Banco Itaú Holding Financeira S.A.

Management Discussion and Analysis

Third Quarter of 2008

Contents

The operations of FAI – Financeira Americanas Itaú are consolidated in the Itaucred segment in proportion to our 50% percentage holding in its capital .

The tables in this report show the figures in millions. Variations, however, are calculated in units.

Future expectations arising from the reading of this analysis should take into consideration the risks and uncertainties that involve any activities and that are outside the control of the companies of the conglomerate (political and economic changes, volatility in interest and foreign exchange rates, technological changes, inflation, financial disintermediation, competitive pressures on products and prices, and changes in tax legislation).

Executive Summary
Third Quarter of 2008

Highlights - Managerial Criteria

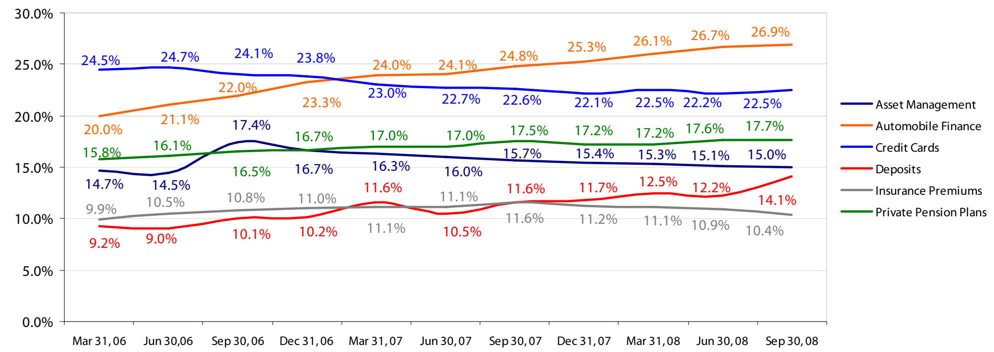
R$ Million (except where indicated)

Statements of Income	3rd Q/08	2nd Q/08	3rd Q/07	Jan - Sep/08	Jan - Sep/07
Net Income - Parent Company	1,848	2,041	2,428	5,932	6,444
Recurring Net Income	1,973	2,079	1,569	6,031	5,389
Managerial Financial Margin (1)	6,373	5,867	4,825	17,775	15,059
Income per Share (R$)					
Consolidated Net Income per share (2)	0.62	0.69	0.81	2.00	2.15
Consolidated Recurring Net Income per share (2)	0.66	0.70	0.52	2.03	1.80
Number of Outstanding Shares - in thousands (3)	2,965,739	2,965,266	2,994,773	2,965,739	2,994,773
Book Value per share (2)	10.65	10.23	9.35	10.65	9.35
Dividends/JCP net of taxes (4) (R$ Million)	554	612	685	1,780	1,777
Dividends/JCP net of taxes (4) per share	0.19	0.21	0.23	0.61	0.59
Market Capitalization (5) (R$ Million)	90,485	96,668	110,747	90,485	110,747
Market Capitalization (5) (US$ Million)	47,268	60,725	60,224	47,268	60,224
Performance Ratios (%)					
Return on Average Equity - Annualized (6)	23.9%	27.4%	35.6%	26.3%	33.3%
Recurring Return on Average Equity - Annualized (6)	25.5%	27.9%	23.0%	26.8%	27.9%
Return on Average Assets - Annualized (6)	2.0%	2.4%	3.5%	2.3%	3.4%
Recurring Return on Average Assets - Annualized (6)	2.1%	2.5%	2.3%	2.4%	2.8%
Solvency Ratio (BIS Ratio)	14.7%	16.4%	15.3%	14.7%	15.3%
Annualized Net Interest Margin (7)	10.4%	10.4%	11.4%	10.5%	11.6%
Nonperforming Loans Index (NPL) (8)	4.0%	4.3%	4.7%	4.0%	4.7%
Provision for Loan Losses/Nonperforming Loans	147%	143%	161%	147%	161%
Efficiency Ratio	47.0%	43.9%	47.1%	44.8%	45.6%

Balance Sheet		Sep 30, 08		Jun 30, 08		Sep 30, 07
Total Assets		396,599		343,870		298,484
Credit Operations (A)	*151,015*		*134,879*		*103,832*	
Sureties, Endorsements and Guarantees	*13,471*	164,486	*13,194*	148,073	*10,239*	114,071
Deposits + Debentures + Borrowings and Onlending and Securities (9) (B)		162,905		143,966		111,681
Credit Operations / Funding (A/B)		92.7%		93.7%		93.0%
Stockholders' Equity of Parent Company		31,591		30,341		28,003
Relevant Data						
Assets Under Management (AUM)		209,400		218,026		201,217
Employees (Individuals)		71,616		69,163		64,676
Active Customers (Million)		14.2		13.9		13.4
Products/Customer (Units)		5.1		5.1		5.1
Branches (Units)		2,854		2,812		2,691
CSBs (Units)		746		745		759
Automated Teller Machines (Units)		23,892		23,880		23,424
Taií Stores		756		736		1,046
FIC Self Service Kiosks		343		344		-

(1) Described on page 5.
(2) Calculated considering the weighted average number of shares outstanding.
(3) The number of shares outstanding was adjusted to reflect the stock split that occurred in October 2007 and in April 2008.
(4) JCP– interest on own capital. Amounts paid/provisioned (Note 15 - b II to the Financial Statements).
(5) Calculated based on the average quotation of preferred shares on the last trading day in the period.
(6) Annualized Return was calculated by dividing Net Income of the parent company by the Average Stockholders' Equity of the parent company/Average Assets. The quotient of this division was multiplied by the number of periods of the year to derive the annualized index.
(7) Does not include Treasury.
(8) The ratio of transactions more than 60 days overdue to the total loan portfolio.
(9) Net of compulsory deposits as described on page 43.

Shares of Major Markets



Note: The Deposits, Automobile Finance and Private Pension Plans market shares refers to August 2008.
The Insurance Premiums market share includes VGBL and health insurance, and the last figure refers to the period of September 2007 to August 2008.
Sources: Bacen, Susep, Anbid, Abel and Abecs.

Executive Summary
Third Quarter of 2008

Managerial Statement of Income

Banco Itaú Holding Financeira's consolidated net income for the third quarter of 2008 was impacted by the following non-recurring events: (i) setting up of an excess provision for possible loan losses; (ii) amortization of goodwill paid on the acquisition of investments; (iii) setting up of a provision for losses arising from economic stabilization plans implemented during the 1980's; (iv) BPI's income from Banco BCP shares; and (v) gain on the disposal of VISA shares as displayed below.

R$ Million

	3rd Q/08	2nd Q/08	Jan - Sep/08	Jan - Sep/07
Net Income	1,848	2,041	5,932	6,444
Managerial Financial Margin	-	-	-	124
Escrow account Itaú BBA	-	-	-	124
Result from Loan Losses	100	-	100	400
Additional Provision for Loan Losses	100	-	100	400
Non-interest Expenses	98	113	294	399
Amortization of goodwill (*)	10	18	28	159
Economic Plans provision	87	95	266	240
Equity in the Earnings of Associated Companies	(13)	89	76	-
Gain on Banco BCP shares from BPI	(13)	89	76	-
Non-Operating Results	(3)	(106)	(292)	(2,402)
Disposal of interest in Redecard	-	-	-	(1,545)
Selling of interest in Serasa	-	-	-	(743)
Selling of BKB building	-	-	-	(114)
Gain on Sale of Mastercard shares	-	-	(83)	-
Gain on Sale of VISA shares	(3)	(42)	(144)	-
Gain on Sale of BM&F and Bovespa shares	-	(64)	(64)	-
Income Tax and Social Contribution	(59)	(27)	(52)	526
Tax effects on non-recurring events	(59)	(27)	(52)	526
Minority Interests	4	(31)	(27)	(101)
NON-RECURRING EFFECTS	126	38	99	(1,055)
Recurring Net Income	1,973	2,079	6,031	5,389

(*) This relates to goodwill paid on the acquisition of Unión Capital Afap (Uruguai), in the third quarter of 2008, Banco BPI and Delle Holdings shares in the second quarter of 2008, as well as the investment in Private Bank operations in Miami, in the first half of 2007.

Macroeconomic Indices

	Sep 30,08	Jun 30,08	Sep 30,07
EMBI Brazil Risk	303	241	164
CDI (In the Quarter)	3.2%	2.7%	2.8%
Dollar Exchange Rate (Var. in the Quarter)	20.3%	-9.0%	-4.5%
Dollar Exchange Rate (Quotation in R$)	1.9143	1.5919	1.8389
IGP-M (In the Quarter)	1.5%	4.3%	2.6%
Savings Rate (In The Quarter)	2.1%	1.8%	1.8%

Tax Effect of Hedge of Investments Abroad and Sovereign Bonds

R$ Million

	3rd Q/08	2nd Q/08	Variation
Tax Effect of Hedge of Investments Abroad (*)	1,372	(621)	1,993
Tax Effect of Sovereign Bonds	166	76	90
Total	1,538	(545)	2,083

(*) As shown in the table on page 14.

Managerial Statement of Income

The Management Discussion and Analysis Report is based on the Managerial Statement of Income which arises from reclassifications made in the accounting statement of income. Details of such reclassifications can be found in the reports for June 2005 to March 2006.

During the third quarter of 2008, the real depreciated 20.3% against the U.S. dollar, compared to a 9.0% appreciation in the prior quarter. With respect to the euro, the real depreciated 7.5% in the period, compared to a 9.2% appreciation in the second quarter.

As a result of the exchange variation seen in the third quarter of the year, combined with our exchange risk management of investments abroad – which takes into account the tax effects on this exposure to determine the amount of the liabilities position in exchange derivatives required to hedge such investments – income arising from the tax effect of the hedge of investments abroad and sovereign bonds reached R$ 1,538 million.

Executive Summary
Third Quarter of 2008

Managerial Statement of Income

Managerial Adjustments Made:

Adjustment 1: Exclusion of Distribution of Exchange Variation from Investments Abroad.

Adjustment 2: Tax Effect of Hedge of Investments Abroad and Sovereign Bonds.

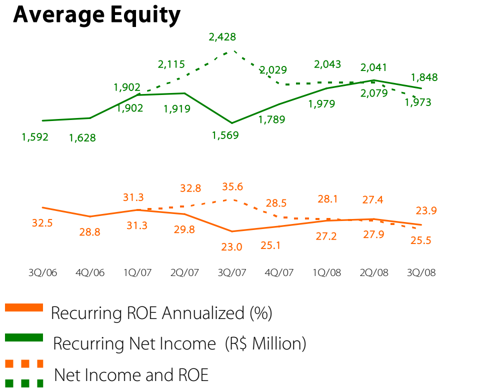
R$ Million

3rd Quarter/08	Banco Itaú Holding				
	Accounting	Non-reccuring effects	Managerial Adjustments		Managerial
			Adjustment 1	Adjustment 2	
Managerial Financial Margin	**4,941**	**-**	**(107)**	**1,538**	**6,373**
• Financial Margin with Customers	5,631	-	-	-	5,631
• Financial Margin with Market	(690)	-	(107)	1,538	741
Result from Loan Losses	**(1,851)**	**100**	**36**	**-**	**(1,715)**
Provision for Loan and Lease Losses	(2,188)	100	36	-	(2,052)
Recovery of Credits Written Off as Losses	337	-	-	-	337
Net Result from Financial Operations	**3,090**	**100**	**(70)**	**1,538**	**4,658**
Other Operating Income/(Expenses)	**(1,495)**	**84**	**(6)**	**(108)**	**(1,524)**
Banking fees and charge revenues	2,591	-	(8)	-	2,583
Result from Op. of Insurance, Pension Plans and Capitalization	325	-	-	-	325
Non-interest Expenses	(4,404)	98	61	-	(4,245)
Tax Expenses for ISS, PIS and Cofins	(422)	-	-	(108)	(530)
Equity in the Earnings of Associated Companies	123	(13)	(54)	-	56
Other Operating Income	292	-	(5)	-	287
Operating Income	**1,595**	**184**	**(76)**	**1,431**	**3,134**
Non-operating Income	26	(3)	(4)	-	20
Income before Tax and Profit Sharing	**1,621**	**181**	**(80)**	**1,431**	**3,153**
Income Tax and Social Contribution	**560**	**(59)**	7	(1,431)	**(923)**
Profit Sharing	**(207)**	**-**	-	-	**(207)**
Minority Interests	**(127)**	**4**	73	-	**(51)**
Net Income	**1,848**	**126**	**-**	**-**	**1,973**

R$ Million

2nd Quarter/08	Banco Itaú Holding				
	Accounting	Non-reccuring effects	Managerial Adjustments		Managerial
			Adjustment 1	Adjustment 2	
Managerial Financial Margin	**6,350**	**-**	**61**	**(545)**	**5,867**
• Financial Margin with Customers	5,154	-	-	-	5,154
• Financial Margin with Market	1,196	-	61	(545)	713
Result from Loan Losses	**(1,623)**	**-**	**(39)**	**-**	**(1,662)**
Provision for Loan and Lease Losses	(1,919)	-	(39)	-	(1,958)
Recovery of Credits Written Off as Losses	296	-	-	-	296
Net Result from Financial Operations	**4,728**	**-**	**22**	**(545)**	**4,205**
Other Operating Income/(Expenses)	**(1,430)**	**202**	**77**	**71**	**(1,080)**
Banking fees and charge revenues	2,583	-	11	-	2,594
Result from Op. of Insurance, Pension Plans and Capitalization	368	-	-	-	368
Non-interest Expenses	(3,814)	113	(4)	-	(3,705)
Tax Expenses for ISS, PIS and Cofins	(564)	-	-	71	(493)
Equity in the Earnings of Associated Companies	(108)	89	74	-	55
Other Operating Income	105	-	(3)	-	102
Operating Income	**3,298**	**202**	**99**	**(474)**	**3,125**
Non-operating Income	109	(106)	3	-	6
Income before Tax and Profit Sharing	**3,407**	**95**	**102**	**(474)**	**3,131**
Income Tax and Social Contribution	**(1,202)**	**(27)**	**(8)**	**474**	**(763)**
Profit Sharing	**(224)**	**-**	**-**	**-**	**(224)**
Minority Interests in subsidiaries	**60**	**(31)**	**(94)**	**-**	**(65)**
Net Income	**2,041**	**38**	**-**	**-**	**2,079**

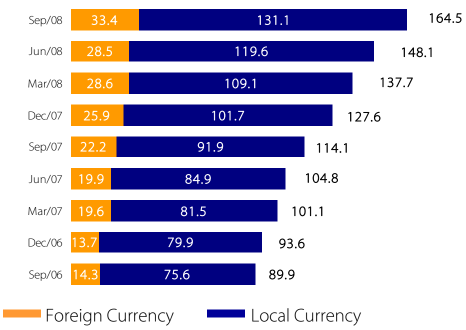
Net Income and Annualized Return on Average Equity



Our consolidated net income for the third quarter of 2008 was R$ 1,848 million. During the period, the recurring consolidated net income amounted to R$ 1,973 million, a 5.1% decline from the recurring net income for the prior quarter. At September 30, 2008, the parent company stockholders' equity reached R$ 31,591 million, giving rise to an annualized recurring return on average net equity of 25.5% in the quarter, which corresponds to a 2.4 percentage point decrease compared to the prior quarter.

Loan Portfolio (*)

R$ Billion



(*) Includes endorsements and sureties.
More details on page 41.

R$ Million

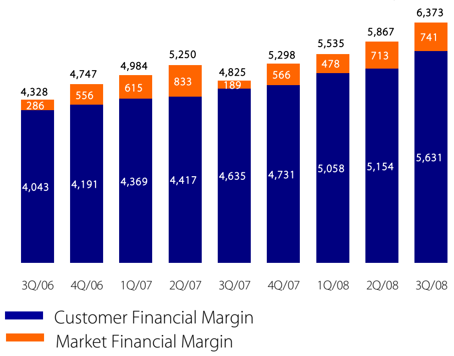
	Sep 30,08	Jun 30,08	Sep 30,07	Variation (%) Sep/08-Jun/08	Variation (%) Sep/08-Sep/07
Individuals	66,158	62,276	49,174	6.2%	34.5%
Credit Card	11,447	11,076	9,466	3.4%	20.9%
Personal Loans	15,296	15,160	14,149	0.9%	8.1%
Vehicles	39,414	36,040	25,558	9.4%	54.2%
Businesses	79,198	69,308	50,880	14.3%	55.7%
Corporate	45,900	40,283	31,580	13.9%	45.3%
Micro, small and middle market	33,298	29,025	19,300	14.7%	72.5%
Directed Loans	8,144	7,232	5,853	12.6%	39.1%
Rural Loans	4,574	4,052	3,390	12.9%	34.9%
Mortgage Loans	3,570	3,180	2,463	12.2%	44.9%
Argentina/Chile/Uruguay	10,986	9,258	8,164	18.7%	34.6%
Total	**164,486**	**148,073**	**114,071**	**11.1%**	**44.2%**

Note: In the quarter, we adjusted the Itaubank segment clients profile (micro, small and middle market) and the Itaú BBA segment (largest companies), transferring them to adaptation in the standard established for these segments. The clients profile information was reclassified to allow comparison with prior periods.

The loan and financing portfolio, including sureties and endorsements, added up to R$ 164,486 million in the third quarter of 2008, up 11.1% from the prior quarter. The 9.4% increase in vehicle financing and leasing, as well as the 14.7% rise in credits to micro, small and mid-sized companies were the highlights of the quarter, as a result of our focus on those operations. At September 30, 2008, 20.3% of our credit assets was denominated in, or linked to, foreign currencies, and the depreciation of the real against such currencies was one of the drivers of the variation seen in the total balance of transactions quarter-on-quarter. Such impact is substantially reflected in the 18.7% increase in the credit portfolio of our operations in Chile, Uruguay and Argentina, as well as in the 13.9% growth in our large corporation portfolio. To a lesser extent, the balance of transactions with micro, small and mid-sized companies was also impacted by the exchange variation during the quarter. Without giving effect to the exchange variation, the total growth in the credit portfolio balance would have been 6.9% quarter-on-quarter.

Managerial Financial Margin

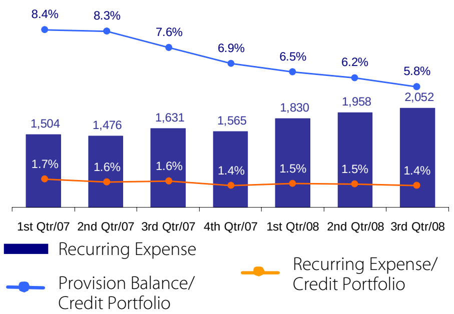
R$ Million



Our managerial financial margin reached R$ 6,373 million in the third quarter of 2008, growing by 8.6% compared to the second quarter of the year. The managerial financial margin on customer transactions increased by 9.3% quarter-on-quarter, totaling R$ 5,631 million. The increased balance of loan transactions once more had a positive impact on the financial margin on customer transactions. The managerial financial margin on market transactions grew by 3.9% compared to the prior period, essentially driven by the increased treasury financial margin, due to higher gains on fixed income transactions.

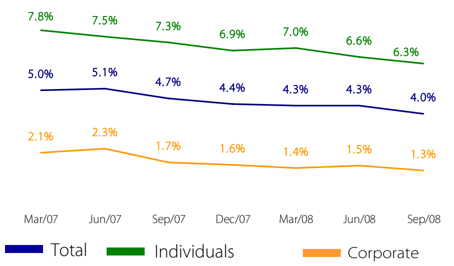
Provision for Loan Losses and Credit Portfolio

R$ Million



In the third quarter of 2008, expenses with the provision for doubtful loans increased by 4.8% compared to the prior quarter, primarily due to the 11.1% expansion in the loan and financing portfolio balance. During the quarter, the Bank adopted a policy of greater selectivity for granting loans. The nonperforming loan ratio improved by 0.3 percentage point from the prior quarter, to reach 4.0%. The ratio for the individuals portfolio and the companies portfolio improved by 0.3 and 0.2 percentage points, respectively, compared to the second quarter of the year. The focus on risk quality and the impact of the exchange variation on the total balance of credit assets were the factors behind the improvement in this performance indicator.

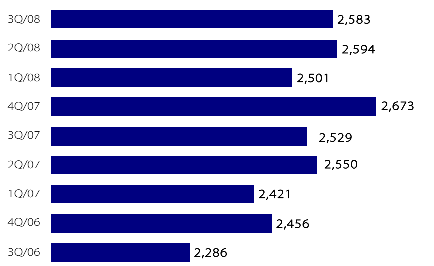
NPL Ratio(*) - Individuals x Businesses (%)



(*) Nonperforming Loans: Loan transactions overdue more than 60 days.

Banking fees and charge

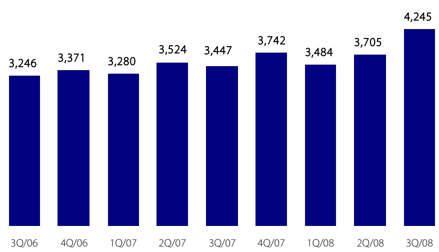
R$ Million



Banking fees revenues and banking charge revenues amounted to R$ 2,583 million in the third quarter of the year, a 0.4% decline compared to the prior quarter. During the period, revenues from credit card transactions increased, primarily as a result of the expansion in the card base and transaction volume. Revenues from fund management were adversely impacted by the lower performance rates seen in a less favorable market environment than in the prior quarter, as well as the decrease in the volume of assets under management, which have migrated to term deposit transactions. Also in the third quarter, revenues from brokerage, securities placement and economic advisory services decreased, in line with the drop in new public offers of shares.

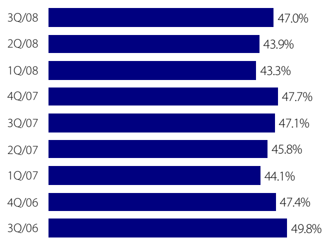
Non-interest Expenses

R$ Million



In the third quarter of 2008, non-interest expenses increased by 14.6% compared to the prior period. Personnel expenses were higher than in the second quarter, owing to the readjustment of salaries and benefits under the new Collective Labor Agreement. The full impact of the bank employees' salary adjustment is reflected in net income for the period. Furthermore, the number of employees grew by 3.5% to reach 71,616 at the end of the period. Facilities, data processing and telecommunications, marketing and third-party service expenses also increased. As a result of these drivers, the Bank efficiency ratio stood at 47.0% in the third quarter of the year.

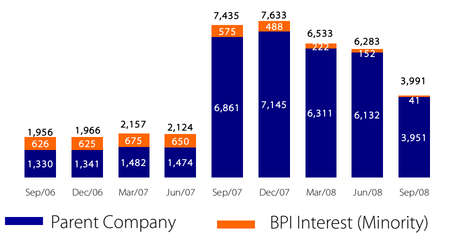
Efficiency Ratio (%) (*)



(*) The criteria for calculating the efficiency ratio are detailed on page 19.

Unrealized Profit/(Loss)

R$ Million



In the third quarter of 2008, unrealized net income/(loss) added up to R$ 3,991 million, declining by R$ 2,292 million compared to the prior quarter. During the period, the turmoil in capital markets decreased the value of BM&F Bovespa, Banco BPI and Redecard financial instruments. Furthermore, the rise in the benchmark interest rate adversely impacted the marking-to-market of loan transactions.
With the allocation of R$ 100 million to the provision in excess of the minimum required to cover possible loan losses, the total balance of the provision reached R$ 2,250 million at the end of September 2008. It should be noted that this provision is not considered in the determination of unrealized net income/(loss).

Consolidated *Pro Forma* Balance Sheet

R$ Million

ASSETS	Sep 30,08	Jun 30,08	Sep 30,07	Variation % Sep/08-Jun/08	Variation % Sep/08-Sep/07
Current and Long-term Assets	**392,312**	**340,002**	**294,692**	**15.4%**	**33.1%**
Cash and Cash Equivalents	6,021	5,601	4,681	7.5%	28.6%
Short-term Interbank Deposits	86,491	68,067	61,965	27.1%	39.6%
Securities and Derivative Instruments	81,607	71,309	64,513	14.4%	26.5%
Interbank and Interbranch Accounts	20,828	20,788	17,373	0.2%	19.9%
Loans, Leasing Operations and Other Credits	151,015	134,879	103,832	12.0%	45.4%
(Allowance for Loan Losses)	(8,789)	(8,388)	(7,842)	4.8%	12.1%
Other Assets	55,139	47,746	50,169	15.5%	9.9%
Foreign Exchange Portfolio	24,268	19,600	25,400	23.8%	-4.5%
Others	30,871	28,146	24,769	9.7%	24.6%
Permanent Assets	**4,287**	**3,868**	**3,792**	**10.8%**	**13.1%**
Investments	1,416	1,253	1,197	13.0%	18.3%
Fixed Assets	2,069	1,881	1,852	10.0%	11.7%
Deferred Changes	802	734	743	9.3%	8.0%
TOTAL ASSETS	396,599	343,870	298,484	15.3%	32.9%

R$ Million

LIABILITIES AND EQUITY	Sep 30,08	Jun 30,08	Sep 30,07	Variation % Sep/08-Jun/08	Variation % Sep/08-Sep/07
Current and Long-term Liabilities	**362,547**	**311,343**	**268,422**	**16.4%**	**35.1%**
Deposits	113,078	83,496	70,433	35.4%	60.5%
Demand Deposits	19,960	19,120	20,121	4.4%	-0.8%
Savings Accounts	29,925	28,881	25,715	3.6%	16.4%
Interbank Deposits	2,345	1,295	1,354	81.1%	73.2%
Time Deposits	60,847	34,200	23,242	77.9%	161.8%
Funds Received under Securities Repurchase Agreements	105,803	96,220	76,393	10.0%	38.5%
Funds from Acceptances and Issue of Securities	10,583	7,741	7,327	36.7%	44.4%
Interbank and Interbranch Accounts	4,836	6,594	4,006	-26.7%	20.7%
Borrowings and On-lendings	20,808	17,857	16,024	16.5%	29.9%
Financial Instruments and Derivatives	5,094	4,773	4,603	6.7%	10.7%
Technical Provisions for Insurance, Pension Plans and Cap.	27,573	26,637	22,466	3.5%	22.7%
Other Liabilities	74,771	68,026	67,170	9.9%	11.3%
Foreign Exchange Portfolio	23,949	20,256	25,884	18.2%	-7.5%
Subordinated Debt	12,512	12,559	10,854	-0.4%	15.3%
Others	38,311	35,211	30,432	8.8%	25.9%
Deferred Income	**90**	**71**	**77**	**27.9%**	**17.8%**
Minority Interest in subsidiaries	**2,371**	**2,115**	**1,982**	**12.1%**	**19.7%**
Stockholders' Equity of Parent Company	**31,591**	**30,341**	**28,003**	**4.1%**	**12.8%**
TOTAL LIABILITIES AND EQUITY	396,599	343,870	298,484	15.3%	32.9%

Deposits	113,078	83,496	70,433	35.4%	60.5%
Assets Under Management (AUM)	209,400	218,026	201,217	-4.0%	4.1%
Total Deposits + Assets Under Management (AUM)	322,478	301,522	271,650	7.0%	18.7%

Executive Summary
Third Quarter of 2008

Consolidated *Pro Forma* Statement of Income

R$ Million

	3rd Q/08	2nd Q/08	Jan - Sep/08	Jan - Sep/07	Variation			
					3rd Q/08- 2nd Q/08	%	Jan - sep/08- Jan - sep/07	%
Managerial Financial Margin	**6,373**	**5,867**	**17,775**	**15,059**	**506**	**8.6%**	**2,716**	**18.0%**
• Financial Margin with Customers	5,631	5,154	15,843	13,421	477	9.3%	2,422	18.0%
• Financial Margin with Market	741	713	1,932	1,638	29	3.9%	294	17.9%
Result from Loan Losses	**(1,715)**	**(1,662)**	**(4,959)**	**(3,813)**	**(53)**	**3.2%**	**(1,147)**	**30.1%**
Provision for Loan and Lease Losses	(2,052)	(1,958)	(5,839)	(4,612)	(94)	4.8%	(1,228)	26.6%
Recovery of Credits Written Off as Losses	337	296	880	799	41	13.7%	81	10.1%
Net Result from Financial Operations	**4,658**	**4,205**	**12,816**	**11,246**	**453**	**10.8%**	**1,570**	**14.0%**
Other Operating Income/(Expenses)	**(1,524)**	**(1,080)**	**(3,539)**	**(2,712)**	**(444)**	**41.1%**	**(828)**	**30.5%**
Banking fees and charge revenues	2,583	2,594	7,678	7,500	(11)	-0.4%	178	2.4%
Result from Operations of Insurance, Pension Plans and Cap.	325	368	1,011	911	(43)	-11.6%	100	11.0%
Non-interest Expenses	(4,245)	(3,705)	(11,434)	(10,251)	(540)	14.6%	(1,183)	11.5%
Tax Expenses for ISS, PIS and Cofins	(530)	(493)	(1,484)	(1,386)	(37)	7.4%	(97)	7.0%
Equity in the Earnings of Associated Companies	56	55	154	137	1	2.3%	16	11.8%
Other Operating Income	287	102	536	378	185	181.8%	158	41.9%
Operating Income	**3,134**	**3,125**	**9,276**	**8,534**	**9**	**0.3%**	**742**	**8.7%**
Non-operating Income	20	6	23	14	13	-	9	59.7%
Income before Tax and Profit Sharing	**3,153**	**3,131**	**9,299**	**8,549**	**22**	**0.7%**	**750**	**8.8%**
Income Tax and Social Contribution	**(923)**	**(763)**	**(2,432)**	**(2,488)**	**(160)**	**21.0%**	**56**	**-2.2%**
Profit Sharing	**(207)**	**(224)**	**(646)**	**(554)**	**18**	**-7.9%**	**(92)**	**16.7%**
Minority Interests in subsidiaries	**(51)**	**(65)**	**(190)**	**(118)**	**15**	**-22.4%**	**(73)**	**61.9%**
Recurring Net Income	**1,973**	**2,079**	**6,031**	**5,389**	**(105)**	**-5.1%**	**641**	**11.9%**
Number of shares outstanding - in thousands (*)	2,965,739	2,965,266	2,965,739	2,994,773				
Book value per share - R$ (*)	10.65	10.23	10.65	9.35			1.30	13.9%
Net Income per share - R$ (*)	0.66	0.70	2.03	1.80			0.23	13.0%

(*) Adjusted to reflect the stock splits in Apr/08 and Oct/07.

Pro Forma Statement of Income by Segment

R$ Million

3rd Quarter/08	Banco Itaú Holding				
	Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Managerial Financial Margin	3,905	749	1,486	232	6,373
• Financial Margin with Customers	3,353	559	1,486	232	5,631
• Financial Margin with Market	552	190	-	-	741
Result from Loan Losses	(925)	(58)	(732)	-	(1,715)
Provision for Loan and Lease Losses	(1,160)	(62)	(829)	-	(2,052)
Recovery of Credits Written Off as Losses	235	4	97	-	337
Net Result from Financial Operations	2,980	691	754	232	4,658
Other Operating Income/(Expenses)	(1,063)	(138)	(325)	2	(1,524)
Banking fees and charge revenues	2,030	167	387	-	2,583
Operating Result of Insurance, Pension Plans and Capitalization	303	(0)	22	-	325
Non-interest Expenses	(3,311)	(243)	(663)	(29)	(4,245)
Tax Expenses for ISS, PIS and Cofins	(315)	(66)	(132)	(16)	(530)
Equity in the Earnings of Associated Companies	-	3	-	52	56
Other Operating Income	231	1	61	(5)	287
Operating Income	1,917	553	429	234	3,134
Non-operating Income	20	(3)	0	2	20
Income Before Tax and Profit Sharing	1,937	550	429	237	3,153
Income Tax and Social Contribution	(591)	(182)	(128)	(21)	(923)
Profit Sharing	(149)	(46)	(12)	-	(207)
Minority Interests	-	-	-	(50)	(51)
Recurring Net Income	1,197	322	289	165	1,973
(RAROC) - Return on Average Tier I Allocated Capital	31.7%	19.3%	26.0%	14.0%	25.5%
Efficiency Ratio	53.8%	28.5%	36.3%	13.9%	47.0%

Note: For other financial statements per segment, please refer to pages 24 and 25 of this report.

Executive Summary
Third Quarter of 2008

Results by Segment

Itaubanco

In the third quarter of 2008, Itaubanco's net income reached R$ 1,197 million, corresponding to a 2.3% decrease compared to the prior period. The managerial financial margin increased by 10.3% from the prior quarter, chiefly as a result of the increased balance of credit transactions, higher treasury financial margin due to gains on fixed income transactions, and the rise in financial margin on management of exchange risk of investments abroad, resulting from the increase in interest rates. Expenses associated with the provision for doubtful loans declined in tandem with the improvement in risk quality. Furthermore, income from the recovery of credits written-off as losses increased, reflecting the enhanced collection efforts in the period. Banking service fees were positively impacted by the expansion in loan transactions and number of account holders. The increase seen quarter-on-quarter in non-interest expenses was mainly driven by the rise in employees' salaries and benefits under the new Collective Labor Agreement, fully provided for in the quarter.

Itaú BBA

In the third quarter of 2008, the Itaú BBA segment financial margin totaled R$ 749 million, a 3.7% growth compared to the prior quarter. The managerial financial margin on customer transactions added up to R$ 559 million, increasing by 18.4% from the prior quarter, chiefly as a result of the increased volume of credit and structured transactions. The managerial financial margin on market transactions amounted to R$ 190 million, or a 24.0% decrease from the previous quarter. The financial margin on treasury transactions, amounting to R$ 133 million, was driven by proprietary strategies pursued on the local and international markets. The result of doubtful loans was a provision expense of R$ 58 million in the third quarter, essentially due to risk re-ratings, which was offset by recoveries of credits written-off as losses for a total of R$ 4 million. Banking service fees totaled R$ 167 million in the third quarter of 2008, a 12.5% decline from the prior quarter, primarily on account of lower revenues from investment banking transactions.

Itaú BBA's derivative Instruments

As of October 24, Itaú BBA had outstanding derivative instruments of the swap with verification and target forward types with 96 customers. The total exposure in these products at an exchange rate of R$2.30 per US dollar, for settlement at maturity, was R$ 2.4 billion. This is equivalent to an average debt of R$ 25 million per customer. Of the total number of customers, 86 are classified as AA, A or B. Since then, some of these instruments were settled.

Itaucred

The Itaucred segment credit portfolio amounted to R$ 51,117 million in the third quarter of 2008, up 8.0% from the prior quarter. The balance of vehicle financing and leasing transactions carried out by Itaucred Veículos increased by 9.2% quarter-on-quarter, to reach R$ 42,257 million, while the balance of non-account holders' transactions with credit cards grew by 5.6%, totaling R$ 4,606 million. As a result, the segment financial margin increased by 4.6% compared to the prior quarter, standing at R$ 1,486 million. The expansion in the credit portfolio also brought about a 17.7% increase in expenses associated with the assumption of credit risk. The increase in non-interest expenses was mainly driven by the provisions of the Collective Labor Agreement, as well as the 4.3% growth in the segment staff, that now comprises 10,817 employees. As a result, Itaucred's net income for the third quarter of 2008 amounted to R$ 289 million, a 10.1% decline from the prior period.

Corporation

The financial results from the investment of excess capital are the major component of Corporation net income. In the third quarter of 2008, this segment is net income amounted to R$ 165 million, representing a 40.9% increase compared to the second quarter of the year. During the period, the rise in the benchmark interest rate impacted the segment managerial financial margin, which grew 28.1% quarter-on-quarter.

Executive Summary
Third Quarter of 2008

The pro forma financial statements of Itaubanco, Itaú BBA, Itaucred and Corporate presented below are based on managerial information and provide a fair view of the performance of the group's different business units. Variations in the results of Itaú's segments between the third quarter and the second quarter of 2008 were as follows:

***Pro Forma* Statement of Income by Segment**

R$ Million

	3rd Q/08	2nd Q/08	Variation	
Itaubanco			Nominal	%
Managerial Financial Margin	3,905	3,540	365	10.3%
• Financial Margin with Customers	3,353	3,077	276	9.0%
• Financial Margin with Market	552	463	89	19.1%
Result from Loan Losses	(925)	(1,017)	92	-9.1%
Banking fees and charge revenues	2,030	1,993	37	1.8%
Non-interest Expenses[1]	(3,311)	(2,835)	(476)	16.8%
Income Tax and Social Contribution	(591)	(462)	(129)	27.9%
Other[2]	90	6	83	1,306.7%
Recurring Net Income of Itaubanco (A)	1,197	1,225	(28)	-2.3%
Itaú BBA				
Managerial Financial Margin	749	722	27	3.7%
• Financial Margin with Customers	559	472	87	18.4%
• Financial Margin with Market	190	250	(60)	-24.0%
Result from Loan Losses	(58)	(23)	(35)	151.0%
Banking fees and charge revenues	167	191	(24)	-12.5%
Non-interest Expenses[1]	(243)	(218)	(24)	11.2%
Income Tax and Social Contribution	(182)	(141)	(42)	29.6%
Other[2]	(111)	(116)	5	-4.4%
Recurring Net Income of Itaú BBA (B)	322	414	(93)	-22.4%
Itaucred				
Managerial Financial Margin	1,486	1,421	65	4.6%
Result from Loan Losses	(732)	(621)	(110)	17.7%
Banking fees and charge revenues	387	397	(9)	-2.4%
Non-interest Expenses[1]	(663)	(632)	(31)	4.8%
Income Tax and Social Contribution	(128)	(139)	11	-7.9%
Other[2]	(61)	(103)	42	-40.7%
Recurring Net Income of Itaucred (C)	289	322	(32)	-10.1%
Corporation				
Managerial Financial Margin	232	181	51	28.1%
Non-interest Expenses[1]	(29)	(15)	(14)	96.8%
Income Tax and Social Contribution	(21)	(21)	(1)	2.8%
Other[3]	(16)	(28)	12	-42.8%
Recurring Net Income of Corporation (D)	165	117	48	40.9%
RECURRING NET INCOME OF ITAÚ (A) + (B) + (C) + (D)	1,973	2,079	(105)	-5.1%

(1) Includes Personnel Expenses, Other Administrative Expenses, Tax Expenses and Other Operating Expenses.
(2) Includes the Income from Insurance, Pension Plan and Capitalization Operations, Tax Expenses – ISS, PIS and Cofins, Other Operating Revenues, Non-Operating Income, and Profit Sharing.
(3) Includes Tax Expenses – ISS, PIS and Cofins, Equity in the Earnings of Associated Companies, Other Operating Revenues, Non-Operating Income, Profit Sharing and Minority Interests in Subsidiary Companies.

Banco Itaú Holding Financeira S.A.

Analysis of the Consolidated Net Income

Analysis of the Consolidated Net Income

Managerial Financial Margin

During the third quarter of 2008, the managerial financial margin was R$ 6,373 million, corresponding to a 8.6% increase compared to the prior quarter. The main drivers of such change are discussed below.

Managerial Financial Margin *R$ million*

	3rd Q/08	2nd Q/08	Variation	
			Balance	%
Customers	**5,631**	**5,154**	**477**	**9.3%**
Market	**741**	**713**	**29**	**3.9%**
Treasury	447	423	24	5.7%
Management of Foreign Exchange Risk from Investments	295	290	5	1.7%
Total	**6,373**	**5,867**	**506**	**8.6%**

Customer Transactions

The margin on customer transactions basically arises from the offer and use of financial products and services by our customers, both individuals and companies. During the third quarter, this margin increased by 9.3%, totaling R$ 5,631 million. For the sake of clarity, the financial margin on customer transactions can be divided into two separate components, i.e. those that are sensitive to changes in the benchmark interest rate, and those that are sensitive to changes in spreads.

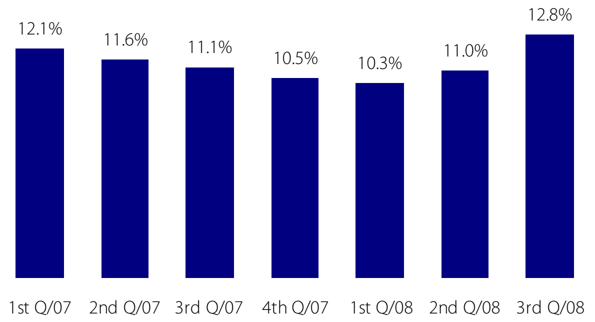
Financial Margin on Interest Rate Change-Sensitive Customer Transactions

The determination of the portion of the financial margin on transactions that are sensitive to changes in interest rates considers the amount obtained by adding up the customers' non-interest bearing funds (demand deposits, floatings, etc.) and the working capital (stockholders' equity less permanent assets and tax credits – which also bear no financial costs), less assets that do not give rise to financial income (compulsory deposits, contingent assets, etc.). This portion is attributed the opportunity rate (CDI). During the third quarter of 2008, the financial margin on transactions which are sensitive to interest rate changes increased by 22.6%, due to the rise in the benchmark interest rate and, to a lesser extent, the increased volume of working capital.

Banking Transactions Sensitive to Variations in Interest Rate *R$ million*

	3rd Q/08	2nd Q/08	Variation	
			Balance	%
Average Balance	31,102	29,677	1,424	4.8%
Financial Margin	998	814	184	22.6%
Annualized Rate	12.8%	11.0%		1.9 p.p.

Annualized Rate of Banking Transactions Sensitive to Variations in Interest Rate



Financial Margin on Spread-Sensitive Customer Transactions

The determination of this portion of the financial margin takes into account both funds obtained from customers – savings deposits, time deposits, etc., the remuneration of which corresponds to a financial expense – and the investment of these funds in a number of assets – credit transactions, financial investments, etc., the remuneration of which represents a financial income. The financial margin on spread-sensitive transactions is the difference between the financial income from these assets and the financial expense associated with funding.

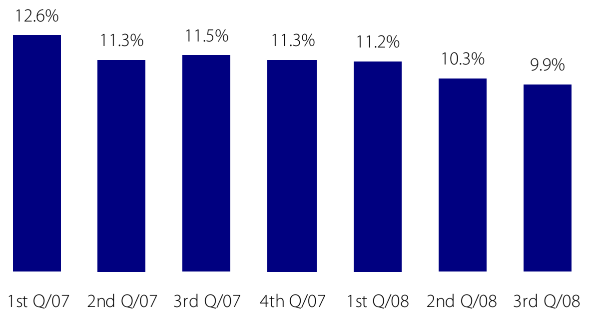
In the third quarter of 2008, the increase by R$ 12,677 million in the average balance of loan and financing transactions contributed to the R$ 293 million growth in the financial margin on spread-sensitive customer transactions, corresponding to a 6.7% increase. However, the annualized rate of spread-sensitive customer transactions reached 9.9% in the third quarter of the year, compared to 10.3% in the prior quarter.

Banking Transactions Sensitive to Spreads *R$ million*

	3rd Q/08	2nd Q/08	Variation	
			Balance	%
Average Balance	186,300	168,865	17,435	10.3%
Financial Margin	4,633	4,340	293	6.7%
Annualized Rate	9.9%	10.3%		-0.3 p.p.

Managerial Financial Margin

Annualized Rate of Banking Transactions Sensitive to Spreads



Market Financial Margin

R$ million

	3rd Q/08	2nd Q/08	Variation	
			Balance	%
Treasury	447	423	24	5.7%
Management of Foreign Exchange Risk from Investments	295	290	5	1.7%
Total	741	713	29	3.9%

Market Transactions

The main characteristic of the margin on market transactions is the fact that it arises from impersonal transactions carried out in the financial market. This margin comprises two components: the treasury financial margin and the financial margin on management of exchange risk of investments abroad. The financial margin on market transactions added up to R$ 741 million in the third quarter of the year, representing a 4.0% growth compared to the prior quarter. The drivers of such change are described below.

Financial Margin on Treasury Transactions

This comprises income from trading of financial assets through proprietary desks, management of gaps in currency, rates and other risk factors management, arbitrage opportunities in the foreign and domestic markets, and marking-to-market of financial assets.

In the third quarter of 2008, gains on fixed income transactions helped increase the treasury financial margin to R$ 447 million, up 5.7% from the prior quarter.

Financial Margin on Exchange risk Management of Investments Abroad

Considering that the financial margin on exchange risk management of investments abroad essentially arises from the remuneration of capital employed on such investments at the CDI rate, this margin is also influenced by changes in interest rates. The financial margin on exchange risk management of investments abroad in the third quarter of 2008 reached R$ 295 million, a 1.7% increase from the prior quarter.

Managerial Financial Margin of Exchange Risk of Investments Abroad

R$ million

	3rd Quarter of 2008				2nd Quarter of 2008			
	Initial Balance	Result Gross of Taxes	Tax Effects	Result Net of Taxes	Initial Balance	Result Gross of Taxes	Tax Effects	Result Net of Taxes
Capital Investments Abroad (A)	10,294				9,854			
Exchange Variation on Investments Abroad (B)		1,896		1,896		(906)		(906)
Effect of exchange risk management of investments abroad (C)=(D)+(E)		(2,973)	1,372	(1,602)		1,817	(621)	1,196
Assets Position in DI (D)	10,294	341	0	341	9,854	290		290
Liabilities Position in Foreign Currency (E)	(17,993)	(3,315)	1,372	(1,943)	(17,224)	1,528	(621)	906
Managerial Financial Margin of Exchange Risk of Investments Abroad (F) = (B) + (C)		(1,077)	1,372	295		911	(621)	290

Analysis of the Consolidated Net Income

Managerial Financial Margin

The combination of the above mentioned factors led our net interest margin (annualized rate of managerial financial margin, disregarding the treasury financial margin) to stand at 10.4% in the third quarter of the year, remaining virtually unaltered compared to the second quarter. Considering the effects of the provision for doubtful loans, net of the recovery of transactions previously written-off as losses, the rate for the third quarter was 7.4%, versus 7.2% in the second quarter of the year.

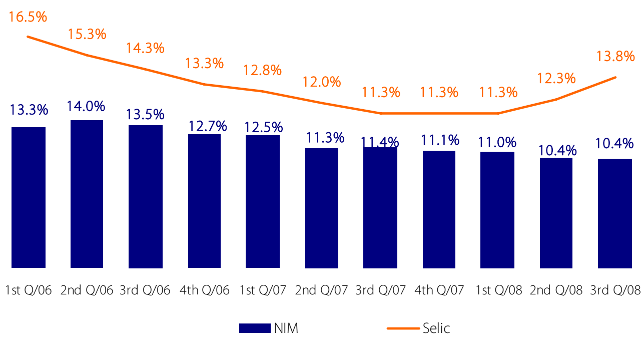
Analysis of the Managerial Financial Margin

R$ million

	3rd Q/08			2nd Q/08			3rd Q/07		
	Average Balance	Financial Margin	Rate (p.y.)	Average Balance	Financial Margin	Rate (p.y.)	Average Balance	Financial Margin	Rate (p.y.)
Demand Deposits + Floatings	25,184			25,075			25,341		
(-) Compulsory Deposits	(8,793)			(8,768)			(8,853)		
Contingent Liabilities (-) Contingent Assets	278			421			1,639		
Tax and Social Security Liabilities (-) Deposits in guarantee	10,000			8,674			6,017		
(-) Tax Credits	(9,568)			(8,361)			(8,009)		
Working Capital (Equity + Minority Interests - Permanent Assets - Capital Allocated to Treasury)	14,002			12,636			11,945		
Interest Rate Sensitive Banking Transactions (A)	**31,102**	**998**	**12.8%**	**29,677**	**814**	**11.0%**	**28,079**	**781**	**11.1%**
	Average Balance	Financial Margin	Rate (p.y.)	Average Balance	Financial Margin	Rate (p.y.)	Average Balance	Financial Margin	Rate (p.y.)
Cash and Cash Equivalents + Interbank Deposits + Securities (*)	40,094			35,354			34,464		
Interbank and Interbranch Accounts	12,015			11,909			8,286		
Loans, Leasing and Other Credits	142,947			130,270			99,690		
(Allowance for Loan Losses)	(8,588)			(8,267)			(7,878)		
Net Foreign Exchange Portfolio (Asset/Liability)	(168)			(401)			(382)		
Spread-Sensitive Banking Transactions (B)	**186,300**	**4,633**	**9.9%**	**168,865**	**4,340**	**10.3%**	**134,180**	**3,854**	**11.5%**
Banking Operations (C = A+B)	**217,401**	**5,631**	**10.4%**	**198,542**	**5,154**	**10.4%**	**162,259**	**4,635**	**11.4%**
Management of Exchange Risk of Investments Abroad (D)	**10,636**	**295**	**11.1%**	**10,570**	**290**	**11.0%**	**9,103**	**253**	**11.1%**
Net Interest Margin (E = C+D)	**228,037**	**5,926**	**10.4%**	**209,112**	**5,444**	**10.4%**	**171,363**	**4,889**	**11.4%**
Provision for Loan and Lease Losses (F)		**(2,052)**			**(1,958)**			**(1,631)**	
Recovery of Credits Written Off as Losses (G)		**337**			**296**			**301**	
***Net Interest Margin* after Provision for Credit Risk (H = E+F+G)**	**228,037**	**4,211**	**7.4%**	**209,112**	**3,782**	**7.2%**	**171,363**	**3,559**	**8.3%**
Treasury Financial Margin (I)		**447**			**423**			**(64)**	
Net Result from Financial Operations (J = H+I)		**4,658**			**4,205**			**3,495**	

(*) Cash and Cash Equivalents + Interbank Deposits + Securities (-) Interbank Deposits related to Repurchase Liability (-) Derivative financial instruments (-) Banking Transactions Sensitive to Variations in Interest Rate (-) Investments Abroad.

Net Interest Margin (NIM) x Selic



Analysis of the Consolidated Net Income

Results from Loan and Lease Losses

Expenses for Provision for Loan Losses and Recovery of Credits Written-off as Losses

R$ million

	3rd Q/08			2nd Q/08			Var. (%)
	Provision for Loan Losses	Credit Recoveries	Total	Provision for Loan Losses	Credit Recoveries	Total	Total
Itaubanco	(1,160)	235	(925)	(1,194)	177	(1,017)	10.0%
Banking	(1,010)	215	(795)	(1,048)	155	(893)	-11.0%
Credit Cards - Account Holders	(150)	21	(129)	(146)	22	(124)	4.8%
Itaú BBA	(62)	4	(58)	(36)	12	(23)	151.0%
Itaucred	(829)	97	(732)	(728)	107	(621)	17.7%
Vehicles	(450)	44	(406)	(380)	52	(328)	23.6%
Credit Cards - Non-Account Holders	(214)	19	(195)	(197)	19	(179)	9.2%
Taií + Payroll Credit	(165)	34	(131)	(151)	37	(115)	14.1%
Total	(2,052)	337	(1,715)	(1,958)	296	(1,662)	3.2%

In the third quarter of 2008, the provision for loan losses added up to R$ 2,052 million, increasing by 4.8% compared to the prior quarter. The increase is mainly attributable to the expansion in the loan and financing portfolio in the period.

The performance indicators of our credit pools have shown a consistent improvement. The ratio derived by dividing the balance of transactions more than 15 days overdue by the balance of the contracted portfolio in the third quarter of 2008 remained stable from the prior quarter, standing at 1.3%. With respect to all other contract levels, however, the improvement in delinquency indicators is apparent.

A further evidence of this fact is the positive evolution of the nonperforming loan ratio, which stood at 4.0% in the third quarter of 2008, a 30 basis point improvement from the prior quarter. The delinquency ratio for individual customers was 6.3% in the quarter and 6.6% in the previous period. In the same vein, the ratio for corporate customers stood at 1.3% in the third quarter, compared to 1.5% in the second quarter of 2008.

The third quarter of the year was also characterized by significant collection efforts, leading the income from recovery of credits previously written-off as losses to reach R$ 337 million, a 13.7% growth from the prior quarter.

The analysis of the expense for provision for loan losses per segment shows that the Itaubanco Banking and Itaucred Veículos subsegments were the ones to require the higher absolute provisions, as the related credit portfolios have the highest growth rates (micro, small and mid-sized companies, and vehicles).

It should be noted that, during the quarter, a non-recurring event associated with credit risk impacted the net income figure. Bearing in mind the expansion in the portfolio balance and the higher volatility seen in the markets in general, our provision in excess of the minimum required by the banking authority was increased by R$ 100 million to a total of R$ 2,250 million at September 30, 2008. This provision is intended to allow for the absorption of potential delinquency increases arising from the strong reversal of the economic cycle. The balance is determined based on the past behavior of credit portfolios in the context of economic crises.

Nonperforming Loans

R$ million

	Sep 30, 08	Jun 30, 08	Mar 31, 08
Total Nonperforming Loans (a)	5,965	5,850	5,452
Credit Portfolio (b)	151,015	134,879	125,660
NPL Ratio [(a) / (b)] x 100	4.0%	4.3%	4.3%

(a) Loans overdue for more than 60 days and without generation of revenues on the accrual basis.
(b) Endorsements and sureties not included.

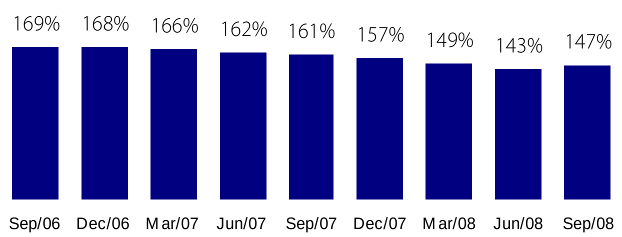
Overdue Loans

R$ million

	Sep 30, 08	Jun 30, 08	Mar 31, 08
Overdue Loans (a)	10,105	9,782	9,679
Provision for Loan Losses (b)	(8,789)	(8,388)	(8,147)
Difference (b+a)	(1,316)	(1,394)	(1,531)

Nonperforming loans are credit transactions having at least one installment more than 15 days overdue, irrespective of collateral provided.

Coverage Ratio



The coverage ratio is derived by dividing the balance of the provision for doubtful loans by the balance of transactions more than 60 days overdue. The 4 percentage point improvement compared to the prior quarter was essentially driven by the overall improvement in the portfolio quality.

Analysis of the Consolidated Net Income

Banking fee revenues and Banking charge revenues

R$ million

		3rd Q./08	2nd Q./08	Jan-Sep/08	Jan-Sep/07	Variation			
						3rdQ./08 - 2stQ./08		J-S/08 - J-S/07	
Banking Services Fees (I)		1,922	1,960	5,681	5,363	(38)	-1.9%	318	5.9%
Asset Management	A	476	492	1,451	1,508	(16)	-3.3%	(57)	-3.8%
Current Account Services		43	40	124	138	3	8.0%	(14)	-9.8%
Loan Operations and Guarantees Provided		207	205	622	531	2	1.1%	91	17.1%
Collection Services	B	264	245	752	688	19	7.6%	64	9.4%
Credit Cards	C	663	632	1,896	1,749	31	4.9%	147	8.4%
Other	D, E	269	346	836	750	(77)	-22.1%	86	11.5%
Banking charge income (II)		661	635	1,997	2,137	26	4.1%	(140)	-6.6%
Standing data / Credit transactions (*)	F	395	370	1,172	1,091	25	6.8%	81	7.4%
Deposit account		17	13	47	37	4	31.8%	10	25.8%
Fund transfer		20	18	53	50	1	7.2%	3	6.2%
Service packages and other		228	233	725	959	(5)	-2.0%	(234)	-24.4%
Total (I+II)		2,583	2,594	7,678	7,500	(11)	-0.4%	178	2.4%

(*) Includes standing data and advances to depositors fees, as well as the reclassified fees previously charged on credit opening, which were suspended as from May/08."

Banking fee revenues, including banking charges, declined by 0.4% compared to the second quarter of 2008, driven by:

A) Decline in fund management revenues as a result of the lower performance fee, given the less favorable economic environment, as well as the decreased volume of assets under management. Such assets have migrated to time deposit transactions.

B) Growth arising from the increased volume of collection services.

C) Increase both in the card base and volume of transactions.

Other

R$ million

		3rd Q./08	2nd Q./08	Variation
Foreign Exchange Services		19	15	4
Income from Brokerage and Securities Placement	D	69	149	(80)
Income from Consultation to Serasa		1	1	0
Income from Custody Services and Management of Portfolio		40	35	5
Income from Economic and Financial Advisory	E	36	58	(21)
Comission Income		19	12	7
Other Services		84	76	8
Total		269	346	(77)

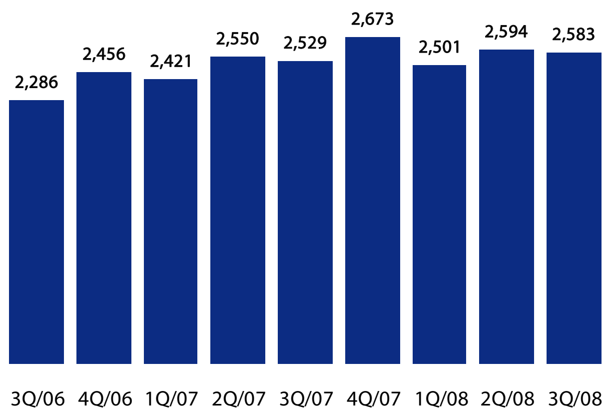
D) Lower volume of exchange transactions and public offers of shares.

E) Lower volume of Investment Banking services.

F) Increase driven by the higher number of credit transactions and increased account holder base.

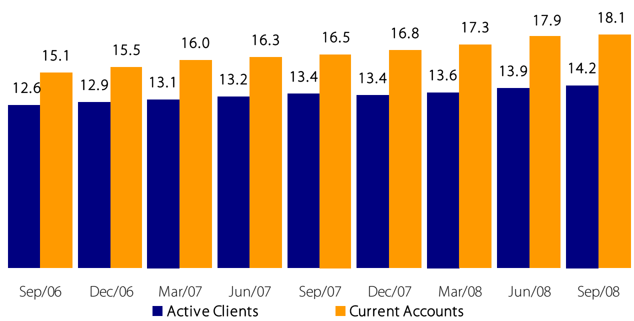
Banking fee revenues and Banking charge revenues

R$ million



Number of Active Clients (*) and Current Accounts

In million



(*) Conceptually, a client (represented by a CPF/CNPJ number) is considered active when performing one or more transactions in a current account in the last six months or having an average account balance not null.

Analysis of the Consolidated Net Income

Non-interest Expenses

R$ million

	3rdQ/08	2ndQ/08	Jan-Sep/08	Jan-Sep/07	Variation			
					3rdQ/08 - 2ndQ/08		Jan-Sep/08 - Jan-Sep/07	
Personnel Expenses	(1,641)	(1,517)	(4,612)	(3,968)	(124)	8.2%	(644)	16.2%
Other Administrative Expenses	(1,854)	(1,670)	(5,082)	(4,733)	(185)	11.1%	(349)	7.4%
Other Operating Expenses	(665)	(470)	(1,561)	(1,224)	(195)	41.4%	(336)	27.5%
Tax Expenses	(85)	(48)	(179)	(325)	(37)	77.1%	146	-45.0%
Total	(4,245)	(3,705)	(11,434)	(10,251)	(540)	14.6%	(1,184)	11.5%

In the third quarter of 2008, Non-Interest Expenses increased by 14.6% from the prior quarter.

Personnel Expenses

R$ million

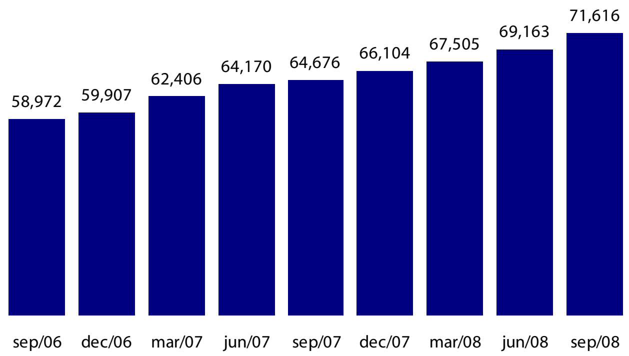
		3rdQ/08	2ndQ/08	Variation
Compensation	A	(981)	(877)	(104)
Charges	A	(288)	(263)	(26)
Social Benefits	A	(226)	(214)	(12)
Training		(34)	(31)	(3)
Labor Claims		(112)	(132)	20
Total		(1,641)	(1,517)	(124)

Personnel expenses were up 8.2% quarter-on-quarter, mainly driven by:

A) Impact of the Collective Labor Agreement, fully recognized in the quarter, whereby compensation, benefits and charges were increased by 8.15% or 10%, depending on the salary range; and increase in the number of employees compared to the prior quarter.

Number of Employees (*)

R$ million



(*) - Includes Chile and Uruguay employees as from Mar/07.

Other Administrative Expenses

R$ million

		3rdQ/08	2ndQ/08	Variation
Data Processing and Telecommunication	B	(463)	(420)	(44)
Depreciation and Amortization		(152)	(144)	(8)
Facilities		(240)	(226)	(14)
Third-Party Services	C	(354)	(310)	(45)
Financial System Service		(145)	(139)	(6)
Advertising, Promotions and Publications		(160)	(144)	(16)
Transportation		(74)	(66)	(9)
Materials		(63)	(58)	(5)
Security		(59)	(59)	0
Legal		(7)	(9)	2
Travel		(25)	(24)	(2)
Others		(112)	(73)	(39)
Total		(1,854)	(1,670)	(185)

Other Administrative Expenses grew by 11.1%, primarily due to:

B) Increase in software rental and maintenance expenses, systems consulting, data transmission, mail services, and services provided by Iautec.

C) Increase in telemarketing customer service, sales and collection services, due to contract readjustments rises, in addition to higher consulting and advisory expenses.

Other Operating Expenses

R$ million

	3rdQ/08	2ndQ/08	Variation
Provision for contingencies	(384)	(147)	(237)
Selling - Credit Cards	(135)	(143)	9
Claims	(81)	(65)	(16)
Others	(65)	(115)	50
Total	(665)	(470)	(195)

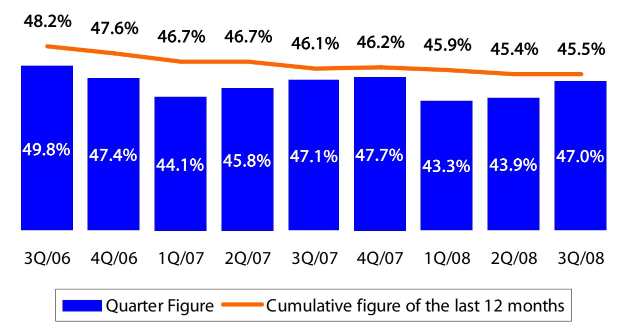
Other Operating Expenses grew by 41.1%, chiefly due to higher provisions for tax and social security contingencies, relating to tax credits associated with CPMF on customer transactions.

Analysis of the Consolidated Net Income

Efficiency Ratio (*)

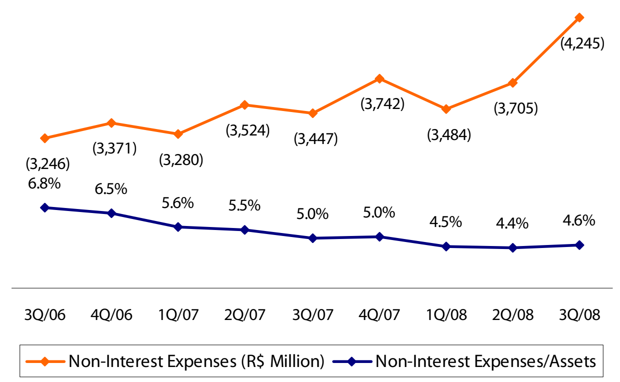
In the third quarter, the efficiency ratio reached 47.0%, driven by the increase in non-interest expenses at a higher rate than financial income, banking fee revenues and banking charges. The cumulative index, however, was kept at the same level as in the former quarter.

Efficiency Ratio (*)



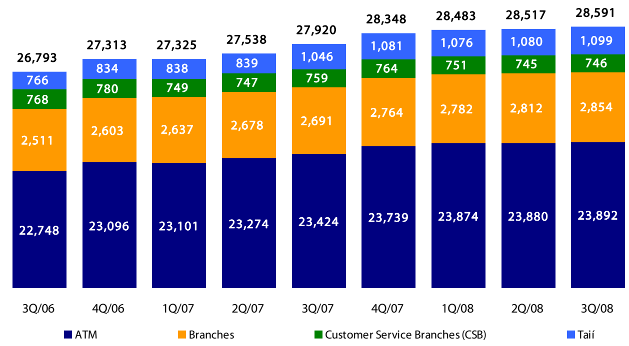
(*) Efficiency Ratio = Non-Interest Expenses (Personnel Expenses + Other Administrative Expenses + Other Operating Expenses + Tax Expenses) / (Managerial Financial Margin + Banking Service Fees and Charge Revenues + Operating Result of Insurance, Capitalization and Pension Plans + Other Operating Income + Tax Expenses for PIS/COFINS/ISS)

Performance of Non-Interest Expenses and Ratio of Non-Interest Expenses to Assets (**)



(**) Division of Non-Interest Expenses by the arithmetic average of total assets for the two past quarters (annualized).

History of Numbers of Points of Service (*)



(*) Includes Banco Itaú Argentina and Banco Itaú BBA. As from Mar/07, considers Chile and Uruguay companies' information.

During the third quarter of 2008, 42 branches were added to our network, throughout Brazil, in addition to new units in Chile.

Volume of Self-Service Transactions

(Quantity in million)

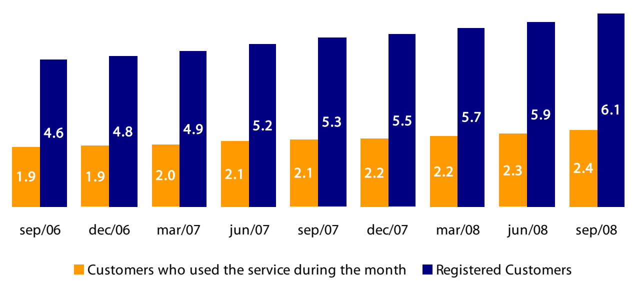
Period	ATM		Contact Centers					
	Usual Transaction	Warning (***)	Automated Programmed Debit	Interactive Voice Response	Customer Service Agent	Home & Office Banking	Purchases using Debit Cards	Total
2002	946	192	284	179	52	344	89	2,086
2003	1,033	586	302	188	53	440	121	2,723
2004	1,074	692	322	170	48	525	158	2,987
2005	1,108	656	375	173	67	646	203	3,228
2006	1,141	602	394	167	57	744	239	3,343
2007	1,181	549	399	158	62	867	281	3,497
1stQ/07	300	142	100	40	15	206	63	867
2ndQ/07	287	141	99	39	15	216	66	862
3rdQ/07	288	132	100	39	16	218	70	863
4thQ/07	305	134	100	40	16	228	82	905
2008	952	440	271	120	55	797	250	2,884
1stQ/08	315	137	98	39	16	245	78	927
2ndQ/08	313	146	89	39	18	263	83	951
3rdQ/08	325	157	84	42	21	289	89	1,007

(***) Transaction through warning screen on ATM.

Analysis of the Consolidated Net Income

Internet Banking Clients

In millions



During the third quarter of 2008, over 250 thousand new customers were granted access to our Internet Banking. The number of accesses to this channel has steadily increased since the beginning of the year, with a record high of more than 2.4 million accesses in September.

Tax Expenses for ISS, PIS and Cofins

In the third quarter of 2008, tax expenses were up 7.4% from the prior quarter, primarily due to higher revenues that are subject to PIS and COFINS taxes.

Other Operating Income

The increase in Other Operating Income in the third quarter of 2008 was primarily driven by the reversal of R$ 130 million of additional depreciation of IT equipment, aiming the convergence with international accounting standards, as well as the recovery of charges and expenses of R$ 64 million in connection with the restitution of undue amount of PIS on Gross Operating Revenues in excess of the PIS "Repique" for the period from July 1988 to May 1989.

Income Tax and Social Contribution on

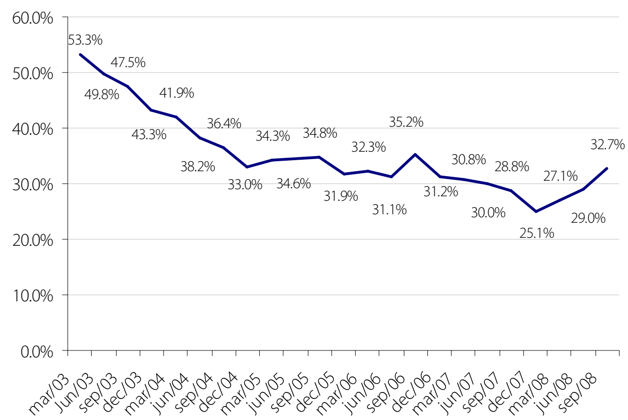
Income Tax and Social Contribution on Net Income expenses in the third quarter of 2008 increased by 21.0% compared to the prior period, chiefly as a result of the growth in income subject to these taxes after the adjustments of exchange rate variation.

R$ million

	3rd Q/08	2nd Q/08	Variation
Result before Income Tax (IR) and Social Contribution (CSLL)	1,621	3,407	(1,786)
(+) Result from non-recurring events	181	95	86
(=) Recurring Result before IR and CSLL	1,803	3,502	(1,700)
Income Tax and Social Contribution at the rates of 25% and 9% respectively (A)	(613)	(1,191)	578
(Inclusions) Exclusions and Other (B)	1,114	(37)	1,151
Exchange Variation on Investments Abroad	594	(338)	933
Interest on Own Capital	162	161	1
Dividends, Interest on External Debt Bonds and Tax Incentives	78	122	(44)
Adjustment of the increased CSLL effect in the hedge of foreign exchange transactions	137	0	137
Other	143	18	125
Subtotal (C) = (A) + (B)	501	(1,228)	1,728
Exclusion of Exchange Variation and Tax Effects on Hedges of Investments Abroad (D)	(1,423)	465	(1,889)
Income Tax and Social Contribution (C)+(D)	(923)	(763)	(160)

Tax credits as a percentage of stockholders' equity grew in the third quarter of 2008 to reach 32.7%, driven in part by tax credits recorded on account of the increased rate of the CSLL (Social Contribution on Net Income) tax.

Deferred Tax Assets/Stockholders' Equity (%)



Itaú

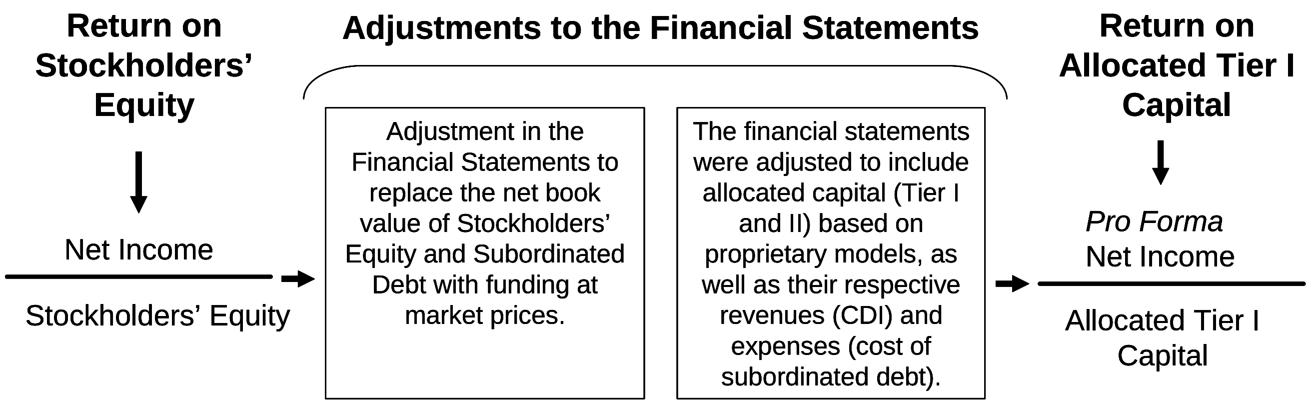
Banco Itaú Holding Financeira S.A.

Pro Forma Financial Statements

Pro Forma Financial Statements by Segment

Allocated Capital

The pro forma financial information takes into account the impacts associated with the allocation of capital. To this end, adjustments were made to the financial statements, based on a proprietary model that considers the credit, market and operating risks, as well as the regulatory framework and the level of fixed asset formation.
We then determine the Risk Adjusted Return on Capital (Raroc), an operating performance indicator consistently adjusted to the capital required to support the risk of asset and liability positions taken.
Adjustments made to the balance sheet and statement of the income for the period are based on the business units' managerial information.
The Corporate column shows the results associated with excess capital and subordinated debt. It also shows the equity in the earnings of companies not pertaining to any one segment, as well as the adjustment for Minority Interests in Subsidiaries.
Income Tax and Social Contribution on Net Income effects on the payment of Interest on Own Capital for each segment were reversed and subsequently reallocated to the individual segments in proportion to the amount of Tier I capital, while the financial statements were adjusted in order to replace net book value with market level funding. The financial statements were then adjusted to include revenues associated with the allocated capital. Finally, the cost of subordinated debt and the related remuneration at market prices were allocated to the segments on a pro rata basis, in accordance with Tier I allocated capital.
The diagram below shows the changes introduced in the financial statements to reflect the impacts of capital allocation.



Pro Forma Financial Statements per Segment

The *pro forma* financial statements of Itaubanco, Itaú BBA and Itaucred presented below are based on managerial models, to better reflect the performance of the business units.

On September 30, 2008

R$ million

ASSETS	Banco Itaú Holding: Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Current and Long-Term Assets	**321,664**	**136,252**	**50,952**	**8,910**	**392,312**
Cash and Cash Equivalents	5,506	515	-	-	6,021
Short-term Interbank Deposits	141,351	57,314	-	-	86,491
Short-term Interbank Deposits in the Market	85,995	4,044	-	-	86,491
Short-term Interbank Deposits in Intercompany*	55,355	53,269	-	-	-
Securities	52,207	24,956	-	8,870	81,607
Interbank and Interbranch Accounts	20,641	220	-	-	20,828
Loans	61,779	38,124	51,117	-	151,015
(Allowance for Loan Losses)	(4,945)	(497)	(3,347)	-	(8,789)
Other Assets	45,126	15,621	3,181	40	55,139
Foreign Exchange Portfolio	19,760	13,289	-	-	24,268
Others	25,366	2,332	3,181	40	30,871
Permanent Assets	**2,859**	**166**	**130**	**1,133**	**4,287**
TOTAL ASSETS	324,523	136,418	51,081	10,043	396,599

LIABILITIES AND EQUITY	Banco Itaú Holding: Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Current and Long-Term Liabilities	**309,115**	**129,399**	**46,540**	**2,959**	**362,547**
Deposits	135,419	68,324	16	-	113,078
Deposits with Clients	100,907	12,969	16	-	113,078
Deposits with Intercompany*	34,513	55,355	-	-	-
Securities Repurchase Agreements	66,441	20,384	40,480	-	105,803
Securities Repurchase Agreements in the Market	47,685	20,303	40,480	-	105,803
Securities Repurchase Agreements in Intercompany*	18,757	82	-	-	-
Funds from Acceptances and Issue of Securities	8,138	3,156	-	-	10,583
Interbank and Interbranch Accounts	2,922	1,947	0	-	4,836
Borrowings and On-Lendings	6,729	13,758	321	-	20,808
Derivative Financial Instruments	3,567	4,408	-	-	5,094
Other Liabilities	58,325	17,421	5,723	2,959	74,771
Foreign Exchange Portfolio	19,712	13,019	-	-	23,949
Others	38,613	4,403	5,723	2,959	50,822
Technical Provisions of Insurance, Capitalization and Pension Plans	27,573	-	-	-	27,573
Deferred Income	**58**	**32**	**-**	**-**	**90**
Minority Interest in Subsidiaries	**0**	**(0)**	**-**	**2,371.43**	**2,371**
Allocated Capital Tier I	**15,350**	**6,987**	**4,542**	**4,713**	**31,591**
TOTAL LIABILITIES AND EQUITY	324,523	136,418	51,081	10,043	396,599

*The Intercompany were eliminated in the Consolidated.

Pro Forma Financial Statement by Segment

R$ million

3rd Quarter/08	Banco Itaú Holding: Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Managerial Financial Margin	**3,905**	**749**	**1,486**	**232**	**6,373**
• Financial Margin with Customers	3,353	559	1,486	232	5,631
• Financial Margin with Market	552	190	-	-	741
Result from Loan Losses	**(925)**	**(58)**	**(732)**	**-**	**(1,715)**
Provision for Loan and Lease Losses	(1,160)	(62)	(829)	-	(2,052)
Recovery of Credits Written Off as Losses	235	4	97	-	337
Net Result from Financial Operations	**2,980**	**691**	**754**	**232**	**4,658**
Other Operating Income/(Expenses)	**(1,063)**	**(138)**	**(325)**	**2**	**(1,524)**
Banking fees and charge revenues	2,030	167	387	-	2,583
Operating Result of Insurance, Pension Plans and Capitalization	303	(0)	22	-	325
Non-interest Expenses	(3,311)	(243)	(663)	(29)	(4,245)
Tax Expenses for ISS, PIS and Cofins	(315)	(66)	(132)	(16)	(530)
Equity in the Earnings of Associated Companies	-	3	-	52	56
Other Operating Income	231	1	61	(5)	287
Operating Income	**1,917**	**553**	**429**	**234**	**3,134**
Non-operating Income	20	(3)	0	2	20
Income Before Tax and Profit Sharing	**1,937**	**550**	**429**	**237**	**3,153**
Income Tax and Social Contribution	**(591)**	**(182)**	**(128)**	**(21)**	**(923)**
Profit Sharing	**(149)**	**(46)**	**(12)**	**-**	**(207)**
Minority Interests	**-**	**-**	**-**	**(50)**	**(51)**
Recurring Net Income	**1,197**	**322**	**289**	**165**	**1,973**
(RAROC) - Return on Average Tier I Allocated Capital	31.7%	19.3%	26.0%	14.0%	25.5%
Efficiency Ratio	53.8%	28.5%	36.3%	13.9%	47.0%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses and Other Operating Expenses.
NB: The Consolidated figures do not represent the sum of the parts, because there are transactions between the companies that were eliminated only in the Consolidated figures.

Pro Forma Financial Statements by Segment

On June 30, 2008

R$ million

ASSETS	Banco Itaú Holding				
	Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Current and Long-Term Assets	**277,434**	**117,056**	**47,185**	**8,486**	**340,002**
Cash and Cash Equivalents	5,300	300	-	-	5,601
Short-term Interbank Deposits	114,812	51,538	-	-	68,067
Short-term Interbank Deposits in the Market	60,258	4,879	-	-	68,067
Short-term Interbank Deposits in Intercompany*	54,554	46,659	-	-	-
Securities	45,781	21,524	-	7,987	71,309
Interbank and Interbranch Accounts	20,768	54	-	-	20,788
Loans	55,941	31,627	47,316	-	134,879
(Allowance for Loan Losses)	(4,803)	(446)	(3,138)	-	(8,388)
Other Assets	39,633	12,458	3,007	498	47,746
Foreign Exchange Portfolio	16,538	10,394	-	-	19,600
Others	23,095	2,064	3,007	498	28,146
Permanent Assets	**2,609**	**151**	**126**	**983**	**3,868**
TOTAL ASSETS	280,043	117,206	47,310	9,468	343,870

LIABILITIES AND EQUITY	Banco Itaú Holding				
	Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Current and Long-Term Liabilities	**265,140**	**110,815**	**42,944**	**2,602**	**311,343**
Deposits	104,042	59,421	7	-	83,496
Deposits with Clients	74,697	9,022	7	-	83,496
Deposits with Intercompany*	29,345	50,400	-	-	-
Securities Repurchase Agreements	59,199	17,925	37,412	-	96,220
Securities Repurchase Agreements in the Market	41,885	17,580	37,412	-	96,220
Securities Repurchase Agreements in Intercompany*	17,314	345	-	-	-
Funds from Acceptances and Issue of Securities	7,406	1,024	-	-	7,741
Interbank and Interbranch Accounts	5,154	1,474	0	-	6,594
Borrowings and On-Lendings	5,703	11,880	273	-	17,857
Derivative Financial Instruments	3,341	3,975	-	-	4,773
Other Liabilities	53,657	15,115	5,251	2,602	68,026
Foreign Exchange Portfolio	16,993	10,593	-	-	20,256
Others	36,664	4,522	5,251	2,602	47,770
Technical Provisions of Insurance, Capitalization and Pension Plans	26,637	-	-	-	26,637
Deferred Income	**49**	**22**	**-**	**-**	**71**
Minority Interest in Subsidiaries	**-**	**-**	**-**	**2,115**	**2,115**
Allocated Capital Tier I	**14,854**	**6,370**	**4,366**	**4,752**	**30,341**
TOTAL LIABILITIES AND EQUITY	280,043	117,206	47,310	9,468	343,870

*The Intercompany were eliminated in the Consolidated.

Pro Forma Financial Statement by Segment

R$ million

2nd Quarter/08	Banco Itaú Holding				
	Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Managerial Financial Margin	**3,540**	**722**	**1,421**	**181**	**5,867**
• Financial Margin with Customers	3,077	472	1,421	181	5,154
• Financial Margin with Market	463	250	-	-	713
Result from Loan Losses	**(1,017)**	**(23)**	**(621)**	**-**	**(1,662)**
Provision for Loan and Lease Losses	(1,194)	(36)	(728)	-	(1,958)
Recovery of Credits Written Off as Losses	177	12	107	-	296
Net Result from Financial Operations	**2,523**	**699**	**800**	**181**	**4,205**
Other Operating Income (Expenses)	**(691)**	**(78)**	**(325)**	**16**	**(1,080)**
Banking fees and charge revenues	1,993	191	397	-	2,594
Operating Result of Insurance, Pension Plans and Capitalization	352	(0)	16	-	368
Non-interest Expenses	(2,835)	(218)	(632)	(15)	(3,705)
Tax Expenses for ISS, PIS and Cofins	(316)	(41)	(123)	(13)	(493)
Equity in the Earnings of Associated Companies	(0)	8	0	46.93	55
Other Operating Income	115	(17)	17	(3)	102
Operating Income	**1,832**	**621**	**474**	**197**	**3,125**
Non-operating Income	0	1	0	5	6
Income Before Tax and Profit Sharing	**1,832**	**622**	**474**	**202**	**3,131**
Income Tax and Social Contribution	**(462)**	**(141)**	**(139)**	**(21)**	**(763)**
Profit Sharing	**(145)**	**(66)**	**(13)**	**-**	**(224)**
Minority Interests	**-**	**-**	**-**	**(64)**	**(65)**
Recurring Net Income	**1,225**	**414**	**322**	**117**	**2,079**
(RAROC) - Return on Average Tier I Allocated Capital	35.1%	27.6%	30.5%	8.3%	27.9%
Efficiency Ratio	49.9%	25.5%	36.6%	9.0%	43.9%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses and Other Operating Expenses.
NB: The Consolidated figures do not represent the sum of the parts, because there are transactions between the companies that were eliminated only in the Consolidated figures.

Pro Forma Financial Statements by Subsegment

The *pro forma* financial statements of the subsegments Branch Banking; Credit Cards – Account Holders; Insurance, Pension Plans and Capitalization; and Fund Management and Managed Portfolios presented below were adjusted so as to evidence the impacts associated with the allocation of capital in each of those subsegments .

On September 30, 2008

R$ million

ASSETS	Itaubanco			
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Consolidated
Current and Long-Term Assets	281,001	9,299	31,364	321,664
Cash and Cash Equivalents	5,275	110	121	5,506
Short-term Interbank Deposits	141,056	295	-	141,351
Securities	23,141	361	28,705	52,207
Interbank and Interbranch Accounts	20,641	-	-	20,641
Loans	55,787	5,992	-	61,779
(Allowance for Loan Losses)	(4,427)	(518)	-	(4,945)
Other Assets	39,529	3,059	2,538	45,126
Permanent Assets	2,624	54	181	2,859
TOTAL ASSETS	283,626	9,353	31,545	324,523

R$ Million

LIABILITIES AND EQUITY	Itaubanco			
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Consolidated
Current and Long-Term Liabilities	271,254	8,354	29,507	309,115
Deposits	135,419	-	-	135,419
Securities Repurchase Agreements	66,441	-	-	66,441
Funds from Acceptances and Issue of Securities	8,138	-	-	8,138
Interbank and Interbranch Accounts	2,922	-	-	2,922
Borrowings and On-Lendings	6,653	76	-	6,729
Derivative Financial Instruments	3,567	-	0	3,567
Other Liabilities	48,114	8,278	1,933	58,325
Technical Provisions of Insurance, Pension Plans and Capitalization	0	-	27,573	27,573
Deferred Income	57	1	0	58
Minority Interest in Subsidiaries	0	0	-	0
Allocated Capital Tier I	12,314	997	2,038	15,350
TOTAL LIABILITIES AND EQUITY	283,626	9,353	31,545	324,523

Consolidated *Pro Forma* Financial Statement by Subsegment

R$ million

3rd Quarter/08	Itaubanco				
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Investment Funds and Managed Portfolios	Consolidated
Managerial Financial Margin	3,458	370	77	-	3,905
• Financial Margin with Customers	2,919	370	64	-	3,353
• Financial Margin with Market	539	-	13	-	552
Result from Loan Losses	(795)	(129)	-	-	(925)
Provision for Loan and Lease Losses	(1,010)	(150)	-	-	(1,160)
Recovery of Credits Written Off as Losses	215	21	-	-	235
Net Result from Financial Operations	2,663	240	77	-	2,980
Other Operating Income/(Expenses)	(1,333)	(31)	188	113	(1,063)
Banking fees and charge revenues	1,019	428	103	481	2,030
Transfer to Banking	139	-	-	(139)	-
Operating Result of Insurance, Pension Plans and Capitalization	13	10	281	-	303
Non-interest Expenses	(2,495)	(435)	(185)	(196)	(3,311)
Tax Expenses for ISS, PIS and Cofins	(215)	(55)	(13)	(33)	(315)
Other Operating Income	207	22	1	-	231
Operating Income	1,330	210	265	113	1,917
Non-operating Income	13	1	6	-	20
Income Before Tax and Profit Sharing	1,342	211	271	113	1,937
Income Tax and Social Contribution	(398)	(71)	(83)	(38)	(591)
Profit Sharing	(95)	(7)	(3)	(44)	(149)
Recurring Net Income	849	132	185	31	1,197
(RAROC) - Return on Average Tier I Allocated Capital	27.9%	58.7%	36.5%		31.7%
Efficiency Ratio	54.0%	56.2%	41.2%		53.8%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses and Other Operating Expenses.

Pro Forma Financial Statements by Subsegment

On June 30, 2008

R$ million

ASSETS	Itaubanco Branch Banking	Itaubanco Credit Cards - Account Holders	Itaubanco Insurance, Pension Plans and Capitalization	Consolidated
Current and Long-Term Assets	237,910	9,208	30,316	277,434
Cash and Cash Equivalents	5,063	196	41	5,300
Short-term Interbank Deposits	113,183	252	1,377	114,812
Securities	18,965	397	26,419	45,781
Interbank and Interbranch Accounts	20,768	-	-	20,768
Loans	49,976	5,965	-	55,941
(Allowance for Loan Losses)	(4,282)	(521)	-	(4,803)
Other Assets	34,236	2,918	2,478	39,633
Permanent Assets	2,376	48	185	2,609
TOTAL ASSETS	240,286	9,256	30,501	280,043

R$ million

LIABILITIES AND EQUITY	Itaubanco Branch Banking	Itaubanco Credit Cards - Account Holders	Itaubanco Insurance, Pension Plans and Capitalization	Consolidated
Current and Long-Term Liabilities	228,200	8,451	28,490	265,140
Deposits	104,042	-	-	104,042
Securities Repurchase Agreements	59,199	-	-	59,199
Funds from Acceptances and Issue of Securities	7,406	-	-	7,406
Interbank and Interbranch Accounts	5,154	-	-	5,154
Borrowings and On-Lendings	5,627	76	-	5,703
Derivative Financial Instruments	3,341	-	0	3,341
Other Liabilities	43,429	8,375	1,853	53,657
Technical Provisions of Insurance, Pension Plans and Capitalization	0	-	26,637	26,637
Deferred Income	47	2	0	49
Minority Interest in Subsidiaries	-	-	-	-
Allocated Capital Tier I	12,039	803	2,011	14,854
TOTAL LIABILITIES AND EQUITY	240,286	9,256	30,501	280,043

Consolidated *Pro Forma* Financial Statement by Subsegment

R$ Million

2nd Quarter/08	Itaubanco Branch Banking	Itaubanco Credit Cards - Account Holders	Itaubanco Insurance, Pension Plans and Capitalization	Itaubanco Investment Funds and Managed Portfolios	Consolidated
Managerial Financial Margin	3,103	346	91	-	3,540
• Financial Margin with Customers	2,666	346	65	-	3,077
• Financial Margin with Market	438	-	25	-	463
Result from Loan Losses	(893)	(124)	-	-	(1,017)
Provision for Loan and Lease Losses	(1,048)	(146)	-	-	(1,194)
Recovery of Credits Written Off as Losses	155	22	-	-	177
Net Result from Financial Operations	2,210	223	91	-	2,523
Other Operating Income/(Expenses)	(1,016)	2	202	120	(691)
Banking fees and charge revenues	904	420	93	576	1,993
Transfer to Banking	226	-	-	(226)	-
Operating Result of Insurance, Pension Plans and Capitalization	18	10	325	-	352
Non-interest Expenses	(2,068)	(393)	(186)	(188)	(2,835)
Tax Expenses for ISS, PIS and Cofins	(186)	(55)	(34)	(41)	(316)
Other Operating Income	90	21	4	-	115
Operating Income	1,194	225	292	120	1,832
Non-operating Income	(5)	(1)	6	-	0
Income Before Tax and Profit Sharing	1,189	224	299	120	1,832
Income Tax and Social Contribution	(259)	(72)	(90)	(41)	(462)
Profit Sharing	(95)	(10)	(4)	(36)	(145)
Recurring Net Income	835	142	204	43	1,225
(RAROC) - Return on Average Tier I Allocated Capital	29.6%	80.3%	41.4%		35.1%
Efficiency Ratio	49.8%	53.0%	38.9%		49.9%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses and Other Operating Expenses.

Itaubanco - Branch Banking

The income statement of Itaubanco's Branch Banking subsegment is based on the *pro forma* financial statements of Banco Itaú.

R$ million

Itaubanco - Branch Banking		3rd Q/08	2nd Q/08	Variation Nominal	Variation %
Managerial Financial Margin	A	3,458	3,103	355	11.4%
• Financial Margin with Customers		2,919	2,666	254	9.5%
• Financial Margin with Market		539	438	101	23.2%
Result from Loan Losses	B	(795)	(893)	98	-11.0%
Provision for Loan and Lease Losses		(1,010)	(1,048)	38	-3.6%
Recovery of Credits Written Off as Losses		215	155	60	38.7%
Net Result from Financial Operations		2,663	2,210	453	20.5%
Other Operating Income/(Expenses)		(1,333)	(1,016)	(318)	31.3%
Banking fees and charge revenues	C	1,158	1,130	28	2.5%
Operating Result of Insurance, Pension Plans and Capitalization		13	18	(5)	-27.4%
Non-interest Expenses	D	(2,495)	(2,068)	(427)	20.7%
Tax Expenses for ISS, PIS and Cofins	E	(215)	(186)	(30)	16.0%
Other Operating Income	F	207	90	117	129.6%
Operating Income		1,330	1,194	135	11.3%
Non-operating Income		13	(5)	18	-341.6%
Income Before Tax and Profit Sharing		1,342	1,189	153	12.9%
Income Tax and Social Contribution		(398)	(259)	(140)	53.9%
Profit Sharing		(95)	(95)	1	-0.6%
Recurring Net Income		849	835	14	1.7%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses and Other Operating Expenses.

During the third quarter of 2008, the Banking subsegment net income amounted to R$ 849 million, a 1.7% increase from the prior quarter. The main drivers of this result include:

A) The growth in managerial financial margin on transactions with customers was driven by the expansion in credit transactions, in particular loans to micro-, small- and mid-sized companies. The managerial financial margin on market transactions was positively impacted by gains arising from fixed-income instruments.

(B) In spite of the increased credit portfolio balance, provisions for doubtful accounts declined during the quarter, as a result of the improved risk quality. Also, revenues from the recovery of credits previously written-off as losses grew in the third quarter, driven by enhanced collection efforts.

R$ million

	3rd Q/08	2nd Q/08	Variation Balance	Variation %
Treasury	302	242	60	24.8%
Management of Foreign Exchange Risk from Investments Abroad	238	196	41	21.1%
Financial Margin on Market Transactions	539	438	101	23.2%

C) The increase in banking fees revenues and banking charges is primarily attributable to the expansion in the volume of credit transactions and number of account holders.

D) Non-interest expenses increased chiefly because of the readjustments in employees' salaries and benefits, under the Collective Labor Agreement, which fully provided for in the quarter. In addition, facilities, data processing and telecommunication, marketing and third-party service expenses increased in the period.

E) ISS, PIS and Cofins tax expenses increased as a result of higher revenues taxed by PIS and Cofins.

F) Other operating income was positively impacted by the reversal of additional depreciation expenses of equipment, as well as the recovery of changes and expenses in connection with the undue amount of PIS – Gross Operating Revenue in excess of the PIS "Repique" for the period from July 1988 to May 1989.

Itaubanco - Credit Cards - Account Holders

The *pro forma* financial statements below were prepared based on Itaú internal management information and are intended to report the performance of the businesses connected with the Credit Cards of current account customers, including Itaucard, Orbitall and Redecard.

R$ million

Itaubanco - Cartões de Crédito - Correntistas		3rd Q/08	2nd Q/08	Variation	
				Nominal	%
Managerial Financial Margin	A	370	346	24	6.8%
Result from Loan Losses		(129)	(124)	(6)	4.8%
Provision for Loan Losses		(150)	(146)	(4)	3.1%
Recovery of Credits Written Off as Losses		21	22	(1)	-6.3%
Net Result from Financial Operations		240	223	18	8.0%
Other Operating Income/(Expenses)		(31)	2	(33)	-
Banking fees and charge revenues	B	428	420	7	1.7%
Result from Op. of Insurance, Pension Plans and Capitalization		10	10	(0)	-0.3%
Noninterest Expenses	C	(435)	(393)	(42)	10.6%
Tax Expenses for ISS, PIS and Cofins		(55)	(55)	(0)	0.4%
Other Operating Income		22	21	1	6.9%
Operating Income		210	225	(15)	-6.8%
Non-operating Income		1	(1)	2	-
Income Before Tax and Profit Sharing		211	224	(14)	-6.1%
Income Tax and Social Contribution		(71)	(72)	1	-1.4%
Profit Sharing		(7)	(10)	2	-25.3%
Recurring Net Income		132	142	(10)	-7.2%

NB: Noninterest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses and Other Operating Expenses.

The Credit Card – Account Holders subsegment net income reached R$ 132 million in the third quarter of 2008, a 7.2% decline from the prior quarter. The main changes were:

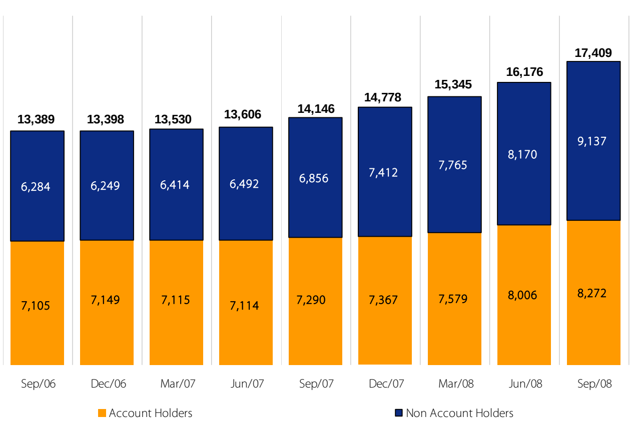
A) Growth in floating results due to the increased amount of transactions and higher CDI rate in the third quarter, as well as increased revenues from prepayments by merchants.

B) Basically, increased interchange revenues driven by the higher amount of transactions.

C) Given the higher amount and volume of transactions and sales efforts in the period, losses from frauds also increased quarter-on-quarter, together with higher expenses associated with mailing, telemarketing, banners, award program and processing services. Personnel expenses also increased, driven by the provision for bank employees' salary readjustments. On the other hand, advertising expenses decreased, in the absence of advertising campaigns run in the prior quarter.

Quantity of Credit Cards

In thousands



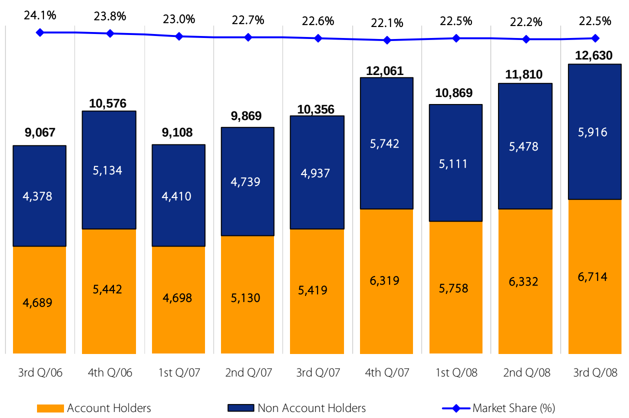
In September 2008, active accounts (accounts that received invoices) held by current account holders represented 67.9% of total accounts. Of this share, 87.8% carried out transactions in the last month, with an average activity of R$ 1,708.00 per account in the quarter.

Transactions carried out by account holders in the period totaled R$ 6,714 million, a 6.0% growth from the prior quarter.

We maintained our leadership position in terms of invoicing in the credit card market, with R$ 12,630 million and 17.4 million cards at the end of the third quarter of 2008.

Amount of Transactions

R$ million



The market share of the amount of transactions was computed based on total market figures provided by Associação Brasileira das Empresas de Cartões de Crédito e Serviços – Abecs (Brazilian Association of Credit Card and Service Companies).

Itaubanco - Insurance, Pension Plans and Capitalization

The *pro forma* financial statements below were prepared based on Itaú internal and management information and are intended to identify the performance of the insurance-related businesses.

On September 30, 2008

R$ million

ASSETS	Insurance	Life and Pension Plans	Capitalization	Consolidated
Current and Long-Term Assets	3,563	26,473	1,358	31,364
Cash and Cash Equivalents	104	13	4	121
Securities	1,351	26,041	1,327	28,705
Other Assets	2,108	420	27	2,538
Permanent Assets	138	5	45	181
TOTAL ASSETS	3,702	26,478	1,402	31,545

R$ million

LIABILITIES AND EQUITY	Insurance	Life and Pension Plans	Capitalization	Consolidated
Current and Long-Term Liabilities	3,166	25,080	1,298	29,507
Technical Provisions - Insurance	1,852	452	-	2,304
Technical Provisions - Pension Plans and VGBL	-	24,109	-	24,109
Technical Provisions - Capitalization	-	-	1,170	1,160
Other Liabilities	1,315	519	128	1,933
Allocated Capital Tier I	535	1,398	105	2,038
TOTAL LIABILITIES AND EQUITY	3,702	26,478	1,402	31,545

Statement of Income

R$ million

3rd Quarter/08	Insurance	Life and Pension Plans	Capitalization	Consolidated
Revenues from Insurance, Pension Plans and Capitalization	705	1,609	274	2,583
Retained Insurance Premiums (a)	705	177	-	882
Revenues from Pension Plans (b)	-	1,432	-	1,432
Revenues from Capitalization (c)	-	-	274	269
Changes in Technical Reserves	(97)	(1,451)	(188)	(1,732)
Insurance (d)	(97)	(26)	-	(123)
Pension Plans (e)	-	(1,424)	-	(1,424)
Capitalization (f)	-	-	(188)	(184)
Earned Premiums (g=a+d)	608	151	-	759
Result of Pension Plans and Capitalization (h=b+c+e+f)	-	7	86	92
Retained Claims (i)	(363)	(49)	-	(412)
Selling Expenses (j)	(137)	(18)	(3)	(156)
Other Operating Income/(Expenses) of Insurance Operations (k)	(1)	(1)	(0)	(1)
Underwriting Margin (l=g+i+j+k)	108	83	-	191
Result from Insurance, Pension Plans and Capitalization (m=h+l)	108	91	83	281
Managerial Financial Margin	23	48	4	77
Banking fees and charge revenues	-	103	-	103
Non-interest Expenses	(94)	(50)	(39)	(185)
Tax Expenses for ISS, PIS and Cofins	4	(12)	(5)	(13)
Other Operating Income	1	0	0	1
Operating Income	41	180	43	265
Non-operating Income	4	0	2	6
Income Before Income Tax and Social Contribution	46	180	45	271
Income Tax/Social Contribution	(13)	(55)	(15)	(83)
Profit Sharing	(3)	(1)	-	(3)
Recurring Net Income	30	125	30	185
(RAROC) - Return on Average Tier I Allocated Capital	21.5%	36.4%	117.3%	36.5%
Efficiency Ratio	69.5%	21.8%	47.4%	41.2%

NB: The Consolidated figure does not represent the sum of the parts because certain intercompany transactions were eliminated only at the Consolidated level.
The information on VGBL was classified together with the pension plan products.
Non-interest Expenses comprise Personnel Expenses, Other Administrative Expenses, Tax Expenses, and Other Operating Expenses.
The insurance subsegment includes 100% of Itaú XL. The Underwriting Margin refers to the insurance business.

Itaubanco - Insurance, Pension Plans and Capitalization

On June 30, 2008

R$ million

ASSETS	Insurance	Life and Pension Plans	Capitalization	Consolidated
Current and Long-Term Assets	3,432	25,595	1,324	30,316
Cash and Cash Equivalents	32	4	5	41
Securities	1,341	25,186	1,285	27,796
Other Assets	2,059	404	34	2,478
Permanent Assets	139	5	48	185
TOTAL ASSETS	3,571	25,600	1,373	30,501

R$ million

LIABILITIES AND EQUITY	Insurance	Life and Pension Plans	Capitalization	Consolidated
Current and Long-Term Liabilities	3,011	24,252	1,270	28,490
Technical Provisions - Insurance	1,737	433	-	2,170
Technical Provisions - Pension Plans and VGBL	-	23,324	-	23,324
Technical Provisions - Capitalization	-	-	1,152	1,143
Other Liabilities	1,274	495	118	1,853
Allocated Capital Tier I	560	1,348	102	2,011
TOTAL LIABILITIES AND EQUITY	3,571	25,600	1,373	30,501

Statement of Income

R$ million

2nd Quarter/08	Insurance	Life and Pension Plans	Capitalization	Consolidated
Revenues from Insurance, Pension Plans and Capitalization	625	1,861	279	2,760
Retained Insurance Premiums (a)	625	166	-	791
Revenues from Pension Plans (b)	-	1,695	-	1,695
Revenues from Capitalization (c)	-	-	279	273
Changes in Technical Reserves	(32)	(1,694)	(190)	(1,912)
Insurance (d)	(32)	(20)	-	(53)
Pension Plans (e)	-	(1,674)	-	(1,674)
Capitalization (f)	-	-	(190)	(186)
Earned Premiums (g=a+d)	593	146	-	739
Result of Pension Plans and Capitalization (h=b+c+e+f)	-	22	89	109
Retained Claims (i)	(330)	(45)	-	(374)
Selling Expenses (j)	(126)	(15)	(6)	(147)
Other Operating Income/(Expenses) of Insurance Operations (k)	(1)	(2)	(0)	(2)
Underwriting Margin (l=g+i+j+k)	135	84	-	220
Result from Insurance, Pension Plans and Capitalization (m=h+l)	135	106	83	325
Managerial Financial Margin	30	56	4	91
Banking fees and charge revenues	-	94	-	93
Non-interest Expenses	(100)	(54)	(32)	(186)
Tax Expenses for ISS, PIS and Cofins	(17)	(12)	(5)	(34)
Other Operating Income	2	1	0	4
Operating Income	50	191	51	292
Non-operating Income	4	0	2	6
Income Before Income Tax and Social Contribution	54	191	53	299
Income Tax/Social Contribution	(15)	(58)	(18)	(90)
Profit Sharing	(4)	(1)	-	(4)
Recurring Net Income	35	133	36	204
(RAROC) - Return on Average Tier I Allocated Capital	25.8%	40.2%	144.0%	41.4%
Efficiency Ratio	66.7%	22.2%	38.2%	38.9%

NB: The Consolidated figure does not represent the sum of the parts because certain intercompany transactions were eliminated only at the Consolidated level.
The information on VGBL was classified together with the pension plan products.
Non-interest Expenses comprise Personnel Expenses, Other Administrative Expenses, Tax Expenses, and Other Operating Expenses.
The insurance subsegment includes 100% of Itaú XL. The Underwriting Margin refers to the insurance business.

Itaubanco - Insurance, Pension Plans and Capitalization

Insurance

The underwriting margin showed a decrease in comparison with the previous quarter, mainly in transportation and property risk products. For these products, the second quarter of 2008 was below the historical average claim rate, now returning to previous levels.

Despite the decrease in underwriting margin, there was a increase of 12.8% in retained premiums, which point out increased production in the period.

The managerial financial margin was adversely impacted by a R$ 9 million depreciation in tax incentives, while the tax expenses line was positively affected by tax credits recorded in the amount of R$ 19 million.

Life and Pension Plan

The pro forma Net Income of the life and pension subsegment declined by 6.3% from the previous quarter, on account of lower revenues from pension plans and higher percentage of technical provisions. Also, pension plan campaigns were run in the second, but not in the third quarter of 2008. The underwriting margin remained stable quarter-on-quarter, in spite of the increase in premiums, which was countered by the higher number of claims.

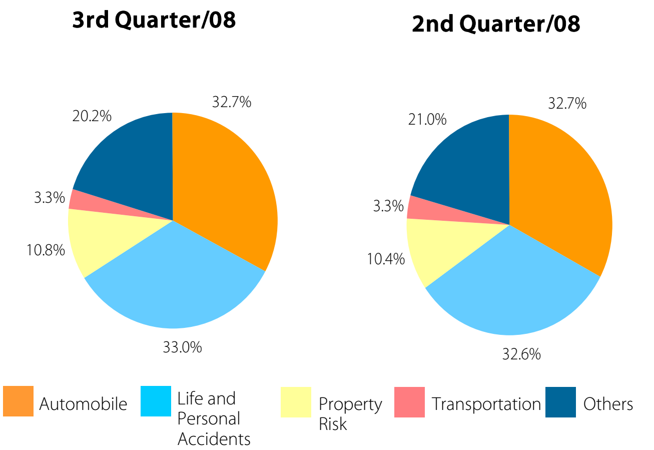
The managerial financial margin was also impacted by the depreciation of tax incentives (R$ 4 million).

Capitalization

Net Income of the Capitalization subsegment remained at the level reached during the prior quarter, as a result of the *PIC Primavera* sales campaign.

Net Income was adversely impacted by the increase in non-interest expenses, associated basically with the costs of the sales campaigns.

Composition of earned premiums

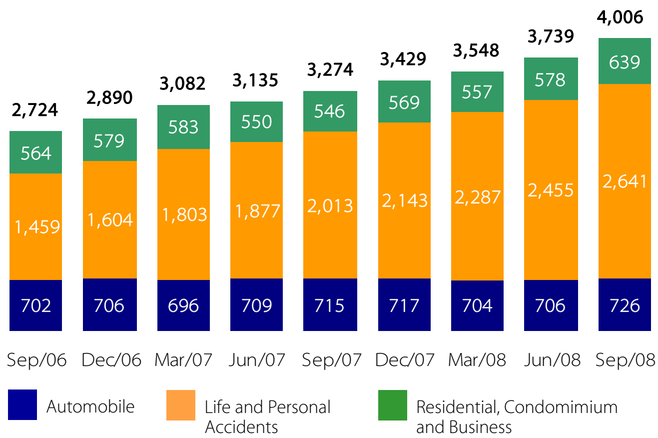


NB: Insurance charts do not include the Itauseg Saúde companies and include the Life line of Itaú Vida e Previdência S.A.

The Life +PA and Property Risks products increased by 40 basis points each as a share of the total segment in comparison with the prior quarter.

Number of Policies - Mass products

In thousands



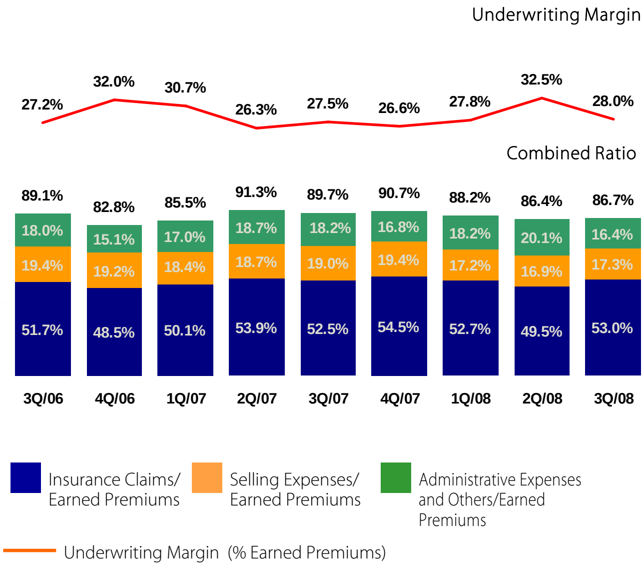
The number of automobile, residential and corporate policies increased from the prior quarter. A new product – *Socorro Auto Itaú* – made a significant contribution to the portfolio expansion during the third quarter. Additionally, sales campaigns also helped increase the number of residential and corporate policies.

Itaubanco - Insurance, Pension Plans and Capitalization

Combined Ratio

The combined ratio, which shows the operating cost efficiency in relation to income from premiums earned, changed 0.3 percentage point quarter-on-quarter.

Combined Ratio and Underwriting Margin



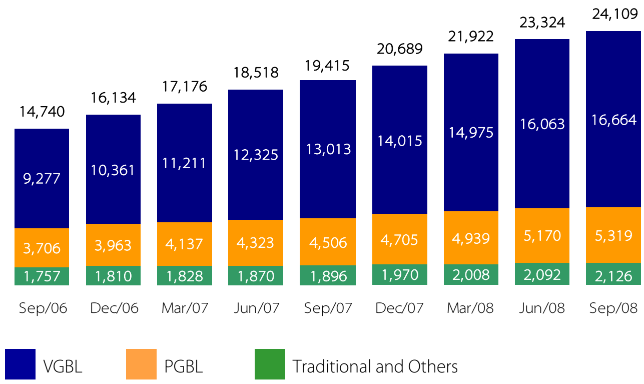
Note: combined ratio is the sum of the following indices: retained claims/ premiums earned, selling expenses/premiums earned and administrative expenses + other operating income and expenses/premiums earned.

NB: The chart does not include the Itauseg Saúde company and includes the Life line of Itaú Vida e Previdência S.A.
The results from *Proteção Cartão* are not included in the calculation of the combined ratio.

Pension Plan Technical Provisions

Technical provisions amounted to R$ 24,109 million at September 30, 2008, growing by 3.4% compared to the prior quarter.

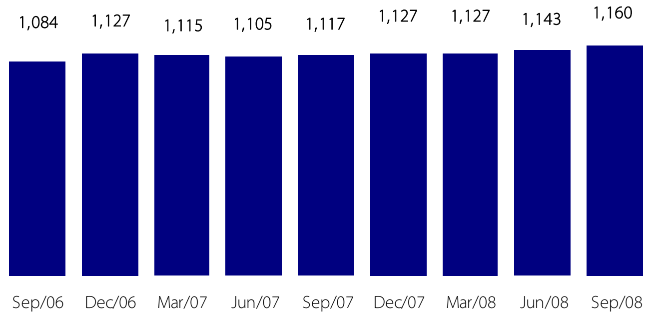
R$ million



Capitalization Technical Provisions

At September 30, 2008, technical provisions added up to R$ 1,160 million, a 1.5% growth in the quarter.

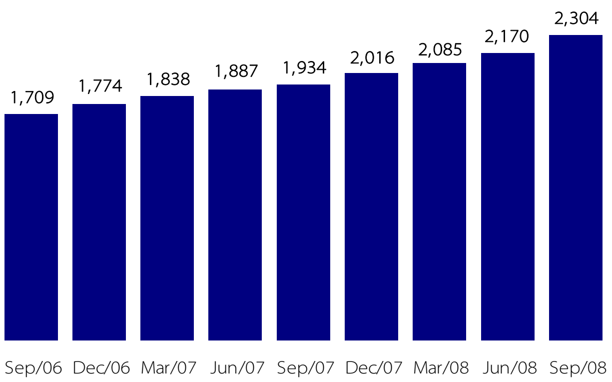
R$ million



Insurance Technical Provisions

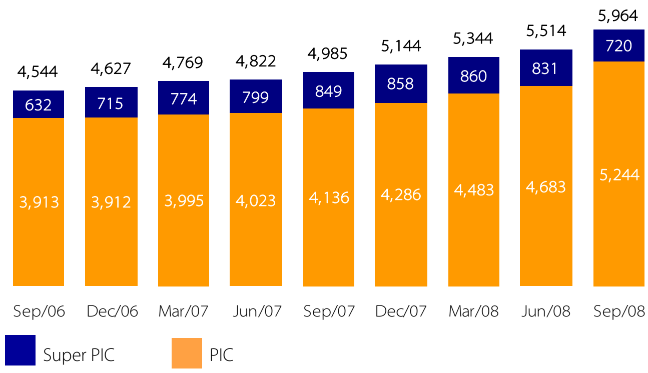
At September 30, 2008, technical provisions totaled R$ 2,304 million, a 6.2% growth in the quarter.

R$ million



Number of Capitalization Bonds - PIC

In thousands



At the end of the quarter, this portfolio comprised 6.0 million active bonds, up 8.2% on the prior quarter.

Itaubanco - Investment Funds and Managed Portfolios

The pro forma financial statements shown below are based on management information generated by in-house models, so as to more accurately reflect the performance of the Fund Management area.

R$ million

Itaubanco - Investment Funds and Managed Portfolios	3rd Q/08	2nd Q/08	Variation Nominal	Variation %
Banking fees and charge revenues	481	576	(95)	-16.5%
Mutual Fund Management Fees (*)	372	392	(20)	-5.2%
Brokerage Services and Placement of Securities	69	149	(80)	-53.9%
Custody Services and Managed Portfolios	40	35	5	15.4%
Transfer to Banking	(139)	(226)	88	-38.7%
Non-interest Expenses	(196)	(188)	(8)	4.4%
Tax Expenses for ISS, PIS and Cofins	(33)	(41)	9	-21.2%
Income before Tax and Profit Sharing	113	120	(7)	-5.9%
Income Tax and Social Contribution	(38)	(41)	2	-5.9%
Profit Sharing	(44)	(36)	(8)	21.7%
Recurring Net Income	31	43	(12)	-28.7%

(*) Does not include income from Pension Plans Fund Management.
Note: The Non-Interest Expenses comprise Personnel Expenses, Other Administrative Expenses and Other Taxes, and Other Operating Expenses.

In the third quarter of 2008, net income from fund management and managed portfolios reached R$ 31 million.

During the period, revenues from brokerage services and placement of securities declined by 53.9% compared to the prior quarter, due to the lower volume of public offers of shares and trading in this quarter compared to the prior one. The decrease in market share in the volume of AUM in the past quarters reflects the reallocation of customer resources to savings accounts and CDB's (Bank Deposit Certificates), to meet the increase in loans.

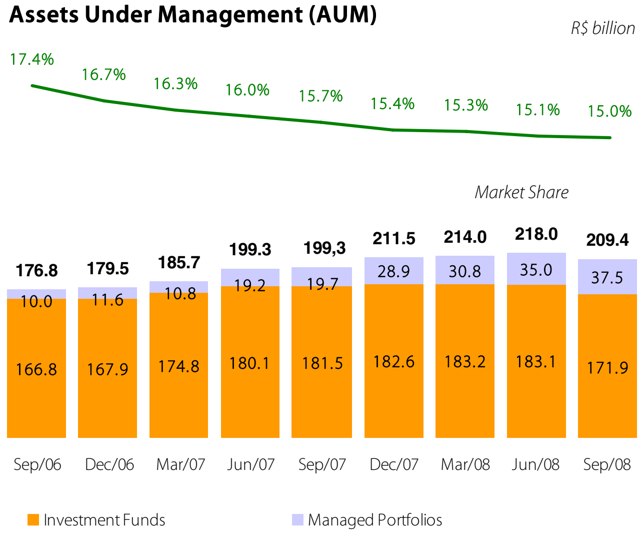
Itaú Corretora

Itaú Corretora, which is managed independently from the fund management activities, handled contracts worth R$ 31,819 million on Bovespa in the third quarter of 2008, representing a 6% growth compared to the same period of 2007. Itaú Corretora ranked 6th among Brazilian brokers, with a 4.5% market share per volume.

Contracts handled on BM&F amounted to 3.2 million, 17% more than in the same period of the previous year.

In partnership with Itaú BBA, Itaú Corretora was in charge of the distribution of the public offers shares of the companies SLC Agrícola and Vale, for a total volume of R$ 342 million.

Assets Under Management (AUM)



Market Share - Source: Anbid/Ranking Global

Note.: The historical volume of managed portfolios has been adjusted for comparison purposes.

Itaú Corretora, through its Home Broker - www.itautrade.com.br – was responsible for a volume of trading of R$ 2,488 million in the third quarter of 2008, growing by 5% from the same quarter of 2007. As such, Itaú Corretora ranked 6th among all brokers, with a market share of 4.9%.

Itaú BBA

The *pro forma* income statement of Itaú BBA is presented below.

R$ million

Itaú BBA	3rd Q/08	2nd Q/08	Variation	
Managerial Financial Margin	749	722	27	3.7%
• Financial Margin with Customers	559	472	87	18.4%
• Financial Margin with Market	190	250	(60)	-24.0%
Result from Loan Losses	(58)	(23)	(35)	151.0%
Provision for Loan and Lease Losses	(62)	(36)	(27)	75.0%
Recovery of Credits Written-Off as Losses	4	12	(8)	-67.4%
Net Result from Financial Operations	691	699	(8)	-1.2%
Other Operating Income/(Expenses)	(138)	(78)	(59)	75.9%
Banking fees and charge revenues	167	191	(24)	-12.5%
Non-interest Expenses	(243)	(218)	(24)	11.2%
Tax Expenses for ISS, PIS and Cofins	(66)	(41)	(25)	60.2%
Equity in the Earnings of Associated Companies	3	8	(4)	-56.5%
Other Operating Income	1	(17)	18	-106.2%
Operating Income	553	621	(68)	-10.9%
Non-operating Income	(3)	1	(4)	-382.3%
Income before Tax and Profit Sharing	550	622	(72)	-11.5%
Income Tax and Social Contribution	(182)	(141)	(42)	29.6%
Profit Sharing	(46)	(66)	20	-30.7%
Recurring Net Income	322	414	(93)	-22.4%

Note: The item Non-Interest Expenses is composed of Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and other taxes and Other Operating Expenses.

In the third quarter of 2008, the financial margin totaled R$ 749 million, corresponding to a 3.7% increase from R$ 722 million in the prior quarter.

The financial margin on customer transactions added up to R$ 559 million, growing by 18.4% compared to R$ 472 million in the previous quarter, essentially driven by the increased volume of credit and structured transactions.

The financial margin on market transactions amounted to R$ 190 million, a 24.0% decline quarter-on-quarter. Within treasury transactions, the R$ 133 million income arises from Banco Itaú BBA proprietary strategies pursued on local and international markets. The financial margin on management of exchange risk of investments abroad, which corresponds to the remuneration of these investments at the CDI rate, totaled R$ 57 million.

The outstanding quality level of the credit portfolio is to be underlined, with 99% of the credits having been ascribed "AA", "A" and "B" ratings, pursuant to the criteria set forth in Circular 2,682 of the Brazilian Central Bank. The results from doubtful loans were a provision expense of R$ 58 million in the third quarter, essentially due to re-ratings in the amount of R$ 62 million, offset by recoveries of credits written-off as losses for a total of R$ 4 million.

Gross revenues from financial intermediation added up to R$ 691 million, decreasing by 1.2% compared to the prior quarter.

Banking fees revenues amounted to R$ 167 million in the third quarter of 2008, a 12.5% decrease from the prior quarter, primarily on account of lower revenues from investment banking transactions.

Non-interest expenses totaled R$ 243 million, corresponding to an 11.2% increase from the prior quarter.

As a result of the above mentioned items, Itaú BBA's pro forma net income amounted to R$ 322 million in the third quarter, declining by 22.4% when compared to the previous quarter, corresponding to an annualized return on average allocated capital (tier 1) of 19.3% in the period.

R$ million

	3rd Q/08	2nd Q/08	Variation Balance	Variation %
Treasury	133	156	(23)	-14.9%
Management of Foreign Exchange Risk from Investments Abroad	57	94	(37)	-39.0%
Financial Margin on Market Transactions	190	250	(60)	-24.0%

Itaucred

The *pro forma* financial statements of Itaucred are presented below, based on managerial information provided by proprietary models, in order to more accurately reflect the performance of the business units.

On September 30, 2008

R$ million

ASSETS	Itaucred			
	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Current and Long-term Assets	42,729	4,368	3,854	50,952
Loans	42,257	4,606	4,254	51,117
(Allowance for Loan Losses)	(2,175)	(485)	(687)	(3,347)
Other Assets	2,647	247	287	3,181
Permanent Assets	65	-	64	130
TOTAL ASSETS	42,795	4,368	3,919	51,081

R$ million

LIABILITIES AND EQUITY	Itaucred			
	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Current and Long-term Liabilities	39,411	3,797	3,332	46,540
Deposits	16	-	-	16
Securities Repurchase Agreements	37,252	1,070	2,158	40,480
Borrowings and On-Lendings	321	-	0	321
Other Liabilities	1,822	2,726	1,174	5,723
Allocated Capital Tier I	3,384	572	587	4,542
Allocated Capital Tier I of Minority Interests	-	-	156	156
Allocated Capital Tier I of Parent Company	3,384	572	431	4,386
TOTAL LIABILITIES AND EQUITY	42,795	4,368	3,919	51,081

Statement of Income

R$ million

3rd Quarter/08	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Managerial Financial Margin	874	388	224	1,486
Result from Loan Losses	(406)	(195)	(131)	(732)
Provision for Loan and Lease Losses	(450)	(214)	(165)	(829)
Recovery of Credits Written-Off as Losses	44	19	34	97
Net Result from Financial Operations	468	193	93	754
Other Operating Income/(Expenses)	(122)	(89)	(113)	(325)
Banking fees and charge revenues	170	163	55	387
Operating Result of Insurance, Pension Plans and Capitalization	7	13	1	22
Non-interest Expenses	(269)	(234)	(160)	(663)
Tax Expenses for ISS, PIS and Cofins	(77)	(32)	(23)	(132)
Other Operating Income	47	0	14	61
Operating Income	346	103	(20)	429
Non-operating Income	(0)	-	0	0
Income Before Tax and Profit Sharing	346	103	(20)	429
Income Tax and Social Contribution	(106)	(32)	10	(128)
Profit Sharing	(6)	(3)	(3)	(12)
Recurring Net Income	234	68	(13)	289
Recurring Net Income of Minority Interests	-	-	3	3
Recurring Net Income of Parent Company	234	68	(15)	287
(RAROC) - Return on Average Tier I Allocated Capital	28.5%	50.0%	-8.1%	26.0%
Efficiency Ratio	26.3%	43.9%	59.2%	36.3%

Note: Non-interest Expense comprise Personnel Expenses, Other Administrative Expenses, Tax Expenses, and Other Operating Expenses.

Itaucred

On June 30, 2008

R$ million

ASSETS	Itaucred Vehicles	Itaucred Credit Cards - Non-Account Holders	Itaucred Taií + Payroll	Itaucred Itaucred
Current and Long-term Assets	**39,204**	**4,162**	**3,819**	**47,185**
Loans	38,699	4,361	4,256	47,316
(Allowance for Loan Losses)	(2,018)	(436)	(684)	(3,138)
Other Assets	2,523	236	247	3,007
Permanent Assets	**62**	**0**	**63**	**126**
TOTAL ASSETS	39,266	4,162	3,882	47,310

R$ million

LIABILITIES AND EQUITY	Itaucred Vehicles	Itaucred Credit Cards - Non-Account Holders	Itaucred Taií + Payroll	Itaucred Itaucred
Current and Long-term Liabilities	**36,087**	**3,646**	**3,211**	**42,944**
Deposits	7	-	-	7
Securities Repurchase Agreements	34,064	1,187	2,162	37,412
Borrowings and On-Lendings	273	-	0	273
Other Liabilities	1,743	2,459	1,049	5,251
Allocated Capital Tier I	**3,178**	**516**	**672**	**4,366**
Allocated Capital Tier I of Minority Interests	-	-	161	161
Allocated Capital Tier I of Parent Company	3,178	516	511	4,205
TOTAL LIABILITIES AND EQUITY	39,266	4,162	3,882	47,310

Statement of Income

R$ million

2nd Quarter/08	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Managerial Financial Margin	**814**	**382**	**225**	**1,421**
Result from Loan Losses	**(328)**	**(179)**	**(115)**	**(621)**
Provision for Loan and Lease Losses	(380)	(197)	(151)	(728)
Recovery of Credits Written-Off as Losses	52	19	37	107
Net Result from Financial Operations	**486**	**203**	**111**	**800**
Other Operating Income/(Expenses)	**(117)**	**(94)**	**(114)**	**(325)**
Banking fees and charge revenues	192	152	53	397
Operating Result of Insurance, Pension Plans and Capitalization	6	9	0	16
Non-interest Expenses	(248)	(229)	(155)	(632)
Tax Expenses for ISS, PIS and Cofins	(72)	(28)	(23)	(123)
Other Operating Income	5	2	11	17
Operating Income	**368**	**109**	**(4)**	**474**
Non-operating Income	(0)	0	(0)	0
Income Before Tax and Profit Sharing	**368**	**109**	**(4)**	**474**
Income Tax and Social Contribution	**(110)**	**(34)**	**4**	**(139)**
Profit Sharing	**(4)**	**(4)**	**(5)**	**(13)**
Recurring Net Income	**255**	**71**	**(4)**	**322**
Recurring Net Income of Minority Interests	-	-	3	3
Recurring Net Income of Parent Company	255	71	(8)	318
(RAROC) - Return on Average Tier I Allocated Capital	34.2%	50.1%	-2.7%	30.5%
Efficiency Ratio	26.3%	44.3%	58.3%	36.6%

Note: Non-interest Expenses comprise Personnel Expenses, Other Administrative Expenses, Tax Expenses, and Other Operating Expenses.

Itaucred

Vehicles

Net income of Itaucred's Vehicle subsegment totaled R$ 234 million in the third quarter of 2008, declining by 8.3% from the prior quarter. The balance of vehicle financing and leasing transactions grew by 9.2% compared to the prior quarter, leading the financial margin on customer transactions to increase by 7.4% quarter-on-quarter. New credit transactions added up to R$ 7,604 million in the period. The higher volume of transactions also helped to increase the provision for doubtful loans by 18.4%. Non-interest expenses increased primarily due to higher employees' salaries and benefits, under the new Collective Labor Agreement. Other operating income grew on account of the higher level of recovery of charges and expenses.

Credit Card – Non-Account Holders

The Credit Card – Non-Account Holders subsegment net income amounted to R$ 68 million in the third quarter of 2008, declining by 4.1% compared to the prior quarter.

The managerial financial margin increased due to revenues from financing of credit card holders. The provision for doubtful accounts was higher, chiefly due to the increased specific provision. Net income for the third quarter of 2008 was also adversely impacted by the growth in non-interest expenses, including bank employees' salary rise. The increase in the volume and amount of transactions, coupled to enhanced sales efforts, also brought about higher mailing, telemarketing, banner, and processing expenses, as well as higher losses from frauds. Diminishing this impact, advertising expenses decreased, because of advertising campaigns ran in the prior quarter. The greater amount of transactions also gave rise to increased interchange revenues which are responsible for charge revenues.

Taií

Taií, which is Itaú's consumer credit segment, comprises the operations of Financeira Itaú (FIT), 100% owned by Itaú, and Financeira Itaú CBD (FIC) and Financeira Americanas Itaú (FAI), in which Itaú's share represents 50%.

Taií's credit portfolio, excluding payroll credit, totaled R$ 2,107 million in September 2008, a 4.1% increase compared to June 2008. The customer base reached 7.1 million, increasing by 5.6% from the second quarter of 2008.

Financeira Itaú (FIT)

At the end of September 2008, the network of Taií's own stores comprised 254 units. In the third quarter of 2008, the focus was to increase the product portfolio and activate the customer base. During this period, we concluded that the present market conditions differ from the original business plan, and so we decided to start the reduction of the network size, keeping the branches which clients presented greater potential of rising usage range of financial services and products.

Financeira Itaú CBD (FIC)

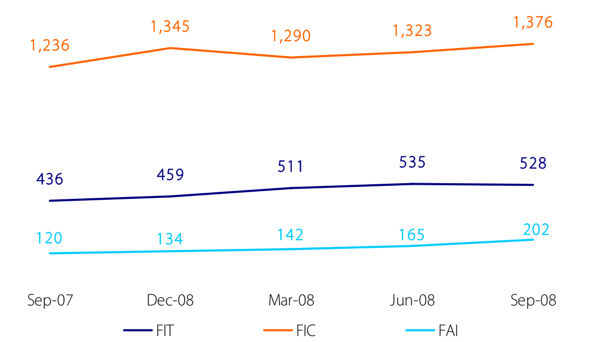
In September 2008, FIC was present at 538 CBD group stores, of which 343 with electronic presence. The strategy to strengthen FIC's activities consists of increasing the number of card activations, taking advantage of the differentiated features offered to customers, the continuing placement of private label cards under the Mastercard banner, and the growing penetration of the extended guarantee on the sale of electronic products.

Financeira Americanas Itaú (FAI)

At the end of the quarter, FAI had 307 points of sale, an 18.7% larger customer base, and more than 1.2 million private label cards. These factors contributed to a 43.5% increase in the share of LASA's sales, which reached 13.2% in September 2008.

Taií - Credit Portfolio

R$ million



Taií + Payroll - Recurring Net Income/(Loss)

R$ million

	3rd Q/08	2nd Q/08	Variation
FIT	(16)	(13)	(3)
FIC	5	7	(2)
FAI	(11)	(10)	(1)
Subtotal - Taií	**(22)**	**(16)**	**(5)**
Payroll	9	12	(3)
Total	**(13)**	**(4)**	**(8)**

Banco Itaú Holding Financeira S.A.

Consolidated Balance Sheet

Consolidated Balance Sheet
Securities Portfolio

History of Securities Portfolio

R$ million

	Sep 30, 08	%	Jun 30, 08	%	Sep 30, 07	%	Variation (%) Sep/08-Jun/08	Sep/08-Sep/07
Public Securities - Domestic	22,531	27.6%	18,222	25.6%	14,078	21.8%	23.7%	60.0%
Public Securities - Foreign	11,911	14.6%	11,409	16.0%	14,363	22.3%	4.4%	-17.1%
Total Public Securities	34,443	42.2%	29,630	41.6%	28,441	44.1%	16.2%	21.1%
Private Securities	18,197	22.3%	14,577	20.4%	13,953	21.6%	24.8%	30.4%
PGBL/VGBL Fund Quotas	21,894	26.8%	21,149	29.7%	17,456	27.1%	3.5%	25.4%
Derivative Financial Instruments	7,073	8.7%	5,953	8.3%	4,663	7.2%	18.8%	51.7%
Total Securities	**81,607**	**100.0%**	**71,309**	**100.0%**	**64,513**	**100.0%**	**14.4%**	**26.5%**

In the third quarter of 2008, the securities portfolio amounted to R$ 81,607 million, representing a 14.4% increase from the prior quarter. During the period, the volume of funds invested in both Brazilian public securities and private securities was expanded.

Private Securities Portfolio and Credit Portfolio

At September 30, 2008, the balance of private securities, added to the credit portfolio, reached R$ 182,684 million, a 12.3% increase compared to the second quarter of 2008.

Funds intended for the economic agents

R$ million

Sep 30, 08						
Risk Level	AA	A	B	C	D - H	Total
Euro Bonds and Similar	3,002	750	54	14	-	3,820
Certificates of Deposit	1,763	60	-	-	-	1,824
Debentures	3,064	364	0	-	-	3,428
Shares of Public Companies	2,267	159	49	0	26	2,502
Promissory Notes	1,043	394	388	-	-	1,825
Other	2,238	2,225	76	258	2	4,799
Subtotal	**13,377**	**3,953**	**567**	**273**	**27**	**18,197**
Credit Operations(*)	34,308	77,457	31,930	8,409	12,382	164,486
Total	**47,685**	**81,410**	**32,497**	**8,682**	**12,410**	**182,684**
% of Total	**26.1%**	**44.6%**	**17.8%**	**4.8%**	**6.8%**	**100.0%**

(*) Endorsements and sureties included.

R$ million

Jun 30, 08						
Risk Level	AA	A	B	C	D - H	Total
Euro Bonds and Similar	2,433	651	53	-	-	3,137
Certificates of Deposit	1,525	49	-	-	-	1,574
Debentures	2,590	238	0	-	0	2,829
Shares of Public Companies	1,157	118	43	14	28	1,361
Promissory Notes	980	279	477	-	-	1,735
Other	2,156	1,685	26	72	2	3,941
Subtotal	**10,842**	**3,020**	**599**	**86**	**30**	**14,577**
Credit Operations(*)	30,398	71,335	27,206	7,167	11,966	148,073
Total	**41,240**	**74,355**	**27,805**	**7,254**	**11,996**	**162,650**
% of Total	**25.4%**	**45.7%**	**17.1%**	**4.5%**	**7.4%**	**100.0%**

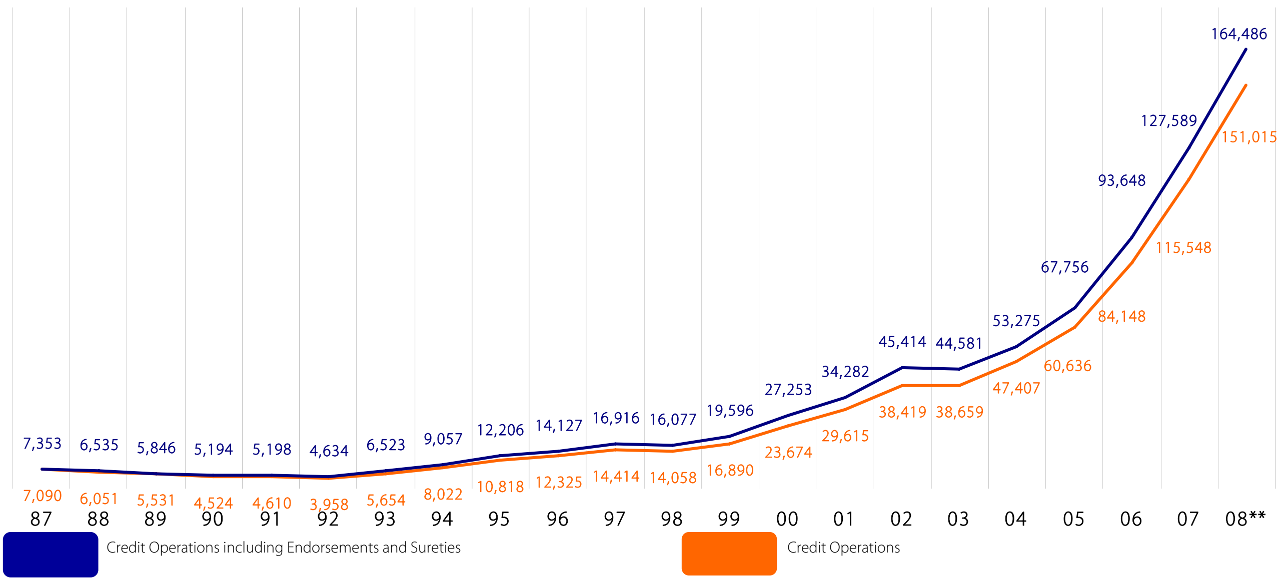
(*) Endorsements and sureties included.

Credit Portfolio

The annual performance of the credit portfolio since 1987 is shown below.

R$ million (*)

Credit Operations



(*) In constant currency as of December 31, 1995 up to that date; in nominal amounts thereafter. (**) At Sep 30, 2008.

The credit portfolio expanded by 11.1% in the third quarter of 2008. Credit transactions denominated in local currency grew by 9.6% quarter-on-quarter, while transactions in foreign currencies, representing 20.3% of the total portfolio, increased by 17.2%, on account of the significant depreciation of the real during the period. The share of loans rated "AA" to "C" increased by 0.6 percentage point in the quarter, representing 92.5% of the total portfolio. The Food and Beverage industry showed the highest concentration risk, accounting for 4.9% of the total. The industries which posted the most significant growth in the quarter were: Food and Beverages (19.5%, or a R$ 1,306 million increase); Agribusiness (up 19.7%, or R$ 1,118 million); Metallurgy and Steel (increase of 23.9%, or R$ 1,006 million); Real Estate (up 23.5% or R$ 791 million); Transportation (R$ 664 million growth, or 19.4%); and Chemicals and Petrochemicals (increasing by R$ 580 million, or 13.8%). The share of the 100 largest debtors in the portfolio went from 16.0% to 16.2% in the third quarter of 2008.

Credit Portfolio Development Consolidated by Client Type and Currency

R$ million

Local Currency	Sep/08	Jun/08	Sep/07	Variation Sep/08 - Jun/08		Variation Sep/08 - Sep/07	
	Balance	Balance	Balance	Balance	%	Balance	%
Individuals	**66,130**	**62,133**	**49,139**	**3,997**	**6.4%**	**16,991**	**34.6%**
Credit Card	11,447	11,076	9,466	371	3.4%	1,981	20.9%
Personal Loans	15,268	15,017	14,114	251	1.7%	1,155	8.2%
Vehicles	39,414	36,040	25,558	3,374	9.4%	13,856	54.2%
Businesses	**56,839**	**50,237**	**37,119**	**6,603**	**13.1%**	**19,720**	**53.1%**
Corporate	28,206	24,838	20,410	3,368	13.6%	7,796	38.2%
Micro, Small and Medium-Sized Companies	28,633	25,398	16,709	3,235	12.7%	11,924	71.4%
Mandatory Loans	**8,144**	**7,232**	**5,853**	**912**	**12.6%**	**2,291**	**39.1%**
Rural Loans	4,574	4,052	3,390	523	12.9%	1,184	34.9%
Mortgage Loans	3,570	3,180	2,463	390	12.2%	1,107	44.9%
Argentina/Chile/Uruguay	-	-	-	-	-	-	-
Total	131,113	119,601	92,111	11,512	9.6%	39,002	42.3%

Foreign Currency	Sep/08	Jun/08	Sep/07	Variation Sep/08 - Jun/08		Variation Sep/08 - Sep/07	
Individuals	**28**	**143**	**35**	**(115)**	**-80.4%**	**(7)**	**-20.4%**
Credit Card	-	-	-	-	-	-	-
Personal Loans	28	143	35	(115)	-80.4%	(7)	-20.4%
Vehicles	-	-	-	-	-	-	-
Businesses	**22,359**	**19,071**	**13,761**	**3,288**	**17.2%**	**8,598**	**62.5%**
Corporate	17,694	14,707	10,837	2,987	20.3%	6,857	63.3%
Micro, Small and Medium-Sized Companies	4,665	4,364	2,923	301	6.9%	1,742	59.6%
Mandatory Loans	-	-	-	-	-	-	-
Rural Loans	-	-	-	-	-	-	-
Mortgage Loans	-	-	-	-	-	-	-
Argentina/Chile/Uruguay	**10,986**	**9,258**	**8,164**	**1,729**	**18.7%**	**2,822**	**34.6%**
Total	33,373	28,472	21,960	4,902	17.2%	11,413	52.0%

Note: Includes endorsements and sureties.

Consolidated Credit Portfolio by Client Type and Risk Level

R$ million

Sep 30, 08	AA	A	B	C	D	E	F	G	H	Total
Individuals	**0**	**41,643**	**12,083**	**3,172**	**3,567**	**1,329**	**1,092**	**617**	**2,655**	**66,158**
Credit Card	0	2,839	5,471	1,026	936	338	182	147	508	11,447
Personal Loans	0	4,761	4,215	1,053	2,184	694	695	303	1,391	15,296
Vehicles	-	34,043	2,397	1,093	447	296	215	167	755	39,414
Businesses	**27,678**	**27,330**	**18,340**	**3,301**	**1,135**	**569**	**180**	**150**	**515**	**79,198**
Corporate	23,209	16,916	5,408	244	69	12	21	0	20	45,900
Small and Medium-Sized Companies	4,469	10,415	12,932	3,057	1,066	557	159	150	495	33,298
Mandatory Loans	1,953	4,452	1,176	170	118	160	34	20	61	8,144
Argentina/Chile/Uruguay	4,676	4,031	331	1,767	61	42	10	17	50	10,986
Total	34,308	77,457	31,930	8,409	4,881	2,100	1,317	803	3,282	164,486

Note: Includes endorsements and sureties.

Consolidated Balance Sheet

Quality of Credit Assets

The chart below presents a set of performance indicators associated with the quality of our credit assets.

Credit Asset Quality

R$ million

	Sep 30, 08	Jun 30, 08
Loans	151,015	134,879
Loans E-to-H	7,495	7,563
NPL (+60 days)	5,965	5,850
Provision Balance	8,789	8,388
Provision in Excess of Minimum	2,250	2,150
Write off	1,786	1,679
Recoveries	337	296
Expenses for Provisions for Loan Losses	2,052	1,958
Loans E-to-H / Loans	5.0%	5.6%
NPL / Loans	4.0%	4.3%
Provision Balance / NPL	147%	143%
Provision Balance / Loans E-to-H	117%	111%
Provision Balance / Loans	5.8%	6.2%
Excess Provision / Loans	1.5%	1.6%
Write off / Avg. Loans	1.2%	1.3%
Write off / Avg. Loans E-to-H	23.7%	22.7%
Expenses for Provision / Avg. Loans	1.4%	1.5%
Result from Loan Losses / Avg. Loans	1.2%	1.3%

Note: Endorsements and Sureties not included.

Real Estate Credit

The real estate credit portfolio totaled R$ 3,570 million at September 30, 2008, equal to a 12.2% growth from the prior quarter.

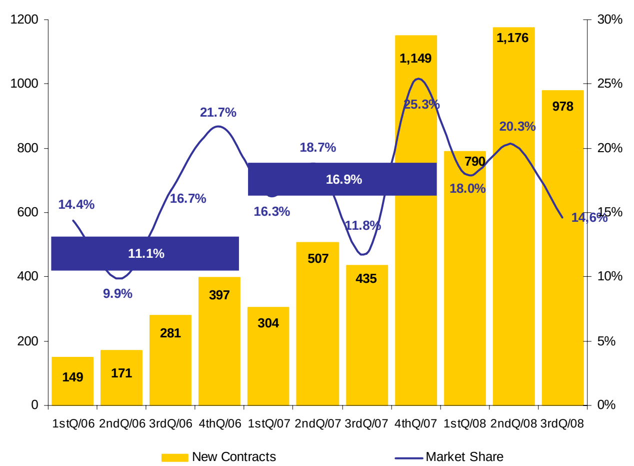
Between July and September 2008, the volume of new real estate financing contracts with individuals added up to R$ 433 million, while total financing to companies amounted to R$ 545 million.

The Bank activities in this area now include the operations of the promoter company CrediPronto!, under a partnership between Itaú and the real estate consulting firm Lopes.

Also noteworthy was the volume of structured transactions, in particular via securitization of real estate receivables (CRIs), which in the quarter reached R$ 488 million.

Real Estate Portfolio *

R$ million

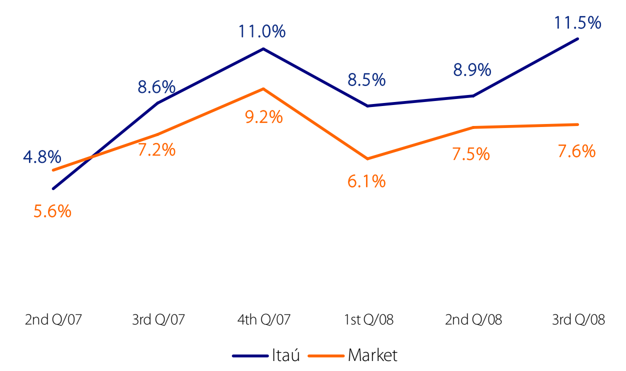


* Not included public banks

Credit Portfolio Growth

The chart below shows that our credit portfolio growth has outperformed the market, resulting in an increase in our market share.

Quarterly Growth of Credit Portfolio - Itaú vs Market



Note: Does not include sureties and endorsements. Does not consider the Argentina, Chile and Uruguay operations.

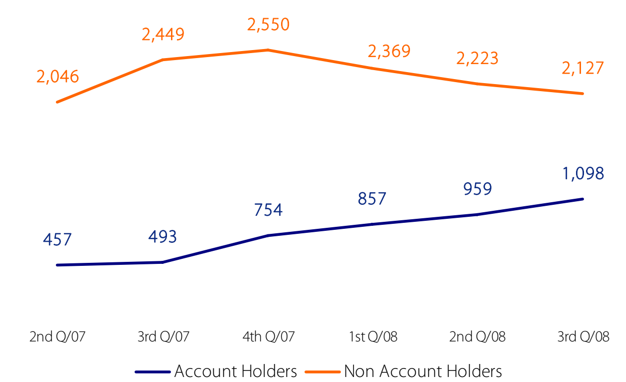
Source: Brazilian Central Bank.

Payroll Credit

At September 30, 2008, the payroll credit portfolio added up to R$ 3,225 million, a 1.4% increase from the prior quarter. The balance of transactions carried out with current account holders reached R$ 1,098 million, growing by 14.5% during the third quarter of the year. The balance of transactions with non-account holders declined by 4.3% compared to the second quarter, primarily as a result of the termination of the agreement with Banco BMG for the acquisition of payroll credit transactions.

Payroll Credit

R$ million



Subsequent Event

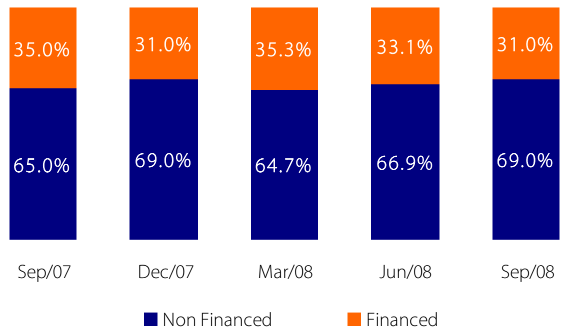
In October 2008, the Bank started to acquire credit portfolios from financial institutions, as allowed by Brazilian Central Bank Circular Letters 3,407, 3,411 and 3,414. The Bank purchased four portfolios totaling R$ 385 million.

Consolidated Balance Sheet

Credit Card

The financed portion of credit card transactions accounted for 31.0% of the total portfolio balance at September 30, 2008, as shown in the chart on the side, which also depicts the historical evolution of this performance indicator.

Credit Card Portfolio



Funding from customers

In the third quarter of 2008, funds obtained, net of reserve requirements, totaled R$ 162,905 million, or a 13.2% growth from the prior quarter. During the quarter, term deposits posted a significant 77.9% increase compared to the second quarter of the year. The Bank leverages its large customer base to obtain the funds required to support the expansion in credit transactions and maintain adequate liquidity levels.

The funding profiles are differentiated, inasmuch as the increase in credit transactions is supported by funds obtained from customers, while marginal funding needs are met through funds obtained in the market. At September 30, 2008, the total balance of credit transactions represented 92.7% of the total balance of funds obtained.

Funding from Customers

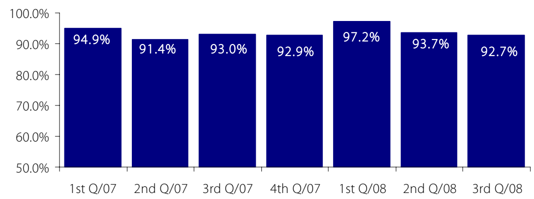
R$ million

							Variation (%)	
	Sep 30,08	%	Jun 30,08	%	Sep 30,07	%	Sep/08 - Jun/08	Sep/08 - Sep/07
Demand Deposits	19,960	11.8%	19,120	13.1%	20,121	18.0%	4.4%	-0.8%
Savings Deposits	29,925	17.7%	28,881	19.7%	25,715	23.0%	3.6%	16.4%
Time Deposits	60,847	36.0%	34,200	23.3%	23,242	20.7%	77.9%	161.8%
Mortgage - Backed Notes / Debentures (Committed Operations)	58,197	34.5%	64,269	43.9%	42,963	38.3%	-9.4%	35.5%
Funding from Customers	168,930	100.0%	146,471	100.0%	112,042	100.0%	15.3%	50.8%
Current Account Holders	152,923	90.5%	131,478	89.8%	96,591	86.2%	16.3%	58.3%
Institutional Customers - Market	16,007	9.5%	14,994	10.2%	15,451	13.8%	6.8%	3.6%
(-) Compulsory Deposits + Available Funds	(31,993)		(24,105)		(19,758)		32.7%	61.9%
Funding from Customers Net of Compulsory Deposits	136,936		122,366		92,284		11.9%	48.4%
Liabilities for Securities Abroad	5,161		3,743		3,373		37.9%	53.0%
Liabilities for Loans and Onlending	20,808		17,857		16,024		16.5%	29.9%
Total (A)	162,905		143,966		111,681		13.2%	45.9%
Loan Portfolio (B) (*)	151,015		134,879		103,832		12.0%	45.4%
B / A	92.7%		93.7%		93.0%			

(*) The credit portfolio balance does not include sureties and endorsements.

According to CVM Instruction 409, mutual funds administrators can acquire 20% of the total equity of mutual funds under management in fixed-income securities of their own issued. On September 30, 2008, the total equity of mutual funds managed by Itau had only 2.2% of fixed income assets of their own issued.

Funding percentage used in credit extensions



Stockholders' Equity

At September 30, 2008, the Bank's stockholders' equity totaled R$ 31,591 million, corresponding to a 4.1% increase compared to the prior quarter. At the end of the third quarter, the solvency (Basel) ratio stood at 14.7%.

Balance Sheet by Currency (*)

The Balance Sheet per Currency shows the balances linked to the local and foreign currencies. At September 30, 2008, the net foreign exchange position, including investments abroad and disregarding the portion of minority interests, was a liability of US$ 4,266 million.

R$ million

Assets	Set 30,08					Jun 30,08
	Consolidated	Business in Brazil			Business Abroad	Business in Brazil
		Total	Local Currency	Foreign Currency		Foreign Currency
Cash and Cash Equivalents	6,021	4,145	3,691	454	1,897	589
Short Term Interbank Deposits	86,491	78,973	79,005	(33)	13,133	162
Securities	81,607	73,934	72,293	1,640	16,612	1,412
Loans	151,015	129,418	119,481	9,936	26,002	8,054
(Allowance for Loan Losses)	(8,789)	(8,475)	(8,475)	0	(314)	0
Other Assets	75,967	78,438	61,139	17,298	7,004	13,811
Foreign Exchange Portfolio	24,268	29,232	12,308	16,925	4,478	13,423
Other	51,699	49,205	48,832	374	2,526	388
Permanent Assets (v)	4,287	15,561	2,898	12,663	1,394	10,395
TOTAL ASSETS (i)	396,599	371,993	330,034	41,959	65,728	34,422
Derivatives - Purchased Positions (iii)				50,131		37,332
Futures				16,226		14,091
Options				14,548		5,225
Swaps				8,999		11,135
Other				10,358		6,880
TOTAL ASSETS AFTER ADJUSTMENTS (a)				92,090		71,755

Liabilities and Equity	Set 30,08					Jun 30,08
	Consolidated	Business in Brazil			Business Abroad	Business in Brazil
		Total	Local Currency	Foreign Currency		Foreign Currency
Deposits	113,078	90,725	90,609	116	23,291	63
Funds Received under Securities Repurchase Agreements	105,803	104,100	104,100	0	1,707	0
Funds from Acceptances and Issue of Securities	10,583	13,402	5,279	8,123	5,168	6,090
Borrowings and On-Lendings	20,808	18,373	6,836	11,538	12,484	7,470
Derivative Financial Instruments	5,094	3,986	3,986	0	1,108	0
Other Liabilities	79,608	80,581	62,802	17,779	9,260	15,176
Foreign Exchange Portfolio	23,949	28,857	12,314	16,543	4,534	13,976
Other	55,659	51,725	50,488	1,236	4,726	1,200
Technical Provisions of Insurance, Pension Plans and Capitalization	27,573	27,573	27,573	0	0	0
Deferred Income	90	74	74	0	16	0
Minority Interest in Subsidiaries	2,371	1,588	1,588	0	31	0
Stockholders' Equity of Parent Company (vi)	31,591	31,591	31,591	0	12,663	0
TOTAL LIABILITIES AND EQUITY (ii)	396,599	371,993	334,437	37,556	65,728	28,798
Derivatives - Sold Positions (iv)				61,788		50,192
Futures				26,141		23,738
Options				12,907		5,068
Swaps				16,864		17,908
Other				5,875		3,479
TOTAL LIABILITIES AND EQUITY AFTER ADJUSTMENTS (b)				99,344		78,990
Foreign Exchange Position (c = a - b)				(7,253)		(7,236)
Foreign Exchange Position of Minority Stockholders (d)				(912)		(789)
Net Foreign Exchange Position after Minority Stockholders (c + d) R$				(8,166)		(8,025)
Net Foreign Exchange Position after Minority Stockholders (c + d) US$				(4,266)		(5,041)

(*) Excludes transactions between local and foreign business.

Banco Itaú Holding Financeira S.A.

Value at Risk
Activities Abroad
Ownership Structure
Performance in the Stock Market

Value at Risk (VaR)

VaR of the Business Units of Itaú

We show below tables with the VaR of the units of Itaú.

Banco Itaú

As the fixed rate market is expected to maintain its current trend (decrease in future rates), Itaú continued to pursue its strategy of optimizing the risk/return ratio.

The Structural Gap, including commercial transactions and related financial instruments, increased in all risk factors which comprise this portfolio, driven by the higher volatilities of the various risk factors, on account of uncertainties seen in the global financial market. Such values, however, remain at quite low levels considering the Bank's net equity.

Structural Gap Banco Itaú VaR (*)

R$ million

	Sep 30, 08	Jun 30, 08
Fixed Rate	169.8	96.4
Benchmark Rate (TR)	30.4	6.7
Inflation Rates	6.9	4.0
Dollar Coupon Rate	31.4	7.0
Foreign Exchange (**)	22.8	0.4
Equities	14.7	5.4
Diversification Impact	(88.5)	(18.1)
Global VaR (**)	**187.5**	**101.8**

(*) VaR refers to the maximum potential loss in 1 day, with a 99% confidence level.
(**) Considering the effects of tax adjustments.

Stress VaR of the Proprietary Desk of Banco Itaú

R$ million

	Sep 30, 08	Jun 30, 08
Global Stress VaR	(77.3)	(68.6)
Maximum Global Stress VaR in the quarter	(107.1)	(163.1)
Average Global Stress VaR in the quarter	(87.7)	(84.3)
Minimum Global Stress VaR in the quarter	(66.2)	(57.8)

Itaú BBA

During the third quarter of 2008, the financial markets experienced significantly higher volatilities in the wake of the aggravation of the U.S. credit crisis, the influence of which was already felt in the prior quarter, as well as a more bearish outlook for global growth. Under such a scenario of strong global risk aversion, the dollar appreciated sharply against all other currencies, in spite of the slowdown and uncertainties prevalent in the U.S. economy.

Itaú BBA is always rigorous in the application of a prudent market risk management policy, so that even in such a volatile environment, its values at risk remained negligible given the institution's net equity. Average VaR for the quarter corresponds to less than 0.5% of the Bank's tier 1 capital.

Banco Itaú BBA VaR

R$ million

	Sep 30, 08	Jun 30, 08
Fixed Rate	2.5	9.1
Dollar Coupon Rate	10.6	1.7
Foreign Exchange (*)	28.5	0.1
Equities	5.9	2.9
Sovereign	25.1	9.7
Inflation Rates	1.3	1.6
Foreign Interest Rates	3.6	1.3
Commodities	0.1	0.3
Foreign Exchange - Other Currencies	0.8	0.7
Other	12.5	1.0
Diversification Impact	(64.6)	(13.8)
Global VaR (*)	**26.2**	**14.5**

(*) Considering the effects of tax adjustments.

Itaú

The next table shows Banco Itaú Holding Financeira consolidated Global VaR, comprising the portfolios of Itaú BBA, Banco Itaú Europa, Banco Itaú Argentina, Banco Itaú Chile and Itaú's structural portfolio. Itaú's and Itaú BBA's portfolios are analyzed together and segregated by risk factor. It can be seen that the diversification of business units' risks is significant, which enables the group to maintain an overall exposure to market risk at very low levels when compared to its capital.

Itaú continues to adhere to its policy of operating within relatively low limits. Although the Global VaR has changed at the end of the quarter, there was no significant alteration of the average Global risk levels, even with the increased volatility of the individual risk factors.

Itaú VaR (*)

R$ million

		Sep 30, 08	Jun 30, 08
Banco Itaú (*) + Itaú BBA	Fixed Rate	167.6	99.8
	Benchmark Rate (TR)	30.4	6.7
	Inflation Rates	7.2	3.0
	Dollar Coupon Rate	39.4	6.7
	Foreign Exchange (**)	52.4	0.4
	Private and Sovereign Securities	27.5	14.7
	Equities	21.2	8.9
	Foreign Interest Rates	19.6	2.8
	Commodities	0.1	0.3
	Foreign Exchange - Other Currencies	0.8	0.7
	Other	12.5	1.0
Banco Itaú Europa		7.2	3.8
Banco Itaú Buen Ayre		4.1	3.0
Banco Itaú Chile		1.0	0.4
Diversification Impact		(179.4)	(41.2)
Global VaR (**)		**211.6**	**110.8**
Average Global VaR in the quarter		**117.4**	**122.5**

(*) Not considering the Proprietary Desk Portfolio.
(**) Considering the effects of tax adjustments.

Find out more on risk management in Note 20 to the Financial Statements or in our Investor Relations website, www.itauri.com.br, in the Corporate Governance / Risk Management section, and also in Form 20-F, available in the Financial Information/SEC Files section.

Activities Abroad

Financial Statements

Below we present the financial statements of our main units abroad.

On September 30, 2008

R$ million

ASSETS	Consolidated Itaú Europa	Banco Itaú Argentina	Consolidated Itaú Chile	Consolidated Itaú Uruguai
Current and Long-term Assets	**12,107**	**2,364**	**9,806**	**2,646**
Cash and Cash Equivalents	316	100	383	829
Short-term Interbank Deposits	3,759	198	311	296
Securities	2,080	59	1,295	107
Loans	5,658	1,525	7,441	1,368
(Allowance for Loan Losses)	(56)	(26)	(116)	(72)
Other Credits	261	247	394	108
Other Assets	88	260	99	9
Permanent Assets	**711**	**63**	**137**	**27**
Investments	458	13	1	0
Fixed Assets	12	41	86	24
Deferred Changes	241	8	51	2
TOTAL ASSETS	12,818	2,426	9,943	2,673

LIABILITIES AND EQUITY	Consolidated Itaú Europa	Banco Itaú Argentina	Consolidated Itaú Chile	Consolidated Itaú Uruguai
Current and Long-term Liabilities	**11,634**	**2,216**	**8,662**	**2,390**
Deposits	7,005	1,830	6,175	1,987
Deposits Received under Securities Repurchase Agreements	171	28	263	-
Funds from Acceptances and Issue of Securities	2,474	-	488	-
Borrowings and On-lendings	1,224	103	1,084	13
Derivative Financial Instruments	123	6	203	-
Other Liabilities	638	247	450	390
Deferred Income	**11**	**0**	**0**	**-**
Minority Interest in Subsidiaries	**0**	**-**	**0**	**0**
Stockholders' Equity of Parent Company	**1,172**	**211**	**1,281**	**283**
TOTAL LIABILITIES AND EQUITY	12,818	2,426	9,943	2,673

3rd Quarter/08	Consolidated Itaú Europa	Banco Itaú Argentina	Consolidated Itaú Chile	Consolidated Itaú Uruguai
Financial Margin	**57**	**54**	**146**	**71**
Result from Loan Losses	**(15)**	**1**	**(31)**	**(2)**
Provision for Loan and Lease Losses	(15)	(1)	(35)	(3)
Recovery of Credits Written-Off as Losses	-	2	5	1
Net Result from Financial Operations	**41**	**55**	**116**	**69**
Other Operating Income/(Expenses)	**18**	**(49)**	**(59)**	**(28)**
Banking Service Fees	40	24	25	49
Non-interest Expenses	(70)	(77)	(87)	(72)
Equity in the Earnings of Associated Companies	23	2	0	0
Other Operating Income	24	2	4	(4)
Operating Income	**59**	**6**	**57**	**41**
Non-operating Income	-	1	1	0
Income before Tax and Profit Sharing	**59**	**7**	**58**	**42**
Income Tax and Social Contribution	**(9)**	**(1)**	**(6)**	**(5)**
Profit Sharing	**(2)**	**(1)**	**-**	**-**
Minority Interest in Subsidiaries	**(0)**	**-**	**(0)**	**(0)**
Recurring Net Income	**48**	**4**	**52**	**37**
Return on Equity - Annualized (%p.y.)	**17.5%**	**8.9%**	**18.7%**	**57.5%**
Efficiency Ratio	**57.7%**	**96.0%**	**50.0%**	**62.7%**

On September 30, 2008 the financial statements of our main units abroad are affected by exchange variances occurred in the second and third quarters of 2008, as shown below, which have counterparties with hedge strategies on treasury transactions.

Currency	Euro	Argentinean Peso	Chilean Peso	Uruguayan Peso
1st Quarter/08 x 2nd Quarter/08	-9.2%	-4.7%	-24.3%	-5.0%
2nd Quarter/08 x 3rd Quarter/08	7.5%	16.1%	14.4%	10.3%

Europe (Lisbon, London and Luxembourg)

During the third quarter of 2008, net income of these units amounted to R$ 48 million (a 15.1% increase from the prior quarter), driven by the growth in financial margin arising from higher gains on treasury transactions, partly offset by increased expenses associated with a change in strategy and market positioning (personnel and consulting).

Argentina

In the third quarter, our customer base increased by approximately 10 thousand customers (4.3%), reflecting our efforts to expand our market share in Argentina.

Activities Abroad

On June 30, 2008

R$ million

ASSETS	Consolidated Itaú Europa	Banco Itaú Argentina	Consolidated Itaú Chile	Consolidated Itaú Uruguai
Current and Long-term Assets	**10,490**	**2,108**	**8,221**	**2,106**
Cash and Cash Equivalents	121	84	252	570
Short-term Interbank Deposits	4,038	214	268	356
Securities	1,532	115	1,303	80
Loans	4,518	1,351	6,239	1,099
(Allowance for Loan Losses)	(39)	(29)	(89)	(61)
Other Credits	168	156	177	54
Other Assets	152	217	71	6
Permanent Assets	**605**	**41**	**115**	**23**
Investments	389	7	1	0
Fixed Assets	10	29	74	21
Deferred Changes	206	5	40	2
TOTAL ASSETS	11,095	2,149	8,337	2,128

LIABILITIES AND EQUITY	Consolidated Itaú Europa	Banco Itaú Argentina	Consolidated Itaú Chile	Consolidated Itaú Uruguai
Current and Long-term Liabilities	**10,085**	**1,976**	**7,376**	**1,893**
Deposits	6,146	1,770	5,047	1,587
Deposits Received under Securities Repurchase Agreements	157	68	173	-
Funds from Acceptances and Issue of Securities	2,116	-	800	-
Borrowings and On-lendings	995	1	846	13
Derivative Financial Instruments	147	1	209	-
Other Liabilities	525	136	301	293
Deferred Income	**8**	**0**	**0**	**-**
Minority Interest in Subsidiaries	**0**	**-**	**0**	**0**
Stockholders' Equity of Parent Company	**1,001**	**173**	**960**	**235**
TOTAL LIABILITIES AND EQUITY	11,095	2,149	8,337	2,128

2nd Quarter/08	Consolidated Itaú Europa	Banco Itaú Argentina	Consolidated Itaú Chile	Consolidated Itaú Uruguai
Financial Margin	**37**	**39**	**54**	**22**
Result from Loan Losses	**(4)**	**(2)**	**(12)**	**2**
Provision for Loan and Lease Losses	(4)	(2)	(14)	1
Recovery of Credits Written-Off as Losses	-	0	2	2
Net Result from Financial Operations	**33**	**38**	**42**	**24**
Other Operating Income/(Expenses)	**9**	**(34)**	**(25)**	**(11)**
Banking Service Fees	35	14	11	34
Non-interest Expenses	(58)	(51)	(38)	(55)
Equity in the Earnings of Associated Companies	22	1	(0)	-
Other Operating Income	11	3	1	10
Operating Income	**42**	**4**	**17**	**13**
Non-operating Income	-	1	(1)	(1)
Income before Tax and Profit Sharing	**42**	**5**	**16**	**12**
Income Tax and Social Contribution	**(0)**	**(0)**	**(1)**	**(1)**
Profit Sharing	**(1)**	**(1)**	**-**	**-**
Minority Interest in Subsidiaries	**(0)**	**-**	**(0)**	**0**
Recurring Net Income	**41**	**3**	**15**	**11**
Return on Equity - Annualized (%p.y.)	15.6%	7.1%	6.1%	19.5%
Efficiency Ratio	70.1%	92.2%	56.3%	83.2%

Chile

The 19.3% increase in our consolidated assets reflects the 14.4% appreciation of the Chilean peso against the real, together with the growth in the real estate credit portfolio for individuals and small and mid-sized companies that was driven by the 4.4% expansion in the customer base.

Net income was favorably impacted by foreign exchange rates and the increase in revenues from the credit portfolio, partly offset by a growth in provisions for doubtful loans, as well as higher personnel expenses driven by a new agreement with the local union.

Uruguay

At the end of the third quarter of 2008, consolidated assets posted a 25.6% increase which, disregarding the 10.3% appreciation of the Uruguayan peso against the real, implies real growth in the corporate customer credit portfolio, funded by increased deposits by individuals and companies enabled by a 2.9% growth in the customer base.

The increased net income is attributable to exchange gains, higher revenues from credit cards and services, on account of the merger of Unión Capital Afap, a private pension plan company holding a 21% market share in Uruguay. These items were partly offset by the growth in personnel expenses under a new agreement with the local workers' union, and merger costs.

Ownership Structure

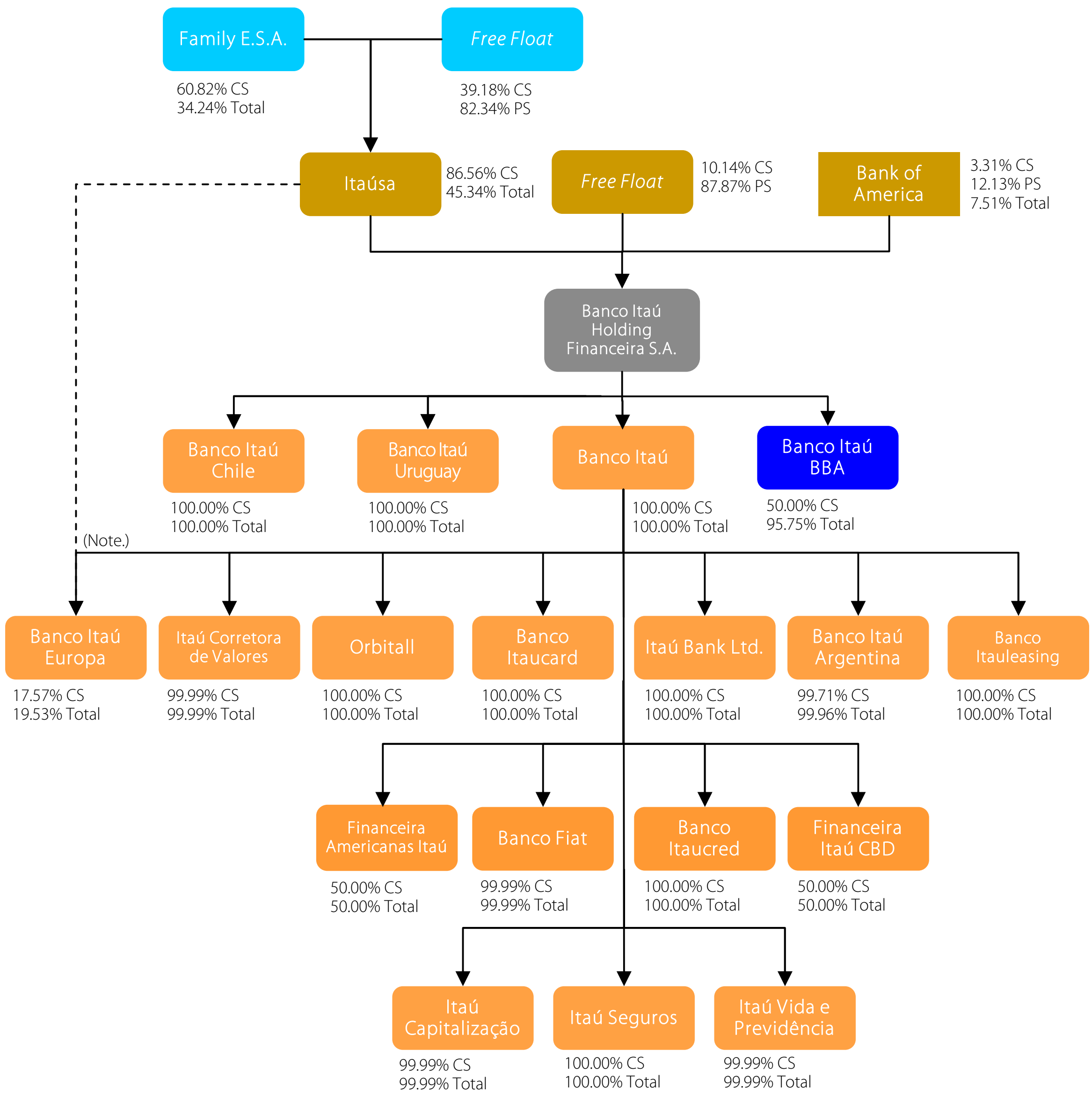
Management of our ownership structure is intended to optimize the capital allocation to the various segments comprising the conglomerate. Note 15 to the Consolidated Financial Statements sets out the average acquisition cost of treasury shares, as well as the activity in options granted to conglomerate executives under the "Option Plan".

BANCO ITAÚ HOLDING FINANCEIRA S.A.			
Total Shares (in thousands)	Common	Preferred	Total
Balance at June 2008	1,553,419	1,469,990	3,023,408
Shares in Treasury - June 2008 (in thousands) (*)	-	(58,142)	(58,142)
Total Shares (-) Treasury (in thousands)	1,553,419	1,411,848	2,965,266
Balance at September 2008	1,553,419	1,469,990	3,023,408
Shares in Treasury - September 2008 (in thousands)	-	(57,670)	(57,670)
Total Shares (-) Treasury (in thousands)	1,553,419	1,412,320	2,965,739

Number of Shareholders - September 2008	73,455

(*) Note: It was awarded 473 thousands preferred shares in the third quarter of 2008.

The organization chart below summarizes our current ownership structure.



Note: Itaúsa's direct and indirect interest in Banco Itaú Europa is 89.32%.

Performance in the Stock Market

At September 30, 2008, our preferred shares (ITAU4) were traded at R$ 31.90 per share, while common shares (ITAU3) were traded at R$ 31.40 per share. Our ADRs (ITU), traded on the New York Stock Exchange (NYSE), closed the third quarter of 2008 with a 13.8% depreciation quarter-on-quarter, quoted at US$ 17.50 per ADR. At the end of the third quarter of 2008, Itaú Holding's market capitalization was R$ 90.5 billion.

Stock Market Performance (São Paulo Stock Exchange) - R$

3rd Quarter - 2008	Preferred Shares	Common Shares
Maximum in the quarter (a)	34.89	31.40
Average in the quarter	31.45	28.36
Minimum in the quarter (b)	27.00	24.70
Variation % (a/b)	29.2%	27.1%
Closing Price (*)	31.90	31.40

(*) In September 30th, 2008.

Average Daily Negotiated Volume - R$ million

Year	Bovespa	NYSE	Total
2002	22	8	30
2003	23	12	35
2004	31	19	50
2005	59	42	101
2006	63	81	144
2007	103	169	272
2008 (*)	143	269	412

(*) In September 30th, 2008.

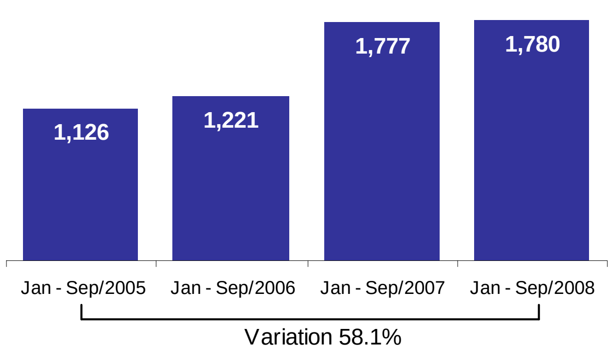
Highlights of the third quarter of 2008:

A) The Ibovespa index declined by 23.8%, while Itaú's PN shares decreased by 2.1%, and ON shares appreciated by 3.8% in the same period.

B) The average financial volume of trading of our shares and ADRs reached R$ 422.8 million, increasing by 6.9% compared to the prior quarter.

C) The financial volume traded on NYSE amounted to R$ 18.0 billion and corresponded to 66.3% of the total volume of shares and ADRs traded.

Dividends/Net Interest on Own Capital (JCP) - R$ Million



Apimec 2008 Cycle – 3rd Quarter

Under the ongoing Apimec 2008 Cycle throughout Brazil, two meetings were held in the third quarter of 2008, in the cities of Caxias do Sul and Fortaleza, the latter with the record high audience of 403 participants. The 1st meeting in Belém has been scheduled for November 17 at Crowne Plaza and the 13th consecutive meeting sponsored by Itaú together with Itaúsa has been scheduled for December 9 in São Paulo, at the Buffet Rosa Rosarum. Invitations to this and other meetings will soon be available on Itaú's Investor Relations website (www.itauri.com). Four more meetings will be held, for a total of 20 expected to be carried out in 2008.

Awards

- For the 9th consecutive year, the Bank was selected to comprise the Dow Jones Sustainability World Indexes, and is the only Latin American bank to be included in this important index since its inception;
- Most Sustainable and Best Managed Bank in Latin America for the 4th consecutive year - *LatinFinance/Management& Excelence* magazine;
- Best Apimec Meeting in the Rio de Janeiro and Fortaleza Chapters, in addition to National Apimec Award in the "Best Publicly-Held Company" category;
- 1st position in the Interbrand Ranking of the Most Valuable Brands in Latin América – our brand was estimated at approximately US$ 6 billion.

Subsequent Events

Capital Markets

In spite of the significant volatility seen in capital markets in September and October, the Itaú shares were less impacted than the main indices used by the market, as follows:

Shares and Indexes	Oscillation between 09/01 and 10/31
Itaú PN (preferred)	-23.5%
Itaú ON (common)	-16.3%
Ibovespa	-32.5%
Ibrx-50	-31.4%
ISE	-27.9%
IGC	-33.6%

Banco Itaú and Marisa S.A. Partnership

On October 18, 2008, Itaú Holding announced an operating agreement entered into with Marisa S.A., the largest women's apparel retail network in Brazil. The 10-year agreement was designed to create a new co-branded Itaú/Marisa credit card. The partnership will enable expansion and improvement of the existing offer of financial products and services to Marisa's customers (such as credit cards under widely accepted banners, personal loans, payroll loans, among others) through the latter's distribution channels. At September 30, 2008, Marisa had 207 stores in Brazil and over 9 million private label cards. Results from this offer, distribution and marketing effort will be shared on equal terms by Itaú and Marisa. This alliance will benefit Itaú by strengthening its leadership in the consumer credit market, in line with the Bank's strategy to team up with large retailers.

PricewaterhouseCoopers
Av. Francisco Matarazzo, 1700
Torre Torino
Caixa Postal 61005
05001-400 São Paulo, SP - Brasil
Telefone (0xx11) 3674-2000

Report of Independent Accountants on Supplementary Information

To the Board of Directors and Stockholders
Banco Itaú Holding Financeira S.A.

1 In connection with our limited review of the financial statements of Banco Itaú Holding Financeira S.A. (Bank) and Banco Itaú Holding Financeira S.A. and its subsidiary companies (consolidated) as of September 30, 2008 and 2007 and for the nine-month periods then ended, on which we issued an unqualified opinion dated November 3, 2008, we performed a review of the supplementary information included in the Management Discussion and Analysis Report on the Consolidated Operations of Banco Itaú Holding Financeira S.A. and its subsidiary companies for the third quarter of 2008.

2 Our work was performed in accordance with specific rules set forth by the Institute of Independent Accountants of Brazil (IBRACON), in conjunction with the Federal Accountancy Council, for the purpose of reviewing the accounting information contained in the supplementary information of Management Discussion and Analysis Report on the Consolidated Operations of the Banco Itaú Holding Financeira S.A. and its subsidiary companies, and mainly comprised: (a) inquiry of, and discussion with, management responsible for the accounting, financial and operational areas of the Bank with regard to the main criteria adopted for the preparation of the accounting information presented in the supplementary information and (b) a review of the significant information and of the subsequent events which have, or could have, significant effects on the financial position and operations of the Bank and its subsidiaries. The supplementary information included in the Management Discussion and Analysis Report on the Consolidated Operations is presented to permit additional analysis. Notwithstanding, this information should not be considered an integral part of the financial statements.

3 On the basis of our review, we are not aware of any material modifications that should be made to the accounting information contained in this supplementary information, in order for it to be adequately presented, in all material respects, in relation to the financial statements at September 30, 2008 taken as a whole.

São Paulo, November 3, 2008

CRC 2SP000160/O-5
PricewaterhouseCoopers
Auditores Independentes

Emerson Laerte da Silva
Contador CRC 1SP171089/O-3