

complete financial statements

Itaú Unibanco Holding S.A.



1st quarter of 2012

MANAGEMENT REPORT – 1ST QUARTER OF 2012

To our Stockholders:

We present the Management Report and the Financial Statements of Itaú Unibanco Holding S.A. (Itaú Unibanco) and its subsidiaries for the first quarter of 2012, in accordance with the regulations established by the Brazilian Corporate Law, the National Monetary Council (CMN), the Central Bank of Brazil (Bacen), the Brazilian Securities and Exchange Commission (CVM), the Superintendency of Private Insurance (Susep) and the National Council of Private Insurance (CNSP).

1) Highlights

1.1) Corporate Events

Redecard – Tender Public Offer (OPA) – In this quarter, Itaú Unibanco informed the market its intention to acquire shares from the non-controlling stockholders of Redecard S.A. (“Redecard”) and cancel its registration as a public-held company. Among other reasons, the OPA arises from a view that the market in which Redecard is operating has been through significant regulatory, competitive and technology changes, making it more efficient that the business currently undertaken by the company may be conducted together with the financial operations and services executed by Itaú Unibanco. The draft of the OPA call notice is available on the CVM website, as well as the appraisal report of Redecard’s shares for its economic value, prepared by the specialized company N M Rothschild & Sons (Brasil) Ltda.

The offered price will be R\$ 35.00 per share, payable in cash, conditioned on (i) acceptance or (ii) express agreement with the voluntary delisting by more than 2/3 of the Company’s free float, thus understood as shares comprising the free float of the Company held by shareholders that have expressly agreed to the delisting of the Company or have qualified for the OPA auction (“Auction”), pursuant to article 16, II of CVM Instruction No.361/02.

Should this level of minimum acceptance not be reached in the Auction, the OPA shall not be concluded, under which circumstances Redecard shall remain registered with the CVM as a publicly-held company subject to the differentiated practices of corporate governance required by the Novo Mercado Regulations of BM&FBOVESPA S.A.– Securities, Commodities and Futures Exchange (“BM&FBOVESPA”).

Monthly dividends – We disclosed the 25% increase in the amount of monthly dividends paid, from R\$ 0.012 to R\$ 0.015 per share beginning with the payment made on April 2, 2012 to stockholders with final share position on February 29, 2012.

1.2) Composition of Board of Directors

The Annual Stockholders’ Meeting of April 20, 2012 resolved on and approved the election of the Board of Directors’ members with term of office of one year, with new members Messrs. Demosthenes Madureira de Pinho Neto (former Director of International Affairs of the Central Bank of Brazil and former Executive Director of Itaú Unibanco), Nildemar Secches (Chairman of the Board of Directors of BRF – Brasil Foods and former Chief Executive Officer of Perdigão) and Pedro Pullen Parente (Chief Executive Officer of Bunge Brasil and former State Minister).

We express our acknowledgment to former Board of Directors members Messrs. Alcides Lopes Tápias, Fernando Roberto Moreira Salles and Francisco Eduardo de Almeida Pinto for their significant contribution to the development and strengthening of Itaú Unibanco as members of the Board of Directors.

1.3) Other Highlights

New Technology Center – We announced the construction of a new modern Technology Center in the city of Mogi Mirim, state of São Paulo, to support continuously increasing data-processing volumes. The project involves the acquisition of land and construction works, with a total investment of approximately R\$ 800 million. The main purposes and characteristics of this construction are:

- centralizing the technology operations;
- improving the structure for the medium- and long-term growth of our business;
- 60,000 square meters floor area;
- approximately 400 direct workers expected on site; and
- completion scheduled for 2014.

Mobile Banking – We made multiple interaction and service channels available to our clients, thus keeping pace with the new world accessibility trends. Noteworthy are Itaú's mobile banking applications, a tool that enables the clients' access to their banking accounts and operations via smart phones or tablets, which exceeded the mark of 1.1 million downloads.

Market value on stock exchange - At March 31, 2012, we were ranked as the tenth largest bank in the world based on the market value criterion (R\$ 158.2 billion), according to the Bloomberg ranking.

Sustainability – The “Itaú Sem Papel” (Itaú paperless) campaign, an initiative aiming at encouraging clients to replace the statement in paper version for the digital one, counted on the involvement of over 625 thousand clients by March 2012. This campaign was also posted on Youtube with two videos, totaling 21.4 million views.

1.4) Subsequent event

BPI – On April 20, we disclosed an Announcement to the Market informing the signature of a agreement aimed at transferring our total stake in Banco BPI (18.87% in capital) to La Caixa Group, currently BPI's largest stockholder and an institution with a strong presence in the Iberian Peninsula. Over the twenty years of association, Itaú Unibanco has enjoyed an excellent relationship with the management of the La Caixa Group.

As a result of this operation, La Caixa will pay us approximately € 93 million, which will have a positive impact of approximately R\$ 100 million in the consolidated stockholders' equity and a negative non-recurring effect of approximately R\$ 200 million in net income. These impacts will be booked in the 2nd quarter of 2012. This intended sale is conditioned on the prior authorization by Banco de Portugal.

2) Information and Indicators

The table below shows our main information and indicators. The complete financial statements and the Management's Discussion and Analysis Report, which present further details on the results for the period, are available on the Itaú Unibanco website: www.itaú-unibanco.com/ir > Financial Information > Financial Statements > BRGAAP > 2012.

	1st Q/12	4th Q/11	1st Q/11	Change (%)	
				4th Q/11 to 1st Q/12	1st Q/11 to 1st Q/12
Statement of Income for the Period – R\$ billion (1)					
Gross income from financial operations	13.8	12.8	11.9	8.1%	16.3%
Expenses for allowance for loan losses	(6.0)	(5.5)	(4.4)	10.6%	37.7%
Income from recovery of credits written off as loss	1.2	1.6	1.2	-24.2%	0.0%
Income from services, income from bank charges, and income from insurance, pension plan and capitalization	5.8	5.9	5.0	-2.6%	14.1%
Personnel, administrative and other operating expenses	(8.0)	(8.4)	(7.6)	-5.0%	4.8%
Tax expenses	(1.2)	(1.1)	(1.0)	10.1%	15.5%
Income tax and social contribution	(1.8)	(1.5)	(1.5)	25.4%	21.1%
Recurring net income	3.5	3.7	3.6	-5.4%	-2.6%
Net income	3.4	3.7	3.5	-6.9%	-3.0%
Total dividends and interest on capital (net of taxes)	0.7	2.3	0.7	-71.2%	0.0%
Shares – R\$					
Recurring net income per share (2)	0.78	0.83	0.80	-5.5%	-2.0%
Net income per share (2)	0.76	0.82	0.78	-7.8%	-2.3%
Book value per share (2)	16.04	15.81	14.01	1.5%	14.5%
Number of outstanding shares – In thousands	4,520,103	4,513,640	4,549,472	0.1%	-0.6%
Dividends and interest on capital per share (net of taxes)	0.1454	0.5060	0.1502	-71.3%	-3.2%
Price of preferred share (PN) (3)	35.00	33.85	38.51	3.4%	-9.1%
Price of preferred share (PN)/Net income	11.5	10.5	12.3	9.5%	-6.5%
Price of preferred share (PN)/Stockholders' equity	2.2	2.1	2.7	1.9%	-20.6%
Market capitalization – R\$ billion (4)(5)	158.2	152.8	175.2	3.5%	-9.7%

	Mar 31 2012	Dec 31 2011	Mar 31 2011	Change (%)	
				Dec 31/11 to Mar 31/12	Mar 31/11 to Mar 31/12
Balance Sheet - R\$ billion					
Total assets	896.8	851.3	779.6	5.3%	15.0%
Loan portfolio with endorsements and sureties	400.5	397.0	344.9	0.9%	16.1%
Free, raised and managed own assets	1,209.2	1,144.5	1,058.1	5.7%	14.3%
Subordinated debt	45.0	39.0	35.3	15.4%	27.5%
Stockholders' equity	72.5	71.3	63.7	1.6%	13.7%
Referential equity (Financial Conglomerate)	93.2	92.6	80.5	0.7%	15.8%
Performance Indices					
Recurring return on average equity – annualized	20.0%	21.8%	23.4%	-1.8 p.p	-3.4 p.p
Return on average equity – annualized	19.3%	21.4%	22.7%	-2.1 p.p	-3.4 p.p
Return on average assets - annualized	1.6%	1.7%	1.8%	-0.1 p.p	-0.2 p.p
Recurring return on average assets - annualized	1.6%	1.8%	1.9%	-0.2 p.p	-0.3 p.p
Efficiency ratio (6)	44.5%	47.0%	47.4%	-2.5 p.p	-2.9 p.p
Basel ratio (financial conglomerate)	15.6%	16.0%	16.1%	-0.4 p.p	-0.5 p.p
Fixed assets ratio (financial conglomerate)	45.0%	48.6%	37.9%	-3.6 p.p	7.1 p.p
Significant Data					
Employees of Conglomerate (individuals)	102,694	104,542	109,836	-1.8%	-6.5%
Employees Brazil (individuals)	96,294	98,258	104,022	-2.0%	-7.4%
Employees Abroad (Individuals)	6,400	6,284	5,814	1.8%	10.1%
Number of service centers	32,974	33,753	34,463	-2.3%	-4.3%
Number of branches (units)	4,081	4,072	3,982	0.2%	2.5%
Number of service centers (units)	899	912	945	-1.4%	-4.9%
Number of ATMs (units)	27,994	28,769	29,536	-2.7%	-5.2%

(1) Excludes the non-recurring effects of each period.

(2) Calculated based on the weighted average of the number of shares;

(3) Calculated based on the average quotation of preferred shares on the last day of the period;

(4) 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);

(5) R\$ 147.3 billion considering the closing quotation of common and preferred (ON and PN shares) multiplied by total outstanding shares of each type of shares;

(6) Calculated based on international criteria defined in the Management's Discussion & Analysis Report.

3) Performance

3.1) Income

Net income for the first quarter of 2012 amounted to R\$ 3.4 billion, with annualized return of 19.3% on average equity (22.7% in the same period of the previous year). Recurring net income was R\$ 3.5 billion, with annualized return of 20.0%. The increase of 16.3% in income from financial operations and 12.0% in income from services and bank charges as compared to the first quarter of 2011, and added to the control over personnel and administrative expenses, contributed to net income.

The efficiency ratio reached 44.5% in the first quarter of 2012, as compared to 47.4% achieved in the same period of 2011. The reduction of 2.9 percentage point is the result of the efforts of our Efficiency Project started in 2010, aiming at reaching a 41% target at the end of 2013. In this context, administrative, personnel and other operating expenses decreased 5.0% in the first quarter of 2012 as compared to the fourth quarter of 2011. The effects of the completion of the Itaú Unibanco integration and the dissemination of the practices related to the Efficiency Project accounted for the strong performance in controlling expenses and had a fundamental role in this improvement.

The total value added of Itaú Unibanco, which shows the wealth generated for the community, reached R\$ 10.3 billion in the first quarter of 2012, and is distributed as follows: 29.5% to the employees, 28.1% in profit reinvestment, 32.9% in taxes, fees and contributions, 7.2% in compensation to its stockholders and 2.3% as return on third parties' assets.

3.2) Assets

Consolidated assets totaled R\$ 896.8 billion and consolidated stockholders' equity totaled R\$ 72.5 billion at March 31, 2012, with growth of 15.0% and 13.7% in the last 12 months, respectively, and 5.3% and 1.6% in the quarter.

The diversification of our business is reflected in the composition of our funding and loan portfolio, reducing risks to specific segments, which may be more impacted by the volatility in economy, as follows:

3.2.1) Funding

Free, raised and managed assets totaled R\$ 1.2 trillion at March 31, 2012, a 14.3% growth as compared to March 31, 2011. Of this total, 41.4% refer to investment funds, managed portfolios and technical provisions for insurance, pension plan and capitalization, 30.6% to deposits and debentures, and 28.0% to own assets and other funding.

The increase in funding (net of Compulsory deposits and Cash and cash equivalents) enabled the improved Loan portfolio and funding ratio, reaching 96.7% at March 31, 2012.

At March 31, 2012, the balance of managed assets was R\$ 423.2 billion, a 10.9% increase as compared to the same period of the previous year.

3.2.2) Loan Portfolio and Default

At March 31, 2012, the balance of the loan portfolio, including endorsements and sureties, reached R\$ 400.5 billion, an increase of 16.1% as compared to March 31, 2011.

Individuals Segment – In Brazil, our loan portfolio to individuals reached R\$ 147.6 billion, 14.7% higher than that posted at March 31, 2011. Highlights:

- Mortgage loans reached R\$ 14.6 billion, a growth of 57.3% as compared to the end of March 2011. The offer of mortgage loan is promoted by the network of branches, development companies and real estate agencies, as well as partnerships with Lopes (LPS Brasil – Consultoria de Imóveis S.A.) and Coelho da Fonseca Empreendimentos Ltda, among other.
- Products such as personal loans, credit cards and payroll advances posted growth of 41.3%, 11.7% and 34.9% respectively, when compared to March 31, 2011.

- We are leaders in the vehicle financing segment, with a balance of R\$ 59.1 billion in the portfolio at March 31, 2012.

Our loan portfolio for Mercosur operations (Argentina, Chile, Uruguay, and Paraguay) posted a growth of 38.1% as compared to March 31, 2011, reaching a balance of R\$ 6.8 billion.

Corporate Segment – In Brazil, our portfolio of credit to companies reached R\$ 231.2 billion at March 31, 2012, posting a growth of 14.8% as compared to March 31, 2011, as follows:

- The loan portfolio and joint obligations of Itaú BBA, through which we serve companies with revenue over R\$ 150 million, reached the amount of R\$ 142.5 billion, a 18.7% change as compared to March 2011. Financing positions in foreign trade posted a growth of 33.3%, as compared to March 2011.
- The very small, small and middle market company segment, which serves companies with annual revenue of up to 150 million, posted a balance for its loan portfolio, including endorsements and sureties, of R\$ 88.8 billion at March 31, 2012, a 9.0% increase as compared to March 31, 2011.

In Chile, Argentina, Uruguay and Paraguay, credit operations to companies amounted to R\$ 13.5 billion at March 31, 2012, a 52.4% growth when compared to March 31, 2011.

Default - Total default rate, considering the balance of transactions overdue for over 90 days reached 5.1% at March 31, 2012, posting an improvement of 0.9 percentage point as compared to March 31, 2011. The fault rate of the loans to individuals portfolio reached 6.7% and 3.7% for the loans to companies portfolio at the end of March 2012.

3.2.3) Capital Strength

The Basel ratio was 15.6% at the end of March 2012, showing the strength of our capital basis. In the first quarter of 2012, we carried out new placements of tier II subordinated debt which significantly increased our capital basis. In the domestic market, the bank issued a total of R\$ 2.3 billion in subordinated financial bills and, in the foreign market, two new placements were carried out, in the amount of US\$ 550 million in January and US\$ 1,250 million in March, totaling US\$ 1.8 billion. This amount accounts for 25% of total foreign issues in dollars by Brazilian financial institutions in the capital markets in the first quarter of 2012, which shows the investors' great appetite for the issues from our institution.

4) Business

Commercial Bank - At the end of March 2012 we had 4,980 bank points of service, including regular branches and service centers (Postos de Atendimento Bancário - PAB), a growth of 99 branches in the one-year period.

The expansion of Itaú Uniclass service, started in September 2011, exceeded the total retail network, which is now serving clients with dedicated managements, exclusive ATMs in major branches, higher credit limits, investments advisory and management services over the phone.

In the Private Bank segment, we are the largest bank in Latin America and remain the leader in the Brazilian market, with over 25% of market share, according to the Brazilian Financial and Capital Markets Association (ANBIMA), by providing services to over 5,350 economic groups.

In the Assets Under Administration segment, in which Privatization Funds, Fixed Income, Equities Funds, Investment Clubs and Clients' and the Group's Portfolios are managed in Brazil and abroad, we reached R\$ 423.2 billion in managed assets, with 20% market share and we rank second in the global administration ranking, according to ANBIMA.

Focused on internationalization, ongoing innovation and diversified offer of products to clients, the Asset Management area launched new funds in the period and obtained the right to manage ETFs (Exchange Trade Funds) for ten years in Chile.

In the Solutions for Capital Markets area, leader in custody services and asset bookkeeping, we have a total of R\$ 879.6 billion in assets under custody, which represents 25.3% market share, according to ANBIMA, providing services to 63% of the companies listed in the BM&FBOVESPA. We offer several solutions for the Capital Markets, such as: custody and fiduciary administration of investment funds, custody and representation for non-resident investors, custody of ADR programs, bookkeeping of shares,

debentures and fund quotas, settlement and custody of promissory notes and bank credit notes. We also act as guarantee agent in operations of Project Finance, Escrow Accounts, Loan and financing contracts and as a depository of Brazilian Depositary Receipts (BDR) programs. In February 2012, we reached R\$ 2.9 trillion in assets under these services, including all business in which we operate.

Kinea – The independent asset manager, set up by Itaú and experts in hedge funds, private equity and real estate, funded R\$ 410 million for the Kinea Renda Imobiliária FII fund, in the third issue, exceeding the expected volume, and is the largest fund in the market in this segment in Brazil with approximately R\$ 1.1 billion in market value. Kinea is among the largest real estate fund managers in Brazil, with total managed assets of R\$ 2.2 billion in March 2012.

Insurance, Life, Pension Plan and Capitalization –The operations in these businesses in terms of volume of revenue for premiums, social security contributions and capitalization certificates reached R\$ 5.5 billion in the first quarter of 2012 and the technical provisions totaled R\$ 77.8 billion at the end of March 2012, including foreign operations.

The combined ratio, which indicates the efficiency of expenses arising from the operation in relation to the earned premiums revenue, decreased 1.7 percentage points as compared to the same period of the previous year, reaching 81.2%. This improvement is related to increased earned premiums and decreased loss ratio. In the quarter, claim and selling expenses had an increase lower than the total revenues.

Noteworthy is that we hold 30% of capital of the Porto Seguro Group, the insurance company leading the residence and automobile insurance segment in Brazil. We have an operating agreement with the Porto Seguro Group to offer and distribute, on an exclusive basis, residence and automobile insurance products to clients in our network in Brazil and Uruguay. In February 2012, Porto Seguro held 26.5% and 25.0% market share in premiums issued in automobile and residence insurance, respectively (source: Susep - Superintendência de Seguros Privados).

Activities abroad – we are present in 19 countries, besides Brazil. In Latin America we have operations in Argentina, Chile, Uruguay and Paraguay, focusing on commercial bank activities, both in banking retail and companies, and in Mexico in credit card operations. We also have a representation office in Peru and, in February 2012, we were authorized by the regulatory authorities in Colombia to open a representation office of Itaú BBA in that location. The target market in Colombia is composed of institutional investors and large companies present in that country. The products portfolio will include loan operations, foreign trade financing, foreign exchange and derivatives, and investment bank activities, such as advisory to mergers and acquisitions and access to capital markets. This action is one more significant step towards the process of expanding the investment bank's operations abroad and it strengthens our operation in Latin America.

Additionally, we have operations in Europe (Portugal, United Kingdom, Luxembourg, Spain, France, Germany and Switzerland), in the United States (Miami and New York), the Caribbean (Cayman Islands and Bahamas), Middle East (Dubai) and in Asia (Hong Kong, Shanghai and Tokyo), these are principally operations with institutional clients, corporate and private banking. In the quarter, business abroad recorded recurring net income of R\$ 532.5 million, with total assets of R\$ 183.0 billion at March 31, 2012.

Consumer Credit – We are leaders in the consumer credit segment in Brazil, by means of Itaucard, Hipercard, and partnerships, offering a diversified range of products to accountholders and non-accountholder clients, originated in proprietary channels and through partnerships with companies that have outstanding performance in the markets they are engaged. In the first quarter of 2012, the transacted amount reached R\$ 39.0 billion, a 14.3% increase in relation to the same period of 2011.

Redecard, a company in which Itaú Unibanco holds interest, recorded net income of R\$ 381.2 million in the first quarter of 2012, with a 18.1% increase in banking service fees as compared to the same period of 2011.

Itaú BBA – In the Investment Banking area, we highlight the following:

- *Fixed income* – we took part, from January to March 2012, in operations of debentures, promissory notes and securitization, that totaled R\$ 5.2 billion. In the ANBIMA ranking of distribution income from January to March 2012, we reached the 1st place in volume, with 24.2% market share. In international issues of fixed income, we acted as the joint bookrunner of offerings, with a total volume of US\$ 11.7 billion, reaching the 3rd place in the ANBIMA ranking of Capital Markets International Issues for March 2012.
- *Mergers and Acquisitions* – we provided financial advisory for 10 transactions, closing the first quarter of 2012 in the leadership of the Thomson Reuters ranking in volume and number of operations, accumulating an amount of US\$ 8.4 billion.
- *Itaú Corretora* - we intermediated at BM&FBOVESPA, during the first quarter of 2012, a financial volume of R\$ 49.6 billion with individual, institutional investors, corporate and foreign customers. In this period, we were ranked 5th among the brokerage companies, with a 5.6% market share. In the futures market, we ended the quarter with 8.8% market share, with R\$ 28 million of traded contracts, a volume 8.5% higher than in the same period of the previous year.

We highlight the following operations in the Wholesale banking of Itaú BBA:

- *Cash Management* – we posted a 28% increase in transacted volumes in the period from January to March 2012, as compared to the same period of 2011.
- *Derivatives* – we continue as leaders in CETIP (Clearing House for Custody and Financial Settlement of Securities) in over-the-counter derivative operations with companies, mainly on operations hedging the exposures to foreign currencies, interest rates and commodities with our clients.
- *Project Finance* – we closed the first quarter of 2012 with 49 mandated projects that total R\$ 65.7 billion in new investments. Of this total, 26.9 billion correspond to the oil and gas sector, which accounted for 41% of total financial volume.

5) People

We counted on 102.6 thousand employees at the end of March, of which 6.4 thousand were abroad. The employee's fixed compensation plus charges and benefits totaled R\$ 2.2 billion for the quarter. Welfare benefits granted to employees and their dependants totaled R\$ 344.6 million. In addition, approximately R\$ 54.9 million was invested in education, training and development programs.

To keep the commitment of assuring excellence to meet the business requirements in the first quarter of 2012, we proceeded with talent hiring programs, such as for trainees and internship. In line with the inclusion commitment, we closed the first quarter with over 4.2 thousand employees in the Program for Inclusion of People with Disabilities and over 1.9 thousand apprentices.

6) Corporate Governance

Strengthening our commitment to the transparency and communication with the market in the first quarter of 2012, we took part in 9 conferences and road shows in Brazil and abroad. In addition, in February we held Itaú Unibanco Investor's Day in São Paulo, for the second year in a row. This event contributed to strengthen our relationship with stockholders, analysts and investors in the Brazilian and international markets.

We started the 2012 Apimec Cycle with 23 meetings scheduled for all regions of Brazil. We will also take part in 13 financial education fairs (ExpoMoney), in which we will be present to serve individual investors and to hold APIMEC meetings in all scheduled events. The complete agenda for public meetings (APIMEC) and of our participation in ExpoMoney is available our Investor Relations website: www.itaunibanco.com/ir > Agenda.

On March 30, 2012, we filed Form 20-F for 2011 with the Securities and Exchange Commission (SEC). This document is required under the ADRs (American Depositary Shares) program on the New York Stock Exchange (NYSE), and comprises general information on the company and the financial statements, which, starting this year, were filed under the international financial reporting standards (IFRS). The Portuguese version was filed with the Brazilian Securities and Exchange Commission (CVM) and the BM&FBovespa, and posted on the Investor Relations website: www.itaunibanco.com/ir > Financial Information > SEC Filings > 2011.

7) Social and Cultural Investments

Our purpose is to be the transformation agent that shares its best to support the most significant changes in people's lives, in society and in Brazil. And we believe that the actual transformation is mainly based on a high quality education, in its most varied strands: education, access to culture and incentives to sports. These three aspects make people better, with critical awareness to exercise their citizenship and to establish more sustainable relationships.

For Itaú Unibanco, education is the main sustainable development factor in Brazil. Accordingly, we invest in the education of children and youth, influencing public policies based on projects from Fundação Itaú Social and Instituto Unibanco and the entire society, by means of Itaú Cultural and Espaço Itaú de Cinema.

Aware of our responsibility, in the first quarter of 2012 only we invested R\$ 38.3 million in education, culture and sports actions, of which noteworthy are those related to education and culture, with R\$ 23.9 million, in addition to the celebration of Itaú Cultural's 25 years.

Education is essential for people to have a healthy relationship with money. Therefore, this is an investment that positively affects our country and our business, in a long-term development. Investing in high-quality education is a requirement for Brazil's development, in addition to contributing to our vision of sustainable performance, by creating shared value for employees, clients, stockholders and the society.

Social and cultural investments are aimed at anticipating changes, improving learning experiences and focusing on projects and initiatives that lead to transformation in society.

More details on the main initiatives in the first quarter:

- *Program for economic assessment of social projects of Fundação Itaú Social:* with a methodology developed in partnership with the Risk Control and Financial Area of Itaú Unibanco, the purpose of program is disseminating the economic assessment culture for social projects. Enrollments were open for classes in São Paulo, Rio de Janeiro, Porto Alegre and Fortaleza. Since 2004, 55 classes have completed the program in several Brazilian States and over 1,350 managers of social projects and public policies have attended them.
- *The "Jovem do Futuro" (Youth with a Future) Program of Instituto Unibanco:* in the first quarter, we presented the winners in 2011, by recognizing schools, teachers, classes and students in the States of São Paulo, Rio de Janeiro, Minas Gerais and Rio Grande do Sul. In addition, over 1,200 volunteer employees of Itaú Unibanco participated in the "Estudar Vale a Pena" (studying is worthwhile) project.

- *Itaú Cultural*. over 27.9 thousand people have visited Itaú Cultural by mid-March 2012. The Institute's website had 2.3 million hits, of which 1.7 million accessed the virtual encyclopedias. The first large annual exhibit, "Convite à Viagem" (invitation to travel) was visited by over 19 thousand people. The first "Ocupação Angeli" (Angeli exhibit) of the year, started on March 16 and is featured until April 29. In the three first months of the year, 21 national and international events were held, and two new products were launched, of which 1,500 were distributed to institutions and researchers in Brazil and abroad. Auditório Ibirapuera, under the coordination of Itaú Cultural, was visited by over 16.2 thousand people by mid-March, where 23 shows and 35 presentations were held.
- *Direct investment and investments by way of Rouanet law in Itaú Cultural*: the investment of Itaú Unibanco in Itaú Cultural in the quarter amounted to R\$ 16.9 million, of which R\$ 7.9 million under article 26 of the Rouanet law.

8) Awards and Recognition

- *New Economy Sustainable Finance Awards* – Organized by *New Economy* magazine, we were the winner in two categories: the most sustainable banking group in Brazil in 2011 and the most sustainable investment manager in Brazil in 2011;
- *Executives' dream companies* – Sponsored by Cia. de Talentos and disseminated by Exame magazine, we are the 7th in the overall ranking and the 2nd in the list of preferred companies by young executives (under 25 years old);
- *Best Trade Finance Bank in Brazil* – For the 4th consecutive year, we won the *Best Trade Finance Bank in Brazil* award, organized by *Global Finance*, which elects the banks offering the best products and conditions for trade finance;
- *Deal of the Year Awards* – Two operations we conducted were acknowledged by *Project Finance* magazine as the best business of the year in Latin America in the Oil & Gas and Public-Private Partnerships;
- *Best Investment Bank in Latin America* – We were granted the *Global Finance award in the Region Awards*;
- *Best Emerging Market Banks in Latin America* – Granted by *Global Finance*;
- *Best Equity House of the Year and Deals of the Year 2011* – Organized by *Latin Finance*, we were acknowledged for several variable-income issues and merger & acquisition operations;
- *Deal of the Year* – Award granted by *Euromoney* for variable-income and merger & acquisition operations;
- *Best Managed Companies in Latin America* – For the 6th consecutive time, we were granted, by *Euromoney* magazine, the *Best Managed Companies in Latin America* award. The bank was ranked first in two categories: "Banks and Financial Services" and "Best Institution in Corporate Governance". The ranking is based on a survey by renowned market analysts and institutions in Latin America.

9) Independent Auditors – CVM Instruction No. 381

Procedures adopted by the Company

The policy adopted by Itaú Unibanco Holding S.A., its subsidiaries and parent company, 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 2012, 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:

- January 24, 2012 – Service agreement related to vulnerability analysis and application intrusion tests on the internet perimeter. - Itaú Unibanco S.A.– Brazil;
- February 17, 2012 – Service agreement for review of aspects related to the Business Continuity Program of Banco Itaú BBA S.A.– Banco Itaú BBA S.A.– Brazil;
- February 23, 2012 – Agreement for the acquisition of macroeconomic projects in reports and presentations on the progress of the national, regional and global economy offered by Club Económico – Banco Itaú Paraguay S.A.– Paraguay;
- February 28, 2012 – Service agreement for the issue of report on adherence to GIPS (Global Investment Performance Standards) related to the period from January 1 to December 31, 2011. - Itaú USA Asset Management Inc – United States of America;
- March 6, 2012 – Attendance at the “Derivatives and Hedge Accounting” course offered by PWC Academy, on March 19, 20 and 21, 2012 in Lisbon – Banco Itaú Europa International S.A.– Portugal;
- March 29, 2012– Licenses for using an electronic library of international accounting standards (Comperio) – Itaú Unibanco S.A.– Brazil

Summary of the Independent Auditors' justification - PricewaterhouseCoopers

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

10) Circular No. 3,068/01 – Bacen

Itaú Unibanco hereby represents to have the financial capacity and the intention to hold to maturity securities classified under the line “held-to-maturity securities” in the balance sheet, in the amount of R\$ 3.0 billion, corresponding to only 1.5% of total securities held.

ACKNOWLEDGEMENTS

We thank our employees for their determination and skills which have been essential to reaching consistent and differentiated results, and our stockholders and clients for their trust.

(Approved at the Board of Directors' Meeting of April 23, 2012).

ITAÚ UNIBANCO HOLDING S.A.

BOARD OF DIRECTORS

Chairman

PEDRO MOREIRA SALLES

Vice-Chairmen

ALFREDO EGYDIO ARRUDA VILLELA FILHO
ROBERTO EGYDIO SETUBAL

Members

ALCIDES LOPES TÁPIAS
ALFREDO EGYDIO SETUBAL
CANDIDO BOTELHO BRACHER
FERNANDO ROBERTO MOREIRA SALLES
FRANCISCO EDUARDO DE ALMEIDA PINTO
GUSTAVO JORGE LABOISSIÈRE LOYOLA
HENRI PENCHAS
ISRAEL VAINBOIM
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RICARDO VILLELA MARINO

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GUSTAVO JORGE LABOISSIÈRE LOYOLA

Members

ALKIMAR RIBEIRO MOURA
EDUARDO AUGUSTO DE ALMEIDA GUIMARÃES
GUY ALMEIDA ANDRADE
LUIZ ALBERTO FIORE

FISCAL COUNCIL

President

IRAN SIQUEIRA LIMA

Members

ALBERTO SOZIN FURUGUEM
ARTEMIO BERTHOLINI

EXECUTIVE BOARD

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ROBERTO EGYDIO SETUBAL

Executive Vice-Presidents

ALFREDO EGYDIO SETUBAL (*)
CANDIDO BOTELHO BRACHER

Executive Directors

CAIO IBRAHIM DAVID
CLAUDIA POLITANSKI
MARCOS DE BARROS LISBOA
RICARDO BALDIN
SÉRGIO RIBEIRO DA COSTA WERLANG

Directors

EDUARDO HIROYUKI MIYAKI
EMERSON MACEDO BORTOLOTO
MARCO ANTONIO ANTUNES
RODRIGO LUÍS ROSA COUTO
ROGÉRIO PAULO CALDERÓN PERES

(*) Investor Relations Director

Accountant

CARLOS ANDRÉ HERMESINDO DA SILVA
CRC - 1SP281528/O-1

Chief Executive Officer and General Manager
ROBERTO EGYDIO SETUBAL

Executive Vice-Presidents

ALEXANDRE DE BARROS
ALFREDO EGYDIO SETUBAL
JOSÉ CASTRO ARAÚJO RUDGE
JOSÉ ROBERTO HAYM
LUÍS OTAVIO MATIAS
MÁRCIO DE ANDRADE SCHETTINI
MARCO AMBROGIO CRESPI BONOMI
MARCOS DE BARROS LISBOA
RICARDO VILLELA MARINO
SÉRGIO RIBEIRO DA COSTA WERLANG

Executive Directors

ANDRÉ SAPOZNIK
CAIO IBRAHIM DAVID
CARLOS EDUARDO MONICO
CELSO SCARAMUZZA
CLAUDIA POLITANSKI
FERNANDO MARSELLA CHACON RUIZ
LUIS ANTONIO RODRIGUES
OSVALDO DO NASCIMENTO

Directors

ADRIANO BRITO DA COSTA LIMA
ALBERTO FERNANDES
ANA CARLA ABRÃO COSTA
ANDRÉA MATTEUCCI PINOTTI CORDEIRO
ARNALDO PEREIRA PINTO
CARLOS EDUARDO DE CASTRO
CARLOS EDUARDO MACCARIELLO
CARLOS EDUARDO PEREIRA TEIXEIRA
CARLOS HENRIQUE DONEGÁ AIDAR
CARLOS ORESTES VANZO
CESAR PADOVAN
CÍCERO MARCUS DE ARAÚJO
CINTIA CARBONIERI ARAÚJO
CLAUDIO CÉSAR SANCHES
CLAUDIO JOSÉ COUTINHO ARROMATTE
COSMO FALCO
CRISTIANE MAGALHÃES TEIXEIRA PORTELLA
CRISTINA CESTARI SPADA
DANIEL LUIZ GLEIZER
EDILSON PEREIRA JARDIM
ERNESTO ANTUNES DE CARVALHO
FABIO DI PACE MENEZES
FERNANDO DELLA TORRE CHAGAS
FERNANDO JOSÉ COSTA TELES

Directors (continued)

HENRIQUE PINTO ECHENIQUE
HENRIQUE RUTHER
IBRAHIM JOSÉ JAMHOUR
JASON PETER CRAUFORD
JEAN MARTIN SIGRIST JÚNIOR
JOÃO ANTONIO DANTAS BEZERRA LEITE
JOÃO LUIZ DE MEDEIROS
JORGE LUIZ VIEGAS RAMALHO
JOSÉ VIRGILIO VITA NETO
LEILA CRISTIANE BARBOZA BRAGA DE MELO
LUÍS EDUARDO GROSS SIQUEIRA CUNHA
LUIZ TADEU MANTOVANI SASSI
LUIZ ANTONIO NOGUEIRA DE FRANÇA
LUIZ EDUARDO LOUREIRO VELOSO
LUIZ FERNANDO BUTORI REIS SANTOS
LUIZ FERNANDO OLIVEIRA BARRICHELO
LUIZ SEVERIANO RIBEIRO
MARCELO BOOCK
MARCELO LUIS ORTICELLI
MARCO ANTONIO ANTUNES
MARCO ANTONIO SUDANO
MARCOS ANTÔNIO VAZ DE MAGALHÃES
MARCOS AUGUSTO CAETANO DA SILVA FILHO
MARCOS SILVA MASSUKADO
MARCOS VANDERLEI BELINI FERREIRA
MARIA IRENE GARCETE DE GAVILAN
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MESSIAS DOS SANTOS ESTEVES
NATACHA LITVINOV
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RICARDO ORLANDO
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ROGÉRIO PAULO CALDERÓN PERES
ROMILDO GONÇALVES VALENTE
ROONEY SILVA
SERGIO GUILLINET FAJERMAN
SERGIO SOUZA FERNANDES JÚNIOR
VILMAR LIMA CARREIRO
WAGNER BETTINI SANCHES

BANCO ITAÚ BBA S.A.

BOARD OF DIRECTORS

Chairman

ROBERTO EGYDIO SETUBAL

Vice-Chairmen

FERNÃO CARLOS BOTELHO BRACHER
PEDRO MOREIRA SALLES

Members

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CANDIDO BOTELHO BRACHER
EDUARDO MAZZILLI DE VASSIMON
HENRI PENCHAS
JOÃO DIONÍSIO FILGUEIRA BARRETO AMOÉDO
SÉRGIO RIBEIRO DA COSTA WERLANG

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CANDIDO BOTELHO BRACHER

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JEAN-MARC ROBERT NOGUEIRA BAPTISTA ETLIN
RODOLFO HENRIQUE FISCHER

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ELAINE CRISTINA ZANATTA RODRIGUES VASQUINHO
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MILTON MALUHY FILHO

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ÁLVARO DE ALVARENGA FREIRE PIMENTEL
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ANDRÉ DEL BEL CURY
ANDRÉ FERRARI
ANTONIO JOSÉ CALHEIROS RIBEIRO FERREIRA
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SOLANGE PAIVA VIEIRA
THALES FERREIRA SILVA

BANCO ITAUCRED FINANCIAMENTOS S.A.

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Executive Vice-President

MÁRCIO DE ANDRADE SCHETTINI

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EVANIR COUTINHO USSIER
FÁBIO MASSASHI OKUMURA
FERNANDO JOSÉ COSTA TELES
FLÁVIO KITAHARA SOUSA
JASON PETER CRAUFORD
LUÍS FERNANDO STAUB
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MARCOS ANTÔNIO VAZ DE MAGALHÃES
MARCOS VANDERLEI BELINI FERREIRA

ITAÚ SEGUROS S.A.

Chief Executive Officer

ROBERTO EGYDIO SETUBAL

Superintendent Director

MARCOS DE BARROS LISBOA

Executive Directors

ANDRÉ HORTA RUTOWITSCH
ANTONIO EDUARDO MÁRQUEZ DE FIGUEIREDO TRINDADE
JOSÉ CASTRO ARAÚJO RUDGE

Directors

LUIZ FERNANDO BUTORI REIS SANTOS
MARCO ANTONIO ANTUNES
NORBERTO GIL FERREIRA CAMARGO

ITAÚ UNIBANCO HOLDING S.A.
Consolidated Balance Sheet (Note 2a)
(In thousands of Reais)

ASSETS	NOTE	03/31/2012	03/31/2011
CURRENT ASSETS		666,213,397	586,475,460
CASH AND CASH EQUIVALENTS		10,551,243	11,762,032
INTERBANK INVESTMENTS	4b and 6	141,659,689	98,835,416
Money market		117,388,781	83,776,116
Money market – Assets Guaranteeing Technical Provisions - SUSEP	11b	2,711,273	3,079,999
Interbank deposits		21,559,635	11,979,301
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS	4c, 4d and 7	159,220,651	149,165,495
Own portfolio		38,189,513	37,761,444
Subject to repurchase commitments		34,478,362	43,104,301
Pledged in guarantee		5,502,204	6,604,424
Deposited with the Central Bank		12,123,063	1,942,075
Derivative financial instruments		5,182,056	6,572,452
Assets guaranteeing technical provisions - PGBL/VGBL fund quotas	11b	61,637,729	48,554,392
Assets guaranteeing technical provisions – other securities	11b	2,107,724	4,626,407
INTERBANK ACCOUNTS		79,270,930	93,556,512
Pending settlement		3,595,301	2,570,552
Central Bank deposits		75,617,864	90,860,292
National Housing System (SFH)		1,600	63,543
Correspondents		25,950	62,125
Interbank onlending		30,215	-
INTERBRANCH ACCOUNTS		60,517	365,581
LOAN, LEASE AND OTHER CREDIT OPERATIONS	8	182,659,258	163,553,176
Operations with credit granting characteristics	4e	197,662,451	176,687,390
(Allowance for loan losses)	4f	(15,003,193)	(13,134,214)
OTHER RECEIVABLES		89,319,688	65,813,231
Foreign exchange portfolio	9	48,867,740	26,357,839
Income receivable		1,349,332	1,397,195
Transactions with credit card issuers	4e	15,329,668	12,894,973
Receivables from insurance and reinsurance operations	4nl and 11b	3,528,746	3,249,872
Negotiation and intermediation of securities		2,665,621	2,445,438
Sundry	13a	17,578,581	19,467,914
OTHER ASSETS	4g	3,471,421	3,424,017
Assets held for sale		143,977	149,186
(Valuation allowance)		(46,242)	(62,275)
Unearned premiums of reinsurance	4nl	516,537	476,231
Prepaid expenses	4g and 13b	2,857,149	2,860,875
LONG-TERM RECEIVABLES		218,818,998	182,103,438
INTERBANK INVESTMENTS	4b and 6	2,739,294	792,722
Money market		6	19,636
Money market – Assets Guaranteeing Technical Provisions - SUSEP	11b	-	162,731
Interbank deposits		2,739,288	610,355
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS	4c, 4d and 7	42,395,540	34,005,625
Own portfolio		17,211,664	17,530,556
Subject to repurchase commitments		10,668,052	5,915,527
Pledged in guarantee		1,784,296	2,125,343
Deposited with the Central Bank		362,768	308,365
Derivative financial instruments		4,441,238	4,268,105
Assets guaranteeing technical provisions – other securities	11b	7,927,522	3,857,729
INTERBANK ACCOUNTS - National Housing System (SFH)		685,370	552,667
LOAN, LEASE AND OTHER CREDIT OPERATIONS	8	138,758,078	117,863,777
Operations with credit granting characteristics	4e	149,706,347	126,968,744
(Allowance for loan losses)	4f	(10,948,269)	(9,104,967)
OTHER RECEIVABLES		32,671,973	27,568,913
Foreign exchange portfolio	9	224,740	289,795
Sundry	13a	32,447,233	27,279,118
OTHER ASSETS – Prepaid expenses	4g and 13b	1,568,743	1,319,734
PERMANENT ASSETS		11,809,436	11,060,905
INVESTMENTS	4h and 15a II	2,634,361	3,295,423
Investments in affiliates		1,702,935	2,167,458
Other investments		1,135,962	1,313,867
(Allowance for losses)		(204,536)	(185,902)
REAL ESTATE IN USE	4i and 15b	5,156,199	4,807,029
Real estate in use		3,267,792	3,291,785
Other fixed assets		8,739,352	8,262,238
(Accumulated depreciation)		(6,850,945)	(6,746,994)
GOODWILL	4k and 15b	83,960	67,617
INTANGIBLE ASSETS	4l and 15b	3,934,916	2,890,836
Acquisition of rights to credit payroll		1,694,718	2,388,307
Other intangible assets		4,053,007	2,581,511
(Accumulated amortization)		(1,812,809)	(2,078,982)
TOTAL ASSETS		896,841,831	779,639,803

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

ITAÚ UNIBANCO HOLDING S.A.
Consolidated Balance Sheet (Note 2a)
(In thousands of Reais)

LIABILITIES	NOTE	03/31/2012	03/31/2011
CURRENT LIABILITIES		460,946,226	413,949,919
DEPOSITS	4b and 10b	151,291,988	144,958,728
Demand deposits		26,902,686	24,675,587
Savings deposits		68,488,274	58,997,028
Interbank deposits		8,056,059	2,652,520
Time deposits		47,844,969	57,685,426
Other deposits		-	948,167
DEPOSITS RECEIVED UNDER SECURITIES REPURCHASE AGREEMENTS	4b and 10c	107,268,659	121,320,731
Own portfolio		65,461,874	77,877,540
Third-party portfolio		40,839,214	42,075,972
Free portfolio		967,571	1,367,219
FUNDS FROM ACCEPTANCES AND ISSUANCE OF SECURITIES	4b and 10d	25,323,197	14,035,219
Real estate, mortgage, credit and similar notes		20,180,627	10,228,426
Debentures		1,065,185	54,678
Foreign borrowings through securities		4,077,385	3,752,115
INTERBANK ACCOUNTS		5,390,056	4,397,628
Pending settlement		4,242,713	3,690,208
Correspondents		1,147,343	707,420
INTERBRANCH ACCOUNTS		3,941,218	3,567,714
Third-party funds in transit		3,930,368	3,556,494
Internal transfer of funds		10,850	11,220
BORROWINGS AND ONLENDING	4b and 10e	26,069,416	25,448,338
Borrowings		14,773,776	15,316,807
Onlending		11,295,640	10,131,531
DERIVATIVE FINANCIAL INSTRUMENTS	4d and 7h	3,897,484	4,134,740
TECHNICAL PROVISION FOR INSURANCE, PENSION PLAN AND CAPITALIZATION	4n II and 11a	10,565,412	9,594,524
OTHER LIABILITIES		127,198,796	86,492,297
Collection and payment of taxes and contributions		5,836,557	4,918,493
Foreign exchange portfolio	9	49,320,980	27,216,243
Social and statutory	16b II	1,405,507	1,559,357
Tax and social security contributions	4o, 4p and 14c	5,846,432	7,193,683
Negotiation and intermediation of securities		5,439,299	2,920,020
Credit card operations	4e	36,323,091	29,310,155
Subordinated debt	10f	13,458,421	952,899
Sundry	13c	9,568,509	12,421,447
LONG-TERM LIABILITIES		360,664,349	298,199,205
DEPOSITS	4b and 10b	80,052,797	58,963,221
Interbank deposits		513,026	260,774
Time deposits		79,539,771	58,702,447
DEPOSITS RECEIVED UNDER SECURITIES REPURCHASE AGREEMENTS	4b and 10c	105,398,937	85,431,944
Own portfolio		88,902,886	73,694,651
Third-party portfolio		-	6,809
Free portfolio		16,496,051	11,730,484
FUNDS FROM ACCEPTANCES AND ISSUANCE OF SECURITIES	4b and 10d	24,012,686	13,661,952
Real estate, mortgage, credit and similar notes		17,137,304	6,088,998
Debentures		-	1,011,150
Foreign borrowings through securities		6,875,382	6,561,804
BORROWINGS AND ONLENDING	4b and 10e	26,004,099	25,615,481
Borrowings		2,368,184	2,878,701
Onlending		23,635,915	22,736,780
DERIVATIVE FINANCIAL INSTRUMENTS	4d and 7h	3,725,493	3,599,001
TECHNICAL PROVISION FOR INSURANCE, PENSION PLAN AND CAPITALIZATION	4n II and 11a	67,264,321	54,004,609
OTHER LIABILITIES		54,206,016	56,922,997
Foreign exchange portfolio	9	43,058	291,764
Tax and social security contributions	4o, 4p and 14c	12,746,958	15,236,893
Subordinated debt	10f	31,526,048	34,340,763
Sundry	13c	9,889,952	7,053,577
DEFERRED INCOME	4q	842,684	847,050
MINORITY INTEREST IN SUBSIDIARIES	16e	1,904,321	2,913,093
STOCKHOLDERS' EQUITY	16	72,484,251	63,730,536
Capital		45,000,000	45,000,000
Capital reserves		745,346	595,610
Revenue reserves		28,262,569	18,697,311
Asset valuation adjustment	4c, 4d and 7d	(47,753)	(54,561)
(Treasury shares)		(1,475,911)	(507,824)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		896,841,831	779,639,803

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

ITAU UNIBANCO HOLDING S.A.
Consolidated Statement of Income (Note 2a)

(In thousands of Reais)

	NOTE	01/01 to 03/31/2012	01/01 to 03/31/2011
INCOME FROM FINANCIAL OPERATIONS		26,035,514	22,361,060
Loan, lease and other credit operations		15,199,264	13,680,164
Securities and derivative financial instruments		6,948,594	5,207,725
Financial income from insurance, pension plan and capitalization operations	11c	1,972,109	1,329,028
Foreign exchange operations		(45,847)	8,464
Compulsory deposits		1,961,394	2,135,679
EXPENSES OF FINANCIAL OPERATIONS		(12,234,272)	(10,491,194)
Money market		(10,121,354)	(8,853,402)
Financial expenses on technical provisions for pension plan and capitalization	11c	(1,774,043)	(1,189,683)
Borrowings and onlending		(338,875)	(448,109)
INCOME FROM FINANCIAL OPERATIONS BEFORE LOAN LOSSES		13,801,242	11,869,866
RESULT OF ALLOWANCE FOR LOAN LOSSES	8d I	(4,839,039)	(3,172,915)
Expenses for allowance for loan losses		(6,031,366)	(4,380,002)
Income from recovery of credits written off as loss		1,192,327	1,207,087
GROSS INCOME FROM FINANCIAL OPERATIONS		8,962,203	8,696,951
OTHER OPERATING REVENUES (EXPENSES)		(3,536,425)	(3,537,871)
Banking service fees	13d	3,591,000	3,263,303
Asset management		706,511	636,338
Current account services		166,101	164,569
Credit cards		1,595,429	1,398,567
Sureties and credits granted		390,888	401,337
Receipt services		345,094	330,207
Other		386,977	332,285
Income from bank charges	13e	1,412,384	1,204,158
Result from insurance, pension plan and capitalization operations	11c	750,173	577,237
Personnel expenses	13f	(3,391,882)	(3,242,637)
Other administrative expenses	13g	(3,428,034)	(3,260,300)
Tax expenses	4p and 14a II	(1,196,419)	(1,035,607)
Equity in earnings of affiliates and other investments	15a III	(2,042)	97,499
Other operating revenues	13h	57,417	128,034
Other operating expenses	13i	(1,329,022)	(1,269,558)
OPERATING INCOME		5,425,778	5,159,080
NON-OPERATING INCOME		4,209	43,091
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING		5,429,987	5,202,171
INCOME TAX AND SOCIAL CONTRIBUTION	4p and 14a I	(1,786,025)	(1,469,675)
Due on operations for the period		(2,730,995)	(2,087,747)
Related to temporary differences		944,970	618,072
PROFIT SHARING – Management members - Statutory - Law No. 6,404 of 12/15/1976		(27,735)	(35,090)
MINORITY INTEREST IN SUBSIDIARIES	16e	(190,534)	(167,105)
NET INCOME		3,425,693	3,530,301
WEIGHTED AVERAGE OF THE NUMBER OF OUTSTANDING SHARES		4,517,084,964	4,547,246,221
NET INCOME PER SHARE – R\$		0.76	0.78
BOOK VALUE PER SHARE - R\$ (OUTSTANDING AT 03/31)		16.04	14.01
EXCLUSION OF NONRECURRING EFFECTS	2a and 22k	117,914	108,424
NET INCOME WITHOUT NONRECURRING EFFECTS		3,543,607	3,638,725
NET INCOME PER SHARE – R\$		0.78	0.80

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

ITAÚ UNIBANCO HOLDING S.A.
Consolidated Statement of Cash Flows
(In thousands of Reais)

	NOTE	01/01 to 03/31/2012	01/01 to 03/31/2011
ADJUSTED NET INCOME		11,593,490	9,590,229
Net income		3,425,693	3,530,301
Adjustments to net income:		8,167,797	6,059,928
Granted options recognized		43,507	34,140
Adjustment to market value of securities and derivative financial instruments (assets/liabilities)	7i	(625,259)	459,330
Effects of changes in exchange rates on cash and cash equivalents		579,473	17,128
Allowance for loan losses		6,031,366	4,380,002
Interest and foreign exchange expense from operations with subordinated debt		899,930	769,461
Interest expense from operations with debentures		26,452	33,455
Financial expenses on technical provisions for pension plan and capitalization		1,774,043	1,189,683
Depreciation and amortization	15b	528,912	523,014
Adjustment to legal liabilities – tax and social security		443,744	187,363
Adjustment to provision for contingent liabilities		337,243	9,227
Deferred taxes		(944,970)	(618,072)
Equity in earnings of affiliates and other investments	15a III	2,042	(97,499)
Interest and foreign exchange income from available-for-sale securities		(665,319)	(607,355)
Interest and foreign exchange income from held-to-maturity securities		(70,123)	(111,611)
(Gain) loss from sale of available-for-sale financial assets	7f	(251,991)	(50,234)
(Gain) loss from sale of investments		(138,343)	(188,156)
(Gain) loss from sale of foreclosed assets		(2,246)	7,773
(Gain) loss from sale of fixed assets		5,146	(8,189)
(Gain) loss from rescission of operations of intangible assets		(394)	(425)
Minority interest		190,534	167,105
Other		4,050	(36,212)
CHANGE IN ASSETS AND LIABILITIES		28,504,541	(14,042,244)
(Increase) decrease in interbank investments		6,664,552	(20,875,662)
(Increase) decrease in securities and derivative financial instruments		(4,827,486)	4,121,348
(Increase) decrease in compulsory deposits with the Central Bank of Brazil		22,434,690	(5,083,822)
(Increase) decrease in interbank and interbranch accounts (assets/liabilities)		1,754,223	1,429,872
(Increase) decrease in loan, lease and other credit operations		(7,747,784)	(12,769,886)
(Increase) decrease in other receivables and other assets		314,828	423,963
(Increase) decrease in foreign exchange portfolio and negotiation and intermediation of securities		2,537,932	872,757
(Decrease) increase in deposits		(11,291,637)	1,233,892
(Decrease) increase in deposits received under securities repurchase agreements		23,849,059	7,096,322
(Decrease) increase in funds for issuance of securities		(2,247,720)	2,423,717
(Decrease) increase in borrowings and onlending		(4,528,545)	3,725,855
(Decrease) increase in credit card operations (assets/liabilities)		(1,775,931)	(2,398,727)
(Decrease) increase in technical provision for insurance, pension plan and capitalization		2,398,589	1,592,777
(Decrease) increase in collection and payment of taxes and contributions		4,980,582	4,224,134
(Decrease) increase in other liabilities		(551,743)	1,024,784
(Decrease) increase in deferred income		6,473	81,185
Payment of income tax and social contribution		(3,465,541)	(1,164,753)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		40,098,031	(4,452,015)
Interest on capital / dividends received from affiliated companies		21,867	19,153
Funds received from sale of available-for-sale securities		7,587,150	4,369,188
Funds received from redemption of held-to-maturity securities		164,848	288,919
Disposal of assets not for own use		18,223	21,922
Disposal of investments		265,124	254,617
Sale of fixed assets		187,546	24,235
Termination of intangible asset agreements		819	4,156
Purchase of available-for-sale securities		(13,994,457)	(3,304,318)
Purchase of held-to-maturity securities		-	(123,193)
Purchase of investments		(31,388)	(1,906)
Purchase of fixed assets	15b	(413,006)	(382,334)
Purchase of intangible assets	15b	(331,546)	(217,585)
NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES		(6,524,820)	952,854
Increase in subordinated debt		5,543,780	3,051,175
Decrease in subordinated debt		(433,725)	(2,356,845)
Decrease in debentures		(63)	(351,720)
Change in minority interest	16e	(26,070)	(18,047)
Granting of stock options		166,704	135,426
Dividends and interest on capital paid to minority interests		(1,369)	(7,413)
Dividends and interest on capital paid		(3,343,288)	(2,877,040)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		1,905,969	(2,424,464)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		35,479,180	(5,923,625)
Cash and cash equivalents at the beginning of the period		37,616,895	39,148,018
Effects of changes in exchange rates on cash and cash equivalents		(579,473)	(17,128)
Cash and cash equivalents at the end of the period	4a and 5	72,516,602	33,207,265

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

ITAÚ UNIBANCO HOLDING S.A.
Consolidated Statement of Added Value

(In thousands of Reais)

	NOTE	01/01 to 03/31/2012	01/01 to 03/31/2011	
INCOME		27,011,658	24,403,968	
Financial operations		26,035,514	22,361,060	
Banking services		5,003,384	4,467,461	
Result from insurance, pension plan and capitalization operations		750,173	577,237	
Result of loan losses	8d	(4,839,039)	(3,172,915)	
Other		61,626	171,125	
EXPENSES		(13,563,294)	(11,760,752)	
Financial operations		(12,234,272)	(10,491,194)	
Other		(1,329,022)	(1,269,558)	
INPUTS PURCHASED FROM THIRD PARTIES		(2,810,056)	(2,702,003)	
Materials, energy and others	13g	(116,017)	(107,824)	
Third-party services	13g	(776,586)	(718,484)	
Other		(1,917,453)	(1,875,695)	
Data processing and telecommunications	13g	(871,204)	(845,631)	
Advertising, promotions and publication	13g	(188,076)	(217,069)	
Installations		(313,021)	(265,064)	
Transportation	13g	(130,561)	(138,765)	
Security	13g	(132,773)	(120,723)	
Travel expenses	13g	(38,812)	(40,144)	
Other		(243,006)	(248,299)	
GROSS ADDED VALUE		10,638,308	9,941,213	
DEPRECIATION AND AMORTIZATION	13g	(377,116)	(337,938)	
NET ADDED VALUE PRODUCED BY THE COMPANY		10,261,192	9,603,275	
ADDED VALUE RECEIVED FROM TRANSFER	15a III	(2,042)	97,499	
TOTAL ADDED VALUE TO BE DISTRIBUTED		10,259,150	9,700,774	
DISTRIBUTION OF ADDED VALUE		10,259,150	9,700,774	
Personnel		3,027,411	2,911,932	29.5%
Compensation		2,441,598	2,331,593	23.8%
Benefits		399,537	441,855	3.9%
FGTS – government severance pay fund		186,276	138,484	1.8%
Taxes, fees and contributions		3,374,650	2,871,077	32.9%
Federal		3,192,430	2,699,824	31.1%
State		8,306	153	0.1%
Municipal		173,914	171,100	1.7%
Return on third parties' assets - Rent		240,862	220,359	2.3%
Return on own assets		3,616,227	3,697,406	35.2%
Dividends and interest on capital		742,003	774,664	7.2%
Retained earnings (loss) for the period		2,683,690	2,755,637	26.2%
Minority interest in retained earnings		190,534	167,105	1.9%

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

ITAÚ UNIBANCO HOLDING S.A.
Balance Sheet
(In thousands of Reais)

ASSETS	NOTE	03/31/2012	03/31/2011
CURRENT ASSETS		28,069,613	1,109,370
CASH AND CASH EQUIVALENTS		14,445	4,058
INTERBANK INVESTMENTS	4b and 6	24,325,649	119,563
Money market		54,894	119,563
Interbank deposits		24,270,755	-
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS	4c, 4d and 7	3,311,306	5,979
Own portfolio		3,311,306	651
Pledged in guarantee		-	5,328
OTHER RECEIVABLES		415,111	977,187
Income receivable	15a I	78,328	425,266
Sundry	13a	336,783	551,921
OTHER ASSETS – Prepaid expenses	4g	3,102	2,583
LONG-TERM RECEIVABLES		14,057,845	18,569,862
INTERBANK INVESTMENTS – Interbank deposits	4b and 6	13,654,142	17,993,982
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS	4c, 4d and 7	-	6,556
Own portfolio		-	14
Pledged in guarantee		-	6,542
OTHER RECEIVABLES - Sundry	13a	403,703	569,324
PERMANENT ASSETS		52,266,087	62,593,574
INVESTMENTS		52,265,861	62,593,278
Investments in subsidiaries	4h and 15a I	52,265,861	62,592,871
Other		-	407
REAL ESTATE IN USE	4i	226	296
TOTAL ASSETS		94,393,545	82,272,806
LIABILITIES			
CURRENT LIABILITIES		5,907,901	1,255,338
DEPOSITS - Interbank deposits	4b and 10b	4,952,254	-
FUNDS FROM ACCEPTANCE AND ISSUANCE OF SECURITIES	4b and 10d	18,667	18,667
OTHER LIABILITIES		936,980	1,236,671
Social and statutory	16b II	723,789	752,721
Tax and social security contributions	4o, 4p and 14c	33,247	289,710
Subordinated debt	10f	114,432	68,820
Sundry	13c	65,512	125,420
LONG-TERM LIABILITIES		9,624,462	8,175,162
DEPOSITS - Interbank deposits	4b and 10b	-	3,432,489
FUNDS FROM ACCEPTANCE AND ISSUANCE OF SECURITIES	4b and 10d	500,000	500,000
OTHER LIABILITIES		9,124,462	4,242,673
Tax and social security contributions	4o, 4p and 14c	857,625	598,335
Subordinated debt	10f	8,250,769	3,626,650
Sundry	13c	16,068	17,688
STOCKHOLDERS' EQUITY	16	78,861,182	72,842,306
Capital		45,000,000	45,000,000
Capital reserves		745,346	595,610
Revenue reserves		34,639,500	27,809,081
Asset valuation adjustment	4c, 4d and 7d	(47,753)	(54,561)
(Treasury shares)		(1,475,911)	(507,824)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		94,393,545	82,272,806

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

ITAÚ UNIBANCO HOLDING S.A.
Statement of Income
(In thousands of Reais)

	NOTE	01/01 to 03/31/2012	01/01 to 03/31/2011
INCOME FROM FINANCIAL OPERATIONS		734,301	338,198
Securities and derivative financial instruments		734,301	338,198
EXPENSES OF FINANCIAL OPERATIONS		(222,600)	(156,518)
Money market		(222,600)	(156,518)
GROSS INCOME FROM FINANCIAL OPERATIONS		511,701	181,680
OTHER OPERATING REVENUES (EXPENSES)		1,997,501	2,341,124
Personnel expenses		(47,895)	(47,786)
Other administrative expenses		(13,278)	(14,408)
Tax expenses	14a II	(53,079)	(58,037)
Equity in earnings of subsidiaries	15a I	2,133,010	2,459,786
Other operating revenues (expenses)		(21,257)	1,569
OPERATING INCOME		2,509,202	2,522,804
NON-OPERATING INCOME		157	271
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING		2,509,359	2,523,075
INCOME TAX AND SOCIAL CONTRIBUTION		258,665	353,688
Due on operations for the period	4p	(121)	896
Related to temporary differences		258,786	352,792
PROFIT SHARING – Management members - Statutory - Law No. 6,404 of 12/15/1976		(1,219)	(936)
NET INCOME		2,766,805	2,875,827
WEIGHTED AVERAGE OF THE NUMBER OF OUTSTANDING SHARES		4,517,084,964	4,547,246,221
NET INCOME PER SHARE – R\$		0.61	0.63
BOOK VALUE PER SHARE - R\$ (OUTSTANDING AT 03/31)		17.45	16.01
EXCLUSION OF NONRECURRING EFFECTS	2a and 22k	117,914	108,424
NET INCOME WITHOUT NONRECURRING EFFECTS		2,884,719	2,984,251
NET INCOME PER SHARE – R\$		0.64	0.66

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

ITAÚ UNIBANCO HOLDING S.A.
Statement of Changes in Stockholders' Equity (Note 16)
(In thousands of Reals)

	Capital	Capital reserves	Revenue reserves	Asset valuation adjustment (Note 7d)	Retained earnings	(Treasury shares)	Total
BALANCES AT 01/01/2011	45,000,000	594,734	25,661,505	17,128	-	(628,577)	70,644,790
Granting of stock options – exercised options	-	(33,264)	47,937	-	-	120,753	135,426
Granting of options recognized	-	34,140	-	-	-	-	34,140
Change in adjustment to market value	-	-	-	(71,689)	-	-	(71,689)
Addition to interest on capital paid on 03/17/2011 - Year 2010	-	-	(1,524)	-	-	-	(1,524)
Net income	-	-	-	-	2,875,827	-	2,875,827
Appropriations:							
Legal reserve	-	-	143,791	-	(143,791)	-	-
Statutory reserves	-	-	1,957,372	-	(1,957,372)	-	-
Dividends and interest on capital	-	-	-	-	(774,664)	-	(774,664)
BALANCES AT 03/31/2011	45,000,000	595,610	27,809,081	(54,561)	-	(507,824)	72,842,306
CHANGES IN THE PERIOD	-	876	2,147,576	(71,689)	-	120,753	2,197,516
BALANCES AT 01/01/2012	45,000,000	763,413	34,422,444	(139,142)	-	(1,663,562)	78,383,153
Granting of stock options – exercised options	-	(61,574)	40,627	-	-	187,651	166,704
Granting of options recognized	-	43,507	-	-	-	-	43,507
Change in adjustment to market value	-	-	-	91,389	-	-	91,389
Addition to interest on capital paid on 03/13/2012 - Year 2011	-	-	(1,450)	-	-	-	(1,450)
Payment of interest on capital on 03/13/2012 – Declared after 12/31/2011	-	-	(1,846,923)	-	-	-	(1,846,923)
Net income	-	-	-	-	2,766,805	-	2,766,805
Appropriations:							
Legal reserve	-	-	138,340	-	(138,340)	-	-
Statutory reserves	-	-	1,886,462	-	(1,886,462)	-	-
Dividends and interest on capital	-	-	-	-	(742,003)	-	(742,003)
BALANCES AT 03/31/2012	45,000,000	745,346	34,639,500	(47,753)	-	(1,475,911)	78,861,182
CHANGES IN THE PERIOD	-	(18,067)	217,056	91,389	-	187,651	478,029

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

ITAÚ UNIBANCO HOLDING S.A.
Statement of Cash Flows
(In thousands of Reais)

	NOTE	01/01 to 03/31/2012	01/01 to 03/31/2011
ADJUSTED NET INCOME (LOSS)		386,661	78,021
Net income		2,766,805	2,875,827
Adjustments to net income:		(2,380,144)	(2,797,806)
Granting of options recognized		43,507	34,140
Interest and foreign exchange expense from operations with subordinated debt		(46,545)	(34,110)
Deferred taxes		(258,786)	(352,792)
Equity in earnings of subsidiaries	15a I	(2,133,010)	(2,459,786)
Amortization of goodwill		14,435	14,435
Effects of changes in exchange rates on cash and cash equivalents		236	284
Other		19	23
CHANGE IN ASSETS AND LIABILITIES		496,490	452,830
(Increase) decrease in other receivables and other assets		181,794	(30,433)
Increase (decrease) in other liabilities		314,696	483,263
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		883,151	530,851
Interest on capital/Dividends received		8,133,991	5,452,124
(Increase) decrease in interbank investments		(6,282,547)	(3,817,140)
(Increase) decrease in securities and derivative financial instruments (assets/liabilities)		(3,297,675)	26,389
(Purchase) sale of fixed assets		(2)	(11)
NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES		(1,446,233)	1,661,362
Increase (decrease) in deposits		119,810	88,481
Increase in subordinated debt		3,279,780	376,801
Decrease in subordinated debt		(65,483)	-
(Increase) decrease in funds for issuance of securities		13,125	13,125
Granting of stock options		166,704	135,426
Dividends and interest on capital paid		(3,343,288)	(2,877,040)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		170,648	(2,263,207)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(392,434)	(70,994)
Cash and cash equivalents at the beginning of the period		462,009	194,899
Effects of changes in exchange rates on cash and cash equivalents		(236)	(284)
Cash and cash equivalents at the end of the period	4a and 5	69,339	123,621

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

ITAÚ UNIBANCO HOLDING S.A.

Statement of Added Value

(In thousands of Reais)

	NOTE	01/01 to 03/31/2012	01/01 to 03/31/2011
INCOME		972,108	700,070
Financial operations		734,301	338,198
Other		237,807	361,872
EXPENSES		(222,600)	(156,518)
Financial operations		(222,600)	(156,518)
INPUTS PURCHASED FROM THIRD PARTIES		(13,166)	(14,277)
Third-party services		(6,198)	(6,438)
Advertising, promotions and publication		(1,291)	(961)
Expenses for financial system services		(1,287)	(1,705)
Insurance		(1,105)	(2,125)
Other		(3,285)	(3,048)
GROSS ADDED VALUE		736,342	529,275
DEPRECIATION AND AMORTIZATION		(19)	(23)
NET ADDED VALUE PRODUCED BY THE COMPANY		736,323	529,252
ADDED VALUE RECEIVED FROM TRANSFER	15a I	2,133,010	2,459,786
TOTAL ADDED VALUE TO BE DISTRIBUTED		2,869,333	2,989,038
DISTRIBUTION OF ADDED VALUE		2,869,333	2,989,038
Personnel		48,431	47,539
Compensation		47,712	46,585
Benefits		584	604
FGTS – government severance pay fund		135	350
Taxes, fees and contributions		54,004	65,564
Federal		53,990	65,540
Municipal		14	24
Return on third parties' assets - Rent		93	108
Return on own assets		2,766,805	2,875,827
Dividends and interest on capital		742,003	774,664
Retained earnings (loss) for the period		2,024,802	2,101,163

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

ITAÚ UNIBANCO HOLDING S.A.
NOTES TO THE FINANCIAL STATEMENTS
FROM JANUARY 1 TO MARCH 31, 2012 AND 2011
(In thousands of Reais)

NOTE 1 - OPERATIONS

Itaú Unibanco Holding S.A. (ITAÚ UNIBANCO HOLDING) is a publicly-held company which, together with its subsidiaries and affiliated companies, operates in Brazil and abroad, with all types of banking activities, through its commercial, investment, real estate loan, finance and investment credit, and lease portfolios, including foreign exchange operations, and other complementary activities, with emphasis on Insurance, Private Pension Plans, Capitalization, Securities Brokerage and Administration of Credit Cards, Consortia, Investment Funds and Managed Portfolios.

NOTE 2 – PRESENTATION OF THE FINANCIAL STATEMENTS

a) Presentation of the Financial Statements

The financial statements of ITAÚ UNIBANCO HOLDING and of its subsidiaries (ITAÚ UNIBANCO HOLDING CONSOLIDATED) have been prepared in accordance with accounting principles established by 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 Central Bank of Brazil (BACEN), the National Monetary Council (CMN), the Brazilian Securities and Exchange Commission (CVM), the Superintendence 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 22k).

As set forth in the sole paragraph of article 7 of BACEN Circular No. 3,068, of November 8, 2001, securities classified as trading securities (Note 4c) are presented in the Balance Sheet under Current Assets regardless of their maturity dates.

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 loan, lease and other credit operations in the Statement of Income. Advances on exchange contracts are reclassified from Other Liabilities – Foreign Exchange Portfolio to credit operations. 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.

b) Consolidation

As set forth in paragraph 1, article 2, of BACEN Circular Letter No. 2,804, of February 11, 1998, the financial statements of ITAÚ UNIBANCO HOLDING comprise the consolidation of its foreign branches and subsidiaries.

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 effects of the Foreign exchange variation on investments abroad are classified in the heading Securities and Derivative Financial Instruments in the Statement of Income.

The difference of Net Income and Stockholders' Equity between ITAÚ UNIBANCO HOLDING and ITAÚ UNIBANCO HOLDING CONSOLIDATED (Note 16d) results from the adoption of different criteria for the amortization of goodwill originated on purchase of investments, net of the respective deferred tax assets.

In ITAÚ UNIBANCO HOLDING, the goodwill recorded in subsidiaries, mainly originated from the ITAÚ UNIBANCO merger, is being amortized based on the expected future profitability and appraisal reports or upon realization of the investment, according to the rules and guidance of CMN and BACEN.

In ITAÚ UNIBANCO HOLDING CONSOLIDATED, from January 1, 2010, the goodwill originated from the purchase of investments is no longer fully amortized in the consolidated financial statements (Note 4k). By 12/31/2009, goodwill generated had been fully amortized in the periods investments were made.

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

	Incorporation country	Activity	Interest in voting capital at		Interest in voting capital at	
			03/31/2012	03/31/2011	03/31/2012	03/31/2011
Banco Dibens S.A.	Brazil	Financial institution	100.00%	100.00%	100.00%	100.00%
Banco Fiat S.A.	Brazil	Financial institution	100.00%	100.00%	99.99%	99.99%
Banco Itaú Argentina S.A.	Argentina	Financial institution	100.00%	100.00%	99.99%	99.99%
Banco Itaú BBA S.A.	Brazil	Financial institution	99.99%	99.99%	99.99%	99.99%
Banco Itaú Chile	Chile	Financial institution	99.99%	99.99%	99.99%	99.99%
Banco Itaú Europa Luxembourg S.A.	Luxembourg	Financial institution	99.99%	99.99%	99.99%	99.99%
Banco Itaú BBA International, S.A.	(1) Portugal	Financial institution	99.99%	99.99%	99.99%	99.99%
Banco Itaú Paraguay S.A.	Paraguay	Financial institution	99.99%	99.99%	99.99%	99.99%
Banco Itaú Uruguay S.A.	Uruguay	Financial institution	100.00%	100.00%	100.00%	100.00%
Banco Itaucard S.A.	Brazil	Financial institution	100.00%	100.00%	100.00%	100.00%
Banco Itaucard Financiamentos S.A.	Brazil	Financial institution	100.00%	100.00%	100.00%	100.00%
Banco Itauleasing S.A.	Brazil	Financial institution	100.00%	100.00%	100.00%	100.00%
Biu Participações S.A.	Brazil	Holding company	66.15%	66.15%	66.15%	66.15%
Cia. Itaú de Capitalização	Brazil	Capitalization	99.99%	99.99%	99.99%	99.99%
Dibens Leasing S.A. - Arrendamento Mercantil	Brazil	Leasing	100.00%	100.00%	100.00%	100.00%
Fiat Administradora de Consórcios Ltda.	Brazil	Consortia administrator	99.99%	99.99%	99.99%	99.99%
Hipercard Banco Múltiplo S.A.	Brazil	Financial institution	100.00%	100.00%	100.00%	100.00%
Itaú Administradora de Consórcios Ltda.	Brazil	Consortia administrator	99.99%	99.99%	99.99%	99.99%
Itaú Ásia Securities Ltd	Hong Kong	Broker	100.00%	100.00%	100.00%	100.00%
Itaú Bank, Ltd.	(2) Cayman Islands	Financial institution	100.00%	100.00%	100.00%	100.00%
Itaú Companhia Securitizadora de Créditos Financeiros	Brazil	Securitization	99.96%	99.96%	99.96%	99.96%
Itaú Corretora de Valores S.A.	Brazil	Broker	100.00%	100.00%	100.00%	100.00%
Itaú Distribuidora de Títulos e Valores Mobiliários Ltda.	Brazil	Dealer	100.00%	100.00%	99.99%	99.99%
Itaú Japan Asset Management Limited	Japan	Asset management	100.00%	100.00%	100.00%	100.00%
Itaú Middle East Limited	Arab Emirates	Broker	100.00%	100.00%	100.00%	100.00%
Itaú Seguros S.A.	Brazil	Insurance	100.00%	100.00%	100.00%	100.00%
Itaú Unibanco S.A.	Brazil	Financial institution	100.00%	100.00%	100.00%	100.00%
Itaú USA, INC.	United States	Broker	100.00%	100.00%	100.00%	100.00%
Itaú Vida e Previdência S.A.	Brazil	Pension plan	100.00%	100.00%	100.00%	100.00%
Orbitall Serviços e Processamento de Informações Comerciais S.A.	Brazil	Technology services	100.00%	99.99%	100.00%	99.99%
Redecard S.A.	(3) Brazil	Acquirer	50.00%	50.00%	50.00%	50.00%
Unibanco Cayman Bank Ltd.	Cayman Islands	Financial institution	100.00%	100.00%	100.00%	100.00%
Unibanco Participações Societárias S.A. (Note 2a)	Brazil	Holding company	100.00%	100.00%	100.00%	51.00%
Joint ventures						
Banco Investcred Unibanco S.A.	Brazil	Financial institution	50.00%	50.00%	50.00%	50.00%
FAI - Financeira Americanas Itaú S.A. Crédito, Financiamento e Investimento	Brazil	Consumer finance credit	50.00%	50.00%	50.00%	50.00%
Financeira Itaú CBD S.A. Crédito, Financiamento e Investimento	Brazil	Consumer finance credit	50.00%	50.00%	50.00%	50.00%
Luizacred S.A. Soc. Cred. Financiamento Investimento	Brazil	Consumer finance credit	50.00%	50.00%	50.00%	50.00%

(1) New company name of Banco Itaú Europa S.A.;

(2) Does not include Redeemable Preferred Shares (Note 10f);

(3) Fully consolidated company whose share capital is 50% plus 17 shares.

NOTE 3 – REQUIREMENTS OF CAPITAL AND FIXED ASSET LIMITS

a) Basel and Fixed Asset Ratios

The main indicators at March 31, 2012, according to present regulation, are as follows:

	Financial conglomerate (1)	Economic-financial consolidated (2)
Referential equity (3)	93,203,871	93,951,022
Basel ratio	15.6%	16.1%
Tier I	12.1%	12.5%
Tier II	3.5%	3.6%
Fixed assets ratio (4)	45.0%	14.1%
Excess capital in relation to fixed assets	4,660,880	33,751,132

(1) Consolidated financial statements including financial companies only;

(2) Consolidated financial statements comprising all direct and indirect subsidiary companies, including insurance, pension plan, capitalization companies and other non-financial companies, as provided for in CMN Resolution No. 2,723 of June 1, 2000, amended by CMN Resolution No. 2,743, of June 28, 2000;

(3) The CMN, through Resolution No. 3,444, of February 28, 2007, determined the Referential Equity (PR), for purposes of calculating operating limits, as being the sum of both Tier I and Tier II levels, following the international experience, each of them comprising items from stockholders' equity, as well as subordinated debt and hybrid capital and debt instruments;

(4) The difference between the fixed asset ratio of the financial conglomerate and the economic-financial consolidated arises from the inclusion of non-financial subsidiary companies, which provide high liquidity and low level of fixed asset ratio, with a consequent decrease in the fixed asset ratio of the economic-financial consolidated amounts, enabling, when necessary, the distribution of funds to the financial companies.

As approved by the Central Bank of Brazil on April 13, 2012, issues of subordinated debt, which total R\$ 711,000, can be included in Referential Equity for Tier II.

In addition, issues of subordinated debt, in the amount of R\$ 860,000 as of March 31, 2012, are pending approval in order to be included in the Tier II. Should we consider these issues, the Basel ratios would be affected by 0.3%.

Management considers the current Basel ratio (15.6%, based on Financial conglomerate) to be adequate, taking into account the following:

- It exceeds by 4.6 percent the minimum required by the authorities (11.0%); and
- In view of the realizable values of assets (Note 18), the additional provision (exceeding the minimum required) (Note 8c) and unrecorded deferred tax assets (Note 14b IV), the ratio would increase to 16.6%.

CMN Resolution No. 3,490, of August 29, 2007, provides for the criteria for computation of the Required Referential Equity (PRE). For calculation of the risk portions, the procedures of Circular No. 3,360, of September 12, 2007 for credit risk, of Circulars Nos. 3,361, 3,362, 3,363, 3,364, 3,366 and 3,368, of September 12, 2007, 3,388, of June 4, 2008, and 3,389, of June 25, 2008, 3,498, of June 28, 2010 and 3,568, of December 21, 2011, and Circular Letters Nos. 3,309 and 3,310, of April 15, 2008 for market risk, and Circulars Nos. 3,383, of April 30, 2008 and 3,476, of December 28, 2009 and Circular Letters Nos. 3,315 and 3,316, of April 30, 2008, for operational risk were followed. For the operational risk portion, ITAÚ UNIBANCO HOLDING opted for the use of the Alternative Standardized Approach.

Circular No. 3,568, of December 21, 2011, changes the provisions of Circulars Nos. 3,361, of September 12, 2007, 3,388, of June 4, 2008, 3,389, of June 25, 2008, 3,478 of December 24, 2009 and 3,498, of June 28, 2010, which set forth the procedures for calculation of the portion related to market risk. The new calculation method will be adopted gradually from January 1, 2012, taking into account that it shall be fully employed from December 31, 2012. Should the new rules already be applicable, the ratios would be reduced by about 0.6%.

The Referential Equity used for calculation of ratios and composition of risk exposures at March 31, 2012, are as follows:

	Financial conglomerate		Economic-financial consolidated	
Stockholders' Equity ITAÚ UNIBANCO HOLDING S.A. (Consolidated)	72,484,251		72,484,251	
Minority interest in subsidiaries	1,156,327		1,904,320	
Consolidated stockholders' equity (BACEN)	73,640,578		74,388,571	
Deferred tax assets excluded from Tier I	(593,180)		(593,180)	
Deferred permanent assets excluded from Tier I	(265,983)		(266,825)	
Adjustments to market value – securities and derivative financial instruments excluded from Tier I	47,754		47,249	
Preferred shares with clause of redemption excluded from Tier I	(716,294)		(716,294)	
Tier I	72,112,875		72,859,521	
Subordinated debt	20,885,126		20,885,126	
Preferred shares with clause of redemption	286,518		286,518	
Adjustments to market value -securities and derivative financial instruments	(47,754)		(47,249)	
Tier II	21,123,890		21,124,395	
Tier I + Tier II	93,236,765		93,983,916	
Exclusions:				
Funding instruments issued by financial institutions	(32,894)		(32,894)	
Referential equity	93,203,871		93,951,022	
Risk exposure:				
Exposure weighted by credit risk (EPR)	541,694,009		526,233,191	
Portion required for credit risk coverage (PEPR)	59,586,341	90.8%	57,885,651	90.0%
a) Per weighting factor (FPR):				
FPR at 20%	222,945	0.3%	354,950	0.6%
FPR at 35%	175,058	0.3%	175,053	0.3%
FPR at 50%	3,600,056	5.5%	4,597,625	7.1%
FPR at 75%	13,984,011	21.3%	13,585,089	21.1%
FPR at 100%	38,504,471	58.7%	35,995,949	56.0%
FPR at 150%	1,429,312	2.2%	1,426,767	2.2%
FPR at 300%	1,361,140	2.1%	1,437,570	2.2%
Derivatives – potential future gain	309,348	0.5%	312,648	0.5%
b) Per type:				
Securities	2,994,073	4.6%	3,050,542	4.7%
Loan operations - Retail	11,164,614	17.0%	10,890,902	16.9%
Loan operations – Non-retail	20,678,822	31.5%	20,689,631	32.2%
Joint obligations - Retail	45,834	0.1%	45,834	0.1%
Joint obligations – Non-Retail	5,782,436	8.8%	5,780,424	9.0%
Loan commitments - Retail	2,773,563	4.2%	2,648,352	4.1%
Loan commitments – Non-retail	1,722,726	2.6%	1,723,276	2.7%
Other exposures	14,424,273	22.0%	13,056,690	20.3%
Portion required for operational risk coverage (POPR)	3,963,038	6.0%	4,394,343	6.8%
Retail	607,295	0.9%	607,295	0.9%
Commercial	958,143	1.5%	958,143	1.5%
Corporate finance	88,434	0.1%	88,434	0.1%
Negotiation and sales	1,690,686	2.6%	1,690,686	2.6%
Payments and settlements	272,089	0.4%	272,089	0.4%
Financial agent services	138,567	0.2%	138,567	0.2%
Asset management	192,292	0.3%	192,292	0.3%
Retail brokerage	15,532	0.0%	15,532	0.0%
Business plans	-	0.0%	-	0.0%
Conef additional	-	0.0%	431,305	0.7%
Portion required for market risk coverage:	2,088,491	3.2%	2,050,960	3.2%
Gold, foreign currency and operations subject to foreign exchange variation (PCAM)	-	0.0%	-	0.0%
Operations subject to interest rate variation (PJUR)	1,865,429	2.8%	1,827,898	2.8%
Fixed rate denominated in Real (PJUR1)	459,566	0.7%	459,825	0.7%
Foreign currency coupon (PJUR2)	845,683	1.3%	807,893	1.3%
Price index coupon (PJUR3)	417,999	0.6%	417,999	0.6%
Interest rate coupon (PJUR 4)	142,181	0.2%	142,181	0.2%
Operations subject to commodity price variation (PCOM)	112,330	0.2%	112,330	0.2%
Operations subject to stock price variation (PACS)	110,732	0.2%	110,732	0.2%
Required Referential Equity	65,637,870	100.0%	64,330,954	100.0%
Excess capital in relation to Required Referential Equity	27,566,001	42.0%	29,620,068	46.0%
Total exposure weighted by risk [EPR + (1/0.11 X (POPR + PCAM + PJUR + PCOM + PACS))	596,707,913		584,826,857	
Ratio (%)	15.6		16.1	
Referential equity calculated for covering the interest rate risk of operations not classified into the trading portfolio (RBAN)	1,335,421		1,582,218	

During this period, the effects of the changes in legislation and balances were as follows:

Changes in the Basel Ratio	Financial conglomerate			Economic-financial consolidated		
	Referential equity	Weighted exposure	Effect	Referential equity	Weighted exposure	Effect
Ratio at 12/31/2011	92,560,637	579,338,319	16.0%	93,111,393	568,693,094	16.4%
Net income for the period	3,401,336	-	0.6%	3,616,228	-	0.6%
Interest on capital and dividends	(743,452)	-	-0.1%	(743,452)	-	-0.1%
Granting of options recognized	43,507	-	0.0%	43,507	-	0.0%
Granting of stock options – exercised options in the period	166,704	-	0.0%	166,704	-	0.0%
Asset valuation adjustment	91,389	-	0.0%	91,389	-	0.0%
Subordinated debt and redeemable preferred shares	(531,416)	-	-0.1%	(531,416)	-	-0.1%
Treasury shares	-	-	0.0%	-	-	0.0%
Deferred assets excluded from Tier I of referential equity	(28,311)	(28,311)	0.0%	(28,588)	(28,588)	0.0%
Other changes in referential equity	(1,756,523)	-	-0.3%	(1,774,743)	-	-0.3%
Changes in risk exposure	-	17,397,905	-0.5%	-	16,162,351	-0.4%
Ratio at 03/31/2012	93,203,871	596,707,913	15.6%	93,951,022	584,826,857	16.1%

b) Capital for Insurance Activity

CNSP – Conselho Nacional de Seguros Privados (National Council of Private Insurance), following the worldwide trend towards the strengthening of the insurance market, published Resolution No. 227 of December 6, 2010 (which revoked Resolutions No. 178 of December 28, 2007, and No. 200 of December 16, 2008), and Circular No. 411 of December 22, 2010. The regulations provide for the rules on regulatory capital required for authorization and operation of insurance and pension plan companies and rules for the allocation of capital from subscription risk for several insurance lines. In January 2011, CNSP Resolution No. 228 of December 6, 2010 came into effect, providing for the criteria for establishment of additional capital based on the credit risk of the supervised companies.

The adjusted stockholders' equity of ITAÚ UNIBANCO HOLDING companies exclusively engaged in insurance and pension plan activities is higher than the required regulatory capital of R\$ 713.743 (R\$ 1.473.822 at March 31, 2011) in Itaú Seguros S.A. and R\$ 399.867 (R\$ 1.232.979 at March 31, 2011) in Itaú Vida e Previdência S.A.

NOTE 4 – SUMMARY OF THE MAIN ACCOUNTING PRACTICES

- a) **Cash and cash equivalents** - For purposes of Consolidated Statement of Cash Flows, this item 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 that have original maturities of up to 90 days or less.
- b) **Interbank investments, remunerated restricted credits – Brazilian Central Bank, remunerated deposits, deposits received under securities repurchase agreements, funds from acceptance and issuance of securities, borrowings and onlending, subordinated debt and other receivables and payables** – 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, according to CVM Resolution No. 649 of December 16, 2010.
- c) **Securities** - Recorded at cost of acquisition restated by the index and/or effective interest rate and presented in the Balance Sheet, according to BACEN Circular No. 3,068, of November 8, 2001. 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;
- 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;
- 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 using the accrual method through 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.

- d) **Derivative financial instruments** - these are classified on the date of their acquisition, according to management's intention of using them either as a hedge or not, according to BACEN Circular No. 3,082, of January 30, 2002. 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 the *hedge* is recorded directly in the statement of income.
- e) **Loan, Lease and Other Credit Operations (Operations with Credit Granting Characteristics)** – 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, according to the estimate of receipt. 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** - the balance of the allowance for loan losses was recorded based on a credit risk analysis, at an amount considered sufficient to cover loan losses according to 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) **Other assets** - these assets are mainly comprised of assets held for sale relating to real estate available for sale, own real estate not in use and real estate received as payment in kind, which are adjusted to market value through the set-up of a provision, according to current regulations, reinsurance unearned premiums (Note 4n I); and prepaid expenses, corresponding to disbursements, the benefit of which will occur in future periods.
- h) **Investments** – investments in subsidiary and affiliated companies are accounted for under the equity method. The consolidated financial statements of foreign branches and subsidiaries are adapted to comply with Brazilian accounting practices and converted into Reais. Other investments are recorded at cost and adjusted to market value by setting up a provision in accordance with current standards.
- i) **Fixed assets** - These assets are stated at cost of acquisition or construction, less accumulated depreciation, adjusted to market value until December 31, 2007, when applicable. For insurance, pension plan and capitalization operations, property and equipment are adjusted to market value supported by appraisal reports. 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 according to CVM Resolution No. 554, of November 12, 2008, as contra-entry to Lease obligations. Depreciation is calculated using the straight-line method, based on monetarily restated cost.
- j) **Operating leases** – 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 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.
- k) **Goodwill** – corresponds to the amount paid in excess for the purchase of investments and is amortized based on expected future profitability or as realized. It is annually tested for impairment.

- l) Intangible assets** – correspond to rights acquired whose subjects are intangible assets intended for maintenance of the company or which are exercised for such purpose, according to the CMN Resolution No. 3,642, of November 26, 2008. 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.
- m) Impairment of assets** – a loss is recognized when there is clear evidence that assets are stated at a non-recoverable value. This procedure is adopted semiannually.
- n) Insurance, pension plan and capitalization operations** - 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 CNSP Resolution No. 162, of December 26, 2006, as amended by CNSP Resolution No. 195, of December 16, 2008, and SUSEP Circular No. 379, of December 19, 2008;
- 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 CNSP Resolution No. 162, of December 26, 2006, as amended by CNSP Resolution No. 195, of December 16, 2008, and SUSEP Circular No. 379, of December 19, 2008.

II - Technical provisions of insurance, pension plan and capitalization – technical provisions are recognized according to the technical notes approved by SUSEP and criteria established by CNSP Resolution No. 162 of December 26, 2006 and the amendments introduced by CNSP Resolution No. 181, of December 19, 2007, and CNSP Resolution No. 195, of December 16, 2008.

II.I- Insurance:

- Provision for Unearned Premiums (PPNG) – recognized based on premiums issued, calculated “pro rata die”, and represents the portion of premium corresponding to the policy period not yet elapsed; Provision for Unearned Premiums for Risks in Force but Not Yet Issued is recognized based on technical actuarial note, and has the objective of estimating a portion of unearned premiums related to risks assumed by insurance companies and that are in issue process;
- Provision for Premium Deficiency – recognized according to the Technical Actuarial Note if a premium deficiency is found;
- 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.
- Other provisions – recognized based on the technical provision for extension of warranty in the extended warranty line, and the calculation is made over the period from the date the insurance contract becomes effective and the risk initial coverage date, the amount to be recognized being equal to the retained commercial premium.

II.II - Pension Plan and Individual life with living benefits - The mathematical provisions represent amounts of obligations assumed as insurance for living benefits, retirement plans, disability, pension and annuity, and are calculated according to the method of accounting provided for in the contract.

- 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 premiums or contributions;
- Provision for unexpired risks – recognized to include the estimate of outstanding risks which have not expired;
- Provision for events incurred but not reported (IBNR) – recognized based on the estimated amounts of events occurred but not reported;
- Provision for financial surplus – recognized by the difference between the contributions adjusted daily by the Investment Portfolio and the accumulated fund set up;

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 - assessed, recognized and disclosed according to the provisions set forth in CMN Resolution No. 3,823 of December 16, 2009, and BACEN Circular Letter No. 3,429 of February 11, 2010.

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 judicial defense, recognized at the full amount under discussion.

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

p) Taxes - 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)	15.00%
PIS (2)	0.65%
COFINS (2)	4.00%
ISS	up to 5.00%

(1) For ITAÚ UNIBANCO HOLDING and its financial subsidiaries and equivalent companies, the rate corresponds to 15%. For non-financial and pension plan subsidiaries, the rate is 9%.

(2) For non-financial subsidiaries that fall into the non-cumulative calculation system, the PIS rate is 1.65% and COFINS rate is 7.6%.

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 effect arising from the adoption of such rules is recorded, for accounting purposes, in the corresponding deferred assets and liabilities.

q) Deferred income – this refers to: (i) unexpired interest received in advance that is recognized in income as earned, and (ii) the negative goodwill on acquisition of investments arising from expected future losses, which has not been absorbed in the consolidation process.

NOTE 5 - CASH AND CASH EQUIVALENTS

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

	03/31/2012	03/31/2011
Cash and cash equivalents	10,551,243	11,762,032
Interbank deposits	13,780,524	5,805,174
Securities purchased under agreements to resell – Funded position	48,184,835	15,640,059
TOTAL	72,516,602	33,207,265

In ITAÚ UNIBANCO HOLDING it is composed of the following:

	03/31/2012	03/31/2011
Cash and cash equivalents	14,445	4,058
Securities purchased under agreements to resell – Funded position	54,894	119,563
TOTAL	69,339	123,621

NOTE 6 - INTERBANK INVESTMENTS

	03/31/2012						03/31/2011	
	0 - 30	31 - 180	181 - 365	Over 365	Total	%	Total	%
Money market	73,659,584	43,725,128	4,069	6	117,388,787	81.3	83,795,752	84.1
Funded position (*)	48,356,706	11,058,693	4,069	5	59,419,473	41.1	28,526,138	28.6
Financed position	23,464,540	17,374,673	-	1	40,839,214	28.3	42,508,105	42.7
With free movement	5,101,504	17,374,451	-	-	22,475,955	15.6	30,972,269	31.1
Without free movement	18,363,036	222	-	1	18,363,259	12.7	11,535,836	11.6
Short position	1,838,338	15,291,762	-	-	17,130,100	11.9	12,761,509	12.8
Money market – Assets Guaranteeing Technical Provisions - SUSEP	2,395,574	256,401	59,298	-	2,711,273	1.9	3,242,730	3.3
Interbank deposits	13,948,281	5,268,605	2,342,749	2,739,288	24,298,923	16.8	12,589,656	12.6
TOTAL	90,003,439	49,250,134	2,406,116	2,739,294	144,398,983		99,628,138	
% per maturity term	62.3	34.1	1.7	1.9				
TOTAL – 03/31/2011	42,428,635	54,464,099	1,942,682	792,722	99,628,138			
% per maturity term	42.6	54.7	1.9	0.8				

(*) Includes R\$ 7.835.585 (R\$ 9,992,343 at 03/31/2011) 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 (Securities, Commodities and Futures Exchange) and the Central Bank of Brazil (BACEN).

In ITAÚ UNIBANCO HOLDING the portfolio is composed of Money market – Funded position falling due in up to 30 days amounting to R\$ 54,894 (R\$ 119,563 at 03/31/2011) and Interbank deposits with maturity of 181 to 365 days of R\$ 24,270,755, and over 365 days amounting to R\$ 13,654,142 (R\$ 17,993,982 at 03/31/2011).

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

See below the composition by Securities and Derivatives type, maturity and portfolio already adjusted to their respective market values.

a) Summary per maturity

	03/31/2012											03/31/2011
	Cost	Provision for adjustment to market value reflected in:		Market value	%	0 - 30	31 - 90	91 - 180	181 - 365	366 - 720	Over 720 days	Market value
		Results	Stockholders' equity									
GOVERNMENT SECURITIES - DOMESTIC	87,678,127	232,347	576,090	88,486,564	43.9	1,200,880	20,699	13,955,517	5,585,198	16,594,539	51,129,731	86,233,683
Financial Treasury Bills	31,526,716	40,965	1,960	31,569,641	15.7	-	-	3,082,779	357,305	6,179,939	21,949,618	30,563,589
National Treasury Bills	22,521,103	20,739	27,404	22,569,246	11.2	895,827	-	10,051,751	1,537,334	5,660,657	4,423,677	20,591,927
National Treasury Notes	23,642,845	132,192	218,561	23,993,598	11.9	6,855	10,186	781,976	3,681,703	4,577,096	14,935,782	28,314,058
National Treasury/Securitization	282,273	547	(3,655)	279,165	0.1	1,750	3,181	2,443	1,282	5,560	264,949	302,442
Brazilian External Debt Bonds	9,626,355	37,904	331,729	9,995,988	5.0	218,280	7,332	36,278	7,574	170,819	9,555,705	6,221,129
Investments in non-exclusive funds	78,168	-	-	78,168	0.0	78,168	-	-	-	-	-	64,126
Other	667	-	91	758	0.0	-	-	290	-	468	-	176,412
GOVERNMENT SECURITIES - ABROAD	7,037,621	10,854	(17,403)	7,031,072	3.7	915,179	911,380	1,087,518	2,899,993	110,984	1,106,018	6,509,423
Argentina	173,678	(3,364)	-	170,314	0.1	5,928	51,532	60,596	-	9,151	43,107	271,374
Central Bank	28,045	(1,660)	-	26,385	0.0	-	-	-	-	168	26,217	37,266
National Treasury	145,633	(1,704)	-	143,929	0.1	5,928	51,532	60,596	-	8,983	16,890	234,108
Denmark	1,790,252	-	-	1,790,252	0.9	-	344,689	-	1,445,563	-	-	3,548,047
Spain	-	-	-	-	-	-	-	-	-	-	-	728,722
Korea	1,639,570	-	1	1,639,571	0.8	181,500	209,022	-	1,249,049	-	-	288,371
Chile	1,662,649	(414)	508	1,662,743	0.8	307,106	256,732	1,008,106	38,068	8,647	44,084	426,790
Paraguay	349,383	-	(19,911)	329,472	0.2	231,826	-	383	33,486	12,199	51,578	390,933
Uruguay	187,270	210	1,608	189,088	0.1	21,208	49,405	17,731	57,646	42,415	683	161,701
United States	819,716	11,182	(21)	830,877	0.4	165,182	-	610	76,181	-	588,904	672,873
France	24,861	-	394	25,255	0.0	-	-	-	-	12,560	-	12,695
Mexico	355,691	3,205	-	358,896	0.2	-	-	-	-	3	358,893	19,215
Other	34,551	35	18	34,604	0.0	2,429	-	92	-	26,009	6,074	1,397
CORPORATE SECURITIES	34,352,005	96,883	388,644	34,837,532	17.5	5,350,272	956,698	960,588	3,337,582	4,660,802	19,571,590	31,033,065
Eurobonds and others	5,727,122	22,759	146,611	5,896,492	2.9	349,161	138,503	51,604	993,864	751,741	3,611,619	5,719,872
Bank deposit certificates	959,428	-	(353)	959,075	0.5	47,487	356,242	103,764	287,646	-	163,936	2,884,770
Shares	2,906,260	21,611	(8,264)	2,919,607	1.4	2,919,607	-	-	-	-	-	3,707,194
Debentures	9,783,967	1,792	30,986	9,816,745	4.9	2,783	-	558,625	502,300	1,713,379	7,039,658	7,458,706
Promissory notes	737,320	-	51	737,371	0.4	58,227	197,060	-	482,084	-	-	1,063,657
Fund quotas	1,897,209	49,160	3,966	1,950,335	1.0	1,946,176	-	-	-	-	4,159	1,825,952
Fixed income	875,365	13,385	(40)	888,710	0.4	884,551	-	-	-	-	4,159	722,706
Credit rights	922,941	-	-	922,941	0.5	922,941	-	-	-	-	-	840,401
Variable income	98,903	35,775	4,006	138,684	0.1	138,684	-	-	-	-	-	262,845
Securitized real estate loans	8,210,986	1,573	215,467	8,428,026	4.2	26,831	114,612	235,173	252,264	830,778	6,968,368	7,803,531
Financial bills	3,779,048	(12)	(100)	3,778,936	2.0	-	-	-	790,754	1,348,273	1,639,909	569,383
Other	350,665	-	280	350,945	0.3	-	150,281	11,422	28,670	16,631	143,941	-
PGBL/VGBL FUND QUOTAS (1)	61,637,729	-	-	61,637,729	30.6	61,637,729	-	-	-	-	-	48,554,392
SUBTOTAL - SECURITIES	190,705,482	340,084	947,331	191,992,897	95.2	69,104,060	1,888,777	16,003,623	11,822,773	21,366,325	71,807,339	172,330,563
Trading securities	135,550,435	340,084	-	135,890,519	67.4	64,955,964	375,202	12,314,105	3,025,886	13,664,243	41,555,119	127,982,251
Available-for-sale securities	52,144,801	-	947,331	53,092,132	26.3	4,148,054	1,513,575	3,659,409	8,793,402	7,523,476	27,454,216	41,232,470
Held-to-maturity securities (2)	3,010,246	-	-	3,010,246	1.5	42	-	30,109	3,485	178,606	2,798,004	3,115,842
DERIVATIVE FINANCIAL INSTRUMENTS	8,665,710	957,584	-	9,623,294	4.8	1,493,272	1,494,228	1,472,313	722,243	963,509	3,477,729	10,840,557
TOTAL SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS)	199,371,192	1,297,668	947,331	201,616,191	100.0	70,597,332	3,383,005	17,475,936	12,545,016	22,329,834	75,285,068	183,171,120
						39.0%	0.9%	7.9%	5.9%	10.6%	35.6%	
DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITIES)	(6,349,155)	(1,233,917)	(39,905)	(7,622,977)	100.0	(1,253,151)	(510,051)	(1,301,993)	(832,289)	(1,010,190)	(2,715,303)	(7,733,741)

(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, with a contra-entry to long-term liabilities in Pension Plan Technical Provisions account, as determined by SUSEP.

(2) Unrecorded positive adjustment to market value in the amount of R\$ 774,672 (R\$ 576,785 at 03/31/2011), according to Note 7e.

b) Summary by portfolio

	03/31/2012						
	Own portfolio	Restricted to			Derivative financial instruments	Assets guaranteeing technical provisions (Note 11b)	Total
		Repurchase agreements	Pledging of guarantees (*)	Central Bank			
GOVERNMENT SECURITIES - DOMESTIC	21,870,853	42,630,493	6,576,186	12,485,831	-	4,923,201	88,486,564
Financial Treasury Bills	10,047,086	4,479,545	4,348,892	12,091,041	-	603,077	31,569,641
National Treasury Bills	5,241,899	16,173,105	1,045,923	-	-	108,319	22,569,246
National Treasury Notes	3,000,752	15,204,880	1,181,371	394,790	-	4,211,805	23,993,598
National Treasury/Securitization	279,165	-	-	-	-	-	279,165
Brazilian External Debt Bonds	3,223,025	6,772,963	-	-	-	-	9,995,988
Investments in non-exclusive funds	78,168	-	-	-	-	-	78,168
Other	758	-	-	-	-	-	758
GOVERNMENT SECURITIES - ABROAD	6,220,084	376,278	421,817	-	-	12,893	7,031,072
Argentina	136,328	33,986	-	-	-	-	170,314
Central Bank	26,385	-	-	-	-	-	26,385
National Treasury	109,943	33,986	-	-	-	-	143,929
Denmark	1,445,563	-	344,689	-	-	-	1,790,252
Korea	1,639,571	-	-	-	-	-	1,639,571
Chile	1,633,331	15,437	1,082	-	-	12,893	1,662,743
Paraguay	329,472	-	-	-	-	-	329,472
Uruguay	188,405	-	683	-	-	-	189,088
United States	446,972	308,634	75,271	-	-	-	830,877
Mexico	340,675	18,221	-	-	-	-	358,896
France	25,255	-	-	-	-	-	25,255
Other	34,512	-	92	-	-	-	34,604
CORPORATE SECURITIES	27,310,240	2,139,643	288,497	-	-	5,099,152	34,837,532
Eurobonds and other	3,877,678	2,018,814	-	-	-	-	5,896,492
Bank deposit certificates	204,483	116,158	10,561	-	-	627,873	959,075
Shares	2,912,855	4,667	2,085	-	-	-	2,919,607
Debentures	8,492,116	4	275,473	-	-	1,049,152	9,816,745
Promissory notes	509,414	-	-	-	-	227,957	737,371
Fund quotas	1,498,284	-	378	-	-	451,673	1,950,335
Fixed income	467,930	-	378	-	-	420,402	888,710
Credit rights	891,670	-	-	-	-	31,271	922,941
Variable income	138,684	-	-	-	-	-	138,684
Securitized real estate loans	8,414,397	-	-	-	-	13,629	8,428,026
Financial bills	1,050,068	-	-	-	-	2,728,868	3,778,936
Other	350,945	-	-	-	-	-	350,945
PGBL/VGBL FUND QUOTAS	-	-	-	-	-	61,637,729	61,637,729
SUBTOTAL - SECURITIES	55,401,177	45,146,414	7,286,500	12,485,831	-	71,672,975	191,992,897
Trading securities	21,640,060	29,768,670	4,893,763	12,123,063	-	67,464,963	135,890,519
Available-for-sale securities	33,713,714	15,234,516	2,374,946	362,768	-	1,406,188	53,092,132
Held-to-maturity securities	47,403	143,228	17,791	-	-	2,801,824	3,010,246
DERIVATIVE FINANCIAL INSTRUMENTS	-	-	-	-	9,623,294	-	9,623,294
TOTAL SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS)	55,401,177	45,146,414	7,286,500	12,485,831	9,623,294	71,672,975	201,616,191
TOTAL SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS) – 03/31/2011	55,292,000	49,019,828	8,729,767	2,250,440	10,840,557	57,038,528	183,171,120

(*) Represent securities deposited with Contingent Liabilities (Note 12b), Stock Exchanges and the Clearing House for the Custody and Financial Settlement of Securities.

c) Trading securities

See below the composition of the portfolio of trading securities by type, stated at cost and market value and by maturity term.

	03/31/2012										03/31/2011
	Cost	Adjustment to market value (in results)	Market value	%	0 - 30	31 - 90	91 - 180	181 - 365	366 - 720	Over 720 days	Market value
GOVERNMENT SECURITIES - DOMESTIC	63,790,005	232,347	64,022,352	47.0	1,167,174	13,129	12,103,192	1,663,575	12,197,480	36,877,802	69,605,607
Financial Treasury Bills	28,470,784	40,965	28,511,749	21.0	-	-	2,747,154	232,110	3,841,892	21,690,593	26,581,799
National Treasury Bills	18,392,676	20,739	18,413,415	13.5	895,827	-	8,562,439	834,276	4,213,549	3,907,324	19,727,066
National Treasury Notes	15,832,878	132,192	15,965,070	11.6	6,759	9,948	781,589	588,333	4,076,184	10,502,257	22,399,656
National Treasury/Securitization	21,264	547	21,811	0.0	1,750	3,181	2,443	1,282	5,560	7,595	45,639
Brazilian External Debt Bonds	994,235	37,904	1,032,139	0.8	184,670	-	9,567	7,574	60,295	770,033	776,367
Investments in non-exclusive funds	78,168	-	78,168	0.1	78,168	-	-	-	-	-	64,126
Other	-	-	-	-	-	-	-	-	-	-	10,954
GOVERNMENT SECURITIES - ABROAD	1,212,015	10,854	1,222,869	0.9	16,980	55,984	128,974	5,288	19,079	996,564	239,574
Argentina	173,678	(3,364)	170,314	0.1	5,928	51,532	60,596	-	9,151	43,107	184,863
Central Bank	28,045	(1,660)	26,385	0.0	-	-	-	-	168	26,217	37,266
National Treasury	145,633	(1,704)	143,929	0.1	5,928	51,532	60,596	-	8,983	16,890	147,597
Chile	70,532	(414)	70,118	0.1	-	2,304	67,768	46	-	-	2,510
Uruguay	24,818	210	25,028	0.0	8,623	2,148	-	4,332	9,925	-	28,987
United States	579,059	11,182	590,241	0.4	-	-	610	910	-	588,721	2,602
Mexico	355,691	3,205	358,896	0.3	-	-	-	-	3	358,893	19,215
Other	8,237	35	8,272	0.0	2,429	-	-	-	-	5,843	1,397
CORPORATE SECURITIES	8,910,685	96,883	9,007,568	6.7	2,134,081	306,089	81,938	1,357,023	1,447,684	3,680,753	9,582,678
Eurobonds and other	1,544,061	22,759	1,566,820	1.2	3,013	2,127	132	151,590	88,480	1,321,478	2,271,061
Bank deposit certificates	659,714	-	659,714	0.5	10,245	303,962	-	181,711	-	163,796	2,328,725
Shares	903,139	21,611	924,750	0.7	924,750	-	-	-	-	-	1,308,766
Debentures	1,386,648	1,792	1,388,440	1.0	535	-	81,806	54,431	193,042	1,058,626	1,316,438
Promissory notes	243,598	-	243,598	0.2	-	-	-	243,598	-	-	101,353
Fund quotas	1,146,378	49,160	1,195,538	0.9	1,195,538	-	-	-	-	-	1,106,576
Fixed income	854,709	13,385	868,094	0.6	868,094	-	-	-	-	-	699,360
Credit rights	220,863	-	220,863	0.2	220,863	-	-	-	-	-	194,128
Variable income	70,806	35,775	106,581	0.1	106,581	-	-	-	-	-	213,088
Securitized real estate loans	21,526	1,573	23,099	0.0	-	-	-	-	-	23,099	594,653
Financial bills	3,005,621	(12)	3,005,609	2.2	-	-	-	725,693	1,166,162	1,113,754	555,106
PGBL/VGBL FUND QUOTAS	61,637,729	-	61,637,729	45.4	61,637,729	-	-	-	-	-	48,554,392
Total	135,550,434	340,084	135,890,518	100.0	64,955,964	375,202	12,314,104	3,025,886	13,664,243	41,555,119	127,982,251
% per maturity term					47.8	0.3	9.1	2.2	10.1	30.6	
Total 3/31/2011	127,767,649	214,602	127,982,251	100.0	53,507,229	6,347,845	8,783,515	5,760,466	16,202,268	37,380,928	
% per maturity term					41.8	5.0	6.9	4.5	12.7	29.2	

At March 31, 2012, ITAÚ UNIBANCO HOLDING's portfolio is composed of Government Securities – Financial Treasury Bills amounting to R\$ 6,665 (R\$ 5,979 at 03/31/2011 with maturity over 365 days) with maturity of 91 to 180 days.

d) Available-for-sale securities

See below the composition of the portfolio of available-for-sale securities by type, stated at cost and market value and by maturity term.

	03/31/2012										03/31/2011
	Cost	Adjustments to market value (in stockholders' equity)	Market value	%	0 - 30	31 - 90	91 - 180	181 - 365	366 - 720	Over 720 days	Market value
GOVERNMENT SECURITIES - DOMESTIC	20,974,924	576,090	21,551,014	40.6	33,706	7,570	1,852,324	3,921,623	4,264,660	11,471,131	13,689,134
Financial Treasury Bills	3,055,931	1,960	3,057,891	5.8	-	-	335,624	125,195	2,338,047	259,025	3,981,790
National Treasury Bills	4,128,427	27,404	4,155,831	7.8	-	-	1,489,312	703,058	1,447,108	516,353	864,861
National Treasury Notes	5,004,639	218,561	5,223,200	9.8	96	238	387	3,093,370	476,382	1,652,727	3,195,319
National Treasury/Securitization	261,009	(3,655)	257,354	0.5	-	-	-	-	-	257,354	256,803
Brazilian External Debt Bonds	8,524,251	331,729	8,855,980	16.7	33,610	7,332	26,711	-	2,655	8,785,672	5,224,911
Other	667	91	758	0.0	-	-	290	-	468	-	165,450
GOVERNMENT SECURITIES - ABROAD	5,825,597	(17,403)	5,808,194	10.9	898,199	855,396	958,544	2,894,705	91,905	109,445	6,254,328
Argentina	-	-	-	-	-	-	-	-	-	-	86,511
Denmark	1,790,252	-	1,790,252	3.4	-	344,689	-	1,445,563	-	-	3,548,047
Spain	-	-	-	-	-	-	-	-	-	-	728,722
Korea	1,639,570	1	1,639,571	3.1	181,500	209,022	-	1,249,049	-	-	288,371
Chile	1,592,117	508	1,592,625	3.0	307,106	254,428	940,338	38,022	8,647	44,084	424,280
Paraguay	349,383	(19,911)	329,472	0.6	231,826	-	383	33,486	12,199	51,578	390,933
Uruguay	162,452	1,608	164,060	0.3	12,585	47,257	17,731	53,314	32,490	683	117,193
United States	240,657	(21)	240,636	0.5	165,182	-	-	75,271	-	183	670,271
France	24,861	394	25,255	0.0	-	-	-	-	12,560	12,695	-
Other	26,305	18	26,323	0.0	-	-	92	-	26,009	222	-
CORPORATE SECURITIES	25,344,280	388,644	25,732,924	48.5	3,216,149	650,609	848,541	1,977,074	3,166,911	15,873,640	21,289,008
Eurobonds and other	4,119,430	146,611	4,266,041	8.0	346,148	136,376	51,245	842,274	617,054	2,272,944	3,323,365
Bank deposit certificate	299,714	(353)	299,361	0.5	37,242	52,280	103,764	105,935	-	140	556,045
Shares	2,003,079	(8,264)	1,994,815	3.8	1,994,815	-	-	-	-	-	2,398,428
Debentures	8,366,321	30,986	8,397,307	15.8	2,248	-	446,937	446,753	1,520,337	5,981,032	6,110,730
Promissory notes	493,722	51	493,773	0.9	58,227	197,060	-	238,486	-	-	962,304
Fund quotas	750,831	3,966	754,797	1.4	750,638	-	-	-	-	-	719,376
Fixed income	20,656	(40)	20,616	0.0	16,457	-	-	-	-	4,159	23,346
Credit rights	702,078	-	702,078	1.3	702,078	-	-	-	-	-	646,273
Variable income	28,097	4,006	32,103	0.1	32,103	-	-	-	-	-	49,757
Securitized real estate loans	8,187,091	215,467	8,402,558	15.8	26,831	114,612	235,173	249,895	830,778	6,945,269	7,204,483
Financial Bills	773,427	(100)	773,327	2.3	-	-	-	65,061	182,111	526,155	-
Other	350,665	280	350,945	-	-	150,281	11,422	28,670	16,631	143,941	14,277
TOTAL	52,144,801	947,331	53,092,132	100.0	4,148,054	1,513,575	3,659,409	8,793,402	7,523,476	27,454,216	41,232,470
Adjustments of securities reclassified in prior years to the held-to-maturity category		10,514			7.8%	2.9%	6.9%	16.6%	14.2%	51.7%	
Accounting adjustment - Hedge - Circular No. 3,082		(489,410)									
Deferred taxes		(181,193)									
Minority interest in subsidiaries		682									
Adjustments of securities of unconsolidated affiliates		(335,677)									
ADJUSTMENT TO MARKET VALUE - SECURITIES - 03/31/2012		(47,753)									
TOTAL 03/31/2011	41,015,661	216,809	41,232,470	100.0	3,913,438	2,884,049	1,509,821	6,096,520	2,702,830	24,125,812	
Adjustments of securities reclassified in prior years to the held-to-maturity category		11,943			9.4%	7.0%	3.7%	14.8%	6.6%	58.5%	
Accounting adjustment - Hedge - Circular No. 3,082		25,035									
Deferred taxes		(97,740)									
Minority interest in subsidiaries		(4,363)									
Adjustments of securities of unconsolidated affiliates		(206,245)									
ADJUSTMENT TO MARKET VALUE - SECURITIES - 03/31/2012		(54,561)									

At March 31, 2012, ITAÚ UNIBANCO HOLDING's portfolio is composed of Government Securities in the amount of R\$ 7,308 with maturity of 91 to 180 days (R\$ 6,556 at 03/31/2011 with maturity over 365 days).

e) Held-to-maturity securities

See below the composition of the portfolio of held-to-maturity securities by type, stated at cost and by maturity term. Included in the carrying value at March 31, 2012, not considered in results, are the amounts of R\$ 10,514 (R\$ 11,943 at 03/31/2011) relating to the market adjustment of the reclassified securities at December 31, 2003. Securities classified under this type, if stated at market value, would present a positive adjustment of R\$ 774,672 (R\$ 576,785 at 03/31/2011).

	03/31/2012								03/31/2011
	Carrying value	%	0 - 30	31 - 90	91 - 180	181 - 365	366 - 720	Over 720 days	Carrying value
GOVERNMENT SECURITIES - DOMESTIC	2,913,197	96.8	-	-	-	-	132,399	2,780,798	2,938,942
National Treasury Notes (*)	2,805,328	93.2	-	-	-	-	24,530	2,780,798	2,719,083
Brazilian External Debt Bonds	107,869	3.6	-	-	-	-	107,869	-	219,851
Other	-	-	-	-	-	-	-	-	8
GOVERNMENT SECURITIES - ABROAD	9	0.0	-	-	-	-	-	9	15,521
Uruguay	-	-	-	-	-	-	-	-	15,521
Other	9	0.0	-	-	-	-	-	9	-
CORPORATE SECURITIES	97,040	3.2	42	-	30,109	3,485	46,207	17,197	161,379
Eurobonds and other	63,631	2.1	-	-	227	-	46,207	17,197	125,446
Share	42	0.0	42	-	-	-	-	-	-
Debentures (*)	30,998	1.0	-	-	29,882	1,116	-	-	31,538
Securitized real estate loans (*)	2,369	0.1	-	-	-	2,369	-	-	4,395
Total	3,010,246	100.0	42	-	30,109	3,485	178,606	2,798,004	3,115,842
% per maturity term			0.0	-	1.0	0.1	5.9	92.9	
Total 03/31/2011	3,115,842	100.0	-	-	133,473	73,491	35,933	2,872,945	
% per maturity term			-	-	4.3	2.4	1.2	92.2	

(*) Includes investments of Itaú Vida e Previdência S.A. in the amount of R\$ 2,039,237 (R\$1,890,003 at 03/31/2011).

f) Realized and unrealized gain of securities portfolio

	01/01 to 03/31/2012	01/01 to 03/31/2011
Gain (loss) - Trading securities	352,996	(52,441)
Gain (loss) – Available-for-sale securities	251,991	50,234
Total realized gain	604,987	(2,207)
Adjustment to market value of trading securities	313,386	(37,743)
Total	918,373	(39,950)

g) Reclassification of securities (article 5 of BACEN Circular No. 3,068, of 11/08/2001)

Management sets forth guidelines to classify securities. The classification of the current portfolio of securities, as well as the securities purchased in the period, is periodically and systematically evaluated based on such guidelines.

As set forth in Article 5 of BACEN Circular No. 3,068, of November 8, 2008, the revaluation regarding the classification of securities can only be made upon preparation of trial balances for six-month periods. In addition, the transfer from “held-to-maturity” to the other categories can only occur in view of an isolated, unusual, nonrecurring and unexpected event, which has occurred after the classification date.

No reclassifications or changes to the existing guidelines have been made in the period.

h) 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, ITAU UNIBANCO HOLDING 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 meets the needs of the client.

The derivative transactions carried out by ITAU UNIBANCO HOLDING 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&FBOVESPA or at the CETIP S.A. OTC Clearing House (CETIP). Overseas transactions are carried out with futures, forwards (onshore), 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, 2012, 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 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 liquidity 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\$ 5,103,082 (R\$ 6,098,945 at March 31, 2011) and was basically composed of government securities.

I- Derivatives by index

	Memorandum account		Balance sheet	Adjustment to market	Market value	
	Notional amount		account receivable /	value (in results /		
	03/31/2012	03/31/2011	(received) (payable)	value (in results /	03/31/2012	03/31/2011
			paid	stockholders' equity)		
Futures contracts	339,060,513	299,728,384	40,103	(67,646)	(27,543)	(243)
Purchase commitments	104,414,733	89,310,374	63,706	2,350	66,056	44,159
Foreign currency	7,055,303	11,627,702	8,613	1,886	10,499	1,337
Interbank market	84,805,528	63,279,853	8,668	(450)	8,218	2,505
Indices	12,178,994	12,493,899	44,695	914	45,609	9,693
Securities	245,921	1,753,521	-	-	-	(230)
Commodities	128,987	-	1,730	-	1,730	-
Other	-	155,399	-	-	-	30,854
Commitments to sell	234,645,780	210,418,010	(23,603)	(69,996)	(93,599)	(44,402)
Foreign currency	8,415,062	22,126,760	(877)	(63,994)	(64,871)	(18,738)
Interbank market	134,676,963	152,278,635	(3,208)	(136)	(3,344)	(12,043)
Indices	-	7,443,159	-	-	-	157
Fixed rates	81,885,665	25,082,354	(18,183)	3,663	(14,520)	12,338
Securities	8,881,440	2,519,760	-	(52)	(52)	(305)
Commodities	786,650	-	(1,335)	(9,477)	(10,812)	-
Other	-	967,342	-	-	-	(25,811)
Swap contracts			52,610	(318,303)	(265,693)	1,004,871
Asset position	95,287,951	73,827,387	1,752,720	907,054	2,659,774	3,263,342
Foreign currency	9,520,889	5,951,405	329,649	89,107	418,756	34,212
Interbank market	37,857,017	37,147,498	490,620	8,174	498,794	1,710,929
Fixed rates	20,940,929	10,234,015	233,852	237,234	471,086	297,340
Floating rate	3,506,143	836,220	1,080	5,842	6,922	19,639
Indices	23,137,972	18,636,614	688,802	553,576	1,242,378	1,188,694
Securities	-	183,001	-	-	-	(565)
Commodities	2,501	-	-	-	-	-
Other	322,500	838,634	8,717	13,121	21,838	13,093
Liability position	95,235,341	73,063,997	(1,700,110)	(1,225,357)	(2,925,467)	(2,258,471)
Foreign currency	11,488,897	10,421,388	(440,684)	(74,416)	(515,100)	(286,097)
Interbank market	24,028,561	21,071,974	(85,578)	42,019	(43,559)	(310,998)
Fixed rates	23,323,304	9,820,935	(221,858)	(422,919)	(644,777)	(264,597)
Floating rate	5,475,848	2,859,729	(40,741)	(4,417)	(45,158)	(3,864)
Indices	30,324,781	27,040,248	(811,983)	(792,940)	(1,604,923)	(1,282,127)
Securities	112,241	80,811	(89,647)	30,237	(59,410)	(463)
Commodities	99,316	-	(4,812)	(208)	(5,020)	-
Other	382,393	1,768,912	(4,807)	(2,713)	(7,520)	(110,325)
Option contracts	800,916,666	2,651,092,374	768,907	(226,753)	542,154	436,079
Purchase commitments - long position	198,122,648	829,952,235	971,689	(292,947)	678,742	950,704
Foreign currency	16,771,843	13,998,987	637,965	(243,718)	394,247	295,923
Interbank market	31,284,791	685,938,950	49,463	(36,569)	12,894	342,489
Floating rate	310,960	296,147	1,435	(1,249)	186	1,352
Indices	147,604,347	126,310,717	191,882	(72,663)	119,219	78,986
Securities	1,526,845	3,077,873	75,433	55,212	130,645	199,345
Commodities	513,703	-	14,985	1,807	16,792	-
Other	110,159	329,561	526	4,233	4,759	32,609
Commitments to sell - long position	223,472,587	644,863,698	1,293,883	137,514	1,431,397	1,024,672
Foreign currency	10,178,498	11,864,995	152,137	(18,673)	133,464	159,289
Interbank market	37,675,185	543,614,862	56,128	24,432	80,560	80,994
Fixed rates	-	1,628	-	-	-	86
Floating rate	179,641	345,175	589	(268)	321	346
Indices	169,965,192	84,911,972	231,720	9,398	241,118	64,257
Securities	2,683,666	4,035,638	801,042	123,868	924,910	719,204
Commodities	2,528,865	-	41,153	(12,193)	28,960	-
Other	261,540	89,428	11,114	10,950	22,064	496
Purchase commitments - short position	142,802,717	534,914,061	(802,632)	51,821	(750,811)	(973,762)
Foreign currency	9,064,342	11,385,598	(337,359)	(48,498)	(385,857)	(258,930)
Interbank market	17,134,671	439,219,669	(32,084)	25,985	(6,099)	(323,696)
Fixed rates	-	-	-	-	-	(4,531)
Indices	114,269,604	82,431,962	(360,235)	126,698	(233,537)	(277,874)
Securities	1,444,725	1,772,074	(51,651)	(59,794)	(111,445)	(100,704)
Commodities	793,146	-	(21,208)	11,623	(9,585)	-
Other	96,229	104,758	(95)	(4,193)	(4,288)	(8,027)
Commitments to sell - short position	236,518,714	641,362,380	(694,033)	(123,141)	(817,174)	(565,535)
Foreign currency	12,279,531	12,164,127	(250,974)	121,691	(129,283)	(322,861)
Interbank market	45,017,543	546,589,420	(113,997)	(151,774)	(265,771)	(129,656)
Fixed rates	-	1,628	-	-	-	4,975
Floating rate	-	65,116	-	347	-	1,117
Indices	177,323,815	80,136,663	(203,898)	(27,635)	(231,533)	(25,536)
Securities	1,413,428	2,262,615	(102,673)	(58,331)	(161,004)	(90,436)
Commodities	209,544	-	(11,029)	3,377	(7,652)	-
Other	274,853	142,811	(11,462)	(10,816)	(22,278)	(3,138)
Forward contracts	18,081,329	15,146,731	804,045	9,255	813,300	1,593,201
Purchases receivable	7,490,123	1,988,812	1,629,093	6,760	1,635,853	1,744,517
Foreign currency	5,561,923	158,852	259,304	6,423	265,727	1,624
Interbank market	523,665	-	-	1	1	-
Fixed rates	958,970	1,105,290	958,974	(78)	958,896	1,104,567
Floating rate	407,524	612,931	407,515	(79)	407,436	612,522
Securities	1,868	-	1,871	49	1,920	-
Commodities	27,956	-	1,027	466	1,493	-
Other	8,217	111,739	402	(22)	380	25,804
Purchases payable	2,688,262	6,239,610	(1,472,326)	5,076	(1,467,250)	(2,201,618)
Foreign currency	2,574,753	5,774,647	(89,735)	4,567	(85,168)	(461,369)
Interbank market	-	143,659	-	-	-	(5)
Fixed rates	-	-	(958,974)	78	(958,896)	(1,104,567)
Floating rate	-	-	(407,515)	79	(407,436)	(612,522)
Securities	-	-	(1,869)	5	(1,864)	-
Commodities	113,509	-	(14,233)	347	(13,886)	-
Other	-	321,304	-	-	-	(23,155)
Sales receivable	2,907,225	6,401,163	1,672,582	(3,854)	1,668,728	2,814,992
Foreign currency	1,248,133	3,735,142	34,099	(1,500)	32,599	193,994
Interbank market	2,205	-	2,178	-	2,178	-
Fixed rates	496,576	622,415	496,828	(1,451)	495,377	622,023
Floating rate	423,592	114,956	424,000	(521)	423,479	114,807
Indices	5,012	-	4,965	5	4,970	-
Securities	717,113	-	708,309	(101)	708,208	-
Commodities	7,134	-	1,875	38	1,913	-
Other	7,460	1,928,650	328	(324)	4	1,884,168
Sales deliverable	4,995,719	517,146	(1,025,304)	1,273	(1,024,031)	(764,690)
Foreign currency	4,942,149	469,365	(190,677)	(285)	(190,962)	(9,365)
Fixed rates	-	-	(395,771)	403	(395,368)	(623,938)
Floating rate	-	-	(424,000)	521	(423,479)	(114,807)
Commodities	53,570	-	(14,856)	859	(13,997)	-
Other	-	47,781	-	(225)	(225)	(16,580)

	Memorandum account / Notional amount		Balance sheet account receivable / (received) (payable) / paid	Adjustments to market value (in results / stockholders' equity)	Market value	
	03/31/2012	03/31/2011	03/31/2012	03/31/2012	03/31/2012	03/31/2011
	Credit derivatives	7,176,691	5,515,737	495,958	176,888	672,846
Asset position	3,120,007	2,551,788	689,261	86,557	775,818	205,287
Foreign currency	113,541	22,002	58	1,278	1,336	5,623
Fixed rate	2,119,011	2,009,010	689,145	52,184	741,329	195,682
Floating rate	216,830	-	-	26,836	26,836	-
Securities	663,771	520,776	49	5,969	6,018	3,982
Other	6,854	-	9	290	299	-
Liability position	4,056,684	2,963,949	(193,303)	90,331	(102,972)	(86,071)
Foreign currency	113,259	63,793	(55)	(1,241)	(1,296)	(1,662)
Fixed rate	3,281,603	2,483,299	(104,959)	9,600	(95,359)	(81,257)
Floating rate	-	-	(88,231)	88,231	-	-
Securities	654,968	416,857	(49)	(5,969)	(6,018)	(3,152)
Other	6,854	-	(9)	(290)	(299)	-
Forwards operations	34,763,039	22,721,788	(31,977)	40,748	8,771	(469,170)
Asset position	17,964,007	6,940,590	320,316	33,227	353,543	146,753
Foreign currency	17,327,853	6,443,022	312,590	33,227	345,817	139,158
Interbank market	17,801	-	437	-	437	-
Floating rate	365,331	497,568	6,339	6,339	6,339	7,595
Indices	11,926	-	666	-	666	-
Other	241,096	-	284	-	284	-
Liability position	16,799,032	15,781,198	(352,293)	7,521	(344,772)	(615,923)
Foreign currency	16,719,036	15,447,097	(350,800)	7,521	(343,279)	(611,900)
Interbank market	12,578	26,294	(271)	-	(271)	(708)
Floating rate	67,418	267,107	(1,222)	-	(1,222)	(3,173)
Indices	-	40,700	-	-	-	(142)
Swap with target flow	133,160	6,027	(444)	(2,357)	(2,801)	(39)
Asset position - Interbank market	66,359	3,011	-	-	-	-
Liability position - Interbank market	66,801	3,016	(444)	(2,357)	(2,801)	(39)
Target flow of swap - Asset position - Foreign currency	66,947	12,405	-	3,207	3,207	3
Other derivative financial instruments	3,985,056	4,501,686	187,353	68,720	256,073	422,898
Asset position	3,490,810	3,258,857	336,165	80,066	416,231	690,287
Foreign currency	641,010	255,206	75,973	121,277	197,250	189,507
Fixed rate	-	682,100	-	-	-	377,051
Floating rate	-	-	-	-	-	(2,287)
Securities	2,849,800	-	260,192	(41,211)	218,981	-
Other	-	2,321,551	-	-	-	126,016
Liability position	494,246	1,242,829	(148,812)	(11,346)	(160,158)	(267,389)
Foreign currency	355,761	357,535	(74,399)	(11,346)	(85,745)	(182,326)
Fixed rate	-	162,870	-	-	-	(20,388)
Securities	138,485	-	(74,413)	-	(74,413)	-
Other	-	722,424	-	-	-	(64,675)
		ASSET	8,665,709	957,584	9,623,293	10,840,557
		LIABILITIES	(6,349,155)	(1,273,822)	(7,622,977)	(7,733,741)
		TOTAL	2,316,554	(316,238)	2,000,316	3,106,816
Derivative contracts mature as follows (in days):						
Memorandum account/notional amount	0 - 30	31 - 180	181 - 365	Over 365	03/31/2012	03/31/2011
Futures	51,662,229	123,817,594	77,974,347	85,606,343	339,060,513	299,728,384
Swaps	3,755,765	28,601,486	14,212,239	46,965,741	93,535,231	71,025,617
Options	92,434,075	292,209,807	397,273,838	18,998,946	800,916,666	2,651,092,374
Forwards (onshore)	4,989,225	7,405,230	2,663,192	3,023,682	18,081,329	15,146,731
Credit derivatives	235,051	2,044,657	946,303	3,950,680	7,176,691	5,515,737
Forwards (offshore)	7,807,810	16,300,395	7,470,163	3,184,671	34,763,039	22,721,788
Swaps with target flow	-	-	-	133,160	133,160	6,027
Target flow of swap	-	-	-	66,947	66,947	12,405
Other	69,560	457,829	767,759	2,689,908	3,985,056	4,501,686

II - Derivatives by counterparty

See below the composition of the Derivative Financial Instruments portfolio (assets and liabilities) by type of instrument, stated at cost, market value, and maturity term.

	03/31/2012										03/31/2011
	Cost	Adjustments to market value (in results / stockholders' equity)	Market value	%	0 - 30	31 - 90	91 - 180	181 - 365	366 - 720	Over 720 days	Market value
ASSET											
Option premiums	2,265,572	(155,433)	2,110,139	21.9	223,116	214,598	542,300	311,855	73,094	745,176	1,975,376
BM&F Bovespa	1,063,674	(212,946)	850,728	8.8	130,204	80,796	447,772	163,202	28,754	-	916,705
Financial institutions	317,809	(30,529)	287,280	3.0	63,015	82,440	65,306	51,242	19,800	5,477	434,362
Companies	884,089	88,042	972,131	10.1	29,897	51,362	29,222	97,411	24,540	739,699	624,264
Individuals	-	-	-	-	-	-	-	-	-	-	45
Forwards (onshore)	3,301,675	2,906	3,304,581	34.3	1,010,898	690,329	169,068	77,311	135,994	1,220,981	4,559,509
BM&F Bovespa	717,715	(47)	717,668	7.5	137,102	574,295	6,271	-	-	-	1,883,784
Financial institutions	821,997	422	822,419	8.5	805,395	438	135	16,451	-	-	487,783
Companies	1,761,963	2,531	1,764,494	18.3	68,401	115,596	162,662	60,860	135,994	1,220,981	2,187,942
Swaps - Adjustment receivable	1,752,721	907,054	2,659,775	27.7	66,848	155,805	502,838	246,747	613,491	1,074,046	3,263,342
BM&F Bovespa	185,025	171,460	356,485	3.7	21,098	7,536	57,570	21,201	48,433	200,647	339,628
Financial institutions	179,009	136,605	315,614	3.3	2,362	64,942	46,112	65,851	58,367	77,980	405,320
Companies	1,386,047	595,912	1,981,959	20.6	42,257	82,785	398,753	159,532	503,490	795,142	2,499,133
Individuals	2,640	3,077	5,717	0.1	1,131	542	403	163	3,201	277	19,261
Credit derivatives	689,261	86,557	775,818	8.0	26,835	307,274	202,471	3,452	32,447	203,339	205,287
Financial institutions	526,267	34,453	560,720	5.8	26,835	307,274	202,437	2,357	855	20,962	29,667
Companies	162,994	52,104	215,098	2.2	-	-	34	1,095	31,592	182,377	175,620
Forwards (offshore)	320,316	33,227	353,543	3.7	63,580	99,999	53,812	65,804	31,288	39,060	146,753
Financial institutions	199,534	(1)	199,533	2.1	44,870	67,854	33,968	25,099	7,279	20,463	87,762
Companies	120,652	33,225	153,877	1.6	18,612	32,137	19,844	40,698	23,989	18,597	58,687
Individuals	130	3	133	0.0	98	8	-	7	20	-	304
Swaps with target flow - Companies	-	3,207	3,207	0.0	-	-	-	-	620	2,587	3
Other - Financial institutions	336,165	80,066	416,231	4.4	101,995	26,223	1,824	17,074	76,575	192,540	690,287
BM&F Bovespa	-	97,963	97,963	1.0	97,963	-	-	-	-	-	-
Financial institutions	234,500	(41,211)	193,289	2.0	-	9,271	145	4,453	64,294	115,126	690,287
Companies	101,665	23,314	124,979	1.4	4,032	16,952	1,679	12,621	12,281	77,414	-
Total	8,665,710	957,584	9,623,294	100.0	1,493,272	1,494,228	1,472,313	722,243	963,509	3,477,729	10,840,557
% per maturity term					15.5	15.5	15.3	7.5	10.0	36.1	
Total at 03/31/2011	10,508,253	332,304	10,840,557	100.0	1,338,400	2,273,432	1,172,661	1,787,959	741,820	3,526,285	
% per maturity term					12.3	21.0	10.8	16.5	6.8	32.5	

	03/31/2012										03/31/2011
	Cost	Adjustments to market value (in results / stockholders' equity)	Market value	%	0 - 30	31 - 90	91 - 180	181 - 365	366 - 720	Over 720 days	Market value
LIABILITIES											
Futures	40,103	(67,646)	(27,543)	0.40	(1,001)	5,969	49,859	(48,930)	(10,288)	(23,152)	(243)
BM&F Bovespa	40,103	(57,839)	(17,736)	0.2	(1,900)	19,977	9,569	(13,151)	(9,062)	(23,169)	(7,855)
Financial institutions	-	(12,164)	(12,164)	0.2	899	(14,198)	39,167	(35,870)	(1,691)	(471)	3,202
Companies	-	2,357	2,357	-	-	190	1,123	91	465	488	4,410
Option premiums	(1,496,665)	(71,320)	(1,567,985)	20.5	(253,292)	(184,164)	(652,646)	(377,483)	(91,011)	(9,389)	(1,539,297)
BM&F Bovespa	(932,844)	(112,146)	(1,044,990)	13.7	(214,407)	(56,090)	(521,871)	(204,501)	(48,121)	-	(1,063,649)
Financial institutions	(475,381)	85,180	(390,201)	5.1	(37,394)	(100,604)	(101,028)	(126,648)	(20,595)	(3,932)	(448,327)
Companies	(88,440)	(44,354)	(132,794)	1.7	(1,491)	(27,470)	(29,747)	(46,334)	(22,295)	(5,457)	(27,310)
Individuals	-	-	-	-	-	-	-	-	-	-	(11)
Forwards (onshore)	(2,497,630)	6,351	(2,491,279)	32.7	(893,916)	(102,305)	(93,319)	(68,274)	(114,469)	(1,218,996)	(2,966,308)
BM&F Bovespa	(1,865)	5	(1,860)	-	(1,860)	-	-	-	-	-	(4)
Financial institutions	(824,171)	1,159	(823,012)	10.8	(821,884)	(309)	(330)	(51)	(192)	(246)	(480,327)
Companies	(1,671,594)	5,187	(1,666,407)	21.9	(70,172)	(101,996)	(92,989)	(68,223)	(114,277)	(1,218,750)	(2,485,977)
Swaps - difference payable	(1,700,111)	(1,225,356)	(2,925,467)	38.3	(57,771)	(133,156)	(540,442)	(247,443)	(607,633)	(1,339,022)	(2,258,471)
BM&F Bovespa	(358,041)	(285,966)	(644,007)	8.4	(15,914)	(9,125)	(126,727)	(22,435)	(186,521)	(283,285)	(512,665)
Financial institutions	(288,432)	(308,099)	(596,531)	7.8	(6,866)	(51,896)	(73,895)	(108,851)	(89,646)	(265,377)	(273,384)
Companies	(1,012,481)	(614,873)	(1,627,354)	21.3	(34,369)	(61,005)	(311,954)	(103,977)	(326,457)	(789,592)	(1,415,237)
Individuals	(41,157)	(16,418)	(57,575)	0.8	(622)	(11,130)	(27,866)	(12,180)	(5,009)	(768)	(57,185)
Credit derivatives	(193,303)	90,331	(102,972)	1.4	(1)	(59)	(8,640)	(3,634)	(3,227)	(87,411)	(86,071)
Financial institutions	(193,103)	94,504	(98,599)	1.3	(1)	(57)	(7,934)	(1,302)	(2,484)	(86,821)	(86,071)
Companies	(200)	(4,173)	(4,373)	0.1	-	(2)	(706)	(2,332)	(743)	(590)	-
Forwards (offshore)	(352,293)	7,521	(344,772)	5	(47,170)	(89,877)	(54,657)	(84,769)	(60,954)	(7,345)	(615,923)
Financial institutions	(288,175)	1	(288,174)	3.8	(32,675)	(77,388)	(43,114)	(70,174)	(58,219)	(6,604)	(534,887)
Companies	(64,092)	7,527	(56,565)	0.7	(14,489)	(12,483)	(11,543)	(14,574)	(2,735)	(741)	(81,036)
Individuals	(26)	(7)	(33)	0.0	(6)	(6)	-	(21)	-	-	-
Swaps with target flow - Companies	(444)	(2,357)	(2,801)	0.0	-	-	-	-	(349)	(2,452)	(39)
Other	(148,812)	(11,346)	(160,158)	2.2	-	(6,459)	(2,148)	(1,756)	(122,259)	(27,536)	(267,389)
Financial institutions	(77,952)	(3,554)	(81,506)	1.1	-	-	-	-	(75,777)	(5,729)	(267,389)
Companies	(70,860)	(7,792)	(78,652)	1.1	-	(6,459)	(2,148)	(1,756)	(46,482)	(21,807)	-
Total	(6,349,155)	(1,273,822)	(7,622,977)	100.0	(1,253,151)	(510,051)	(1,301,993)	(832,289)	(1,010,190)	(2,715,303)	(7,733,741)
% per maturity term					16.4	6.7	17.1	10.9	13.3	35.6	
Total at 03/31/2011	(7,731,900)	(1,841)	(7,733,741)	100.0	(725,664)	(658,650)	(1,082,885)	(1,667,541)	(1,033,222)	(2,565,779)	
% per maturity term					9.4	8.5	14.0	21.6	13.4	33.2	

III - Derivatives by notional amount

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.

	03/31/2012								
	Futures	Swaps	Options	Forwards (onshore)	Credit derivatives	Forwards (offshore)	Swap with target flow	Target flow of swap	Other
BM&F/Bovespa	267,722,179	11,518,056	750,834,781	1,250,257	-	-	-	-	-
Overt-the-counter market	71,338,334	82,017,175	50,081,885	16,831,072	7,176,691	34,763,039	66,359	66,947	3,985,056
Financial institutions	17,716,859	27,826,617	39,225,705	1,476,359	5,492,084	27,181,427	-	-	2,498,580
Companies	53,621,475	50,609,621	10,856,180	15,354,713	1,684,607	7,574,439	66,359	66,947	1,486,476
Individuals	-	3,580,937	-	-	-	7,173	-	-	-
Total	339,060,513	93,535,231	800,916,666	18,081,329	7,176,691	34,763,039	66,359	66,947	3,985,056
Total 03/31/2011	299,728,384	71,025,617	2,651,092,374	15,146,731	5,515,737	22,721,788	6,027	12,405	4,501,686

IV - Credit derivatives

See below the composition of Credit Derivatives (assets and liabilities) portfolio stated at notional amount, and effect on calculation of Required Referential Equity.

	Credit risk amount	
	03/31/2012	03/31/2011
Transferred	(3,120,007)	(2,551,788)
Credit swaps whose underlying assets are:		
Securities	(1,949,068)	(2,128,059)
Total return rate swaps whose underlying assets are:		
Securities	(1,170,939)	(423,729)
Received	4,056,684	2,963,949
Credit swaps whose underlying assets are:		
Securities	4,056,684	2,956,081
Total return rate swaps whose underlying assets are:		
Securities	-	7,868
Total	936,677	412,161

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

According to CMN Resolution No. 3,490, which became effective on July 1, 2008 (Note 3), the effect of the calculation of the Required Referential Equity amounts to R\$ 73,868 at 03/31/2012 (R\$ 225,775 at 03/31/2011).

V - Accounting hedge

- a) The purpose of the *hedge* relationship of ITAÚ UNIBANCO HOLDING is to protect the cash flows 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, 2012, ITAÚ UNIBANCO HOLDING negotiated DI Futures agreements at BM&FBOVESPA with maturity between 2012 and 2017 in the amount of R\$ R\$ 55,363,071 (R\$ 54,948,935 at March 31, 2011). To protect the future cash flows of debt against exposure to variable interest rate (LIBOR), at March 31, 2012 ITAÚ UNIBANCO HOLDING negotiated swap contracts with maturity in 2015 in the amount of R\$ 716,216 (R\$ 640,196 at March 31, 2011). These derivative financial instruments gave rise to adjustment to market value net of tax effects recorded in stockholders' equity of R\$ (302,109) (R\$ (13,857) at March 31, 2011), of which R\$ (275,772) (R\$ (21,411) at March 31, 2011) refers to CDB and (R\$ 26,337) (R\$ (7,554) at March 31, 2011) refers to Redeemable Preferred shares. The hedged items total R\$ 56,697,517 (R\$ 49,383,844 at March 31, 2011), of which R\$ 55,981,300 (R\$ 48,743,648 at March 31, 2011) are CDB with maturities between 2012 and 2017 and R\$ 716,216 (R\$ 640,196 at March 31, 2011) 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 following 12 months amount to R\$ (93,810) (R\$ (24,668) at March 31, 2011).

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\$ 38,646 (R\$ 57,874 at March 31, 2011) 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.

VI - Realized and unrealized gain of the derivative financial instruments portfolio

	01/01 to 03/31/2012	01/01 to 03/31/2011
Swap	12,649	294,072
Forwards (onshore)	14,465	69,935
Futures	750,526	217,103
Options	455,388	262,146
Credit derivatives	57,230	34,866
Other	(415,781)	(636,895)
Foreign exchange variation on investments abroad	(663,044)	(416,052)
Total	211,433	(174,825)

VII - Clearing agreements

Derivative operations on the over-the-counter market are carried out under the derivative agreements which provide for clearing of amounts payable and receivable resulting from such derivatives, pursuant to article three of paragraph two, of CMN Resolution No. 3,263, of 02/24/2005

i) Changes in adjustment to market value for the period

	01/01 to 03/31/2012	01/01 to 03/31/2011
Opening balance	(160,343)	1,408,206
Adjustments with impact on:		
Results	625,259	(459,330)
Trading securities	313,386	(37,743)
Derivative financial instruments	311,873	(421,587)
Stockholders' equity	16,851	(161,968)
Available-for-sale	228,732	(238,047)
Accounting Hedge – Derivative Financial Instruments	(211,881)	76,079
Futures	(202,114)	69,544
Swap	(9,767)	6,535
Closing balance	481,767	786,908
Adjustment to market value	481,767	786,908
Trading securities	340,084	214,602
Available-for-sale securities	947,331	216,809
Derivative financial instruments	(805,648)	355,497
Trading securities	(316,238)	330,462
Accounting hedge	(489,410)	25,035
Futures	(449,505)	38,683
Swap	(39,905)	(13,648)

For better understanding, the following table shows the unrealized gains of available-for-sale securities and held-to-maturity securities:

	03/31/2012	03/31/2011
Adjustment of available-for-sale securities – stockholders' equity	947,331	216,809
Adjustment to held-to-maturity securities (*)	785,186	588,728
Total unrealized gain	1,732,517	805,537

(*) Includes the amount of R\$ 10,514 (R\$ 11,943 at 03/31/2011) regarding the adjustment to market value of securities reclassified up to December 31, 2003, not recognized in net income.

j) Sensitivity analysis (TRADING AND BANKING PORTFOLIOS)

In compliance with CVM Instruction No. 475 of December 17, 2008, ITAÚ UNIBANCO HOLDING carried out a sensitivity analysis by market risk factors considered relevant to which the group was exposed. Each market risk factor was subject to a sensitivity level, with shock applications of 25% and 50%, both for growth and fall. The biggest losses arising, by risk factor, in each scenario, were stated with impact on result, net of tax effects, by providing a vision of the ITAÚ UNIBANCO HOLDING exposure under exceptional scenarios.

In accordance with the operations classification criteria set forth in CMN Resolution No. 3,464 of June 26, 2007 and BACEN Circular No. 3,354 of June 27, 2007, and the New Capital Accord – Basel II, the financial instruments, included all transactions with derivatives, are segregated into Trading and Banking portfolios. The market risk measurement is made according to this segregation.

The sensitivity analyses shown in this report are an evaluation of an instant position of the portfolio exposure and, therefore, do not consider the management's quick response capacity (treasury and control areas), which triggers risk mitigating measures, whenever a situation of high loss or risk is identified by minimizing the sensitivity towards 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 institution.

The trading portfolio consists of all transactions, including those with derivatives, held with the intention of being traded in the short-term and intended for hedging other instruments of this portfolio or locking of the arbitrage results.

Amounts in reais thousands

Trading portfolio		31/03/2012 (*)		
Risk factors	Exposures	Scenarios		
		I	II	III
Fixed rate	Fixed rates in reais	(1,047)	(26,046)	(51,848)
Foreign exchange	Rates of foreign currency coupon	162	(4,169)	(8,593)
Foreign currency	Exchange variation	(10,656)	(266,395)	(532,789)
Price indices	Rates of price index coupon	(366)	(9,070)	(17,996)
Reference rate	Rate of TR coupon	363	(9,148)	(18,462)
Shares	Share price	(2,070)	(51,748)	(103,497)
Total without correlation		(13,614)	(366,576)	(733,184)
Total with correlation		(10,650)	(286,760)	(573,544)

(*) Amounts net of tax effects

The banking portfolio comprises transactions that do not fit into the trading portfolio. It consists of transactions held with the intention of being traded in the medium and long terms, and their respective hedges, as well as transactions intended for the active management of financial risks, which may or may not be carried out with derivative financial instruments.

Amount in reais thousands

Trading and Banking portfolios		31/03/2012 (*)		
Risk factors	Exposures	Scenarios		
		I	II	III
Fixed rate	Fixed rates in reais	(3,344)	(83,297)	(165,952)
Foreign exchange	Rates of foreign currency coupon	(1,047)	(25,954)	(51,472)
Foreign currency	Exchange variation	1,026	(25,643)	(51,286)
Price indices	Rates of price index coupon	(1,290)	(31,642)	(62,050)
Reference rate	Rate of TR coupon	(4,619)	(113,065)	(221,267)
Shares	Share price	1,182	(29,552)	(59,104)
Total without correlation		(8,092)	(309,153)	(611,133)
Total with correlation		(6,330)	(241,839)	(478,067)

(*) Amounts net of tax effects

The following scenarios are used to measure the sensitivity:

Scenario I: Addition of 1 base point to the fixed-rate curve, currency coupon, inflation and commodities and interest rate indices, and 1 percentage point in currency and share prices, which is based on market information (BM&FBOVESPA, Andima, etc);

Scenario II: Shocks at 25 base points in fixed-rate curves, currency coupon, inflation and interest rate indices, and 25 percentage points in currency and share prices, both for growth and fall, considering the largest resulting losses per risk factor;

Scenario III: Shocks at 50 base points in fixed-rate curves, currency coupon, inflation and interest rate indices, and 50 percentage points in currency and share prices, both for growth and fall, considering the largest resulting losses per risk factor.

Derivative financial instruments engaged by ITAÚ UNIBANCO HOLDING are shown in the item Derivative Financial Instruments in this note.

NOTE 8 - LOAN, LEASE AND OTHER CREDIT OPERATIONS

a) Composition of the portfolio with credit granting characteristics

I – By type of operations and risk level

Risk levels	03/31/2012										03/31/2011
	AA	A	B	C	D	E	F	G	H		
Loan operations	105,304,239	96,649,673	29,925,590	17,532,640	13,656,271	2,931,382	2,713,138	2,148,221	9,183,781	280,044,935	231,632,019
Loans and discounted trade receivables	48,030,452	45,690,151	17,473,948	13,284,148	11,904,734	2,175,748	2,166,632	1,732,392	7,929,524	150,387,729	126,497,596
Financing	37,106,798	43,010,655	10,795,624	3,945,087	1,285,660	644,211	533,751	382,014	1,202,421	98,906,221	81,651,835
Farming and agribusiness financing	4,360,930	470,285	255,216	30,304	218,794	85,265	323	7,328	19,249	5,447,694	5,612,682
Real estate financing	15,806,059	7,478,582	1,400,802	273,101	247,083	26,158	12,432	26,487	32,587	25,303,291	17,869,906
Lease operations	3,824,112	12,340,331	3,343,576	2,027,952	913,344	342,287	310,577	258,566	767,731	24,128,476	34,647,510
Credit card operations	-	29,289,465	1,604,019	2,006,736	841,901	433,367	369,834	400,055	2,856,443	37,801,820	34,013,322
Advance on exchange contracts (1)	3,065,784	1,114,678	320,415	43,530	48,835	740	664	5,237	4,818	4,604,701	3,233,438
Other sundry receivables (2)	249	683,380	5,060	22,389	13,434	5,392	9,952	6,578	42,432	788,866	129,845
Total operations with credit granting characteristics	112,194,384	140,077,527	35,198,660	21,633,247	15,473,785	3,713,168	3,404,165	2,818,657	12,855,205	347,368,798	303,656,134
Endorsements and sureties (3)										53,150,011	41,199,045
Total with endorsements and sureties	112,194,384	140,077,527	35,198,660	21,633,247	15,473,785	3,713,168	3,404,165	2,818,657	12,855,205	400,518,809	344,855,179
TOTAL – 03/31/2011	86,208,590	141,577,332	27,358,700	16,008,483	13,552,796	3,515,093	2,995,565	2,093,757	10,345,818	303,656,134	

(1) Includes Advances on Exchange Contracts and Income Receivable from Advances Granted, reclassified from Liabilities – Foreign Exchange Portfolio/Other Receivables (Note 2a);

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

(3) Recorded in Memorandum Accounts.

II – By maturity and risk level

	03/31/2012										03/31/2011	
	AA	A	B	C	D	E	F	G	H	Total	Total	
	OVERDUE OPERATIONS (1) (2)											
Falling due installments	-	-	3,933,812	3,496,989	3,303,417	1,770,255	1,560,568	1,218,975	4,430,713	19,714,729	13,993,131	
01 to 30	-	-	248,324	261,246	193,206	79,968	64,091	55,035	323,878	1,225,748	726,913	
31 to 60	-	-	145,936	129,447	113,704	67,594	93,338	52,233	201,294	803,546	647,934	
61 to 90	-	-	139,895	120,331	106,601	61,522	54,452	46,873	187,667	717,341	602,873	
91 to 180	-	-	393,125	352,426	329,193	181,011	158,241	136,716	540,361	2,091,073	1,706,109	
181 to 365	-	-	700,526	667,078	623,375	342,085	304,950	258,303	963,291	3,859,608	2,995,020	
Over 365	-	-	2,306,006	1,966,461	1,937,338	1,038,075	885,496	669,815	2,214,222	11,017,413	7,314,282	
Overdue installments	-	-	619,563	904,384	1,223,170	976,687	1,090,651	1,103,911	6,278,212	12,196,578	10,900,229	
01 to 14	-	-	29,405	85,135	68,853	38,080	34,374	25,393	104,433	385,673	311,936	
15 to 30	-	-	535,089	191,814	195,456	70,815	53,941	43,454	152,298	1,242,867	1,239,610	
31 to 60	-	-	55,069	576,706	315,352	171,791	109,007	81,050	279,768	1,588,743	1,561,364	
61 to 90	-	-	-	37,109	568,415	192,301	154,246	99,951	299,239	1,351,261	1,404,171	
91 to 180	-	-	-	13,620	75,094	468,707	682,750	802,556	1,277,645	3,320,372	2,832,184	
181 to 365	-	-	-	-	-	34,993	56,333	51,507	4,070,539	4,213,372	3,330,275	
Over 365	-	-	-	-	-	-	-	-	94,290	94,290	220,689	
SUBTOTAL	-	-	4,553,375	4,401,373	4,526,587	2,746,942	2,651,219	2,322,886	10,708,925	31,911,307	24,893,360	
SPECIFIC ALLOWANCE	-	-	(45,533)	(132,040)	(452,659)	(824,083)	(1,325,610)	(1,626,020)	(10,708,925)	(15,114,870)	(11,767,299)	
SUBTOTAL – 03/31/2011	-	-	3,888,784	3,137,912	3,476,190	2,202,364	2,159,911	1,607,360	8,420,839	24,893,360		
	NON-OVERDUE OPERATIONS											
Falling due installments	111,331,545	139,148,000	30,283,119	16,902,939	10,762,818	940,232	732,089	486,939	2,106,936	312,694,617	276,968,353	
01 to 30	12,591,759	26,306,395	5,835,297	6,037,216	3,456,587	159,534	85,235	71,686	649,292	55,193,001	45,722,704	
31 to 60	7,631,088	10,529,979	2,040,439	1,282,210	548,457	48,062	27,475	25,725	194,037	22,327,472	20,803,061	
61 to 90	5,733,538	7,924,076	1,946,115	1,131,314	490,902	32,875	20,246	21,022	115,064	17,415,152	17,332,215	
91 to 180	13,125,075	15,423,637	3,503,601	1,883,129	1,026,917	77,912	59,103	48,589	230,818	35,378,781	32,173,678	
181 to 365	14,393,114	20,112,148	4,872,810	2,147,688	1,670,679	129,107	88,306	74,482	202,943	43,691,277	41,282,233	
Over 365	57,856,971	58,851,765	12,084,857	4,421,382	3,569,276	492,742	451,724	245,435	714,782	138,688,934	119,654,462	
Overdue up to 14 days	862,839	929,527	362,166	328,935	184,380	25,994	20,857	8,832	39,344	2,762,874	1,794,421	
SUBTOTAL	112,194,384	140,077,527	30,645,285	17,231,874	10,947,198	966,226	752,946	495,771	2,146,280	315,457,491	278,762,774	
GENERIC ALLOWANCE	-	(700,388)	(306,453)	(516,956)	(1,094,720)	(289,868)	(376,473)	(347,039)	(2,146,280)	(5,778,177)	(5,413,467)	
SUBTOTAL – 03/31/2011	86,208,590	141,577,332	23,469,916	12,870,571	10,076,606	1,312,729	835,654	486,397	1,924,979	278,762,774		
GRAND TOTAL	112,194,384	140,077,527	35,198,660	21,633,247	15,473,785	3,713,168	3,404,165	2,818,657	12,855,205	347,368,798	303,656,134	
EXISTING ALLOWANCE	-	(700,388)	(351,986)	(648,996)	(4,337,724)	(1,856,212)	(2,382,576)	(2,818,375)	(12,855,205)	(25,951,462)	(22,239,181)	
Minimum allowance required (3)	-	(700,388)	(351,986)	(648,996)	(1,547,379)	(1,113,950)	(1,702,083)	(1,973,060)	(12,855,205)	(20,893,047)	(17,180,766)	
Additional allowance (4)	-	-	-	-	(2,790,345)	(742,262)	(680,493)	(845,315)	-	(5,058,415)	(5,058,415)	
GRAND TOTAL 03/31/2011	86,208,590	141,577,332	27,358,700	16,008,483	13,552,796	3,515,093	2,995,565	2,093,757	10,345,818	303,656,134		
EXISTING ALLOWANCE	-	(707,887)	(273,587)	(900,067)	(4,064,484)	(1,757,195)	(2,096,595)	(2,093,548)	(10,345,818)	(22,239,181)		
Minimum allowance required (3)	-	(707,887)	(273,587)	(480,254)	(1,355,280)	(1,054,528)	(1,497,782)	(1,465,630)	(10,345,818)	(17,180,766)		
Additional allowance (4)	-	-	-	(419,813)	(2,709,204)	(702,667)	(598,813)	(627,918)	-	(5,058,415)		

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

(2) The balance of non-accrual operations amounts to R\$ 21,471,120 (R\$ 16,118,965 at 03/31/2011);

(3) The policy of not using "AA" ratings for individuals was maintained. As a consequence, all loan operations with clients classified in these segments are charged by recording a provision upon the granting of loan;

(4) According to BACEN's request, it is classified into risk level to show the additional amounts calculated to maintain the strength necessary for absorbing possible increases in default expected in history of scenarios of losses incurred.

III – By business sector

	03/31/2012	%	03/31/2011	%
PUBLIC SECTOR	1,644,423	0.5%	1,292,846	0.4%
Generation, transmission and distribution of electric energy	413,866	0.1%	578,361	0.2%
Chemical and petrochemical	520,862	0.1%	279,516	0.1%
Other	709,695	0.2%	434,969	0.1%
PRIVATE SECTOR	345,724,375	99.5%	302,363,288	99.6%
COMPANIES	189,463,529	54.5%	166,738,769	54.9%
Sugar and alcohol	6,903,779	2.0%	6,506,936	2.1%
Agribusiness and fertilizers	11,729,459	3.4%	10,252,085	3.4%
Food and beverage	9,224,769	2.7%	8,375,375	2.8%
Banks and other financial institutions	4,917,380	1.4%	5,132,246	1.7%
Capital assets	6,936,342	2.0%	6,592,942	2.2%
Pulp and paper	2,520,137	0.7%	1,813,110	0.6%
Electronic and IT	4,503,454	1.3%	4,805,658	1.6%
Packaging	1,850,216	0.5%	1,466,249	0.5%
Energy and sewage	5,513,429	1.6%	5,633,401	1.9%
Education	1,091,664	0.3%	1,034,660	0.3%
Pharmaceuticals and cosmetics	3,890,256	1.1%	3,099,395	1.0%
Real estate agents	12,064,729	3.5%	10,103,925	3.3%
Entertainment and tourism	3,378,831	1.0%	3,174,582	1.0%
Wood and furniture	3,006,421	0.9%	2,747,760	0.9%
Construction material	5,215,688	1.5%	4,277,157	1.4%
Steel and metallurgy	7,755,147	2.2%	6,734,109	2.2%
Media	1,005,100	0.3%	960,091	0.3%
Mining	2,291,519	0.7%	2,069,333	0.7%
Infrastructure work	4,766,745	1.4%	4,645,511	1.5%
Oil and gas	2,804,742	0.8%	2,483,213	0.8%
Petrochemical and chemical	6,061,959	1.7%	4,991,522	1.6%
Health care	1,736,779	0.5%	1,938,686	0.6%
Insurance and reinsurance and pension plans	5,645	0.0%	8,948	0.0%
Telecommunications	959,180	0.3%	1,167,147	0.4%
Clothing and footwear	5,190,141	1.5%	4,653,258	1.5%
Trading	1,968,306	0.6%	2,086,472	0.7%
Transportation	16,121,815	4.6%	12,263,339	4.0%
Domestic appliances	2,314,593	0.7%	1,965,027	0.6%
Vehicles and autoparts	13,130,191	3.8%	10,769,965	3.5%
Third sector	105,158	0.0%	111,220	0.0%
Publishing and printing	1,594,990	0.5%	1,296,245	0.4%
Commerce - Sundry	13,710,609	3.9%	11,994,772	4.0%
Industry - Sundry	2,789,668	0.8%	1,819,378	0.6%
Sundry services	14,646,526	4.2%	12,060,068	4.0%
Sundry	7,758,162	2.2%	7,704,984	2.5%
INDIVIDUALS	156,260,846	45.0%	135,624,519	44.7%
Credit cards	37,434,770	10.8%	33,569,129	11.1%
Real estate financing	18,235,076	5.2%	11,950,126	3.9%
Consumer loans/overdraft	41,536,926	12.0%	30,240,770	10.0%
Vehicles	59,054,074	17.0%	59,864,494	19.7%
GRAND TOTAL	347,368,798	100.0%	303,656,134	100.0%

The balances as of March 31, 2011 were reclassified in order to align the sector exposure criteria for disclosure purposes on internal and publicly-available reports. The main impacts are highlighted below:

Prior disclosure	Current disclosure	03/31/2011
Agribusiness	Sugar and alcohol	6,506,937
Agribusiness	Sundry	2,063,482
Agribusiness	Agribusiness and fertilizers	3,713,861
Heavy construction (constructors)	Infrastructure work	3,688,961
Distribution of fuels	Oil and gas	1,955,474
Electrical and electronic	Domestic appliances	1,965,027
Fertilizers and insecticides	Agribusiness and fertilizers	1,468,456
Holding company	Sundry	2,888,731
Import and export	Tradings	2,086,472
Hospital care materials and equipment	Pharmaceuticals and cosmetics	954,721
Media	Publishing and printing	1,296,245
Other - Industry	Packaging	1,466,249
Other services	Education	1,034,660
Service companies	Entertainment and tourism	3,174,582
Service companies	Sundry services	1,385,467
Chemical and petrochemical	Oil and gas	527,739
Supermarkets	Commerce - Sundry	1,090,589

b) Credit concentration

Loan, lease and other credit operations (*)	03/31/2012		03/31/2011	
	Risk	% of Total	Risk	% of Total
Largest debtor	3,296,014	0.8	2,323,164	0.7
10 largest debtors	22,555,838	5.6	18,850,914	6.2
20 largest debtors	37,410,715	9.3	30,270,640	8.7
50 largest debtors	59,058,435	14.7	50,280,686	14.5
100 largest debtors	77,650,668	19.4	67,118,047	19.4

Loan, lease and other credit operations and securities of companies and financial institutions (*)	03/31/2012		03/31/2011	
	Risk	% of Total	Risk	% of Total
Largest debtor	3,920,695	0.9	4,710,909	1.2
10 largest debtors	30,946,097	7.0	28,875,169	7.5
20 largest debtors	50,464,328	11.3	45,782,342	11.8
50 largest debtors	80,910,874	18.2	72,313,387	18.7
100 largest debtors	105,467,529	23.7	94,823,069	24.5

(*) The amounts include endorsements and sureties.

c) Changes in allowance for loan losses

	01/01 to 03/31/2012	01/01 to 03/31/2011
Opening balance	(25,771,727)	(22,018,217)
Net increase for the period	(6,031,366)	(4,380,002)
Required by Resolution No. 2,682/99	(6,031,366)	(3,852,982)
Additional allowance (3)	-	(527,020)
Write-Off	5,851,631	4,159,038
Closing balance	(25,951,462)	(22,239,181)
Required by Resolution No. 2,682/99	(20,893,047)	(17,180,766)
Specific allowance (1)	(15,114,870)	(11,767,299)
Generic allowance (2)	(5,778,177)	(5,413,467)
Additional allowance (3)	(5,058,415)	(5,058,415)

(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) As from the first quarter of 2011, refers to the provision in excess of the minimum required percentage by CMN Resolution No. 2,682 of December 21, 1999, based on the expected loss methodology adopted in the institution's credit risk management, which also considers the potential losses in revolving credit.

At March 31, 2012, the balance of the allowance in relation to the loan portfolio is equivalent to 7.5% (7.3% at 03/31/2011).

d) Recovery and renegotiation of credits

I - Composition of the result of allowance for loan losses

	01/01 to 03/31/2012	01/01 to 03/31/2011
Expenses for allowance for loan losses	(6,031,366)	(4,380,002)
Income from recovery of credits written off as loss	1,192,327	1,207,087
Result of allowance for loan losses	(4,839,039)	(3,172,915)

II - Renegotiated credits

	03/31/2012	03/31/2011
Renegotiated credits	16,438,120	9,842,579
Allowance for loan losses	(6,755,219)	(4,008,525)
(%)	41.1	40.7

e) Restricted operations on assets

We present below information related to the restricted operations on assets, in accordance with CMN Resolution No. 2,921, of January 17, 2002.

	03/31/2012				01/01 to 03/31/2012
	0 - 30	31 - 180	Over 365 days	Total	Income (expenses)
Restricted operations on assets					
Loan operations	36,022	25,829	71,062	132,913	(2,782)
Liabilities - restricted operations on assets					
Foreign borrowings through securities	36,022	25,792	71,062	132,876	2,819
Net revenue from restricted operations					37

At March 31, 2012, there were no balances in default.

f) Operations of sale or transfers and acquisitions of financial assets

- I. Credit assignments (transfers of receivables) carried out through December 2011 were recorded in accordance with current regulation together with income recognition at the time of the assignment, regardless of the risks and benefits being retained or not.

In compliance with CMN Resolution No. 3,809, of October 28, 2009, the amount of operations assigned with joint obligation, at March 31, 2012 where the entity significantly retained the related risks and benefits is R\$ 516,038 (R\$ 33,334 at 03/31/2011), composed of real estate financing of R\$ 495,944 (R\$ 11,167 at 03/31/2011) and farming financing of R\$ 20,094 (R\$ 22,167 at 03/31/2011).

- II. Beginning January 2012, as provided for by CMN Resolution No. 3,533/08 and supplementary regulation, accounting records take into consideration the retention or non-retention of risks and benefits on sale or transfers of financial assets.

Operations of sale or transfer of financial assets where the entity retained the risks and benefits at March 31, 2012 and the financial assets under credit assignments remained recorded as loan operations amount to R\$ 29,128 and the amount received, recorded as operations restricted to assignment, is R\$ 29,291.

Sales or transfers of financial assets without risk and benefit retention amount to R\$ 304,078 with effect on results of R\$ 3.

In the period, loan portfolios with assignor's risk retention the, in the amount of R\$ 658,959, totaling R\$ 2,836,035 at March 31, 2012, were also purchased.

NOTE 9 - FOREIGN EXCHANGE PORTFOLIO

	03/31/2012	03/31/2011
ASSETS - OTHER RECEIVABLES	49,092,480	26,647,634
Exchange purchase pending settlement – foreign currency	26,706,909	14,358,321
Bills of exchange and term documents – foreign currency	-	393
Exchange sale rights – local currency	22,793,587	13,044,714
(Advances received) – local currency	(408,016)	(755,794)
LIABILITIES – OTHER LIABILITIES (Note 2a)	49,364,038	27,508,007
Exchange sales pending settlement – foreign currency	22,889,413	12,958,885
Liabilities from purchase of foreign currency – local currency	26,470,642	14,544,828
Other	3,983	4,294
MEMORANDUM ACCOUNTS	1,441,782	508,956
Outstanding import credits – foreign currency	1,401,334	493,191
Confirmed export credits – foreign currency	40,448	15,765

NOTE 10 – FUNDING AND BORROWINGS AND ONLENDING

a) Summary

	03/31/2012						03/31/2011	
	0-30	31-180	181-365	Over 365 days	Total	%	Total	%
Deposits	118,109,733	19,990,505	13,191,750	80,052,797	231,344,785	39.1	203,921,949	38.8
Deposits received under securities repurchase agreements	87,625,464	10,134,650	9,508,545	105,398,937	212,667,596	32.5	206,752,675	39.1
Funds from acceptance and issuance of securities	2,647,076	13,871,572	8,804,549	24,012,686	49,335,883	8.3	27,697,171	5.3
Borrowings and onlending	2,745,001	13,398,249	9,926,166	26,004,099	52,073,515	8.8	51,063,819	9.7
Subordinated debt (*)	6,189,054	3,079,378	4,190,067	32,242,264	45,700,763	7.7	35,933,918	6.8
TOTAL	217,316,328	60,474,354	45,621,077	267,710,783	591,122,542		525,369,532	
% per maturity term	36.8	10.2	7.7	45.3				
TOTAL – 03/31/2011	200,920,837	56,818,278	48,976,860	218,653,557	525,369,532			
% per maturity term	38.2	10.8	9.3	41.6				

(*) Includes R\$ 716,294 (R\$ 640,256 at 03/31/2011) of Redeemable Preferred Shares classified under Minority Interest in Balance Sheet.

b) Deposits

	03/31/2012						03/31/2011	
	0-30	31-180	181-365	Over 365 days	Total	%	Total	%
Demand deposits	26,902,686	-	-	-	26,902,686	11.6	24,675,587	12.1
Savings accounts	68,488,274	-	-	-	68,488,274	29.6	58,997,028	28.9
Interbank	1,705,926	3,627,391	2,722,742	513,026	8,569,085	3.7	2,913,294	1.4
Time deposits	21,012,847	16,363,114	10,469,008	79,539,771	127,384,740	55.1	116,387,873	57.1
Other deposits	-	-	-	-	-	0.0	948,167	0.5
TOTAL	118,109,733	19,990,505	13,191,750	80,052,797	231,344,785		203,921,949	
% per maturity term	51.1	8.6	5.7	34.6				
TOTAL – 03/31/2011	102,793,635	19,927,291	22,237,802	58,963,221	203,921,949			
% per maturity term	50.4	9.8	10.9	28.9				

ITAÚ UNIBANCO HOLDING's portfolio is composed of interbank deposits in the amount of R\$ 4,952,254 (R\$ 3,432,489 at 03/31/2011 with maturity over 365 days) with maturity of 181 to 365 days.

c) Deposits received under securities repurchase agreements

	03/31/2012					03/31/2011		
	0 - 30	31 - 180	181 - 365	Over 365 days	Total	%	Total	%
Own portfolio	46,786,349	9,205,304	9,470,221	88,902,886	154,364,760	72.6	151,572,191	73.3
Government securities	35,324,005	343,770	847	41,701	35,710,323	16.8	43,551,328	21.1
Own issue	2,331,193	8,861,534	9,468,502	88,753,752	109,414,981	51.5	101,710,913	49.2
Foreign	9,131,151	-	872	107,433	9,239,456	4.3	6,309,950	3.0
Third-party portfolio	40,839,115	75	24	-	40,839,214	19.2	42,082,781	20.4
Free portfolio	-	929,271	38,300	16,496,051	17,463,622	8.2	13,097,703	6.3
TOTAL	87,625,464	10,134,650	9,508,545	105,398,937	212,667,596		206,752,675	
% per maturity term	41.2	4.7	4.5	49.6				
TOTAL – 03/31/2011	93,393,026	15,612,866	12,314,839	85,431,944	206,752,675			
% per maturity term	45.1	7.6	6.0	41.3				

d) Funds from acceptance and issuance of securities

	03/31/2012						03/31/2011	
	0-30	31-180	181-365	Over 365 days	Total	%	Total	%
FUNDS FROM BILLS:	2,364,210	12,149,101	5,667,316	17,137,304	37,317,931	75.6	16,317,424	58.9
of real estate loans	1,965,377	10,863,671	2,105,808	1,815,137	16,749,993	34.0	9,985,048	36.1
Financial	-	628,281	3,287,747	12,940,345	16,856,373	34.2	3,910,378	14.1
Bill of credit related to agribusiness	389,184	647,157	249,922	2,188,345	3,474,608	7.0	2,150,903	7.8
Mortgage notes	9,649	9,992	23,839	193,477	236,957	0.5	271,095	1.0
DEBENTURES	54,035	-	1,011,150	-	1,065,185	2.2	1,065,828	3.8
FOREIGN SECURITIES	228,831	1,722,471	2,126,083	6,875,382	10,952,767	22.2	10,313,919	37.3
Trade Related – issued abroad - Structure Note Issued	-	-	-	-	-	-	2,188,480	7.9
Non-Trade Related – Issued abroad	228,831	1,722,471	2,126,083	6,875,382	10,952,767	22.2	8,125,439	29.4
Structure Note Issued	191,449	759,653	1,213,068	1,169,437	3,333,607	6.8	1,159,626	4.2
Brazil Risk Note Programme	28,329	291,021	279,762	2,436,562	3,035,674	6.2	3,208,344	11.6
Euro Certificates of Deposits	-	605,602	318,700	1,095,822	2,020,124	4.1	1,402,264	5.1
Bonds	3,642	22,979	23,088	1,240,297	1,290,006	2.6	-	-
Fixed Rate Notes	4,183	39,533	28,788	778,002	850,506	1.7	229,140	0.8
Euro Medium Term Note Programme	4	1,682	253,549	17,341	272,576	0.6	416,782	1.5
Medium Term Note	278	1,379	8,928	128,161	138,746	0.3	137,079	0.5
Eurobonds	163	622	200	9,760	10,745	0.0	1,572,203	5.7
Other	783	-	-	-	783	0.0	-	0.0
TOTAL	2,647,076	13,871,572	8,804,549	24,012,686	49,335,883		27,697,171	
% per maturity term	5.4	28.1	17.8	48.7				
TOTAL – 03/31/2011	1,845,222	10,688,449	1,501,548	13,661,952	27,697,171			
% per maturity term	6.7	38.6	5.4	49.3				

ITAÚ UNIBANCO HOLDING's portfolio is composed of Brazil Risk Note Programme with maturity of 31 days to 180 days in the amount of R\$ 18,667 (R\$ 18,667 at 03/31/2011) and over 365 days in the amount of R\$ 500,000 (R\$ 500,000 at 03/31/2011), totaling R\$ 518,667 (R\$ 518,667 at 03/31/2011).

e) Borrowings and onlending

	03/31/2012						03/31/2011	
	0-30	31-180	181-365	Over 365 days	Total	%		%
BORROWINGS	1,835,458	7,825,547	5,112,771	2,368,184	17,141,960	32.9	18,195,508	35.6
Domestic	439,282	88,250	1,238	5,713	534,483	1.0	3,239,771	6.3
Foreign (*)	1,396,176	7,737,297	5,111,533	2,362,471	16,607,477	31.9	14,955,737	29.3
ONLENDING	909,543	5,572,702	4,813,395	23,635,915	34,931,555	67.1	32,868,311	64.4
Domestic – official institutions	909,543	5,567,888	4,431,823	23,465,710	34,374,964	66.0	32,347,989	63.3
BNDES	283,871	1,185,950	1,112,813	7,291,783	9,874,417	19.0	10,091,187	19.8
FINAME	594,496	4,343,125	3,232,570	15,967,628	24,137,819	46.4	21,886,688	42.9
Other	31,176	38,813	86,440	206,299	362,728	0.7	370,114	0.7
Foreign	-	4,814	381,572	170,205	556,591	1.1	520,322	1.0
TOTAL	2,745,001	13,398,249	9,926,166	26,004,099	52,073,515		51,063,819	
% per maturity term	5.3	25.7	19.1	49.9				
TOTAL- 03/31/2011	2,827,284	9,698,443	12,922,611	25,615,481	51,063,819			
% per maturity term	5.5	19.0	25.3	50.2				

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

f) Subordinated debt

	03/31/2012						03/31/2011	
	0-30	31-180	181-365	Over 365 days	Total	%	Total	%
CDB	6,133,637	3,017,038	4,186,740	10,496,864	23,834,279	52.2	24,447,070	68.0
Financial Treasury bills	-	-	-	12,477,413	12,477,413	27.3	5,167,818	14.4
Euronotes	52,092	62,340	-	8,284,051	8,398,483	18.4	4,601,792	12.8
Bonds	3,325	-	3,249	301,001	307,575	0.7	299,792	0.8
Eurobonds	-	-	-	-	-	-	826,552	2.3
(-) Transaction costs incurred (Note 4b)	-	-	-	(33,281)	(33,281)	(0.1)	(49,362)	(0.1)
TOTAL OTHER LIABILITIES	6,189,054	3,079,378	4,189,989	31,526,048	44,984,469		35,293,662	
Redeemable preferred shares	-	-	78	716,216	716,294	1.6	640,256	1.8
GRAND TOTAL (*)	6,189,054	3,079,378	4,190,067	32,242,264	45,700,763		35,933,918	
% per maturity term	13.5	6.7	9.2	70.6				
TOTAL- 03/31/2011	61,670	891,229	60	34,980,959	35,933,918			
% per maturity term	0.2	2.5	0.0	97.3				

(*) The amount of R\$ 39,997,150 (R\$ 32,268,537 at 03/31/2011) is included in the Referential Equity, using the proportionalities set forth in CMN Resolution No. 3,444 of February 28, 2007 and changes made by CMN Resolution No. 3,532 of January 31, 2008.

Description				
Name of security	Issue	Maturity	Return p.a.	Principal R\$
Subordinated CDB				
	2007	2012	103.5% to 104% of CDI	4,969,704
			100% of CDI + 0.35% to 0.45%	731,836
			IGPM + 7.31 to 7.35%	278,350
	2002	2012	102.5% of CDI	200,000
	2008	2013	100% of CDI + 0.50% to 0.6%	1,558,200
			106% to 107% of CDI	48,401
	2003	2013	102% of CDI	40,000
	2007	2014	100% of CDI + 0.35% to 0.6%	1,864,500
			IGPM + 7.35%	33,200
	2008	2014	112% of CDI	1,000,000
	2008	2015	119.8% of CDI	400,000
	2010	2015	113% of CDI	50,000
	2006	2016	100% of CDI + 0.47% (*)	465,835
	2010	2016	110% to 114% of CDI	2,719,268
	2010	2016	IPCA + 7.33%	122,500
	2010	2017	IPCA + 7.45%	366,830
			TOTAL	14,848,624
Subordinated financial bills				
	2010	2016	100% of CDI + 1.35% to 1.36%	365,000
			112% to 112.5% of CDI	1,874,000
			IPCA + 7%	30,000
	2010	2017	IPCA + 6.95% to 7.2%	206,000
	2011	2017	108% to 112% of CDI	3,223,500
			IPCA + 6.15% to 7.8%	352,400
			IGPM + 6.55% to 7.6%	138,000
			100% of CDI + 1.29% to 1.52%	3,650,000
	2011	2018	IGPM + 7%	42,000
			IPCA + 7.53% to 7.7%	30,000
	2012	2018	IPCA + 5.76% to 6.58%	426,000
			100% of CDI + 1.22% to 1.32%	939,000
			109% to 112.5% of CDI	824,000
	2011	2019	109% to 109.7% of CDI	2,000
	2012	2019	PRE+12.20%	12,000
			IPCA + 5.83% to 6.30%	41,000
			110% of CDI	1,000
	2012	2020	IPCA + 6.00% to 6.17%	20,000
			111% of CDI	1,000
	2011	2021	109.25 to 110.5% of CDI	6,000
			TOTAL	12,182,900
Subordinated euronotes				
	2010	2020	6.20%	1,730,600
	2010	2021	5.75%	1,694,200
	2011	2021	5,75% to 6,20%	1,198,900
	2012	2021	6.20%	956,505
	2012	2022	5.65%	2,277,625
			TOTAL	7,857,830
Subordinated bonds				
	2005	2015	1.42%	193,834
	2008	2033	3.5% to 4.5%	141,127
			TOTAL	334,961
Preferred shares				
	2002	2015	3.04%	1,388,841

(*) Subordinated CDBs may be redeemed as from November 2011.

ITAÚ UNIBANCO HOLDING's portfolio is composed of Subordinated Euronotes with maturity of up to 30 days in the amount of R\$ 52,092 (R\$ 46,383 at 03/31/2011), with maturity of 31 to 180 days in the amount of R\$ 62,340 (R\$ 22,437 03/31/2011) and over 365 days in the amount of R\$ 8,250,770 (R\$ 3,626,650 at 03/31/2011), totaling R\$ 8,365,202 (R\$ 3,696,650 at 03/31/2011).

NOTE 11 - INSURANCE, PENSION PLAN AND CAPITALIZATION OPERATIONS

a) Composition of the technical provisions per segment

	INSURANCE		PENSION PLAN		CAPITALIZATION		TOTAL	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Unearned premiums	3,060,517	2,604,319	-	-	-	-	3,060,517	2,604,319
Mathematical provision of benefits to be granted and benefits granted	29,400	31,362	65,899,629	52,703,545	-	-	65,929,029	52,734,907
Premium deficiency / Insufficient contribution	326,527	278,984	700,166	625,140	-	-	1,026,693	904,124
Financial surplus	1,566	1,547	496,585	453,703	-	-	498,151	455,250
Mathematical provision for redemptions	-	-	-	-	2,801,398	2,644,156	2,801,398	2,644,156
Raffle contingency	-	-	-	-	16,972	20,811	16,972	20,811
Unsettled claims	2,244,520	2,204,167	-	-	-	-	2,244,520	2,204,167
Claims / Events incurred but not reported (IBNR)	758,774	629,117	10,698	10,169	-	-	769,472	639,286
Other provisions (Note 4n II.I)	1,279,990	1,180,804	165,695	180,811	37,296	30,498	1,482,981	1,392,113
TOTAL	7,701,294	6,930,300	67,272,773	53,973,368	2,855,666	2,695,465	77,829,733	63,599,133

b) Assets Guaranteeing Technical Provisions - SUSEP

	INSURANCE		PENSION PLAN		CAPITALIZATION		TOTAL	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Interbank investments – money market	850,817	1,205,794	798,084	929,765	1,062,372	1,107,171	2,711,273	3,242,730
Securities and derivative financial instruments	3,053,793	2,108,201	66,724,351	53,317,604	1,894,831	1,612,723	71,672,975	57,038,528
PGBL/VGBL FUND QUOTAS (1)	-	-	61,637,729	48,554,392	-	-	61,637,729	48,554,392
Government securities - Domestic	-	-	40,645,997	33,687,012	-	-	40,645,997	33,687,012
National Treasury Bills	-	-	26,295,179	13,223,260	-	-	26,295,179	13,223,260
National Treasury Notes	-	-	12,204,892	12,407,711	-	-	12,204,892	12,407,711
Financial Treasury Bills	-	-	2,145,926	8,056,041	-	-	2,145,926	8,056,041
Corporate securities	-	-	20,861,338	14,215,842	-	-	20,861,338	14,215,842
Bank deposit certificates	-	-	5,769,466	6,832,100	-	-	5,769,466	6,832,100
Debentures	-	-	3,590,120	3,896,492	-	-	3,590,120	3,896,492
Shares	-	-	1,637,013	2,050,539	-	-	1,637,013	2,050,539
Fund quotas	-	-	-	33,795	-	-	-	33,795
Promissory notes	-	-	-	295,951	-	-	-	295,951
Credit note	-	-	733,184	-	-	-	733,184	-
Financial Treasury bills	-	-	9,129,241	1,105,401	-	-	9,129,241	1,105,401
Securitized real estate loans	-	-	2,314	1,564	-	-	2,314	1,564
PGBL/VGBL fund quotas	-	-	107,434	611,276	-	-	107,434	611,276
Derivative financial instruments	-	-	41,077	40,262	-	-	41,077	40,262
Accounts receivable / (payable)	-	-	(18,117)	-	-	-	(18,117)	-
Other assets	3,053,793	2,108,201	5,086,622	4,763,212	1,894,831	1,612,723	10,035,246	8,484,136
Government	947,406	802,259	3,803,692	3,414,963	184,996	145,770	4,936,094	4,362,992
Private	2,106,387	1,305,942	1,282,930	1,348,249	1,709,835	1,466,953	5,099,152	4,121,144
Receivables from insurance and reinsurance operations (2)	3,941,170	3,666,062	-	-	-	-	3,941,170	3,666,062
Credit rights	908,668	771,024	-	-	-	-	908,668	771,024
Commercial – Extended guarantee	1,283,450	1,167,314	-	-	-	-	1,283,450	1,167,314
Reinsurance	1,749,052	1,727,724	-	-	-	-	1,749,052	1,727,724
Escrow deposits for loss	7,116	43,287	-	-	-	-	7,116	43,287
TOTAL	7,852,896	7,023,344	67,522,435	54,247,369	2,957,203	2,719,894	78,332,534	63,990,607

(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, with a contra-entry to long-term liabilities in Pension Plan Technical Provisions account, as determined by SUSEP.

(2) Recorded under Other receivables and Other assets.

c) Financial and operating income per segment

	INSURANCE		PENSION PLAN		CAPITALIZATION		TOTAL	
	01/01 to 03/31/2012	01/01 to 03/31/2011	01/01 to 03/31/2012	01/01 to 03/31/2011	01/01 to 03/31/2012	01/01 to 03/31/2011	01/01 to 03/31/2012	01/01 to 03/31/2011
Financial income from insurance, pension plan and capitalization operations	94,319	75,298	64,703	32,867	39,044	31,180	198,066	139,345
Financial income	102,160	89,127	1,787,778	1,165,195	82,171	74,706	1,972,109	1,329,028
Financial expenses	(7,841)	(13,829)	(1,723,075)	(1,132,328)	(43,127)	(43,526)	(1,774,043)	(1,189,683)
Operating income from insurance, pension plan and capitalization operations	595,867	448,583	26,984	12,923	127,322	115,731	750,173	577,237
Premiums and contributions	1,430,073	1,302,319	3,543,339	2,566,315	494,647	462,915	5,468,059	4,331,549
Changes in technical provisions	(106,949)	(169,136)	(3,503,338)	(2,544,914)	(1,043)	(2,199)	(3,611,330)	(2,716,249)
Expenses for claims, benefits, redemptions and raffles	(464,701)	(401,704)	(11,734)	(7,239)	(366,247)	(342,292)	(842,682)	(751,235)
Selling expenses	(244,839)	(241,936)	(533)	(745)	(849)	(2,694)	(246,221)	(245,375)
Other operating revenues and expenses	(17,717)	(40,960)	(750)	(494)	814	1	(17,653)	(41,453)
Total result from insurance, pension plan and capitalization operations	690,186	523,881	91,687	45,790	166,366	146,911	948,239	716,582

NOTE 12 - CONTINGENT ASSETS AND LIABILITIES AND LEGAL LIABILITIES – TAX AND SOCIAL SECURITY

In the ordinary course of its businesses, ITAÚ UNIBANCO HOLDING CONSOLIDATED is involved in contingencies that may be classified as follows.

a) Contingent Assets: there are no contingent assets recorded.

b) Provisions and Contingencies: The criteria to quantify contingencies are adequate in relation to the specific characteristics of civil, labor and tax lawsuits portfolios, as well as other risks.

- Civil lawsuits:

Collective lawsuits (related to claims considered similar and which each individual amount is not considered significant): contingencies are determined on a monthly basis and the expected amount of losses is accrued according to statistical references that take into account the type of lawsuit and the characteristics of the legal body (Small Claims Court or Regular Court).

Individual lawsuits (related to claims with unusual characteristics or involving significant amounts): determined from time to time, based on the amount claimed and the likelihood of loss, which, in turn, is estimated according to the “de facto” and “de jure” characteristics related to such lawsuit. The amounts of losses which likelihood of loss is considered probable are accrued.

Contingencies usually arise from revision of contracts and compensation for property damage and pain and suffering; most of these lawsuits are filed in the Small Claims Court and therefore limited to 40 minimum monthly wages. ITAÚ UNIBANCO CONSOLIDATED is also party to specific lawsuits over the charging of understated inflation adjustment to savings accounts in connection with economic plans.

The case law at the Federal Supreme Court is favorable to banks in relation to an economic phenomenon similar to savings, as in the case of adjustment to time deposits and contracts in general. Additionally, the Superior Court of Justice has recently decided that the term for filing public civil actions over understated inflation is five years. In view of such decision, some of the lawsuits may be dismissed because they were filed after the five-year period.

In the accounting books no amount is recognized in relation to Civil Lawsuits which likelihood of loss is considered possible, which total estimated risk is R\$ 825,960 and main natures of these lawsuits refer to claims form compensation or collections, the individual amounts of which are not significant.

- Labor claims

Collective lawsuits (related to claims considered similar and which each individual amount is not considered significant): The expected amount of loss is determined and accrued monthly according to the statistical share pricing model, plus the average cost of fees. These are adjusted to the amounts deposited as guarantee for their execution when realized.

Individual lawsuits (related to claims with unusual characteristics or involving significant amounts): determined from time to time, based on the amount claimed and the likelihood of loss, which, in turn, is estimated according to the “de facto” and “de jure” characteristics related to such lawsuit. The amounts of losses which likelihood of loss is considered probable are accrued.

Contingencies are related to lawsuits in which 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, are discussed;

There are no labor claims falling under the category of possible loss.

- Other Risks

These are quantified and accrued mainly based on the evaluation of rural credit transactions with joint liability and FCVS (salary variations compensation fund) credits assigned to Banco Nacional.

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

	01/01 to 03/31/2012				01/01 to 03/31/2011
	Civil	Labor	Other	Total	Total
Opening balance	3,165,594	4,013,915	165,303	7,344,812	7,132,647
(-) Contingencies guaranteed by indemnity clauses (Note 4o I)	(136,688)	(929,875)	-	(1,066,563)	(1,421,626)
Subtotal	3,028,906	3,084,040	165,303	6,278,249	5,711,021
Restatement/Charges	39,678	28,189	-	67,867	33,700
Changes in the period reflected in results (Notes 13f and 13i)	450,090	227,346	3,493	680,929	519,452
Increase (*)	549,558	238,746	4,488	792,792	670,944
Reversal	(99,468)	(11,400)	(995)	(111,863)	(151,492)
Payment	(364,255)	(145,634)	-	(509,889)	(405,513)
Subtotal	3,154,419	3,193,941	168,796	6,517,156	5,858,660
(+) Contingencies guaranteed by indemnity clauses (Note 4o I)	141,181	921,076	-	1,062,257	1,306,308
Closing balance (Note 13c)	3,295,600	4,115,017	168,796	7,579,413	7,164,968
Closing balance at 03/31/2011 (Note 13c)	2,980,900	4,016,134	167,934		
Escrow deposits at 03/31/2012 (Note 13a)	1,988,140	2,434,851	-	4,422,991	
Escrow deposits at 03/31/2011 (Note 13a)	1,774,858	2,313,389	-	4,088,247	

(*) Civil provisions include the provision for economic plans amounting to R\$ 95,197 (R\$ 164,280 from January 1 to March 31, 2011) (Note 22k).

- Tax and social security lawsuits

Contingencies are equivalent to the principal amount of taxes involved in tax, administrative or judicial challenges, subject to tax assessment notices, plus interest and, when applicable, fines and charges. The amount is accrued when it involves legal obligation, regardless of the likelihood of loss, that is, a favorable outcome to the institution is dependent upon the recognition of the unconstitutionality of the applicable law in force. In other cases, the Bank recognizes a provision whenever the likelihood of loss is probable.

The table below shows the changes in the provisions and respective escrow deposits for Tax and Social Security lawsuits balances:

Provisions	01/01 to 03/31/2012			01/01 to 03/31/2011
	Legal obligation	Contingencies	Total	Total
Opening balance	6,273,013	2,371,539	8,644,552	7,323,656
(-) Contingencies guaranteed by indemnity clauses	-	(57,438)	(57,438)	(44,472)
Subtotal	6,273,013	2,314,101	8,587,114	7,279,184
Restatement/Charges	195,201	29,383	224,584	174,748
Changes in the period reflected in results	140,729	29,011	169,740	297,137
Increase	141,289	61,682	202,971	368,730
Reversal	(560)	(32,671)	(33,231)	(71,593)
Payment	-	(45,799)	(45,799)	(11,993)
Subtotal	6,608,943	2,326,696	8,935,639	7,739,076
(+) Contingencies guaranteed by indemnity clauses	-	58,565	58,565	42,934
Closing balance (Note 13c)	6,608,943	2,385,261	8,994,204	7,782,010
Closing balance at 03/31/2011 (Notes 13c and 14c)	5,400,501	2,381,509	7,782,010	-

Escrow deposits	01/01 to 03/31/2012			01/01 to 03/31/2011
	Legal obligation	Contingencies	Total	Total
Opening balance	3,979,486	1,198,827	5,178,313	4,682,936
Appropriation of income	105,689	30,335	136,024	125,204
Changes in the period	<u>109,363</u>	<u>102,646</u>	<u>212,009</u>	<u>77,754</u>
Deposited	112,448	104,869	217,317	92,943
Withdrawals	(2,404)	(2,055)	(4,459)	(11,655)
Conversion into income	(681)	(168)	(849)	(3,534)
Closing balance	4,194,538	1,331,808	5,526,346	4,885,894
Closing balance at 03/31/2011	3,782,785	1,103,109	4,885,894	

The main discussions related to Legal Obligations are described as follows:

- PIS and COFINS – Calculation basis – R\$ 3,028,791: we defend the levy of contributions on revenue, understood as the revenue from sales of assets and services. The escrow deposit balance totals R\$ 1,109,441.
- CSLL – Isonomy – R\$ 1,515,523, as the law increased the CSLL rate for financial and insurance companies to 15%, we discuss the lack of constitutional support for this measure and, due to the principle of isonomy, we defend the levy at the regular rate of 9%. The escrow deposit balance totals R\$ 345,007.
- IRPJ and CSLL –Taxation of profits earned abroad – R\$ 497,439: We discuss the calculation basis for levy of these taxes on profits earned abroad and the non-applicability of Regulatory Instruction SRF No. 213-02 in which it exceeds the suitability of the legal text. The escrow deposit balance totals R\$ 497,439.
- PIS – R\$ 377,136 - Principles of anteriority over 90 days and non-retroactivity: we request the rejection of Constitutional Amendments No. 10/96 and 17/97 in view of the principle of anteriority and non-retroactivity, aiming at making payments based on Supplementary Law No. 07/70. The corresponding escrow deposit totals R\$ 132,022.

Off-balance sheet contingencies - The amounts related to Tax and Social Security Lawsuits considered to be as possible loss, which total estimated risk is R\$ 6,726,926, are the following:

- IRPJ, CSLL, PIS and COFINS – request for offset dismissed - R\$ 1,191,973: cases in which the liquidity and the offset credit certainty are discussed.
- IRPJ/CSLL - Interest on capital - R\$ 842,200: we defend the deductibility of interest on capital declared to stockholders based on the Brazilian long-term interest rate (TJLP) on the stockholders' equity for the year and for prior years.
- INSS – Non-compensatory amounts – R\$ 679,316: we defend the non-taxation of these amounts, mainly profit sharing, transportation vouchers and sole bonus.
- IRPJ/CSLL - Losses and discounts on receipt of credits – R\$ 470,551: deductibility of effective losses as operating expense – credit assignment and renegotiation.
- ISS – Banking Institutions – R\$ 380,421: these are banking operations, which revenue may not be interpreted as price per service rendered and/or arises from activities not listed under a Supplementary Law.
- IRPJ, CSLL, PIS and COFINS – Usufruct of quotas and shares - R\$ 322,477: we discuss the adequate accounting and tax treatment for the amount received due to the onerous recognition of usufruct.

c) Receivables - Reimbursement of contingencies

The Receivables balance arising from reimbursements of contingencies totals R\$ 736,224 (R\$ 771,805 at 03/31/2011) (Note 13a), 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 of Civil, Labor and Tax Contingencies.

d) Assets pledged as Contingencies

Assets pledged in guarantee for contingencies are related to liability contingencies and restricted or deposited as presented below:

	03/31/2012	03/31/2011
Securities (basically Financial Treasury Bills – Note 7b)	1,475,189	1,499,151
Deposits in guarantee	3,284,746	3,335,588

According to the opinion of its legal advisors, ITAÚ UNIBANCO HOLDING and its subsidiaries are not involved in any other administrative or judicial proceedings that may significantly impact the results of their operations. The combined evaluation of all existing provisions for all contingent liabilities and legal obligations, which are recognized based on statistical models for claims involving small amounts and on individual evaluation by internal and external legal advisors of other cases, showed that the accrued amounts are sufficient, as provided for by CMN Resolution No. 3,823, of December 16, 2009, and BACEN Circular Letter No. 3,429, of February 11, 2010.

NOTE 13 - BREAKDOWN OF ACCOUNTS

a) Other sundry receivables

	03/31/2012	03/31/2011
Deferred tax assets (Note 14b I)	28,271,169	25,170,403
Social contribution for offset (Note 14b I)	690,648	770,816
Taxes and contributions for offset	3,166,391	3,010,390
Escrow deposits for legal liabilities and tax and social security contingencies (Note 12b)	8,811,092	8,221,482
Escrow deposits for legal liabilities – civil and labor (Note 12b)	4,422,991	4,088,247
Escrow deposits for foreign fund raising program	626,667	1,721,440
Receivables from reimbursement of contingent liabilities (Note 12c)	736,224	771,805
Sundry domestic debtors	872,348	843,232
Sundry foreign debtors	109,305	129,767
Retirement plan assets (Note 19)	1,820,578	1,575,422
Recoverable payments	37,869	32,306
Salary advances	90,368	96,679
Amounts receivable from related companies	11,320	9,458
Operations without credit granting characteristics	<u>199,625</u>	<u>186,327</u>
Securities and credits receivable	532,350	484,049
(Allowance for loan losses)	(332,725)	(297,722)
Other	159,219	119,258
Total	50,025,814	46,747,032

At ITAÚ UNIBANCO HOLDING, Other Sundry Receivables are basically composed of Taxes and Contributions for Offset of R\$ 108,628 (R\$ 481,333 at 03/31/2011) and Deferred Tax Assets of R\$ 591,530 (R\$ 579,736 at 03/31/2011) (Note 14b I).

b) Prepaid expenses

	03/31/2012	03/31/2011
Commissions	<u>3,387,640</u>	<u>2,867,209</u>
Related to vehicle financing	1,099,448	744,548
Related to insurance and pension plan	1,398,563	1,325,894
Restricted to commissions/partnership agreements	558,123	588,343
Other	331,506	208,424
Fundo Garantidor de Crédito (*)	292,762	479,945
Advertising	439,465	452,480
Other	306,025	380,975
Total	4,425,892	4,180,609

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

c) Other sundry liabilities

	03/31/2012	03/31/2011
Provisions for contingent liabilities (Note 12b)	9,964,674	9,546,477
Provisions for sundry payments	2,128,295	2,060,630
Personnel provision	1,177,945	1,074,697
Sundry creditors - local	1,044,727	910,272
Sundry creditors - foreign	845,169	586,886
Liabilities for official agreements and rendering of payment services	494,874	1,509,343
Related to insurance operations	887,398	933,881
Liabilities for purchase of assets and rights	11,984	51,358
Creditors of funds to be released	1,051,712	1,008,978
Funds from consortia participants	82,355	85,571
Provision for Retirement Plan Benefits (Note 19)	331,410	226,909
Provision for health insurance (*)	625,771	609,907
Expenses for lease interests (Note 4i)	287,328	279,743
Other	524,819	590,372
Total	19,458,461	19,475,024

(*) 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 (Note 13j).

d) Banking service fees

	01/01 to 03/31/2012	01/01 to 03/31/2011
Asset management	<u>706,511</u>	<u>636,338</u>
Funds management fees	662,536	610,944
Consortia management fee	43,975	25,394
Current account services	166,101	164,569
Credit cards	<u>1,595,429</u>	<u>1,398,567</u>
Relationship with stores	1,480,267	1,305,255
Credit card processing	115,162	93,312
Sureties and credits granted	<u>390,888</u>	<u>401,337</u>
Loan operations	179,991	235,308
Guarantees provided	210,897	166,029
Receipt services	<u>345,094</u>	<u>330,207</u>
Collection fees	274,836	257,791
Collection services	70,258	72,416
Other	<u>386,977</u>	<u>332,285</u>
Custody services and management of portfolio	58,408	53,997
Economic and financial advisory	95,194	73,675
Foreign exchange services	23,589	18,810
Other services	209,786	185,803
Total	<u>3,591,000</u>	<u>3,263,303</u>

e) Income from bank charges

	01/01 to 03/31/2012	01/01 to 03/31/2011
Loan operations/registration	295,999	377,329
Credit cards – annual fees and other services (*)	435,234	292,918
Deposit account	36,300	38,765
Transfer of funds	33,123	29,998
Income from securities brokerage (*)	97,015	123,065
Service package fees and other	514,713	342,083
Total	1,412,384	1,204,158

(*) In compliance with BACEN Circular Letter No. 3,490.

f) Personnel expenses

	01/01 to 03/31/2012	01/01 to 03/31/2011
Compensation	(1,465,458)	(1,484,734)
Charges	(518,754)	(494,174)
Welfare benefits	(344,564)	(392,815)
Training	(54,973)	(49,040)
Labor claims and termination of employees (Note 12b)	(373,178)	(226,069)
Stock Option Plan	(40,435)	(34,140)
Total	(2,797,362)	(2,680,972)
Employees' profit sharing	(594,520)	(561,665)
Total with Employees' profit sharing	(3,391,882)	(3,242,637)

g) Other administrative expenses

	01/01 to 03/31/2012	01/01 to 03/31/2011
Data processing and telecommunications	(871,204)	(845,631)
Depreciation and amortization	(377,116)	(337,938)
Installations	(553,883)	(485,423)
Third-party services	(776,586)	(718,484)
Financial system services	(111,151)	(130,349)
Advertising, promotions and publication	(188,076)	(217,069)
Transportation	(130,561)	(138,765)
Materials	(116,017)	(107,824)
Security	(132,773)	(120,723)
Travel expenses	(38,812)	(40,144)
Other	(131,855)	(117,950)
Total	(3,428,034)	(3,260,300)

h) Other operating revenue

	01/01 to 03/31/2012	01/01 to 03/31/2011
Reversal of operating provisions	5,433	52,036
Recovery of charges and expenses	13,709	27,915
Other	38,275	48,083
Total	57,417	128,034

i) Other operating expenses

	01/01 to 03/31/2012	01/01 to 03/31/2011
Provision for contingencies (Note 12b)	<u>(477,079)</u>	<u>(433,876)</u>
Civil lawsuits:		
Tax and social security contributions	(23,496)	(79,410)
Other	(3,493)	5,239
Selling - Credit cards	(350,116)	(492,385)
Claims	(165,478)	(130,460)
Provision for health insurance (Note 13c)	(2,842)	(3,542)
Refund of interbank costs	(56,459)	(49,009)
Other	(277,048)	(160,286)
Total	(1,329,022)	(1,269,558)

NOTE 14 - 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 03/31/2012	01/01 to 03/31/2011
Income before income tax and social contribution	5,429,987	5,202,171
Charges (income tax and social contribution) at the rates in effect (Note 4p)	(2,171,995)	(2,080,868)
Increase/decrease to income tax and social contribution charges arising from:		
Permanent additions (exclusions)	286,999	450,671
Investments in affiliates	13,614	30,088
Foreign exchange variation on investments abroad	(306,808)	(139,663)
Interest on capital	465,183	418,440
Dividends and interest on external debt bonds	47,584	73,566
Other	67,426	68,240
Temporary (additions) exclusions	(433,477)	(479,667)
Allowance for loan losses	(710,671)	(576,052)
Excess (insufficiency) of depreciation of leased assets	(432,660)	(168,202)
Adjustment to market value of trading securities and derivative financial instruments and adjustments from operations in futures markets	191,857	(172,796)
Legal liabilities – tax and social security, contingent liabilities and restatement of escrow deposits	(126,050)	(96,385)
Realization of goodwill on purchase of investments	397,872	424,401
Other	246,175	109,367
(Increase) offset of tax losses/social contribution loss carryforwards	(412,522)	22,117
Expenses for income tax and social contribution	(2,730,995)	(2,087,747)
Related to temporary differences		
Increase (reversal) for the period	846,000	457,550
Increase (reversal) for prior periods	98,971	160,522
Income (expenses) from deferred taxes	944,970	618,072
Total income tax and social contribution	(1,786,025)	(1,469,675)

II - Composition of tax expenses:

	01/01 to 03/31/2012	01/01 to 03/31/2011
PIS and COFINS	(946,770)	(808,267)
ISS	(155,431)	(154,467)
Other	(94,218)	(72,873)
Total (Note 4p)	(1,196,419)	(1,035,607)

At ITAÚ UNIBANCO HOLDING tax expenses are basically composed of PIS and COFINS in the amount of R\$ 53,005 (R\$ 58,010 from 01/01 to 03/31/2011).

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, ITAÚ UNIBANCO HOLDING carries out derivative transactions in foreign currency (*hedge*), as mentioned in Note 22b.

Results of these transactions are considered in the calculation base 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 and its changes, segregated based on its origin and disbursements incurred, are represented as follows:

	PROVISIONS		DEFERRED TAX ASSETS				
	03/31/2011	03/31/2012	12/31/2011	Realization / Reversal	Increase	03/31/2012	03/31/2011
Reflected in income and expense accounts							25,045,746
Related to income tax and social contribution loss carryforwards			<u>4.203.850</u>	<u>(367.842)</u>	<u>213.278</u>	<u>4.049.286</u>	<u>3.165.791</u>
Related to disbursed provisions			<u>15.837.257</u>	<u>(2.077.917)</u>	<u>2.293.023</u>	<u>16.052.363</u>	<u>14.444.052</u>
Allowance for loan losses			11,490,145	(1,188,293)	2,036,179	12,338,031	9,480,040
Adjustment to market value of securities and derivative financial instruments (assets/liabilities)			527,127	(527,127)	245,794	245,794	57,818
Allowance for real estate			75,130	(3,246)	994	72,878	89,008
Goodwill on purchase of investments			3,602,265	(343,411)	-	3,258,854	4,678,466
Other			142,590	(15,840)	10,056	136,806	138,720
Related to non-disbursed provisions (*)	<u>20.940.317</u>	<u>22.131.308</u>	<u>8.118.381</u>	<u>(1.121.740)</u>	<u>959.240</u>	<u>7.955.881</u>	<u>7.435.903</u>
Related to the operation	<u>15.881.902</u>	<u>17.072.893</u>	<u>6.398.520</u>	<u>(1.121.740)</u>	<u>959.240</u>	<u>6.236.020</u>	<u>5.716.042</u>
Legal liabilities – tax and social security	2,241,943	2,671,525	1,319,186	-	77,313	1,396,499	1,280,657
Provision for contingent liabilities	<u>7.500.810</u>	<u>8.330.822</u>	<u>2.863.876</u>	<u>(145.308)</u>	<u>235.472</u>	<u>2.954.040</u>	<u>2.556.024</u>
Civil lawsuits:	2,771,753	3,126,588	1,184,829	(78,896)	130,542	1,236,475	1,067,787
Labor claims	2,396,094	2,696,453	984,208	(39,715)	74,372	1,018,865	903,829
Tax and social security contributions	2,265,679	2,457,039	675,302	(26,680)	30,558	679,180	558,271
Other	67,284	50,742	19,537	(17)	-	19,520	26,137
Adjustments of operations carried out in futures settlement market	54,813	31,881	11,618	(624)	1,591	12,585	19,183
Provision related to health insurance operations	609,907	625,771	249,172	-	1,137	250,309	243,963
Other non-deductible provisions	5,474,429	5,412,894	1,954,668	(975,808)	643,727	1,622,587	1,616,215
Related to provisions exceeding the minimum required not disbursed – allowance for loan losses	5,058,415	5,058,415	1,719,861	-	-	1,719,861	1,719,861
Reflected in stockholders' equity accounts – adjustment to market value of available-for-sale securities (Note 2b)			123,436	-	90,203	213,639	124,657
Total	20,940,317	22,131,308	28,282,924	(3,567,499)	3,555,744	28,271,169	25,170,403
Social contribution for offset arising from Option established in article 8 of Provisional Measure No. 2,158-35 of 08/24/2001			714,602	(23,953)	-	690,648	770,816

(*) From a financial point of view, rather than recording the provision of R\$ 22,131,308 (R\$ 20,940,317 at 03/31/2011) and deferred tax assets of R\$ 7,955,881 (R\$ 7,435,903 at 03/31/2011), only the net provisions of the corresponding tax effects should be considered, which would reduce the total deferred tax assets from R\$ 28,271,169 (R\$ 25,170,403 at 03/31/2011) to R\$ 20,315,288 (R\$ 17,734,500 at 03/31/2011).

At ITAÚ UNIBANCO HOLDING, the deferred tax assets totaled R\$ 591,530 (R\$ 579,736 at 03/31/2011) and are basically represented by legal liabilities – tax and social security of R\$ 284,441 (R\$ 231,472 at 03/31/2011), which expected realization is dependent upon the progress of the lawsuit, and tax loss of R\$ 229,362 (R\$ 340,348 at 03/31/2011).

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

	12/31/2011	Realization / Reversal	Increase	03/31/2012	03/31/2011
Reflected in income and expense accounts	9,583,023	(1,191,310)	293,079	8,684,792	9,987,368
Depreciation in excess – leasing	7,560,086	(926,480)	-	6,633,606	8,252,703
Restatement of escrow deposits and contingent liabilities	935,240	(29,850)	71,525	976,915	845,250
Adjustment to market value of securities and derivative financial instruments	178,124	(178,124)	174,504	174,504	173,398
Provision for Pension Plan Benefits	593,803	-	44,431	638,234	562,226
Adjustments of operations carried out in future settlement market	101,510	(47,406)	-	54,104	31,569
Taxation of results abroad – capital gains	63,451	(3,871)	-	59,580	59,807
Other	150,809	(5,579)	2,619	147,849	62,415
Reflected in stockholders' equity accounts – adjustment to market value of available-for-sale securities (Note 2b)	295,897	(11,968)	95,028	378,957	200,575
Total	9,878,920	(1,203,278)	388,107	9,063,749	10,187,943

At ITAÚ UNIBANCO HOLDING, the Provision for deferred income tax and social contribution totals R\$ 4,100 (R\$ 3,179 at 03/31/2011), basically represented by Restatement of escrow deposits and contingent liabilities.

- 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 August 24, 2001 and from the Provision for Deferred Income Tax and Social Contribution existing at March 31, 2012, in accordance with the expected generation of future taxable income, based on the history of profitability and technical feasibility studies, are:

	Deferred tax assets			Social contribution for offset	Provision for deferred income tax and social contribution	Net deferred taxes
	Temporary differences	Tax loss/social contribution loss carryforwards	Total			
2012	8,653,800	774,508	9,428,308	55,560	(2,119,682)	7,364,186
2013	4,866,715	1,008,965	5,875,680	148,798	(2,468,542)	3,555,936
2014	3,917,423	1,428,057	5,345,480	258,769	(2,108,902)	3,495,347
2015	2,316,040	721,213	3,037,253	219,071	(852,189)	2,404,135
2016	1,937,321	51,192	1,988,513	8,007	(686,240)	1,310,280
after 2016	2,530,584	65,351	2,595,935	443	(828,194)	1,768,184
Total	24,221,883	4,049,286	28,271,169	690,648	(9,063,749)	19,898,068
Present value (*)	21,469,242	3,641,648	25,110,890	611,137	(8,003,021)	17,719,006

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

The projections of future taxable income include estimates related to macroeconomic variables, exchange rates, interest rates, volume of financial operations and services fees and 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, filed on June 26, 2008 by the National Confederation of the Financial System (CONSIF), deferred tax assets were recorded up to the amount added to the Tax Liabilities, while the amount of R\$ 843,261 is unrecorded (R\$ 1,442,041 at 03/31/2011).

c) Tax and social security contributions

	03/31/2012	03/31/2011
Taxes and contributions on income payable	1,918,538	1,462,228
Taxes and contributions payable (*)	1,002,160	5,379,904
Provision for deferred income tax and social contribution (Note 14b II)	9,063,749	10,187,943
Legal liabilities – tax and social security (Note 12b)	6,608,943	5,400,501
Total	18,593,390	22,430,576

() At June 30, 2011, the amounts subject to installment payment under the Program for Cash or Installment Payment of Federal Taxes, introduced by Law No. 11,941 of May 27, 2009 were settled.*

At ITAÚ UNIBANCO HOLDING, the balance of Tax and Social Security Contributions totals R\$ 890,872 (R\$ 888,045 at 03/31/2011) and is basically comprised of Legal Liabilities - Tax and Social Security of R\$ 857,625 (R\$ 595,156 at 03/31/2011), whose nature refers to PIS and COFINS – Revenue x Gross Revenue. We request either the levy of taxes only on the revenue understood as income from sale of assets and services or the levy of PIS Repique (calculated on income tax payable) (at 5% of income tax due), in lieu of the levy on total revenues recorded, by alleging the unconstitutionality of paragraph 1 of article 3 of Law No. 9,718/98.

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 takes into consideration the interest on capital and on the service provision, in addition to that levied on financial operation.

	03/31/2012	03/31/2011
Taxes paid or provided for	5,195,115	4,087,529
Taxes withheld and collected from third parties	3,365,681	2,240,468
Total	8,560,796	6,327,997

NOTE 15 – PERMANENT ASSETS

a) Investments

I - Change of investments

C o m p a n i e s		Balances at 12/31/2011	Amortization of goodwill	Dividends paid/provided for (1)	Equity in earnings of subsidiaries (2)	Adjustments in marketable securities of subsidiaries and Other	Balances at 03/31/2012	Balances at 03/31/2011	Equity in earnings of subsidiaries from 01/01 to 03/31/2011
Domestic		53,724,893	(1,584)	(6,253,039)	2,092,163	95,546	49,657,979	60,563,763	2,439,154
Itaú Unibanco S.A.	(3a)(4a)(5a)(6)(7a)	45,004,168	(1,584)	(3,847,435)	930,859	146,913	42,232,921	46,810,210	1,321,197
Banco Itaú BBA S.A.	(5b)	6,768,322	-	(1,645,000)	461,934	(51,765)	5,533,491	6,635,552	393,571
Banco Itaucard S.A.	(4b)(5c)(8)	1,211,086	-	(760,604)	642,426	391	1,093,299	768,476	523,759
Itaú Corretora de Valores S. A.	(8)	693,193	-	-	56,156	7	749,356	480,086	8,055
Itaú-BBA Participações S.A.		48,124	-	-	788	-	48,912	1,850,281	105,944
Itauseg Participações S.A.	(9)	-	-	-	-	-	-	4,019,158	86,628
Foreign		2,583,601	(12,851)	-	40,847	(3,715)	2,607,882	2,029,108	20,632
Itaú Chile Holding, INC.	(3b)	2,175,208	(11,310)	-	7,088	(4,569)	2,166,417	1,689,394	15,046
Banco Itaú Uruguay S.A.	(3c)(7b)	269,922	(1,178)	-	24,896	854	294,494	223,340	(1,500)
OCA S.A.	(3d)	98,484	(313)	-	9,042	-	107,213	82,206	7,335
OCA Casa Financiera S.A.	(3e)	37,343	(45)	-	(147)	-	37,151	31,868	(255)
ACO Ltda.	(3f)	2,644	(5)	-	(32)	-	2,607	2,300	6
GRAND TOTAL		56,308,494	(14,435)	(6,253,039)	2,133,010	91,831	52,265,861	62,592,871	2,459,786

(1) Dividends approved and not paid are recorded as Dividends receivable;

(2) At March 31, 2012, includes foreign exchange variation in the amount of R\$ (56,354);

(3) At March 31, 2012, includes goodwill in the amounts of: (a) R\$ 41,709; (b) R\$ 214,895; (c) R\$ 22,382; (d) R\$ 5,948; (e) R\$ 863; (f) R\$ 101;

(4) At March 31, 2012, includes Adjustments of unrealized results in the results of operations and in investments, respectively, in the amounts of: (a) R\$ 456 and R\$ (5,989); (b) R\$ 7,795 and R\$ (45,512);

(5) At March 31, 2012, includes adjustments to standardize procedures under the scope of the investor in the results of operations and investments, respectively, in the amounts of: (a) R\$ (142) and R\$ (2,631); (b) R\$ 3,208 and R\$ (60,260); and (c) R\$ 224,618 and R\$ 81;

(6) At March 31, 2012, includes installment of dividends provided for in the amount of R\$ 49,145;

(7) At March 31, 2012, equity in earnings of subsidiaries reflects equity in other variations of the stockholders' equity of the subsidiary in the amount of: (a) R\$ 1,585 and (b) R\$ (4);

(8) The investment and the equity in earnings reflect the different interest in preferred shares, profit sharing and dividends;

(9) Investment sold to Banco Itaucard S.A. at April 11, 2011.

C o m p a n i e s	Capital	Stockholders' equity	Net income for the period	Number of shares/quotas owned by ITAÚ UNIBANCO			Equity share in voting capital (%)	Equity share in capital (%)
				Common	Preferred	Quotas		
Domestic								
Itaú Unibanco S.A.	39,676,320	42,150,687	928,960	2,081,169,523	2,014,258,290	-	100.00	100.00
Banco Itaú BBA S.A.	4,224,086	5,593,752	458,726	5,284,526	5,284,526	-	99.99	99.99
Banco Itaucard S.A.	15,553,776	16,913,629	453,435	3,592,433,657	1,277,933,118	-	1.51	2.04
Itaú Corretora de Valores S. A.	1,046,841	1,920,513	62,156	-	811,503	-	-	1.94
Itaú-BBA Participações S.A.	25,196	48,912	788	12,953	25,906	-	100.00	100.00
Foreign								
Itaú Chile Holding, INC.	1,730,699	1,951,522	60,922	100	-	-	100.00	100.00
Banco Itaú Uruguay S.A.	153,975	272,112	26,493	1,639,430,739	-	-	100.00	100.00
OCA S.A.	14,108	101,265	9,620	1,502,176,740	-	-	100.00	100.00
OCA Casa Financiera S.A.	18,207	36,288	180	646	-	-	100.00	100.00
ACO Ltda.	12	2,525	(10)	-	-	131	99.24	99.24

II - Composition of investments

	03/31/2012	03/31/2011
Investment in affiliates	1,702,935	2,167,458
Domestic	1,476,878	1,414,433
Serasa S.A.	251,325	245,741
Porto Seguro Itaú Unibanco Participações S.A. (1)	1,186,488	1,126,500
Tecnologia Bancária S.A.(1)	38,979	42,109
Other	86	83
Foreign	226,057	753,025
Banco BPI, S.A. (BPI) (1) (2)	225,196	752,512
Other	861	513
Other investments	1,135,962	1,313,867
Investments through tax incentives	169,061	160,575
Equity securities	11,800	10,256
Shares and quotas	289,914	388,367
Interest in Instituto de Resseguros do Brasil - IRB	227,170	227,170
Other	438,017	527,499
(Allowance for loan losses)	(204,536)	(185,902)
Total	2,634,361	3,295,423

(1) For the purpose of accounting for participation in earnings, the position at 2/29/2012 was used, as provided in Circular Letter nº 1,963 of 5/23/1991, of BACEN;

(2) An impairment of the investment was recognized in the amount of R\$ 352,971, which was calculated based on the market value in relation to its book value.

III - Equity in earnings of affiliates and other investments

	01/01 to 3/31/2012	01/01 to 3/31/2011
Investment in affiliates – Domestic	37,949	57,451
Investment in affiliates – Foreign (Note 15 to II)	(69,009)	17,768
Dividends received from other investments	29,305	23,783
Other	(287)	(1,503)
Total	(2,042)	97,499

b) Fixed assets, goodwill and intangible assets

l) Fixed assets

	Annual depreciation/amortization rates (%)	Balance at 12/31/2011	CHANGES					Balance at 3/31/2012	Balance at 3/31/2011	
			Acquisitions	Depreciation and amortization expenses	Impairment	Disposals	Exchange variation			Other
REAL ESTATE IN USE (1)										
REAL ESTATE IN USE (2)(3)		1,869,778	77,862	(21,579)	-	(172,865)	(5,623)	(36,934)	1,710,639	1,747,352
Land		1,113,371	41,663	-	-	(166,911)	84	(16,865)	971,342	975,824
Buildings		756,407	36,199	(21,579)	-	(5,954)	(5,707)	(20,069)	739,297	771,528
Cost		2,339,809	36,199	-	-	(7,507)	(6,016)	(66,035)	2,296,450	2,315,961
Accumulated depreciation	4	(1,583,402)	-	(21,579)	-	1,553	309	45,966	(1,557,153)	(1,544,433)
OTHER FIXED ASSETS (3)		3,417,220	335,144	(289,586)	-	(19,827)	6,106	(3,497)	3,445,560	3,059,677
Improvements		637,610	57,024	(63,975)	-	(52)	3,902	6,696	641,205	620,170
Cost		1,238,789	57,024	-	-	(91,404)	2,327	6,454	1,213,190	1,120,818
Accumulated depreciation	10	(601,179)	-	(63,975)	-	91,352	1,575	242	(571,985)	(500,648)
Installations		390,904	43,063	(15,297)	-	(20)	2,537	(7,994)	413,193	295,568
Cost		937,332	43,063	-	-	(3,683)	1,456	(10,767)	967,401	816,504
Accumulated depreciation	10 to 20	(546,428)	-	(15,297)	-	3,663	1,081	2,773	(554,208)	(520,936)
Furniture and equipment		487,065	25,907	(17,140)	-	(16,228)	(670)	(7,199)	471,735	446,043
Cost		848,022	25,907	-	-	(16,605)	(1,969)	(5,348)	850,007	877,848
Accumulated depreciation	10 to 20	(360,957)	-	(17,140)	-	377	1,299	(1,851)	(378,272)	(431,805)
EDP systems (4)		1,644,858	202,874	(178,651)	-	(3,321)	281	1,634	1,667,675	1,475,136
Cost		4,988,233	202,874	-	-	(35,242)	(2,598)	(2,492)	5,150,775	4,911,900
Accumulated depreciation	20 to 50	(3,343,375)	-	(178,651)	-	31,921	2,879	4,126	(3,483,100)	(3,436,764)
Other (communication, security and transportation)		256,783	6,276	(14,523)	-	(206)	56	3,366	251,752	222,760
Cost		549,504	6,276	-	-	(916)	(219)	3,334	557,979	535,168
Accumulated depreciation	10 to 20	(292,721)	-	(14,523)	-	710	275	32	(306,227)	(312,408)
TOTAL REAL ESTATE IN USE		5,286,998	413,006	(311,165)	-	(192,692)	483	(40,431)	5,156,199	4,807,029
Cost		12,015,060	413,006	-	-	(322,268)	(6,935)	(91,719)	12,007,144	11,554,023
Accumulated depreciation		(6,728,062)	-	(311,165)	-	129,576	7,418	51,288	(6,850,945)	(6,746,994)

(1) There are no contractual commitments for purchase of new fixed assets;

(2) Includes amounts pledged in guarantee of voluntary deposits (Nota 12b);

(3) Includes the amount of R\$ 2,176 thousand related to attached real estate; fixed assets under construction in the amount of R\$ 128,674 thousand, consisting of R\$ 77,533 thousand in real estate in use; R\$ 30,892 thousand in improvements, and R\$ 20,249

(4) Includes lease contracts, mainly related to data processing equipment, which are accounted for as finance lease. Pursuant to this method, assets and liabilities are accounted for in the financial statements, and assets are depreciated consistently with the depreciation criteria usually adopted for own assets. These contracts amount to R\$ 259,037 thousand at 03/31/2012.

II) Goodwill

	Amortization period	Balance at 12/31/2011	CHANGES			Balance at 3/31/2012	Balance at 3/31/2011
			Acquisitions	Amortization expenses	Other		
GOODWILL (Notes 2b and 4k) (*)	10 years	95,691	-	(10,183)	(1,548)	83,960	67,617

(*) At August 1, 2011, ITAÚ UNIBANCO HOLDING acquired 50% plus 1 share of capital of MCC Securities Inc (Cayman Islands) for R\$ 50,748, of which R\$ 48,415 for the equity interest and R\$ 2,333 for the exclusivity right to act on the sale of MCC Securities business. The transaction gave rise to a goodwill of R\$ 52,169 and this interest was proportionally consolidated in the financial statements of ITAÚ UNIBANCO HOLDING.

III) Intangible assets

	Annual depreciation/ amortization rates (%) (2)	Balance at 12/31/2011	CHANGES						Balance at 3/31/2012	Balance at 3/31/2011
			Acquisitions	Depreciation and amortization expenses (3)	Impairment (5)	Disposals	Exchange variation	Other		
INTANGIBLE ASSETS (1)										
RIGHTS FOR ACQUISITION OF PAYROLL (4)		751,448	74,169	(93,376)	-	(217)	-	-	732,024	997,227
Cost		1,647,548	74,169	-	-	(27,380)	-	381	1,694,718	2,388,307
Accumulated amortization	Up to 9	(896,100)	-	(93,376)	-	27,163	-	(381)	(962,694)	(1,391,080)
OTHER INTANGIBLE ASSETS		3,058,364	257,377	(114,188)	-	(208)	(268)	1,815	3,202,892	1,893,609
Association for the promotion and offer of financial products and services		1,280,818	-	(32,893)	-	(208)	(86)	1,379	1,249,010	1,086,040
Cost		1,391,335	-	-	-	(15,149)	441	(1,226)	1,375,401	1,156,362
Accumulated amortization	Up to 5	(110,517)	-	(32,893)	-	14,941	(527)	2,605	(126,391)	(70,322)
Expenditures on acquisition of software		1,338,634	256,815	(58,793)	-	-	5,504	436	1,542,596	661,551
Cost		1,871,619	256,815	-	-	(82,250)	3,080	28,446	2,077,710	1,169,774
Accumulated amortization	20	(532,985)	-	(58,793)	-	82,250	2,424	(28,010)	(535,114)	(508,223)
Other intangible assets		438,912	562	(22,502)	-	-	(5,686)	-	411,286	146,018
Cost		613,832	562	-	-	(32)	(11,379)	(3,087)	599,896	255,375
Accumulated amortization	10 to 20	(174,920)	-	(22,502)	-	32	5,693	3,087	(188,610)	(109,357)
TOTAL INTANGIBLE ASSETS		3,809,812	331,546	(207,564)	-	(425)	(268)	1,815	3,934,916	2,890,836
Cost		5,524,334	331,546	-	-	(124,811)	(7,858)	24,514	5,747,725	4,969,818
Accumulated amortization		(1,714,522)	-	(207,564)	-	124,386	7,590	(22,699)	(1,812,809)	(2,078,982)

(1) There are no contractual commitments for purchase of new intangible assets;

(2) All intangible assets have defined useful lives, except for goodwill on acquisition;

(3) Amortization expenses of the rights for acquisition of payrolls and associations are disclosed in the expenses on financial operations.

(4) Represents the recording of amounts paid for acquisition of rights to provide services of payment of salaries, proceeds, retirement and pension benefits, and similar benefits;

(5) Pursuant to BACEN Resolution No. 3,566, of May 29, 2001 (Note 13i).

NOTE 16 – STOCKHOLDERS' EQUITY

a) Shares

Capital comprises 4,570,936,100 book-entry shares with no par value, of which 2,289,286,400 are common and 2,281,649,700 are preferred shares without voting rights, but with 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. Capital stock amounts to R\$ 45,000,000 (R\$ 45,000,000 at 03/31/2011), of which R\$ 31,280,067 (R\$ 31,634,782 at 03/31/2011) refers to stockholders domiciled in the country and R\$ 13,719,933 (R\$ 13,365,218 at 03/31/2011) refers to stockholders domiciled abroad.

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

	NUMBER			Amount
	Common	Preferred	Total	
Residents in Brazil at 12/31/2010	2,286,135,621	918,287,035	3,204,422,656	
Residents abroad at 12/31/2010	3,150,854	1,363,362,709	1,366,513,563	
Shares of capital stock at 12/31/2010	2,289,286,475	2,281,649,744	4,570,936,219	
Cancellation of Shares – ESM of 04/25/2011 – Approved at 08/22/2011	(75)	(44)	(119)	
Shares of capital stock at 12/31/2011 and 03/31/2012	2,289,286,400	2,281,649,700	4,570,936,100	
Residents in Brazil at 03/31/2012	2,283,053,623	894,261,675	3,177,315,298	
Residents abroad at 03/31/2012	6,232,777	1,387,388,025	1,393,620,802	
Treasury shares at December 31, 2011 (*)	2,100	57,293,971	57,296,071	(1,663,562)
Exercised – Granting of stock options	-	(4,200,372)	(4,200,372)	101,221
Disposals – Stock option plan	-	(2,262,523)	(2,262,523)	86,430
Treasury shares at March 31, 2012 (*)	2,100	50,831,076	50,833,176	(1,475,911)
Outstanding shares at March 31, 2012	2,289,284,300	2,230,818,624	4,520,102,924	
Outstanding shares at March 31, 2011	2,289,284,273	2,260,187,379	4,549,471,652	

(*) Own shares, purchased based on authorization of the Board of Directors, to be held in Treasury for subsequent cancellation or replacement in the market.

We detail below the average cost of treasury shares and their market price at March 31, 2012:

Cost/Market value	Common	Preferred
Treasury shares		
Average cost	9.65	29.03
Market value	30.30	34.93

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 annual minimum priority dividend of R\$ 0.022 per share to be paid to preferred shares.

The calculation of the monthly advance of mandatory minimum dividend is based on the share position on the last day of the prior month, taking into consideration that the payment is made on the first business day of the subsequent month, in the amount of R\$ 0.012 per share, and beginning with the payment made in April 2012, it was increased by 25% to R\$ 0.015 per share, in accordance with the Board of Directors' meeting of February 6, 2012.

I - Calculation

Net income	2,766,805	
Adjustments:		
(-) Legal reserve	(138,340)	
Dividend calculation basis	2,628,465	
Mandatory dividend – paid/provided for	657,116	25.0%

II – Payments/Provision of interest on capital and dividends

	Gross	WTS	Net
Paid / Prepaid	108,332	-	108,332
Dividends - 2 monthly installments of R\$ 0.012 per share paid from February to March 2012	108,332	-	108,332
Declared up to March 31, 2012 (Recorded in Other Liabilities – Social and Statutory)	633,671	(84,887)	548,784
Dividends - 1 monthly installment of R\$ 0.015 per share paid on 04/02/2012	67,757	-	67,757
Interest on capital - R\$ 0,1252 per share	565,914	(84,887)	481,027
Total from 01/01 to 03/31/2012 - R\$ 0.1454 net per share	742,003	(84,887)	657,116
Total from 01/01 to 03/31/2011 - R\$ 0.1502 net per share	774,664	(91,655)	683,009

c) Capital and revenue reserves

	03/31/2012	03/31/2011
CAPITAL RESERVES	745,346	595,610
Premium on subscription of shares	283,512	283,512
Granted options recognized – Law No. 11,638 and Share-based instruments	460,729	310,993
Reserves from tax incentives and restatement of equity securities and other	1,105	1,105
REVENUE RESERVES	34,639,500	27,809,081
Legal	3,986,366	3,397,307
Statutory:	<u>30,653,134</u>	<u>24,411,774</u>
Dividends equalization (1)	9,147,452	7,308,179
Working capital increase (2)	9,315,507	7,511,438
Increase in capital of investees (3)	12,190,175	9,592,157

(1) Reserve for Dividends Equalization – its purpose is to guarantee funds for the payment of 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 (Note 2b)

	Net income		Stockholders' equity	
	01/01 to 03/31/2012	01/01 to 03/31/2011	03/31/2012	03/31/2011
ITAÚ UNIBANCO HOLDING	2,766,805	2,875,827	78,861,182	72,842,306
Amortization of goodwill	658,888	703,312	(6,376,931)	(9,111,770)
Unrealized income (loss) and Other	-	(48,838)	-	-
ITAÚ UNIBANCO HOLDING CONSOLIDATED	3,425,693	3,530,301	72,484,251	63,730,536

e) Minority interest in subsidiaries

	Stockholders' equity		Results	
	03/31/2012	03/31/2011	01/01 to 03/31/2012	01/01 to 03/31/2011
Unibanco Participações Societárias S.A. (1)	-	1,211,591	-	(21,232)
Itau Bank, Ltd. (2)	716,294	640,256	-	-
Redecard S.A.	981,755	841,037	(187,328)	(140,589)
Biu Participações S.A.	105,150	106,250	(1,492)	(3,451)
Itaú Gestão de Ativos S.A.	62,909	60,823	(518)	(712)
Biogeração de Energia S.A.	8,712	24,726	440	351
Investimentos Bemge S.A.	19,026	17,764	(288)	(280)
Other	10,475	10,646	(1,348)	(1,192)
Total	1,904,321	2,913,093	(190,534)	(167,105)

(1) On July 28, 2011, Dibens Leasing S.A. Arrendamento Mercantil, subsidiary of ITAU UNIBANCO HOLDING acquired minority interest in subsidiaries of Unibanco Participações Societárias for the amount of R\$ 1,226,847.

(2) Represented by redeemable preferred shares issued on December 31, 2002 by Itau 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..

f) Stock Option Plan

I – Purpose and Guidelines of the Plan

The ITAÚ UNIBANCO HOLDING has a stock option plan for its executives. This program aims at involving the management members in the medium and long-term corporate development process, by granting simple stock options or partner options, personal, not pledgeable or transferable, which entitle to the subscription of one authorized capital share or, at the discretion of the management, one treasury share which has been acquired for replacement purposes.

Such options may only be granted in years in which there are sufficient profits to enable the distribution of mandatory dividends to stockholders and at a quantity that does not exceed the limit of 0.5% of the total shares held by the stockholders at the base date of the year-end balance sheet. The ITAÚ UNIBANCO HOLDING's Personnel Committee is responsible for defining the total quantity, the beneficiaries, the type of option, the life of the option under each series, which may range from a minimum of 5 and a maximum of 10 years, and the vesting period for exercising the options and the period the acquired shares are unavailable due to the exercise of the options. The executive officers and Board of Directors members of ITAÚ UNIBANCO HOLDING and of its subsidiaries and employees may participate in this program, based on assessment of potential and performance.

Currently, ITAÚ UNIBANCO HOLDING settles the benefits under this PLAN only by delivering its own shares, which are held in treasury until the effective exercise of the options by the beneficiaries.

II - Characteristics of the Programs

II.I – Simple Options

Prior Programs

Before the merger, Itaú and Unibanco each had Stock Option Plans (Prior Programs). The eligible beneficiaries of the program were granted simple options, depending upon the individual employee performance. The exercise price is calculated based on the average prices of preferred shares at the BM&FBOVESPA trading sessions over the period of at least one (1) and at the most three (3) months prior to the option issue date; alternatively, subject to the positive or negative adjustment of up to 20%, and restated until the last business day of the month prior to the option exercise date based either on the IGP-M or IPCA, in its absence, based on the index determined by the committee. Options are no longer granted under this model.

Post-Merger Program

The eligible beneficiaries of the program are granted simple options, dependent upon the individual employee performance. The exercise price is calculated based on the average prices of preferred shares at the BM&FBOVESPA in the last three months of the year prior to the granting date or, alternatively, subject to the positive or negative adjustment of up to 20%. The exercise price is adjusted based on the IGPM or, in its absence, based on the index determined by the committee.

The vesting period is from one (1) to seven (7) years, counted from the issue date.

II.II – Partners Plan

Executives selected to participate in the program may invest a percentage of their bonus to acquire shares or they have the right to receive shares ("Share-Based Instrument"). Title to the shares acquired, as well as the share-based instruments, should be held by the executives for a period of 3 to 5 years and they are subject to market fluctuation. At the time they acquire own shares and/or share-based instruments, Partner Options are granted in accordance with the classification of executives. Vesting period of Partners Options or share-based instruments is from 1 to 7 years. Share-based instruments and Partner options are converted into own shares of ITAÚ UNIBANCO HOLDING in the ratio of one preferred share for each instrument after the respective vesting period, with no payment of amounts in legal tender during the exercise.

The acquisition price of own shares and Share-Based Instruments is established every six months and it is equivalent to the average preferred share quotation at the BM&FBOVESPA trading sessions in the 30 days prior to the determination of said price.

Title to the shares received after the vesting period of the Partners Options should be held, without any liens or encumbrances, for periods from 5 to 8 years, counted from the date of acquisition of own shares.

The weighted average fair value of the Share-Based Instruments at the granting date was estimated for the shares purchased in the period ended March 31, 2012 – R\$ 36.00 per share (at March 31, 2011 - R\$ 37.00 per share).

The fair value of the Share-Based Instruments is the market price quoted at the granting date for preferred shares of ITAÚ UNIBANCO HOLDING less the cash price paid by the beneficiaries. Amount received for the purchase of Share-Based Instruments for the period ended March 31, 2012 - R\$ 50,883 (at March 31, 2011 - R\$ 48,489).

Summary of Changes in the Plan

No.	Date	Granting	Vesting period until	Exercise until	Restated exercise price (R\$ 1)	Exercised options		Number of shares				
						Weighted average exercise price	Weighted average market price	Prior balance 12/31/2011	Granted	Exercised	Forfeited (*) / Cancelled	To be exercised at 03/31/2012
Simple Options												
11th	02/21/2005	12/31/2009	12/31/2012	18.96	18.94	36.90	937,275	-	125,375	-	811,900	1,566,350
11th	08/06/2007	12/31/2009	12/31/2012	18.96	-	-	11,357	-	-	-	11,357	11,357
12th	02/21/2006	12/31/2010	12/31/2013	28.20	28.20	38.19	6,854,365	-	1,573,235	-	5,281,130	7,314,875
12th	08/06/2007	12/31/2010	12/31/2013	28.20	-	-	15,867	-	-	-	15,867	15,867
16th	08/10/2009	12/31/2010	12/31/2014	32.07	-	-	874,167	-	-	-	874,167	874,167
34th	03/21/2007	03/21/2011	03/20/2012	37.27	-	-	75,901	-	-	75,901	-	75,901
35th	03/22/2007	03/22/2011	03/21/2012	37.23	-	-	29,518	-	-	29,518	-	29,518
36th	05/14/2008	05/14/2011	05/13/2012	46.35	-	-	25,301	-	-	-	25,301	25,301
30th	07/04/2006	07/04/2011	07/03/2012	29.56	-	-	52,707	-	-	-	52,707	52,707
33rd	08/30/2006	08/30/2011	08/29/2012	32.74	32.70	38.42	21,083	-	21,083	-	-	21,083
13th	02/14/2007	12/31/2011	12/31/2014	35.91	35.91	38.32	7,732,975	-	344,650	37,675	7,350,650	8,243,925
13th	08/06/2007	12/31/2011	12/31/2014	35.91	-	-	30,649	-	-	-	30,649	30,649
13th	10/28/2009	12/31/2011	12/31/2014	35.91	-	-	45,954	-	-	-	45,954	45,954
34th	03/21/2007	03/21/2012	03/20/2013	37.30	-	-	75,901	-	-	-	75,901	75,901
35th	03/22/2007	03/22/2012	03/21/2013	37.26	-	-	29,514	-	-	-	29,514	29,514
Total options to be exercised					-	-	16,812,534	-	2,064,343	143,094	14,605,097	18,413,069
36th	05/14/2008	05/14/2012	05/13/2013	46.35	-	-	25,300	-	-	-	25,300	25,300
17th	09/23/2009	09/23/2012	12/31/2014	37.05	-	-	29,551	-	-	-	29,551	29,551
14th	02/11/2008	12/31/2012	12/31/2015	41.40	-	-	9,266,066	-	-	105,187	9,160,879	10,805,375
14th	05/05/2008	12/31/2012	12/31/2015	41.40	-	-	20,625	-	-	-	20,625	20,625
14th	10/28/2009	12/31/2012	12/31/2015	41.40	-	-	45,954	-	-	-	45,954	45,954
36th	05/14/2008	05/14/2013	05/13/2014	46.35	-	-	25,300	-	-	-	25,300	25,300
15th	03/03/2009	12/31/2013	12/31/2016	27.07	27.06	37.29	14,114,940	-	925,520	-	13,189,420	15,031,030
15th	10/28/2009	12/31/2013	12/31/2016	27.07	-	-	45,954	-	-	-	45,954	45,954
18th	04/17/2010	12/31/2014	12/31/2017	43.98	-	-	6,052,223	-	-	-	6,052,223	6,052,223
18th	05/11/2010	12/31/2014	12/31/2017	43.98	-	-	1,163,919	-	-	14,426	1,149,493	1,198,784
37th	04/19/2011	12/31/2015	12/31/2018	42.96	-	-	9,769,432	-	-	35,942	9,733,490	-
37th	01/13/2012	12/31/2015	12/31/2018	42.96	-	-	-	15,383	-	-	15,383	-
38th	01/13/2012	12/31/2016	12/31/2019	32.13	-	-	-	15,097	-	-	15,097	-
Total options outstanding					-	-	40,559,264	30,480	925,520	155,555	39,508,669	33,280,096
Total simple options					-	-	57,371,798	30,480	2,989,863	298,649	54,113,766	51,693,165
Partners Options												
4th	03/03/2008	03/03/2011	-	-	-	-	39,906	-	-	39,906	-	39,906
5th	09/03/2008	09/03/2011	-	-	-	-	46,710	-	-	46,710	-	46,710
6th	03/06/2009	03/06/2012	-	-	-	35.90	719,023	-	681,490	37,533	-	740,362
7th	06/19/2009	03/06/2012	-	-	-	35.90	79,446	-	79,446	-	-	79,446
Total options to be exercised					-	-	885,085	-	760,936	124,149	-	1,344,979
1st	09/03/2007	09/03/2012	-	-	-	-	309,508	-	-	-	309,508	324,745
3rd	02/29/2008	09/03/2012	-	-	-	-	33,474	-	-	-	33,474	33,474
4th	03/03/2008	03/03/2013	-	-	-	-	388,432	-	-	-	388,432	411,131
8th	08/17/2010	08/16/2013	-	-	-	-	339,632	-	-	-	339,632	376,916
9th	08/30/2010	08/16/2013	-	-	-	-	329,711	-	-	3,368	326,343	359,991
11th	09/30/2010	08/16/2013	-	-	-	-	17,717	-	-	-	17,717	17,717
5th	09/03/2008	09/03/2013	-	-	-	-	449,442	-	1,804	1,804	447,638	484,768
10th	09/30/2010	09/29/2013	-	-	-	-	1,862,409	-	33,825	33,825	1,828,584	1,940,987
12th	02/28/2011	02/28/2014	-	-	-	-	1,558,584	-	18,431	18,431	1,540,153	1,585,541
6th	03/06/2009	03/06/2014	-	-	-	-	704,604	-	2,374	2,374	702,230	739,608
7th	06/19/2009	03/06/2014	-	-	-	-	79,445	-	-	-	79,445	79,445
14th	11/04/2011	08/18/2014	-	-	-	-	509	-	-	-	509	-
13th	08/19/2011	08/19/2014	-	-	-	-	706,397	-	-	16,782	689,615	-
15th	02/24/2012	02/24/2015	-	-	-	-	-	1,583,044	-	2,843	1,580,201	-
16th	02/24/2012	02/24/2015	-	-	-	-	-	69,156	-	3,108	66,048	-
8th	08/17/2010	08/16/2015	-	-	-	-	338,923	-	-	-	338,923	376,876
9th	08/30/2010	08/16/2015	-	-	-	-	329,152	-	-	3,367	325,785	359,962
11th	09/30/2010	08/16/2015	-	-	-	-	17,712	-	-	-	17,712	17,712
10th	09/30/2010	09/29/2015	-	-	-	-	1,858,518	-	33,825	33,825	1,824,693	1,940,951
12th	02/28/2011	02/28/2016	-	-	-	-	1,557,215	-	18,430	18,430	1,538,785	1,585,497
14th	11/04/2011	08/18/2016	-	-	-	-	508	-	-	-	508	-
13th	08/19/2011	08/19/2016	-	-	-	-	706,338	-	-	16,780	689,558	-
15th	02/24/2012	02/24/2017	-	-	-	-	-	1,582,979	-	2,843	1,580,136	-
16th	02/24/2012	02/24/2017	-	-	-	-	-	69,151	-	3,107	66,044	-
Total options outstanding					-	-	11,588,230	3,304,330	160,887	14,731,673	10,635,321	11,980,300
Total Partners Options					-	-	12,473,315	3,304,330	760,936	285,036	14,731,673	11,980,300
TOTAL SIMPLE/PARTNERS OPTIONS					-	-	69,845,113	3,334,810	3,750,799	583,685	68,845,439	63,673,465

(*) Refers to the non exercise due to the beneficiary's option.

Summary of Changes in the Share-Based Instruments

No.	Vesting period		Prior balance 12/31/2011	New	Converted into shares	Cancelled	Balance at 03/31/2012
1st	08/17/2010	08/16/2011	-	-	-	-	-
1st	08/17/2010	08/16/2012	110,588	-	-	-	110,588
1st	08/17/2010	08/16/2013	110,577	-	-	-	110,577
1st	08/30/2010	08/16/2011	-	-	-	-	-
1st	08/30/2010	08/16/2012	10,216	-	-	-	10,216
1st	08/30/2010	08/16/2013	10,212	-	-	-	10,212
1st	09/30/2010	08/16/2011	-	-	-	-	-
1st	09/30/2010	08/16/2012	3,971	-	-	-	3,971
1st	09/30/2010	08/16/2013	3,970	-	-	-	3,970
2nd	09/30/2010	09/29/2011	-	-	-	-	-
2nd	09/30/2010	09/29/2012	424,163	-	5,533	11,834	406,796
2nd	09/30/2010	09/29/2013	424,154	-	-	11,834	412,320
3rd	02/28/2011	02/27/2011	444,040	-	444,040	-	-
3rd	02/28/2011	02/27/2012	444,030	-	-	8,679	435,351
3rd	02/28/2011	02/27/2013	444,020	-	-	8,678	435,342
4th	02/24/2012	02/24/2013	-	468,852	-	4,671	464,181
4th	02/24/2012	02/24/2014	-	468,836	-	4,671	464,165
4th	02/24/2012	02/24/2015	-	468,821	-	4,671	464,150
Total			2,429,941	1,406,509	449,573	55,038	3,331,839

No.	Vesting period		Balance at 12/31/2010	New	Converted into shares	Cancelled	Balance at 03/31/2011
1st	08/17/2010	08/16/2011	114,980	-	-	-	114,980
1st	08/17/2010	08/16/2012	114,969	-	-	-	114,969
1st	08/17/2010	08/16/2013	114,958	-	-	-	114,958
1st	08/30/2010	08/16/2011	10,221	-	-	-	10,221
1st	08/30/2010	08/16/2012	10,216	-	-	-	10,216
1st	08/30/2010	08/16/2013	10,212	-	-	-	10,212
1st	09/30/2010	08/16/2011	3,972	-	-	-	3,972
1st	09/30/2010	08/16/2012	3,971	-	-	-	3,971
1st	09/30/2010	08/16/2013	3,970	-	-	-	3,970
2nd	09/30/2010	09/29/2011	424,172	-	-	-	424,172
2nd	09/30/2010	09/29/2012	424,163	-	-	-	424,163
2nd	09/30/2010	09/29/2013	424,154	-	-	-	424,154
3rd	02/28/2011	02/27/2011	-	444,040	-	-	444,040
3rd	02/28/2011	02/27/2012	-	444,030	-	-	444,030
3rd	02/28/2011	02/27/2013	-	444,020	-	-	444,020
Total			1,659,958	1,332,090	-	-	2,992,048

III – Fair Value and Economic Assumptions for Cost Recognition

ITAÚ UNIBANCO HOLDING recognizes, at the granting date, the fair value of options through the Binomial method for simple options and the Black & Scholes method for partners options. Economic assumptions used are as follows:

Exercise price: for the option exercise price, the exercise price previously agreed upon at the option issue is adopted, adjusted by the IGP-M variation;

Price of the underlying asset: the share price of ITAÚ UNIBANCO HOLDING (ITUB4) used for calculation is the closing price at BOVESPA on the calculation base date;

Expected dividends: the average annual return rate for the last three years of the dividends paid, plus interest on capital of the ITUB4 share;

Risk-free interest rate: the applied risk-free rate is the IGP-M coupon rate at the expiration date of the option plan;

Expected volatility: calculated based on the standard deviation from the history of the last 84 monthly returns of closing prices of the ITUB4 share, released by BOVESPA, adjusted by the IGP-M variation.

No.	Granting Date	Vesting period until	Exercise period until	Price of underlying asset	Fair value	Expected dividends	Risk-free interest rate	Expected volatility
Simple Options								
37th	01/13/2012	12/31/2015	12/31/2018	35.50	11.06	2.97%	5.25%	30.32%
38th	01/13/2012	12/31/2016	12/31/2019	35.50	11.57	2.97%	5.25%	30.32%
Partners Options (*)								
15th	02/24/2012	02/24/2015	-	36.00	32.94	2.97%	-	-
15th	02/24/2012	02/24/2017	-	36.00	31.04	2.97%	-	-
16th	02/24/2012	02/24/2015	-	36.00	32.94	2.97%	-	-
16th	02/24/2012	02/24/2017	-	36.00	31.04	2.97%	-	-

(*) The fair value of option is measured based on the fair value of Itaú Unibanco share at the granting date.

IV - Accounting Effects Arising from Options

The exercise of stock options, pursuant to the Plan's regulation, resulted in the sale of preferred shares held in treasury thus far. The accounting entries related to the plan are recorded during the vesting period, at the deferral of the fair value of options granted with effect on Income, and during the exercise of options, at the amount received from the option exercise price, reflected in Stockholders' Equity.

The effect of Income for the period from January 1 to March 31, 2012 was R\$ (40,435) (R\$ (34,140) from January 1 to March 31, 2011), as contra-entry to Capital Reserve – Granted Options Recognized – Law No. 11,638 (Note 16 c).

In the Stockholders' Equity, the effect was as follows:

	03/31/2012	03/31/2011
Amount received for the sale of shares – exercised options	166,704	135,426
(-) Cost of treasury shares sold	(187,651)	(120,753)
(+) Write-off of cost recognized of exercised options	61,574	33,264
Effect on sale (*)	40,627	47,937

(*) Recorded in revenue reserves.

NOTE 17 – RELATED PARTIES

- a) Transactions between related parties are disclosed in compliance with CVM Resolution No. 642, of October 7, 2010, and CMN Resolution No. 3,750 of June 30, 2009. These transactions 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:

- Itaú Unibanco Participações S.A. (IUPAR) and ITAÚSA, parent companies of ITAÚ UNIBANCO HOLDING;
- The non-financial subsidiaries of ITAÚSA, specially: Itaotec S.A., Duratex S.A., Elekeiroz S.A. and Itaúsa Empreendimentos S.A.;
- Fundação Itaúbanco, FUNBEP – Fundo de Pensão Multipatrocinado, Caixa de Previdência dos Funcionários do BEG (PREBEG), Fundação Bemgeprev, Itaúbank Sociedade de Previdência Privada, UBB – Previdência Complementar, and Fundação Banorte Manuel Baptista da Silva de Seguridade Social, closed-end private pension entities that administer supplementary retirement plans sponsored by ITAÚ UNIBANCO HOLDING and/or its subsidiaries; and
- Fundação Itaú Social, Instituto Itaú Cultural, 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, as described in Notes 22e and 22j.
- Investments in Porto Seguro Itaú Unibanco Participações S.A., SERASA S.A. and Banco BPI, S.A.

Additionally, there are operations with jointly controlled entities, particularly Banco Investcred Unibanco S.A., Financeira Itaú CBD S.A. Crédito, Financiamento e Investimento, Luizacred S.A. Soc. Créd. Financiamento Investimento, FAI Financeira Americanas Itaú S.A. Crédito, Financiamento e Investimento, FIC Promotora de Vendas Ltda. and Ponto Frio Leasing S.A. Arrendamento Mercantil.

The transactions with these related parties are basically characterized by:

	ITAÚ UNIBANCO HOLDING				ITAÚ UNIBANCO HOLDING CONSOLIDATED				
	ASSETS/(LIABILITIES)		REVENUE/(EXPENSE)		Annual rate	ASSETS/(LIABILITIES)		REVENUE/(EXPENSES)	
	03/31/2012	03/31/2011	01/01 to 03/31/2012	01/01 to 03/31/2011		03/31/2012	03/31/2011	01/01 to 03/31/2012	01/01 to 03/31/2011
Interbank investments	32,291,172	13,808,221	641,843	268,888		1,792,691	-	45,572	42,096
Itaú Unibanco S.A.	32,291,172	13,808,221	641,843	268,888		-	-	-	-
Financiera Itaú CBD S.A. Crédito, Financiamento e Investimento	-	-	-	-	103% of CDI	606,275	-	15,466	11,997
FAI Financeira Americanas Itaú S.A. Crédito, Financiamento e Investimento	-	-	-	-	9.11% to 13.79% pre-fixed average 11.06% pre-fixed	-	-	-	-
Luizcred S.A. Sociedade de Crédito, Financiamento e Investimento	-	-	-	-	103% of CDI	164,959	-	4,834	7,178
Other	-	-	-	-	9.11% to 13.25% pre-fixed	-	-	-	-
Derivative financial instruments	-	-	-	(183)	10.58% pre-fixed average	-	-	-	-
Itaú Unibanco S.A.	-	-	-	(183)	103% of CDI	-	-	-	-
Deposits	(4,952,254)	(3,432,489)	(119,810)	(88,482)	12.07% to 12.12% pre-fixed	1,021,457	-	25,272	22,917
Itaú Unibanco S.A.	(4,952,254)	(3,432,489)	(119,810)	(88,482)	12.09% pre-fixed average	-	-	-	-
Duratec S.A.	-	-	-	-		-	-	-	-
Elekeiroz S.A.	-	-	-	-		-	-	-	-
Itautec S.A.	-	-	-	-		-	-	-	-
Porto Seguro S.A.	-	-	-	-		-	-	-	-
Financiera Itaú CBD S.A. Crédito, Financiamento e Investimento	-	-	-	-		-	-	-	-
FAI Financeira Americanas Itaú S.A. Crédito, Financiamento e Investimento	-	-	-	-		-	-	-	-
Ponto Frio Leasing S.A. Arrendamento Mercantil	-	-	-	-		-	-	-	-
Other	-	-	-	-		-	-	-	-
Securities sold under repurchase agreements	-	-	-	-		(100,296)	(107,859)	(3,367)	(256)
Itaúsa Empreendimentos S.A.	-	-	-	-		-	(53,366)	-	-
Duratec S.A.	-	-	-	-		-	(8,070)	(257)	(212)
Elekeiroz S.A.	-	-	-	-		-	-	(41)	(44)
Itautec S.A.	-	-	-	-		-	(14,201)	-	-
FIC Promotora de Venda Ltda.	-	-	-	-	100% of SELIC	(12,291)	(7,786)	(199)	-
Facilita Promotora S.A.	-	-	-	-	100% of SELIC	(2,127)	(6,206)	(66)	-
Olimpia Promoção e Serviços S.A.	-	-	-	-	100% of SELIC	(801)	(4,728)	(43)	-
Banco Investcred Unibanco S.A.	-	-	-	-	9.65% p.a. pre-fixed	(19,741)	(13,502)	(483)	-
Maxfácil Participações S.A.	-	-	-	-	100% of SELIC	(65,336)	-	(1,584)	-
Other	-	-	-	-		-	-	(694)	-
Amounts receivable from (payable to) related companies	(369)	(503)	(949)	(1,210)		(128,230)	(101,884)	-	-
Itaú Unibanco S.A.	-	-	-	-		-	1,422	-	-
Itaú Corretora de Valores S. A.	(369)	(503)	(949)	(1,210)		-	-	-	-
Itaúsa Investimentos Itaú S.A.	-	-	-	-		83	54	-	-
Porto Seguro S.A.	-	-	-	-		-	18,945	-	-
Financiera Itaú CBD S.A. Crédito, Financiamento e Investimento	-	-	-	-		(442)	(1,609)	-	-
FIC Promotora de Venda Ltda.	-	-	-	-		-	(4,445)	-	-
FAI Financeira Americanas Itaú S.A. Crédito, Financiamento e Investimento	-	-	-	-		(1,000)	(1,435)	-	-
Facilita Promotora S.A.	-	-	-	-		-	(1,664)	-	-
Olimpia Promoção e Serviços S.A.	-	-	-	-		(1,639)	(132)	-	-
Banco Investcred Unibanco S.A.	-	-	-	-		-	(14)	-	-
Luizcred S.A. Sociedade de Crédito, Financiamento e Investimento	-	-	-	-		(2,445)	(1,073)	-	-
Maxfácil Participações S.A.	-	-	-	-		-	(270)	-	-
Fundação Itaú Unibanco	-	-	-	-		1,234	-	-	-
Caixa de Prev.dos Func. do Banco Beg - PREBEG	-	-	-	-		(7,933)	(9,901)	-	-
Fundação BEMGEPREV	-	-	-	-		(8,362)	(3,242)	-	-
UBB Prev Previdência Complementar	-	-	-	-		(25,416)	(19,894)	-	-
Fundação Banorte Manuel Baptista da Silva de Seguridade Social	-	-	-	-		(82,664)	(80,400)	-	-
Other	-	-	-	-		354	1,774	-	-
Banking service fees (expenses)	-	-	-	-		-	-	3,121	43,414
Fundação Itaú Unibanco	-	-	-	-		-	-	5,776	5,258
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	-	-		-	-	1,246	1,247
Itaúsa Investimentos S.A.	-	-	-	-		-	-	-	1,075
Financiera Itaú CBD S.A. Crédito, Financiamento e Investimento	-	-	-	-		-	-	-	13,884
FAI Financeira Americanas Itaú S.A. Crédito, Financiamento e Investimento	-	-	-	-		-	-	-	5,215
Luizcred S.A. Sociedade de Crédito, Financiamento e Investimento	-	-	-	-		-	-	(3,092)	-
Olimpia Promoção e Serviços S.A.	-	-	-	-		-	-	(2,742)	-
Porto Seguro S.A.	-	-	-	-		-	-	-	15,755
Other	-	-	-	-		-	-	1,933	980
Rent revenues (expenses)	-	-	(54)	-		-	-	(9,675)	(8,462)
Itaúsa Investimentos S.A.	-	-	(4)	-		-	-	-	(354)
Fundação Itaú Unibanco	-	-	-	-		-	-	(6,831)	(5,720)
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	-	-		-	-	(2,508)	(2,069)
Other	-	-	(50)	-		-	-	(336)	(319)
Donation expenses	-	-	-	-		-	-	(20,700)	(14,093)
Instituto Itaú Cultural	-	-	-	-		-	-	(19,900)	(14,000)
Fundação Itaú Social	-	-	-	-		-	-	-	(93)
Associação Clube "A"	-	-	-	-		-	-	(800)	-
Data processing expenses	-	-	(7)	-		-	-	(72,493)	(74,045)
Itautec S.A.	-	-	(7)	-		-	-	(72,493)	(74,045)

In addition to the aforementioned operations, ITAÚ UNIBANCO HOLDING and non-consolidated related parties, as an integral part of the Agreement for Apportionment of Common Costs of Itaú Unibanco, recorded in Other Administrative Expenses in the amount of R\$ 1,988 (R\$ 1,672 from 01/01 to 03/31/2011) in view of the use of common structure.

In accordance with the rules in effect, the financial institutions cannot grant loans or advances to the following:

- any individual or company that control the Institution or any entity under common control with the institution, or any officer, director, fiscal council member or direct relative of such individuals;
- any entity controlled by the Institution; or
- any entity of which the bank directly or indirectly holds at least 10% of capital stock.

Therefore, no loans or advances are made to any subsidiaries, executive officers, Board of Directors members or their relatives.

Itaú Unibanco Holding made regular donations to Fundação Itaú Social, a philanthropic foundation which objectives are: to create "Programa Itaú Social", aimed at coordinating activities that are of the community's interest, support and develop social, scientific and cultural projects, mainly in the elementary education and health areas; support projects or initiatives in progress, maintained or sponsored by entities qualifying to work, according to "Programa Itaú Social". In addition, Itaú Unibanco is the founding partner and sponsor of Instituto Itaú Cultural - IIC, an entity which objective is to promote and preserve the Brazilian cultural heritage.

b) Compensation of Management Key Personnel

The fees attributed in the period to ITAÚ UNIBANCO HOLDING management members are as follows:

	03/31/2012	03/31/2011
Compensation	79,015	75,855
Board of Directors	1,437	1,949
Management members	77,578	73,906
Profit sharing	27,735	35,090
Board of Directors	1,500	1,000
Management members	26,235	34,090
Contributions to pension plans	721	3,051
Board of Directors	1	41
Management members	720	3,010
Stock option plan – Management members	36,245	32,031
Total	143,716	146,027

Information related to the granting of the stock option plan, benefits to employees and post-employment is detailed in Notes 16f IV and 19, respectively.

NOTE 18 - MARKET VALUE

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

The book value of each financial instrument, whether included or not in the balance sheet (comprises investments in affiliates and other investments), 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) (1)			
					Results		Stockholders' equity	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Interbank deposits	24,298,923	12,589,656	24,335,255	12,596,262	36,332	6,606	36,332	6,606
Securities and derivative financial instruments	201,616,191	183,171,120	202,390,863	183,747,905	1,732,517	805,537	774,672	576,785
Adjustment of available-for-sale securities					947,331	216,809	-	-
Adjustment of held-to-maturity securities					785,186	588,728	774,672	576,785
Loan, lease and other credit operations	321,417,336	281,416,953	322,424,236	281,610,138	1,006,900	193,185	1,006,900	193,185
Investments (2)								
BM&FBovespa	40,010	58,107	337,434	533,498	297,424	475,391	297,424	475,391
BPI (3)	225,196	752,512	225,196	482,430	(335,677)	(476,327)	-	(270,082)
Cetip S.A.	291	30,333	13,756	405,246	13,465	374,913	13,465	374,913
Porto Seguro Itaú Unibanco Participações S.A. (4)	1,186,488	1,126,500	1,977,646	2,712,874	791,158	1,586,374	791,158	1,586,374
Serasa	251,325	245,740	1,339,725	941,108	1,088,400	695,368	1,088,400	695,368
Parent company	166,265	162,570	1,254,665	857,938	1,088,400	695,368	1,088,400	695,368
Minority stockholders (5)	85,060	83,170	85,060	83,170	-	-	-	-
Fundings and borrowings (6)	202,431,668	165,193,846	202,658,254	165,252,036	(226,586)	(58,190)	(226,586)	(58,190)
Subordinated debt (Note 10f)	45,700,763	35,933,918	45,979,193	35,982,593	(278,430)	(48,675)	(278,430)	(48,675)
Treasury shares	1,475,911	507,824	1,775,593	834,957	-	-	299,682	327,133
Total unrealized					4,125,503	3,554,182	3,803,017	3,858,808

(1) This does not consider the corresponding tax effects.

(2) Starting December 2011, Redecard is no longer disclosed since it is an investment in subsidiary.

(3) Unrealized result, considers adjustments to market value of available-for-sale securities.

(4) Parent company of Porto Seguro S.A.

(5) The investment held by minority stockholders does not affect the result of ITAÚ UNIBANCO HOLDING.

(6) Funding is represented by interbank and time deposits, funds from acceptance and issuance of securities and borrowings.

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 rules established by Circulars No. 3,068 and 3,082 of November 8, 2001 and January 30, 2002, respectively, issued by the Central Bank of Brazil (BACEN), 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 Financial 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 the 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 companies BPI, BM&FBovespa, CETIP and Porto Seguro at the share value in stock exchanges and Serasa S.A. based on the historical average of Price/Income ratio of its parent company.
- 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 obtained at the closing of BM&F on the balance sheet date;
- Subordinated debt, based on the net present value of future fixed or floating cash flows in foreign currency, net of the market interest rates effective 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 19 – BENEFITS TO EMPLOYEES

Pursuant to CVM Resolution No. 600, dated October 7, 2009, we present the policies adopted by ITAÚ UNIBANCO HOLDING and its subsidiaries regarding benefits to employees, as well as the accounting procedures adopted:

ITAÚ UNIBANCO HOLDING and some of its subsidiaries sponsor defined benefit and variable contribution plans, which basic purpose is granting benefits that, in general, provide a life annuity benefit, and may be converted into survivorship annuities, according to the plan's regulation. They also sponsor defined contribution plans, the benefit of which is calculated based on the accumulated balance at the eligibility date, according to the plan's regulation, which does not require actuarial calculation.

Employees hired until July 31, 2002, who come from Itaú, and until February 27, 2009, who come from Unibanco, are beneficiaries of the above-mentioned plans. As regards the employees hired after these dates, they have the option to voluntarily participate in a defined contribution plan (PGBL), managed by Itaú Vida e Previdência S.A.

a) Description of the Plans

The plans' assets are invested in separate funds, with the exclusive purpose of providing benefits to eligible employees, and they are maintained independently from ITAÚ UNIBANCO HOLDING. These funds are maintained by closed-end private pension entities with independent legal structures, as detailed below:

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

(1) Defined benefit plan;

(2) Variable contribution plan;

(3) Defined contribution plan.

b) Defined benefit plan

I - Main assumptions used in actuarial valuation of Retirement Plans

	2012	2011
Discount rate	9.72% p.a.	9.72% p.a.
Expected return rate on assets	11.32 % p.a.	12.32% p.a.
Mortality table (1)	AT-2000	AT-2000
Turnover (2)	Itaú Exp. 2008/2010	Itaú Exp. 2003/2004
Future salary growth	7.12 % p.a.	7.12% p.a.
Growth of the pension fund and social security benefits	4.00 % p.a.	4.00% p.a.
Inflation	4.00 % p.a.	4.00% p.a.
Actuarial method (3)	Projected Unit Credit	Projected Unit Credit

(1) The mortality tables adopted correspond to those disclosed by SOA – Society of Actuaries, 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;

The life expectancy in years by the AT-2000 mortality table for participants of 55 years of age is 27 and 31 years for men and women, respectively.

(2) The turnover assumption is based on the effective experience of ITAÚ UNIBANCO HOLDING, resulting in the average of 2.4% p.a. based on the 2008/2010 experience;

(3) 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.

The basic difference between the assumptions above and those adopted upon determination of the actuarial liability of defined benefit plans, for purposes of recording in the balance sheet of the closed-end private pension entities that manage them, is the actuarial method. For this purpose, the Bank adopts the aggregate method, by which the mathematical reserve is defined based on the difference between the present value of the projected benefit and the present value of future contributions, subject to the methodology defined in the respective actuarial technical note.

II –Management of defined benefit plan assets

The purpose of the management of the funds from the closed-end private pension entities is the long-term balance between social security assets and liabilities by exceeding the actuarial goals.

As regards the assets guaranteeing mathematical reserves, management should ensure the payment capacity of benefits in the long-term by preventing the risk of mismatching assets and liabilities by pension plan.

At March 31, 2012 the allocation of plan assets and the allocation target for 2012, by type of asset, are as follows:

Types	At 03/31/2012	At 03/31/2011	% Allocation		
			03/31/2012	03/31/2011	2012 Target
Fixed income securities	10,582,055	9,983,307	88.38%	87.30%	53% to 100%
Variable income securities	1,013,092	1,015,876	8.46%	8.88%	0% to 25%
Structured investments	14,429	12,525	0.12%	0.11%	0% to 10%
Foreign investments	-	3,813	0.00%	0.03%	0% to 3%
Real estate	341,821	395,476	2.85%	3.46%	0% to 6%
Loans to participants	22,961	24,628	0.19%	0.22%	0% to 5%
Total	11,974,358	11,435,625	100.00%	100.00%	

The defined benefit plan assets include shares of ITAÚ UNIBANCO HOLDING, its main parent company (ITAÚSA) and of subsidiaries of the latter, with a fair value of R\$ 528,548 (R\$ 846,113 at 03/31/2011), and real estate rented to Group companies, with a fair value of R\$ 296,132 (R\$ 337,207 at 03/31/2011).

The expected income from defined benefit plan assets is based on projections of returns for each of the segments detailed above. For the fixed-income segment, the adopted interest rates were taken from long-term securities included in the portfolios, and the interest rates practiced in the market at the closing of the balance sheet. For the variable-income segment, conservative expectations of annual returns were adopted. For the real estate segment, the cash inflows of expected rental payments for the following 12 months were adopted. For all segments, the basis adopted was the portfolio positions at the balance sheet date.

III- Net amount recognized in the balance sheet

We present below the calculation of the net amount recognized in the balance sheet:

	03/31/2012	03/31/2011
1 - Net assets of the plans	11,974,358	11,435,625
2 - Actuarial liabilities	(10,517,171)	(9,992,110)
3- Surplus (1-2)	1,457,187	1,443,515
4- Asset restriction (*)	(1,310,019)	(1,154,473)
5 - Net amount recognized in the balance sheet (3-4)	147,168	289,042
Amount recognized in Assets	356,991	407,298
Amount recognized in Liabilities	(209,823)	(118,256)

(*) Corresponds to the excess of present value of the available economic benefit, in conformity with item 58 of CVM Resolution No. 600.

In conformity with the exemption set forth in CVM Resolution No. 647, gains and losses accumulated to 01/01/2010 were recognized in Stockholders' equity, net of tax effects and, taking into account the subsidiary company's adjustments. The actuarial gains and losses for the period from 01/01 to 03/31/2012 were recognized in Results under "Personnel expenses".

IV - Change in net assets, actuarial liabilities, and surplus

	03/31/2012			03/31/2011		
	Net assets	Actuarial liabilities	Surplus	Net assets	Actuarial liabilities	Surplus
Present value – beginning of the period	11,772,927	(10,413,448)	1,359,479	11,167,828	(9,815,180)	1,352,648
Inclusion of Redecard Plan	-	-	-	60,817	(55,897)	4,920
Expected return on assets (2)	325,622	-	325,622	336,977	-	336,977
Cost of current service	-	(21,107)	(21,107)	-	(24,471)	(24,471)
Cost of interest	-	(246,239)	(246,239)	-	(234,761)	(234,761)
Benefits paid	(163,623)	163,623	-	(138,199)	138,199	-
Contributions of sponsor	7,015	-	7,015	6,282	-	6,282
Contributions of participants	3,628	-	3,628	1,881	-	1,881
Actuarial gain/(loss) (1) (2)	28,789	-	28,789	39	-	39
Present value – end of the period	11,974,358	(10,517,171)	1,457,187	11,435,625	(9,992,110)	1,443,515

(1) Gains/losses recorded in Net Assets correspond to the income earned above/below the expected return rate of assets.

(2) The actual return on assets amounted to R\$ 354,410 (R\$ 337,016 at 03/31/2011)

The history of actuarial gains and losses is as follows:

	03/31/2012	03/31/2011
Net assets of the plans	11,974,358	11,435,625
Actuarial liabilities	(10,517,171)	(9,992,110)
Surplus	1,457,187	1,443,515
Experience adjustments in net assets	28,789	39
Experience adjustments in actuarial liabilities	-	-

V- Total revenue (expenses) recognized in income for the year

Total expenses recognized in defined benefit plans include components, as follows:

	03/31/2012	03/31/2011
Cost of current service	(21,107)	(24,471)
Cost of interest	(246,239)	(234,761)
Expected return on the plan assets	325,622	336,977
Effect on asset restriction	(47,411)	(40,984)
Gain/(loss) for the year	28,789	39
Contributions of participants	3,628	1,881
Total revenue (expenses) recognized in income for the year	43,282	38,681

During the period, contributions made totaled R\$ 7,015 (R\$ 6,282 at March 31, 2011). The contribution rate increases based on the beneficiary's salary.

In 2012, the expected contribution to retirement plans sponsored by ITAÚ UNIBANCO HOLDING is R\$ 38,870.

We present below the estimated benefit payments for the next 10 years:

Period	Estimated payment
2012	645,780
2013	673,231
2014	697,244
2015	721,382
2016	746,311
2017 to 2021	4,118,739

c) Defined contribution plans

The defined contribution plans have pension funds set up by the portion of sponsors' contributions not included in the participant's accounts balance and by the loss of eligibility to a plan benefit, as well as by resources from the migration from the defined benefit plans. The fund will be used for future contributions to the individual participants' accounts, according to the rules of the respective benefit plan regulation.

At March 31, 2012 the amount recognized in assets is R\$ 1,463,586 (R\$ 1,168,124 at 03/31/2011).

Total revenue recognized in defined contribution plans includes the following components:

	03/31/2012	03/31/2011
Contributions	(47,395)	(24,181)
Actuarial gain/(loss)	68,054	(61,154)
Effect on asset restriction	(259)	84,292
Total revenue recognized in income for the year	20,400	(1,043)

In conformity with the exemption set forth in CVM Resolution No. 647, gains and losses accumulated until 01/01/2010 were recognized in Stockholders' equity, net of tax effects and, taking into account the subsidiary company's adjustments. The actuarial gains and losses for the period from 01/01 to 03/31/2012 were recognized in Results under "Personnel expenses".

In the period, contributions to the defined contribution plans, including PGBL, totaled R\$ 60,091 (R\$ 34,705 at 03/31/2011), of which R\$ 47,395 (R\$ 24,181 at 03/31/2011) arises from pension funds.

d) Other post-employment benefits

ITAÚ UNIBANCO HOLDING 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 Holding, under the terms and conditions established, in which health plans are totally or partially sponsored for retired workers and beneficiaries.

I- Changes

Based on the reported prepared by an independent actuary, the changes in obligations for these other projected benefits and the amounts recognized in the balance sheet, under liabilities, of Itaú Unibanco Holding are as follows:

	03/31/2012	03/31/2011
At the beginning of the year	(120,154)	(105,335)
Cost of interest	(2,979)	(4,724)
Benefits paid	1,546	1,406
Actuarial loss	-	-
At the end of the year	(121,587)	(108,653)

In conformity with the exemption set forth in CVM Resolution No. 647, gains and losses accumulated until 01/01/2010 were recognized in Stockholders' equity, net of tax effects and, taking into account the subsidiary company's adjustments. The actuarial gains and losses for the period from 01/01 to 03/31/2012 were recognized in Results under "Personnel expenses".

We present below the estimated benefit payments for the next 10 years:

Period	Estimated payment
2012	6,366
2013	6,852
2014	7,362
2015	7,854
2016	8,363
2017 to 2021	50,248

II- Assumptions and sensitivities 1%

For calculation of benefits obligations projected beyond the assumptions used for the defined benefit plans (Note 19b I), the 8.16% p.a. increase in medical costs assumption is adopted.

Assumptions for rates related to medical assistance costs have a significant impact on the amounts recognized in income. A change of one percentage point in the medical assistance cost rates would have the effects as follows:

	1.0% increase	1.0% decrease
Effects on service cost and cost of interest	1,609	(1,321)
Effects on present value of obligation	16,559	(13,563)

NOTE 20 – INFORMATION ON FOREIGN SUBSIDIARIES

	Foreign branches (1)		Latin America Consolidated (2)		Itaú Europa Consolidated (3)		Cayman Consolidated (4)		Other foreign companies (5)		Foreign consolidated (6)	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Assets												
Current assets and long-term receivables												
Cash and cash equivalents	2,933,286	1,474,237	1,942,506	1,197,455	249,965	1,142,189	3,614,685	2,215,391	809,651	772,666	4,660,597	4,175,092
Interbank investments	11,994,110	6,832,920	1,199,270	857,277	2,108,217	2,737,126	7,512,931	6,048,079	782,852	665,946	13,657,554	7,754,460
Securities	43,897,650	32,943,852	3,800,337	2,827,893	1,584,526	1,839,130	4,729,889	5,073,792	28,226	610	53,502,277	41,295,429
Loan, lease and other credit operations	33,359,462	20,539,729	19,888,071	13,437,600	7,234,472	5,560,207	300,830	262,636	699	969	60,697,863	39,751,810
Foreign exchange portfolio	40,902,149	29,092,291	444,196	347,609	2,311,307	2,857,601	392,341	1,193,567	-	-	43,689,875	31,340,450
Other assets	1,416,134	1,426,747	2,918,422	1,628,764	301,440	139,791	1,096,549	2,372,305	226,029	106,598	5,857,420	5,649,053
Permanent assets												
Investments	21,354	26,723	4,548	4,269	114,069	371,266	44,526	38,559	119,608	391,112	259,581	791,940
BPI (Note 15a II)	-	-	-	-	110,347	368,731	-	-	114,850	383,781	225,196	752,512
Other investments	21,354	26,723	4,548	4,269	3,722	2,535	44,526	38,559	4,758	7,331	34,385	39,428
Fixed and intangible assets	26,452	17,557	482,096	363,658	167,513	168,648	1,607	2,289	16,085	15,716	693,754	567,867
Total	134,550,597	92,354,056	30,679,446	20,664,525	14,071,509	14,815,958	17,693,358	17,206,618	1,983,150	1,953,617	183,018,921	131,326,101
LIABILITIES												
Current and long-term liabilities												
Deposits	43,520,145	25,079,039	21,233,520	13,910,953	5,399,083	6,218,638	2,789,477	2,377,256	-	-	60,245,191	37,467,812
Demand deposits	8,354,361	4,441,404	5,628,323	3,961,213	2,531,220	2,248,504	1,138,701	1,095,603	-	-	12,730,983	9,086,885
Savings deposits	-	-	3,133,182	2,338,045	-	-	-	-	-	-	3,133,182	2,338,045
Interbank deposits	10,147,846	6,387	172,631	25,561	1,211,931	3,025,963	-	-	-	-	10,888,741	1,344,603
Time deposits	25,017,938	20,631,248	12,299,384	7,586,134	1,655,932	944,171	1,650,776	1,281,653	-	-	33,492,285	24,698,279
Deposits received under securities repurchase agreements	10,039,212	6,441,836	171,082	269,593	-	-	1,691,728	2,445,797	-	-	9,730,950	7,232,442
Funds from acceptance and issuance of securities	2,547,595	3,407,829	1,526,962	1,026,102	3,435,239	2,970,845	2,705,121	2,828,933	-	-	10,190,414	10,210,639
Borrowings	13,532,719	10,528,646	1,755,292	1,033,650	559,930	648,578	9,768	90,344	30,998	28,930	15,857,709	12,301,858
Derivative financial instruments	1,250,676	1,666,337	202,235	102,727	539,240	293,810	602,823	1,124,542	-	-	2,113,493	1,879,635
Foreign exchange portfolio	40,998,113	29,019,553	443,933	340,422	2,311,596	2,844,821	391,443	1,178,936	-	-	43,784,966	31,233,115
Other liabilities	10,219,764	6,312,662	2,101,553	1,540,827	473,061	336,878	2,505,609	336,399	176,634	55,878	15,327,205	8,506,574
Deferred income	54,060	37,975	9,566	4,827	22,031	24,762	63	175	3,070	2,392	88,789	70,132
Minority interest in subsidiaries	-	-	8,571	34,173	61	61	716,294	640,256	3	5	716,553	640,493
Stockholders' equity												
Capital and reserves	12,015,100	9,442,451	3,093,840	2,332,156	1,365,821	1,458,232	6,278,728	6,212,127	1,797,625	1,815,515	24,514,564	21,254,178
Net income for the period	373,213	417,728	132,892	69,095	(34,553)	19,333	2,304	(28,147)	(25,180)	50,897	449,087	529,223
Total	134,550,597	92,354,056	30,679,446	20,664,525	14,071,509	14,815,958	17,693,358	17,206,618	1,983,150	1,953,617	183,018,921	131,326,101
Statement of Income												
Income from financial operations	1,036,221	724,735	595,353	345,549	58,318	84,009	73,625	33,138	7,456	30,179	1,719,632	1,200,758
Expenses of financial operations	(651,680)	(319,262)	(244,301)	(114,798)	(31,493)	(73,104)	(45,431)	(49,263)	(188)	(161)	(916,288)	(531,942)
Result of loan losses	(8,351)	5,168	(12,644)	(22,327)	143	(2,563)	-	-	(17)	(4)	(20,870)	(19,725)
Gross income from financial operations	376,190	410,641	338,408	208,424	26,968	8,342	28,194	(16,125)	7,251	30,014	782,474	649,091
Other operating revenues (expenses)	(2,929)	7,142	(168,372)	(114,753)	(53,297)	16,680	(25,890)	(12,103)	(21,726)	26,222	(277,203)	(84,795)
Operating income	373,261	417,783	170,036	93,671	(26,329)	25,022	2,304	(28,228)	(14,475)	56,236	505,271	564,296
Non-operating income	(48)	-	31	(1,387)	93	-	-	81	371	127	300	(1,583)
Income before taxes on income and profit sharing	373,213	417,783	170,067	92,284	(26,236)	25,022	2,304	(28,147)	(14,104)	56,363	505,571	562,713
Income tax	-	(55)	(37,041)	(22,275)	(6,596)	(4,968)	-	-	(11,076)	(5,467)	(54,713)	(32,764)
Statutory participation in income	-	-	(42)	-	(1,722)	(719)	-	-	-	-	(1,763)	(719)
Minority interest in subsidiaries	-	-	(92)	(914)	1	(2)	-	-	-	1	(8)	(7)
Net income (loss)	373,213	417,728	132,892	69,095	(34,553)	19,333	2,304	(28,147)	(25,180)	50,897	449,087	529,223

(1) Itaú Unibanco S.A. – Grand Cayman, New York, Tokyo and Nassau Branches, Banco Itaú-BBA S.A. – Nassau Branch, Itaú Unibanco Holding S.A. – Grand Cayman Branch and Unibanco Grand Cayman Branch; only at 3/31/2011, Banco Itaú BBA S.A. Uruguay Branch.

(2) Banco Itaú Argentina S.A., Itaú Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión, Itrust Servicios Inmobiliarios S.A.C.I, Itaú Sociedad de Bolsa S.A., Itaú Chile Holdings Inc., BICSA Holdings LTD., Banco Itaú Chile S.A., Itaú Chile Inversiones, Servicios Y Administración S.A., Itaú Chile Corredor de Bolsa Ltda., Itaú Chile Corredora de Seguros Ltda., Itaú Chile Administradora General de Fondos S.A., Itaú Chile Securitizadora S.A., Recuperadora de Créditos Ltda, Itaú Chile Compañía de Seguros de Vida S.A., ACO Ltda., Banco Itaú Uruguay S.A., OCA Casa Financiera S.A., OCA S.A., Unión Capital AFAP S.A., Banco Itaú Paraguay, Tarjetas Unisoluciones S. A. de Capital Variable y Proserv - Promociones Y Servicios S.A. de C. V.; only at 3/31/2011, MCC Aseorias Limitada (50%), MCC Securites INC. (50%) and Itaú BBA SAS

(3) IPI - Itaúsa Portugal Investimentos, SGPS Lda. (49%), Itaúsa Europa - Investimentos, SGPS, Lda., Itaú Europa, SGPS, Lda., Itaúsa Portugal - SGPS, S.A., Banco Itaú BBA International (Cayman) Ltd., Banco Itaú Europa Luxembourg S.A., BIE Cayman, Ltd., Banco Itaú Europa International, Itaú Bank & Trust Bahamas Ltd., Itaú Europa Securities Inc., Federal Director International Services, S.A., Bay State Corporation Limited and Banco Itaú Suisse S.A.; only at 3/31/2011, Itaú Madeira Investimentos SGPS Ltda., Kennedy Director International Services S.A., Cape Ann Corporation Limited., BIE Directors Ltd and BIE Nominees Ltd; only at 3/31/2012, Itaú BBA International Limited.

(4) Itaú Bank Ltd., ITB Holding Ltd., Jasper International Investment LLC, Unibanco Cayman Bank Ltd., Itaú Bank & Trust Cayman Ltd., Uni-Investments Inter. Corp., Unipart Partic. Internac. Ltd., Rosefield Finance Ltd. (50%) and UBT Finance S.A.; only at 3/31/2011, BFB Overseas Cayman, Ltd., Unibanco Securities Inc. and Itaú USA Asset Management.

(5) Afinc Americas Madeira, SGPS, Soc. Unipessoal Ltda., Zux Cayman Company Ltd., Topaz Holding Ltd., United Corporate Services Inc (new company name of Itaú USA Inc), Itaú International Investment LLC, Albarus S.A., Banco Del Paraná S.A., Garnet Corporation, Itaú Global Asset Management, Mundostar S.A., Karen International Ltd., Nevada Woods S.A., Itaú Asia Securities Ltd., Libero Trading International Ltd., IPI - Itaúsa Portugal Investimentos, SGPS Lda. (51%), Itaú BBA USA Securities Inc., Itaú Middle East Limited, Unipart B2B Investments, S.L., Itaú BBA UK Securities Limited, Itaú Japan Asset Management Ltd. and Itaú (Beijing) Investment Consultancy Limited; only at 3/31/2012: Itaú UK Asset Management Limited, Itaú Asia Asset Management Limited and Itaú USA Asset Management Inc.

(6) Foreign consolidated information presents balances net of eliminations from consolidation.

NOTE 21 – RISK MANAGEMENT

The purpose of risk identification is to map the risk events of internal and external nature that may affect the strategies of support and business units and the fulfillment of their objectives, with possibility of impact on income, capital and liquidity of the bank.

Risk management is considered by ITAÚ UNIBANCO HOLDING an essential tool for optimizing the use of resources and selecting the best business opportunities, in order to obtain the best risk-return ratio.

At ITAÚ UNIBANCO HOLDING, Risk Management is the process in which:

- The existing and potential risks from the bank operations are identified and measured;
- Policies, procedures and methodologies for risk management and control consistent with the Board of Directors' guidelines and the bank's strategies are approved;
- The bank's risk portfolio is managed considering the best risk-return ratio;

This process interweaves the whole institution, with full involvement of the Board and Executives that, through committees of the Board of Directors and senior commissions, define the global objectives that are measured as goals and limits to the risk management units. Control units, in turn, support the bank's management by monitoring and analyzing risk.

ITAÚ UNIBANCO HOLDING's risk management organizational structure is in accordance with the Basel Accord's recommendations. The control structure of Market, Credit, Liquidity, Operational and Underwriting risks is centralized at ITAÚ UNIBANCO HOLDING aiming at assuring that the conglomerate risks are being managed in accordance with established policies and procedures. The purpose of centralizing control is to provide the Executives and the Board of Directors with an overview of conglomerate's risk exposure, so as to optimize and speed up corporate decision-making.

The purpose of that structure is to follow up the regulatory requirements issued by the conglomerate's lead institution. ITAÚ UNIBANCO HOLDING manages proprietary IT systems to fully meet the applicable rules on capital reserve in connection with the capital portions, pursuant to determinations and models issued by the Central Bank (BACEN). It also coordinates actions to check for adherence to qualitative and quantitative requirements established by the relevant authorities for compliance with the minimum mandatory capital requirement. Further information on risk management can be found on the Investor Relations website www.itaunibanco.com.br/ri, in the section Corporate Governance/Risk Management - Circular No. 3,477.

Aiming at complying with Resolution No. 3,988 of June 30, 2011 of the National Monetary Council (CMN), ITAÚ UNIBANCO HOLDING is defining and implementing its capital management structure. The Board of Directors has recently approved the appointment of an officer in charge and definition of the required structure to meet the resolution requirements, applicable to the whole financial group and the other companies included in the economic-financial conglomerate.

I – Market Risk

Market risk is the possibility of incurring losses arising from the variations in the market values of positions held by a financial institution, including the risks of transactions subject to the variations in foreign exchange and interest rates, and equities and commodity prices.

The market risk management is the process through which the institution plans, monitors and controls the risks of variations in financial instruments market values, aiming at optimizing the risk-return ratio, by using an appropriate structure of management limits, models and tools.

The scope of the market risk control carried out by ITAÚ UNIBANCO HOLDING is extended to all the financial instruments included in the portfolios of companies under its responsibility. In this sense, the ITAÚ UNIBANCO HOLDING's Market Risk Management Policy is in line with the principles of Resolution No. 3,464 of June 26, 2007, issued by the National Monetary Council (CMN), being a set of principles that drive the institution's strategy towards control and management of market risk of all business units and legal entities of the ITAÚ UNIBANCO HOLDING.

The document that details the guidelines set out by this internal policy on market risk control can be read on the website www.itaunibanco.com.br/ri, in the section Corporate Governance, Rules and Policies, Public Access Report – Market Risk.

The control of market risk is carried out by an area independent from the business ones, and is responsible for carrying out daily measurement, assessment and report activities by way of control units set in the legal entities of ITAÚ UNIBANCO HOLDING. The executive area also performs the monitoring, assessment and consolidated reporting of market risk information, including possible extrapolation of risk limits, reporting the event to the business unit in charge and monitoring the actions required to adjust the position and/or risk level. For this purpose, the bank relies on a structured communication and information process, aiming at providing feedback for the follow-up of the superior committees and compliance with the regulatory bodies in Brazil and abroad.

The market risk control and management process is submitted to periodic reviews aimed at keeping it aligned with the best market practices and adhering to the continuous improvement processes at ITAÚ UNIBANCO HOLDING.

The process for managing market risks of ITAÚ UNIBANCO HOLDING occurs within the governance and hierarchy of committees and limits approved specifically for this purpose, and that covers from the monitoring of aggregate indicators of risk to granular limits, assuring effectiveness and coverage of control. These limits are dimensioned considering the projected results of the balance sheet, the level of equity and the profile of risk of each legal entity, which are defined in terms of risk measures used by management. Limits are monitored daily and excesses are reported and discussed in the corresponding committees.

The structure of limits is designed and approved by the Superior Risk Committee (CSRisc), after discussions and deliberations by the Superior Institutional Treasury Committee (CSTI) about metrics and market risk limits.

The market risk analyses are conducted based on the following metrics:

- Value at Risk (VaR): statistical measure that estimates the expected maximum potential economic loss under normal market conditions, considering a defining holding period and confidence level;
- Losses in Stress Scenarios: simulation technique to assess the behavior of assets and liabilities of a portfolio when several risk factors are taken to extreme market situations (based on prospective scenarios);
- Stop Loss: effective losses added to the maximum potential loss in bullish and bearish scenarios;
- Earnings at Risk (EaR): Measure that quantifies the P&L impact of a given portfolio, considering regular market conditions, time horizon related to the longest transaction in the banking portfolio and a predetermined confidence interval.

In addition to the aforementioned risk measures, sensitivity and loss control measures are also analyzed. Among them, the following is included:

- Mismatching (gap) analysis (GAPS): graphic representation by risk factor of cash flows expressed at market value, allocated at the maturity dates;
- Sensitivity (DV1- Delta Variation): impact on the market value of cash flows, when submitted to an one annual basis point increase in the current interest rates. Applied to risk factors;
- Sensitivity to Several Risk Factors (Greeks): partial derivatives of an option portfolio in relation to the prices of underlying assets, implied volatilities, interest rates and time;
- Stop Loss: maximum loss that a certain portfolio classified in the trading portfolio is authorized to reach.

The consolidated ITAÚ UNIBANCO HOLDING S.A., maintaining its conservative management and portfolio diversification, continued with its policy of operating within low limits in relation to its capital.

In March/2012, Itaú Unibanco recorded a Total Global VaR of R\$ 142,5 million (R\$ 150,9 million in December 2011).

II – Credit Risk

Credit risk is the possibility of incurring losses in connection with the breach by the borrower or counterparty of the respective agreed-upon financial obligations, devaluation of loan agreement due to downgrading of the borrower's risk rating, reduction in gains or compensation, advantages given upon renegotiation and recovery costs.

In line with the principles of CMN Resolution No. 3,721 of April 30, 2009, ITAÚ UNIBANCO HOLDING has a structure for and policy on credit risk management, approved by its Board of Directors, applicable to the companies and subsidiaries in Brazil and abroad.

The document that outlines the guidelines set out by this internal policy on credit risk control can be read on the website www.itaunibanco.com.br/ri, in the section Corporate Governance, Rules and Policies, Public Access Report – Credit Risk.

The objective of ITAÚ UNIBANCO HOLDING's credit risk management is to maximize the risk and return ratio of its assets, maintaining the credit portfolio quality at levels appropriate to the market segments in which it is operating. The strategy is aimed at creating value to its stockholders so as to give rise to returns at levels higher than the minimum return value adjusted to the risk of each business.

ITAÚ UNIBANCO HOLDING establishes its credit policy based on internal factors, such as the client rating criteria and portfolio development analysis, the registered default levels, the incurred return rates, and the allocated economic capital; and external factors, related to the economic environment in Brazil and abroad, including market share, interest rates, market default indicators, inflation, and consumption increase/decrease. ITAÚ UNIBANCO HOLDING's centralized process for making decisions and establishing a credit policy guarantees the synchrony of credit actions and optimization of business opportunities.

To protect the institution against losses arising from loan operations, ITAÚ UNIBANCO HOLDING considers all aspects that determine the client's credit risk to define the provision level commensurate with the risk incurred in each operation. For each operation, the assessment and rating of the client or economic group, the operation rating, and the possible existence of past-due amounts are taken into account.

ITAÚ UNIBANCO HOLDING recognizes a provision additional to that required by BACEN, aiming at ensuring a provision level compatible with the expected loss model adopted by the institution's credit risk management, based on internal models. This allowance is usually quantified in view of the past performance of loan portfolios, based on exposure, probabilities of default and expected recovery of transactions.

III – Operational Risk

The operational risk is the possibility of incurring losses arising from failure, deficiency or inadequacy of internal processes, personnel and systems, or external events. It includes the legal risk, associated with the inadequacy or deficiency in agreements signed by the institution, as well as sanctions for failing to meet legal provisions and compensation for damages to third parties arising from activities performed by the institution. That definition does not include the strategic risk and reputation risk.

The increasing sophistication of banking business environment and the development of technology make the risk profiles of organizations more complex, clearly outlining this risk class, which management is not a new practice, but now requires a specific structure, different from those traditionally adopted for credit and market risks. Therefore, operational risk management becomes important since it assures the identification, assessment/measurement, response, monitoring and reporting of the exposure to the organization's operational risk.

In line with the principles of CMN Resolution No. 3,380 of June 29, 2006, ITAÚ UNIBANCO HOLDING formulated a policy on operational risk management, approved by its Board of Directors, applicable to the companies and subsidiaries in Brazil and abroad.

The policy comprises a set of principles, procedures and tools to enable the company to make permanent adjustments to operational risk management, in view of the nature and complexity of products, services, activities, processes and systems.

The structure formalized in this policy establishes procedures for the identification, assessment, mitigation, monitoring, and communications related to operational risks, as well as the roles and responsibilities of the bodies that participate in this structure. A summarized version of such policy is available on the *website* www.itaunibanco.com.br/ri in the section Corporate Governance, Rules and Policies, Public Access Report – Operational Risk.

On April 30, 2008, BACEN published Circular No. 3.383 and Circular Letters Nos. 3,315 and No. 3,316, which establish the criteria for calculation of PRE related to the operational risk (POPR), addressed by Resolution No. 3,490. Therefore, since July 1, 2008, ITAÚ UNIBANCO HOLDING has allocated capital to Operational Risk using the Alternative Standardized Approach.

IV – Liquidity Risk

Liquidity risk is the occurrence of imbalances between tradable assets and falling due liabilities - mismatching between payments and receipts - which may affect the institution's payment capacity, taking into consideration the different currencies and payment terms and their rights and obligations.

Management of liquidity risk seeks to adopt best practices to avoid having insufficient cash available and to avoid difficulties in meeting obligations due.

ITAÚ UNIBANCO HOLDING has a structure dedicated to monitoring, controlling and analyzing liquidity risk, through models of variables projections that affect cash flows and the level of reserves in local and foreign currencies.

Additionally, the institution establishes guidelines and limits whose compliance is periodically analyzed in technical committees and whose purpose is providing safety margin in addition to the minimum projected needs. Liquidity management policies and associated limits are established based on prospective scenarios that are regularly reviewed and on top management definitions.

V - Underwriting Risk

Underwriting risk is the possibility of incurring losses that are contrary to the organization's expectations and that are directly or indirectly associated with the technical and actuarial bases used to calculate premiums, contributions and technical reserves, arising from insurance, pension plan and capitalization operations.

Analogous to Basel II, the International Association of Insurance Supervisors (IAIS) instructs that insurance companies should have a risk management system to supplement the system of minimum capital and solvency margin.

The centralized control of underwriting risk is conducted by the risk control area that is separate from the business units and internal audit department. This area is responsible for designing internal models for measuring underwriting risk and creating the conditions necessary to validate and control these models. Another role of the risk control area is to examine changes in policies and follow up the performance of insurance, pension plans and capitalization portfolios.

NOTE 22 – ADDITIONAL INFORMATION

a) **Insurance policy** - ITAÚ UNIBANCO HOLDING and its subsidiaries, despite the low risk exposure due to a physical non-concentration of their assets, have the policy to guarantee their valuables and assets at amounts considered sufficient to cover possible claims.

b) **Foreign currency – the balances in Reais linked to the foreign currency were:**

	03/31/2012	03/31/2011
Permanent foreign investments	24,963,651	21,783,401
Net amount of other assets and liabilities indexed to foreign currency, including derivatives	(42,583,000)	(37,497,893)
Net foreign exchange position	(17,619,349)	(15,714,492)

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) **Investment funds and managed portfolios** - ITAÚ UNIBANCO HOLDING, through its subsidiaries, manages the following types of funds: privatization, fixed income, shares, open portfolio shares, investment clubs, customer portfolios and group portfolios, domestic and foreign, classified in memorandum accounts, distributed as follows:

	Amount		Amount (*)		Number of funds	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Investment funds	337,823,727	290,001,324	337,823,727	290,001,324	3,267	1,802
Fixed income	307,729,239	258,389,876	307,729,239	258,389,876	2,431	1,504
Shares	30,094,488	31,611,448	30,094,488	31,611,448	836	298
Managed portfolios	169,151,519	155,374,774	85,381,593	91,776,255	15,184	16,323
Customers	96,054,045	88,299,552	77,004,845	76,185,328	15,089	16,257
Itaú Group	73,097,474	67,075,222	8,376,748	15,590,927	95	66
TOTAL	506,975,246	445,376,098	423,205,320	381,777,579	18,451	18,125

(*) It refers to the distribution after elimination of double-counting of managed portfolios in investment funds.

d) **Funds of consortia**

	03/31/2012	03/31/2011
Monthly estimate of installments receivable from participants	80,249	58,092
Group liabilities by installments	6,125,361	4,070,973
Participants – assets to be delivered	5,723,913	3,810,694
Funds available for participants	550,102	382,902
(In units)		
Number of managed groups	784	699
Number of current participants	232,756	164,923
Number of assets to be delivered to participants	139,621	112,170

e) **Fundação Itaú Social** - ITAÚ UNIBANCO HOLDING and its subsidiaries are the main sponsors of Fundação Itaú Social, the objectives of which are: 1) managing the “Itaú Social Program”, which aims at coordinating the organization’s role in projects of interest to the community by supporting or developing social, scientific and cultural projects, mainly in the elementary education and health areas; 2) supporting projects or initiatives in progress, supported or sponsored by entities qualified to work in the “Programa Itaú Social” (Itaú Social Program); and 3) providing food and other similar benefits to the employees of ITAÚ UNIBANCO HOLDING and other companies of the group.

During the period from January 1 to March 31, 2012 the consolidated companies made no donations (R\$ 92 at March 31, 2011) and the Foundation’s social net assets totaled R\$ 3,036,998 (R\$ 3,078,971 at March 31, 2011). The income arising from its investments will be used to achieve the Foundation’s social purposes.

f) **Instituto Itaú Cultural – IIC** - ITAÚ UNIBANCO HOLDING and its subsidiaries are supporters of Instituto Itaú Cultural - IIC, an entity formed to grant incentives, promote and preserve Brazil’s cultural heritage. During the period, the consolidated companies donated the amount of R\$ 19,900 (R\$ 14,000 from January 1 to March 31, 2011).

g) **Instituto Unibanco** - ITAÚ UNIBANCO HOLDING and its subsidiaries sponsor Instituto Unibanco, an entity whose objective is to support projects on social assistance, particularly education, culture, promotion of integration to labor market, and environmental protection, directly and/or supplementarily, through the civil society’s institutions.

h) **Instituto Unibanco de Cinema** - ITAÚ UNIBANCO HOLDING and its subsidiaries sponsor Instituto Unibanco de Cinema, an entity whose objective is (i) the fostering of culture in general; and (ii) providing access of low-income population to cinematography, videography and similar productions, for which it shall maintain movie theaters owned or managed by itself, and theaters to screen films, videos, video-laser discs and other related activities, as well as to screen and divulge films of great importance, especially those produced in Brazil.

i) **Associação Clube “A”** - ITAÚ UNIBANCO HOLDING and its subsidiaries sponsor Associação Clube “A”, an entity whose objective is the provision of social services for the welfare of beneficiaries, in the way and conditions established by its Internal Rules, and according to the funds available. These services may include, among others, the promotion of cultural, educational, sports, entertainment and health care activities. During the period from January 1 to March 31, 2012, the consolidated companies made donations to Clube “A” in the amount of R\$ 800.

j) **Instituto Assistencial Pedro di Perna** - ITAÚ UNIBANCO HOLDING and its subsidiaries sponsor Instituto Assistencial Pedro di Perna, an entity whose objective is the provision of social services, stimulate sport activities, and promote recreation, aimed at the welfare of its members, in the way and conditions established by its Internal Rules, and according to the funds available.

k) Exclusions of nonrecurring effects net of tax effects – Holding and Holding Consolidated

	01/01 to 03/31/2012	01/01 to 03/31/2011
Provision for contingencies – economic plans (Note 12)	(62,830)	(108,424)
Market value based on the share price – BPI (Note 15a II)	(55,084)	-
Total	(117,914)	(108,424)

- l) Reclassifications for comparison purposes** – The Company carried out reclassifications in the balances of March 31, 2011, for financial statements comparison purposes, in view of the regrouping of the following headings: In the Balance Sheet, the reclassification of Technical Provision for Insurance, Pension Plan and Capitalization to Other Assets and the reclassification related to Investment Funds from Minority Interest in Subsidiaries to Other Liabilities – Sundry. In Statement of Income, the reclassification of Provision for Tax and Social Security from Other Operating Expenses to Other Operating Revenues, the reclassification of the Reward Program from Other Operating Expenses to Banking Service Fees, in compliance with CVM Resolution No. 597, of September 15, 2009 and the reclassification of Income from Credit Cards and Securities Brokerage from Banking Service Fees to Income from Bank Charges and the reclassification from Minority Interest in Subsidiaries to Expenses of Financial Operations.

	Prior disclosure	Reclassification/d econsolidation	Adjusted balances
CURRENT ASSETS AND LONG-TERM RECEIVABLES	767,411,584	1,167,314	768,578,898
OTHER ASSETS	3,576,437	1,167,314	4,743,751
Prepaid expenses	3,013,295	1,167,314	4,180,609
REAL ESTATE IN USE	4,807,029	-	4,807,029
Real estate in use	4,412,603	(1,120,818)	3,291,785
Other fixed assets	7,141,420	1,120,818	8,262,238
TOTAL ASSETS	778,472,489	1,167,314	779,639,803
CURRENT AND LONG-TERM LIABILITIES	710,469,615	1,679,509	712,149,124
TECHNICAL PROVISION FOR INSURANCE, PENSION PLAN AND CAPITALIZATION	62,431,819	1,167,314	63,599,133
OTHER LIABILITIES	142,903,099	512,195	143,415,294
Tax and social security	22,503,473	(72,897)	22,430,576
Sundry	18,889,932	585,092	19,475,024
MINORITY INTEREST IN SUBSIDIARIES	3,425,288	(512,195)	2,913,093
TOTAL LIABILITIES	778,472,489	1,167,314	779,639,803
EXPENSES OF FINANCIAL OPERATIONS	(10,480,769)	(10,425)	(10,491,194)
Money market	(8,842,977)	(10,425)	(8,853,402)
INCOME FROM FINANCIAL OPERATIONS BEFORE LOAN LOSSES	11,880,291	(10,425)	11,869,866
GROSS INCOME FROM FINANCIAL OPERATIONS	8,707,376	(10,425)	8,696,951
OTHER OPERATING REVENUES (EXPENSES)	(3,537,871)	-	(3,537,871)
Banking service fees	3,679,286	(415,983)	3,263,303
Credit cards	1,691,485	(292,918)	1,398,567
Other	455,350	(123,065)	332,285
Income from bank charges	788,175	415,983	1,204,158
OPERATING INCOME	5,169,505	(10,425)	5,159,080
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING	5,212,596	(10,425)	5,202,171
MINORITY INTEREST IN SUBSIDIARIES	(177,530)	10,425	(167,105)
NET INCOME	3,530,301	-	3,530,301

m) Subsequent event

On April 20, 2012, ITAÚ UNIBANCO HOLDING, through its subsidiary IPI - Itaúsa Portugal Investimentos, SGPS, Lda. (IPI), disposed its full interest, equal to 18.87% in the capital of Banco BPI, S.A. (BPI) to Caixabank, S.A., a company that is an integral part of the La Caixa Group.

As a result of this operation, La Caixa will pay ITAÚ UNIBANCO HOLDING approximately € 93 million (ninety-three million Euros).

This operation will have a positive impact of approximately R\$ 100 million in the consolidated stockholders' equity and a negative non-recurring effect of approximately R\$ 200 million in net income. These effects will be recorded in the 2nd quarter of 2012.

Report on Review

To the Directors and Stockholders Itaú Unibanco Holding S.A.

Introduction

We have reviewed the accompanying interim financial statements of Itaú Unibanco Holding S.A. (the “Bank”) stand alone, which comprise the balance sheet as at March 31, 2012 and the related statements of income, changes in equity and cash flows for the three-month period then ended, as well as the accompanying consolidated interim financial statements of Itaú Unibanco Holding S.A. and its subsidiaries (“Consolidated”), which comprise the consolidated balance sheet as at March 31, 2012 and the related consolidated statements of income and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

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

Conclusion on the standing alone interim Financial Statements

Based on our review, nothing has come to our attention that causes us to believe that the stand alone interim financial statements referred to above do not present fairly, in all material respects, the financial position of Itaú Unibanco Holding S.A. as at March 31, 2012, and the financial performance and cash flows, for the three-month period then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN).

Conclusion on the Consolidated interim Financial Statements

Based on our review, nothing has come to our attention that causes us to believe that the Consolidated interim financial statements referred to in the first paragraph do not presented fairly, in all material respects, the financial position of Itaú Unibanco Holding S.A. as at March 31, 2012, and the financial performance and cash flows, for the three-month period then ended, in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Brazilian Central Bank (BACEN).

Other matters

Statement of value added

We also have reviewed the interim statements of value added of Itaú Unibanco Holding S.A. and Itaú Unibanco Holding S.A. and its subsidiaries for the three-month period ended March 31, 2012, presented as supplementary information. These statements have been submitted to the same review procedures described in the second paragraph above and, based on our review, nothing has come to our attention that causes us to believe that these statements are not prepared consistently, in all material respects, with the interim financial statements taken as a whole.

São Paulo, April 23, 2012

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Paulo Sergio Miron
Contador CRC 1SP173647/O-5

ITAÚ UNIBANCO HOLDING S.A.

CNPJ. 60.872.504/0001-23

Listed Company

NIRE. 35300010230

OPINION OF THE FISCAL COUNCIL

The effective members of the Fiscal Council of ITAÚ UNIBANCO HOLDING S.A., having examined the financial statements for the period from January to March 31, 2012, 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, April 23, 2012.

IRAN SIQUEIRA LIMA
President

ALBERTO SOZIN FURUGUEM
Member

ARTEMIO BERTHOLINI
Member