of subsidiaries

The Extraordinary Stockholders' Meeting held on April 30, 2010 also approved the total merger of the subsidiaries Seg-Part S.A., Itaucorp S.A., Elekpart Participações e Administração S.A. and Rouxinol Administração e Participações Ltda., the base date of December 31, 2009, with the subsequent increase of capital by R\$ 405,254.19 in capital and issuance of 448,949 book-entry preferred shares to be assigned to the stockholders of the merged companies. We present below a table listing assets and liabilities at the base date of December 31, 2009:

	Elekpart	Seg-Part	Itaucorp	Rouxinol
Assets				
Current	17,296	185	51,715	545
Non-current	409,089	2,284	801,766	2
Total Assets	426,385	2,469	853,481	547
Liabilities				
Current	724	37	3,402	537
Stockholders' Equity (*)	425,661	2,432	850,079	10
Total Liabilities	426,385	2,469	853,481	547

(*) It will be eliminated with the investment in subsidiary companies.

- e) **Reclassifications for comparison purposes** – The Company reclassified the balances at March 31, 2009, for financial statements comparisons purposes, in view of the regrouping of the following headings: in the Balance Sheet, the reclassification of operation costs incurred from Prepaid Expenses to Subordinated Debt; the reclassification of operations with credit card issuing banks, from Other Receivables – Sundry to Transactions with Credit Card Issuers and Other Liabilities – Credit Card Operations; In Statement of Income, the reclassification of amounts related to recovery of interbank costs in Sales of Products and Services and Other Administrative Expenses to Other Operating Expenses, based on recent changes to the by-laws and regulation of the Interbank Payment Chamber (CIP) and reclassification of Profit Sharing to Personnel Expenses.

	Prior disclosure	Reclassification	Reclassified balances
Current assets and long-term receivables	612,442,943	5,597,559	618,040,502
Other receivables	95,090,832	5,633,903	100,724,735
Transactions with credit card issuers	-	7,038,400	7,038,400
Receivables from insurance and reinsurance operations	-	3,740,258	3,740,258
Sundry	28,969,218	(5,144,755)	23,824,463
Prepaid expenses	4,046,702	(36,344)	4,010,358
TOTAL ASSETS	625,646,394	5,597,559	631,243,953
Current and long-term liabilities	575,034,506	5,597,559	580,632,065
Subordinated debt	22,946,196	(36,343)	22,909,853
Tax and social security contributions	18,988,320	189,543	19,177,863
Other liabilities	80,061,335	5,444,359	85,505,694
Credit card operations	12,333,295	5,765,024	18,098,319
Sundry	27,677,497	(320,665)	27,356,832
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	625,646,394	5,597,559	631,243,953
OPERATING REVENUES	30,252,397	(77,445)	30,174,952
Sales of products and services	4,445,618	(37,417)	4,408,201
Securities	7,184,745	(61,751)	7,122,994
Equity in earnings of affiliates	28,304	56,811	85,115
Other operating revenues	332,226	(35,088)	297,138
OPERATING EXPENSES	(26,069,913)	(511,248)	(26,581,161)
Equity	(3,724,558)	(12,072)	(3,736,630)
Administrative	(4,813,997)	(492,912)	(5,306,909)
Other operating expenses	(2,348,604)	(6,264)	(2,354,868)
OPERATING INCOME	4,182,484	(588,693)	3,593,791
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING	4,182,484	(588,693)	3,593,791
INCOME TAX AND SOCIAL CONTRIBUTION	(1,013,097)	234,616	(778,481)
Due on operations for the period	(1,624,298)	262,117	(1,362,181)
Related to temporary differences	611,201	(27,501)	583,700
PROFIT SHARING	(415,324)	354,077	(61,247)
Employees - Law No. 10,101 of 12/19/2000	(354,077)	354,077	-
NET INCOME OF PARENT COMPANY	901,471	-	901,471

(A free translation of the original in Portuguese)

Report of Independent Accountants on Limited Reviews

To the Board of Directors and Stockholders
Itaúsa – Investimentos Itaú S.A.

- 1 We have carried out limited reviews of the balance sheets of Itaúsa – Investimentos Itaú S.A. (Itaúsa) and of Itaúsa – Investimentos Itaú S.A. and its subsidiaries (consolidated) as of March 31, 2010 and 2009, and the related statements of income, of changes in stockholders' equity, of cash flows and of added value, as well as the consolidated statements of income, of cash flows and of added value for the three-month periods then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements.
- 2 Our reviews were conducted in accordance with specific standards established by the Institute of Independent Auditors of Brazil (IBRACON), in conjunction with the Federal Accounting Council (CFC), and mainly comprised: (a) inquiries of and discussions with management responsible for the accounting, financial and operating areas of the Company and its subsidiaries with regard to the main criteria adopted for the preparation of the financial statements and (b) a review of the significant information and of the subsequent events which have, or could have, significant effects on the financial position and operations of the Company and its subsidiaries.
- 3 Based on our limited reviews, we are not aware of any material modifications that should be made to the financial statements referred to above for them to be stated in accordance with accounting practices adopted in Brazil.
- 4 As mentioned in Note 2, during 2009 the Brazilian Securities Commission (CVM) has approved a series of Pronouncements, Interpretations and Technical Guidance issued by the Accounting Pronouncements Committee (CPC) effective for 2010 which change the accounting practices adopted in Brazil. As provided by Deliberation CVM no. 603/09, the Company's management has decided to present these financial statements using the accounting practices adopted in Brazil up to December 31, 2009. As required by that Deliberation, the Company disclosed this fact in Note 2, as well as a description of the main changes that could affect the Company's financial statements at December 31, 2010 and the reasons that do not permit the disclosure of the estimates of their possible effects on shareholders' equity and net income. The financial statements of Itaú Unibanco Holding S.A., the main subsidiary of Itaúsa – Investimentos Itaú S.A., have been prepared in accordance with the accounting practices adopted in Brazil applicable to financial institutions regulated by the Brazilian Central Bank.

São Paulo, May 10, 2010

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Paulo Sergio Miron
Contador CRC 1SP173647/O-5

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

CNPJ. 61.532.644/0001-15

Public company

NIRE. 35300022220

OPINION OF THE FISCAL COUNCIL

The effective members of the Fiscal Council of ITAÚSA – INVESTIMENTOS ITAÚ S.A., having reviewed the financial statements for the period from January to March 2010, have verified the accuracy of all items examined and, in view of the unqualified opinion of PricewaterhouseCoopers Auditores Independentes, understand that they adequately reflect the company's capital structure, financial position and the activities conducted during the period.

São Paulo, May 10, 2010.

JOSÉ MARCOS KONDER COMPARATO
President

PAULO RICARDO MORAES AMARAL
Member

MARCOS DE ANDRADE REIS VILLELA
Member