



1st quarter 2015 – Earnings Review

Conference Call

Eduardo Mazzilli de Vassimon

Executive Vice-President, CFO (Chief Financial Officer)
and CRO (Chief Risk Officer)

Marcelo Kopel

Investor Relations Officer



Highlights

Recurring Net Income

R\$5.8
billion

▲ 2.6% (1Q15/4Q14)

▲ 28.2% (1Q15/1Q14)

Recurring ROE (p.a.)

24.5%

▼ 20 bps (1Q15/4Q14)

▲ 190 bps (1Q15/1Q14)

12-month ROE was 24.4%

Credit Quality

3.0%
NPL 90

▼ 10 bps (1Q15/4Q14)

▼ 50 bps (1Q15/1Q14)

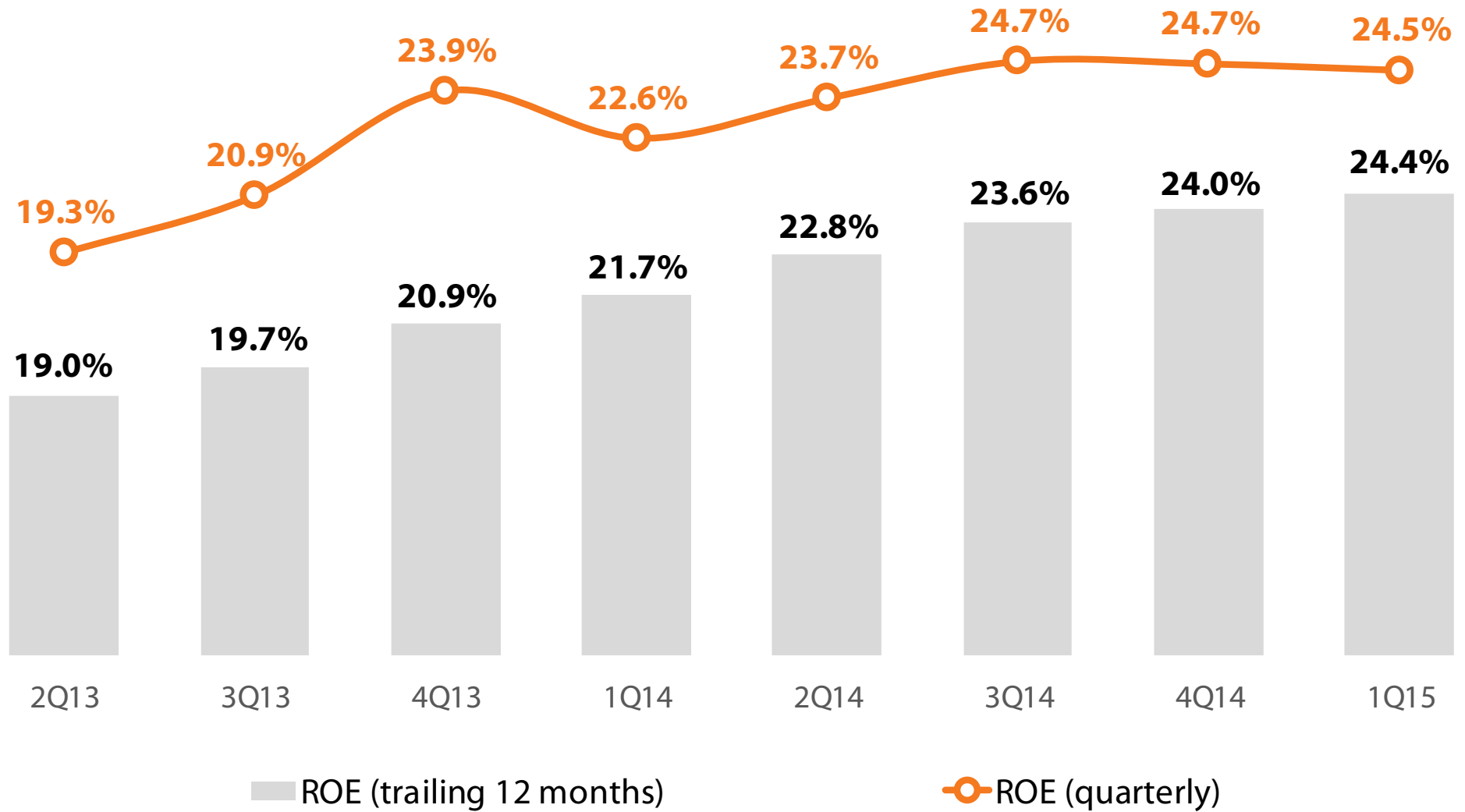
NPL 15-90: 2.9% ▲ 40 bps (1Q15/4Q14)

▼ 10 bps (1Q15/1Q14)

- **Financial Margin with Clients:** ▲ 3.0% (1Q15/4Q14) and ▲ 18.7% (1Q15/1Q14) totaled R\$14.1 billion in the quarter
- **Financial Margin with Market:** ▲ 83.7% (1Q15/4Q14) and ▲ 204.9% (1Q15/1Q14) totaled R\$1.9 billion in the quarter
- **Loan Loss Provision:** ▲ 19.5% (1Q15/4Q14) and ▲ 29.7% (1Q15/1Q14) reached R\$5.5 billion in the quarter
- **Fees and Results from Insurance¹:** ▲ 0.9% (1Q15/4Q14) and ▲ 12.5% (1Q15/1Q14) reached R\$8.3 billion in the quarter
- **Non-Interest Expenses:** ▼ 2.3% (1Q15/4Q14) and ▲ 9.3% (1Q15/1Q14) totaled R\$9.9 billion in the quarter
- **Efficiency Ratio:** ▼ 330 bps (1Q15/4Q14) and ▼ 500 bps (1Q15/1Q14) reached 43.2% in the quarter; Risk-Adjusted Efficiency Ratio reached 62.7%
- **Loan Portfolio:** ▲ 3.4% (1Q15/4Q14) and ▲ 13.2% (1Q15/1Q14) including private securities ▲3.4% in the quarter and ▲13.8% (1Q15/1Q14)

¹ Result from Insurance (-) Retained Claims (-) Selling Expenses from Insurance.

Recurring ROE



In R\$ millions	1Q15	4Q14	variation		1Q14	variation	
Operating Revenues	24,946	23,754	1,192	5.0%	20,662	4,284	20.7%
Managerial Financial Margin	15,963	14,705	1,258	8.6%	12,488	3,475	27.8%
Financial Margin with Clients	14,092	13,687	405	3.0%	11,874	2,218	18.7%
Financial Margin with Market	1,871	1,018	853	83.7%	614	1,257	204.9%
Comissions and Fees	6,867	6,825	42	0.6%	6,057	810	13.4%
Result from Insurance ¹	2,117	2,224	(108)	-4.8%	2,118	(1)	-0.1%
Loan Losses Net of Recovery	(4,455)	(3,284)	(1,171)	35.7%	(3,164)	(1,291)	40.8%
Loan Loss Provision Expenses	(5,515)	(4,614)	(901)	19.5%	(4,252)	(1,264)	29.7%
Recovery of Credits	1,060	1,330	(269)	-20.3%	1,088	(27)	-2.5%
Retained Claims	(368)	(497)	129	-25.9%	(487)	119	-24.3%
Other Operating Expenses	(11,602)	(11,633)	31	-0.3%	(10,464)	(1,138)	10.9%
Non-interest Expenses	(9,881)	(10,113)	232	-2.3%	(9,039)	(842)	9.3%
Tax Expenses and Other ²	(1,721)	(1,520)	(201)	13.2%	(1,425)	(297)	20.8%
Income before Tax and Minority Interests	8,520	8,340	181	2.2%	6,547	1,973	30.1%
Income Tax and Social Contribution	(2,607)	(2,595)	(12)	0.5%	(1,955)	(652)	33.4%
Minority Interests in Subsidiaries	(105)	(85)	(21)	24.3%	(64)	(42)	65.1%
Recurring Net Income	5,808	5,660	148	2.6%	4,529	1,279	28.2%
Non-recurring Events	(75)	(140)	65	-46.5%	(110)	35	-31.8%
Net Income	5,733	5,520	213	3.9%	4,419	1,314	29.7%

¹ Income from Insurance includes the Results from Insurance, Pension Plan and Premium Bonds Operations before Retained Claims and Sellig Expenses.

² Include Tax Expenses (ISS, PIS, COFINS and other) and Selling Expenses from Insurance.

In R\$ millions, end of the period	1Q15	4Q14	variation		1Q14	variation	
Individuals	187,286	186,212	1,074	0.6%	168,214	19,072	11.3%
Credit Card Loans	56,331	59,321	(2,990)	-5.0%	52,966	3,365	6.4%
Personal Loans	29,822	28,541	1,281	4.5%	28,274	1,548	5.5%
Payroll Loans	44,608	40,525	4,083	10.1%	24,652	19,957	81.0%
Vehicle Loans	26,331	28,927	(2,596)	-9.0%	37,086	(10,755)	-29.0%
Mortgage Loans	30,194	28,898	1,296	4.5%	25,236	4,958	19.6%
Companies	304,409	295,366	9,043	3.1%	275,083	29,326	10.7%
Corporate Loans	218,970	211,241	7,729	3.7%	191,260	27,710	14.5%
Very Small, Small and Middle Market Loans	85,439	84,125	1,314	1.6%	83,822	1,616	1.9%
Latin America	51,699	43,942	7,758	17.7%	36,823	14,876	40.4%
Total with Endorsements and Sureties	543,394	525,519	17,875	3.4%	480,120	63,274	13.2%
Corporate - Private Securities	35,202	34,175	1,027	3.0%	28,126	7,076	25.2%
Total with Endorsements, Sureties and Private Securities	578,596	559,694	18,902	3.4%	508,246	70,350	13.8%
Total with Endorsements, Sureties and Private Securities (ex-foreign exchange rate variation)	578,596	582,068	(3,471)	-0.6%	544,316	34,280	6.3%

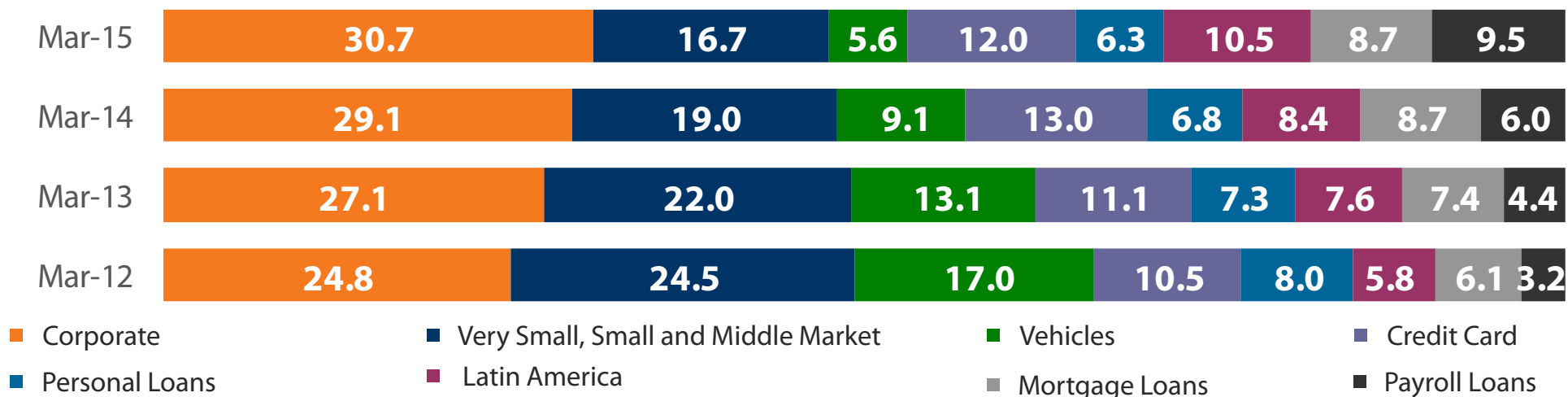
Credit and Trading & Insurance and Services



In R\$ billions	1Q15				4Q14				variation			
	Consolidated	Credit and Trading	Insurance and Services	Excess Capital	Consolidated	Credit and Trading	Insurance and Services	Excess Capital	Consolidated	Credit and Trading	Insurance and Services	Excess Capital
Operating Revenues	24.9	13.8	10.9	0.2	23.8	12.9	10.8	0.1	5%	7%	2%	37%
Managerial Financial Margin	16.0	11.5	4.2	0.2	14.7	10.6	4.0	0.1	9%	9%	6%	37%
Comissions and fees	6.9	2.3	4.6	-	6.8	2.3	4.6	-	1%	0.4%	1%	-
Result from Insurance	2.1	-	2.1	-	2.2	-	2.2	-	-5%	-	-5%	-
Loan Loss Provision Expenses Net of Recoveries	(4.5)	(4.5)	-	-	(3.3)	(3.3)	-	-	36%	36%	-	-
Retained Claims Expenses	(0.4)	-	(0.4)	-	(0.5)	-	(0.5)	-	-26%	-	-26%	-
Non-interest Expenses and Other Expenses	(11.7)	(5.6)	(6.1)	(0.0)	(11.7)	(5.4)	(6.3)	(0.0)	-0.1%	4%	-4%	38%
Recurring Net Income	5.8	2.6	3.0	0.2	5.7	2.7	2.8	0.1	3%	-5%	9%	36%
Regulatory Capital	97.0	61.6	26.4	9.0	95.8	59.5	28.5	7.9	1.2%	3.5%	-7.2%	13.5%
Recurring Return	24.5%	17.1%	47.1%	7.8%	24.7%	19.1%	38.0%	6.2%	(20 bps)	(200 bps)	910 bps	160 bps

Financial Margin with Clients Breakdown

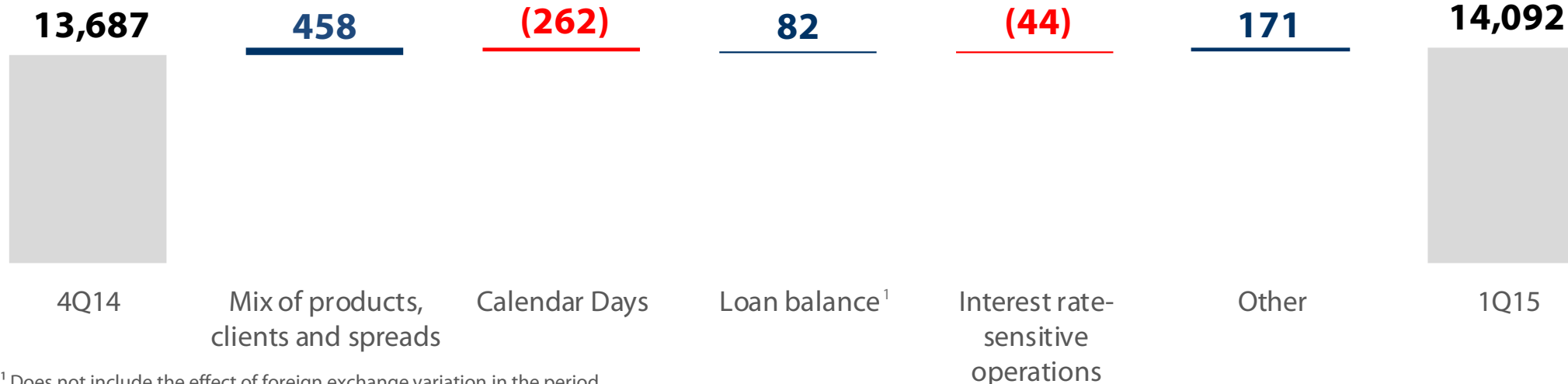
Loan Portfolio Mix Change ¹ (%)



¹ Excluding endorsements and sureties

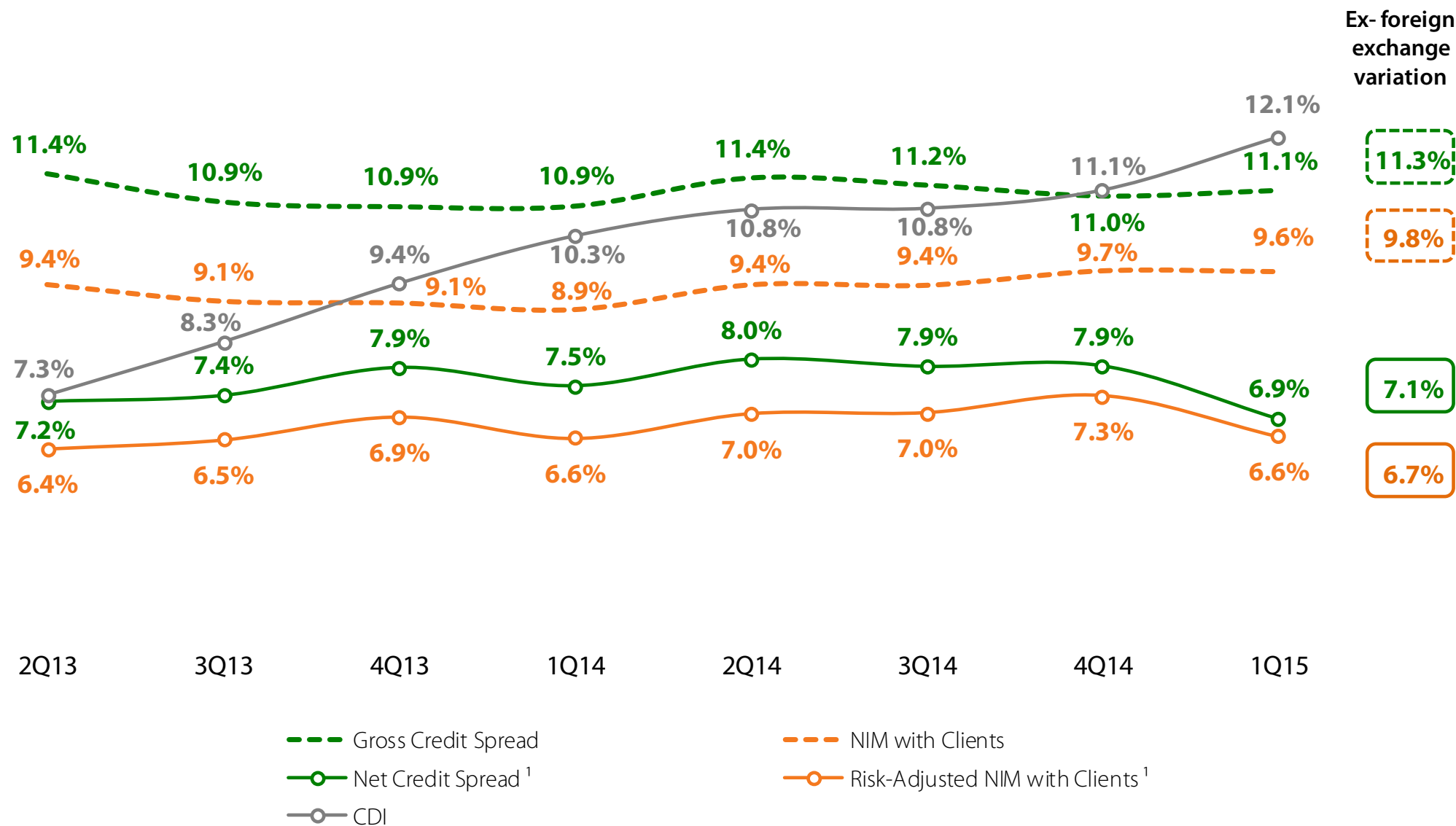
Financial Margin with Clients Breakdown (Quarter)

In R\$ millions



¹ Does not include the effect of foreign exchange variation in the period.

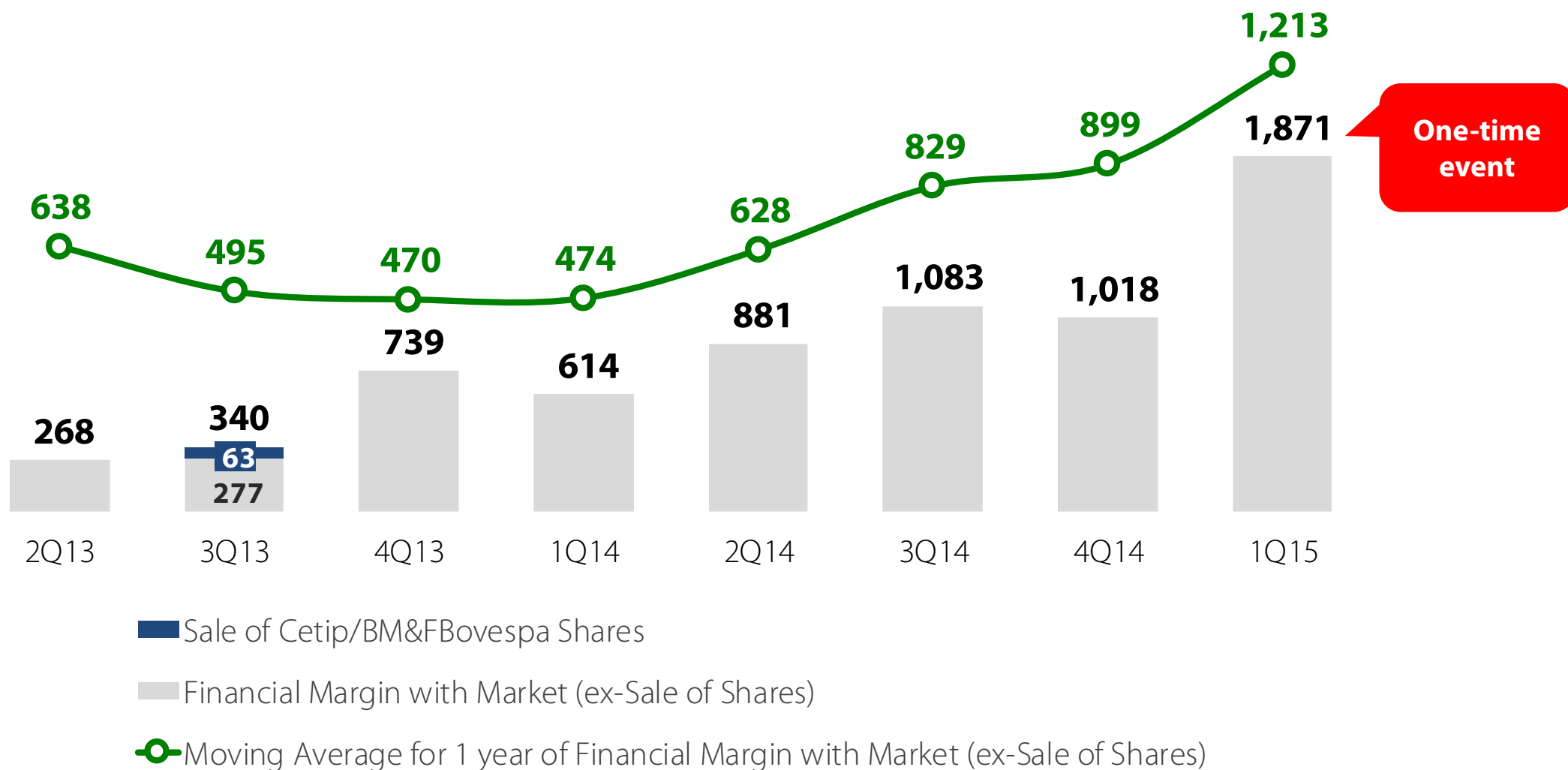
Net Interest Margin



¹ After loan loss provision expenses, net of recoveries.

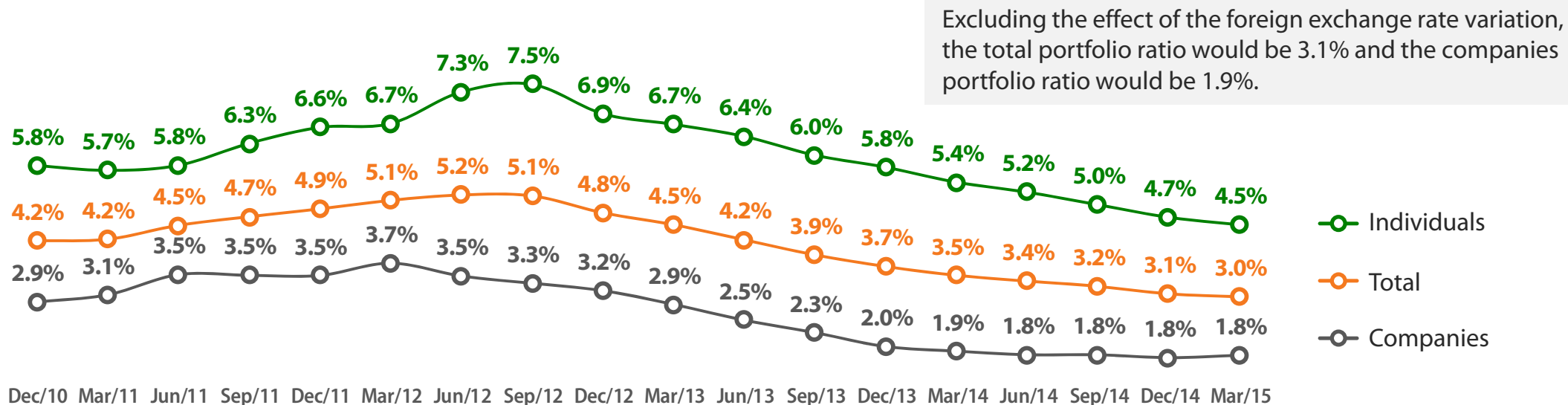
Financial Margin with Market

In R\$ millions

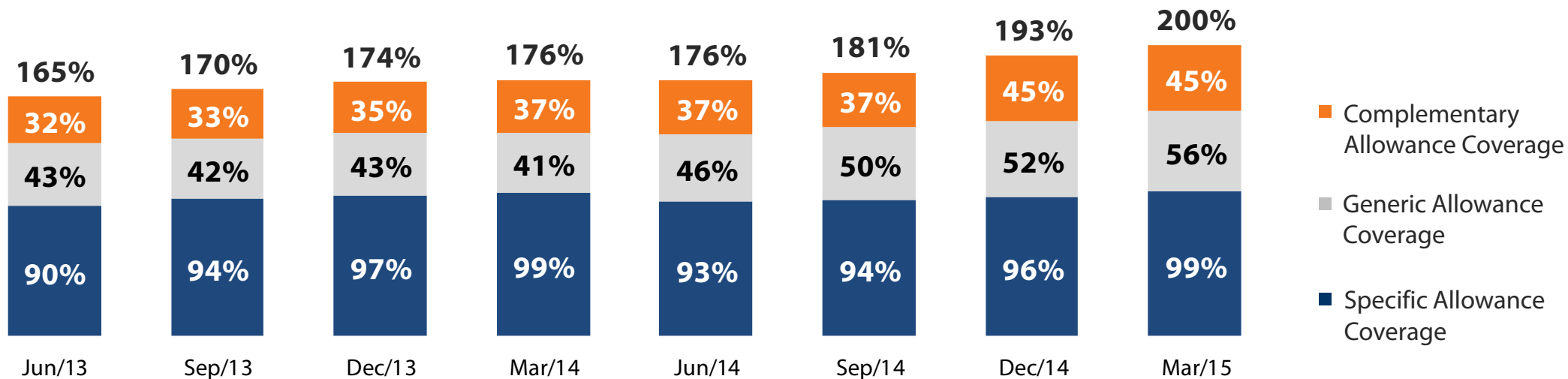


The quarterly average Financial Margin with Market (ex- Gains from sale of Shares) for the past 8 quarters was R\$844 million.

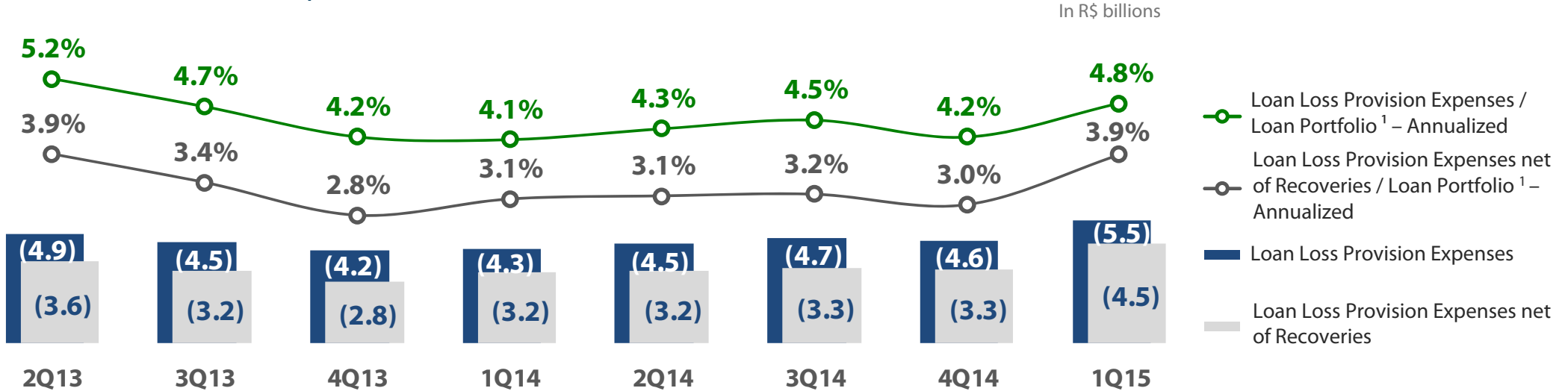
90-day NPL Ratio



90-day Coverage Ratio

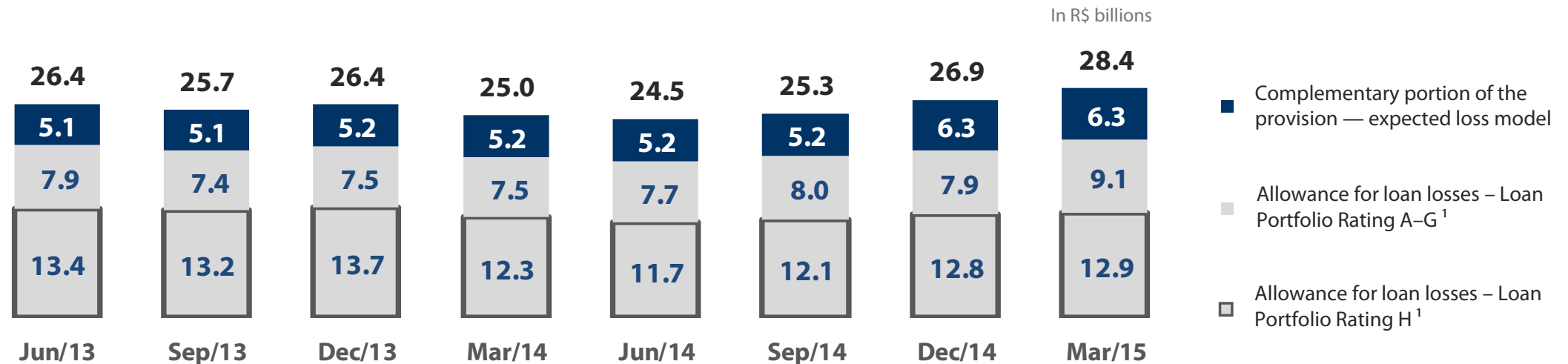


Loan Loss Provisions Expenses



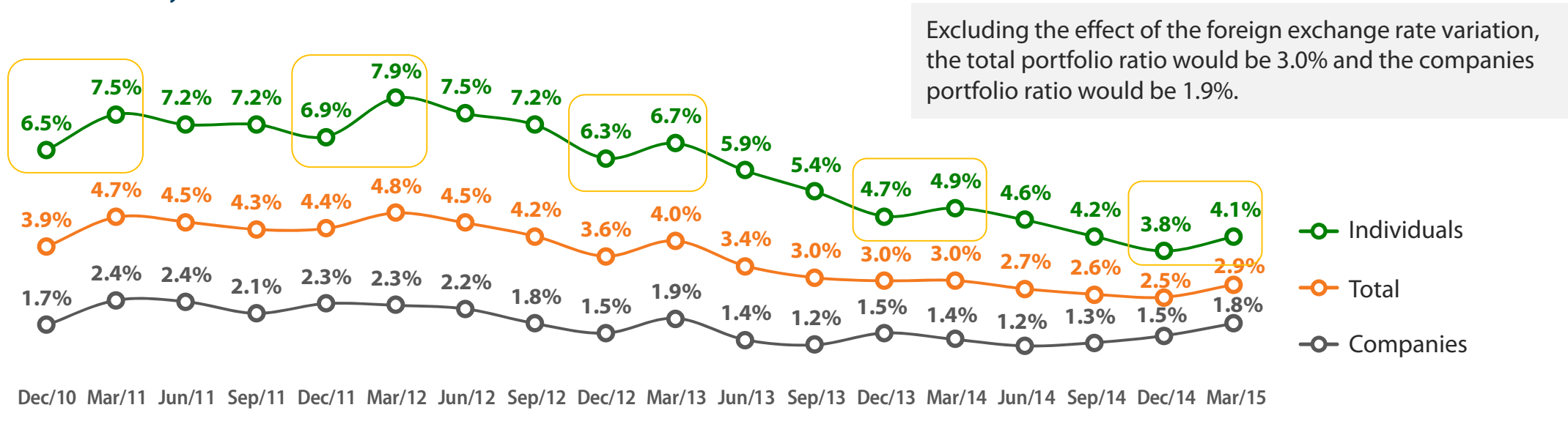
¹ Average balance of the loan portfolio considering the last two quarters

Allowance for Loan Losses

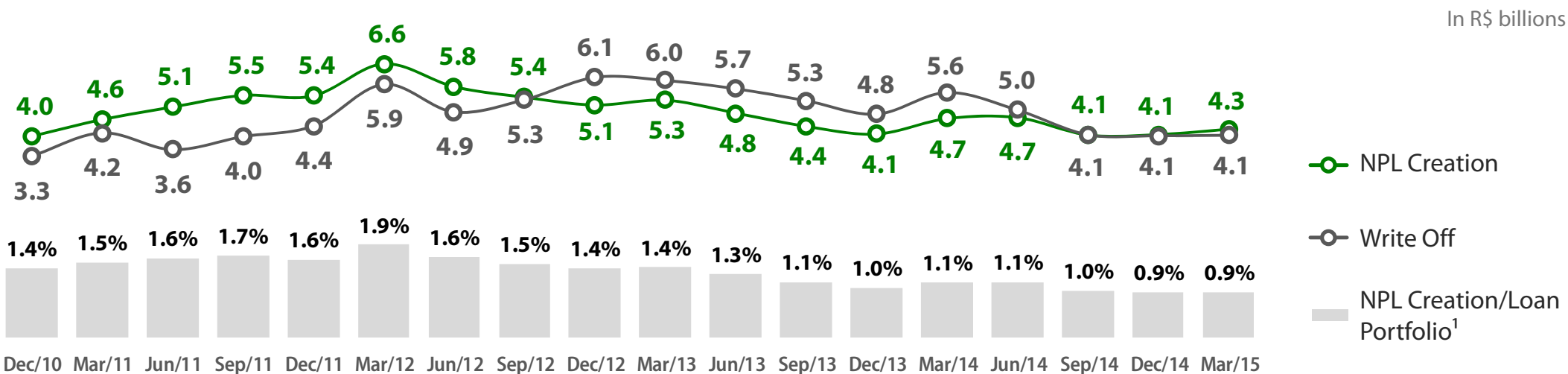


¹ Resolution 2,682/99 CMN

15 to 90-day NPL Ratio



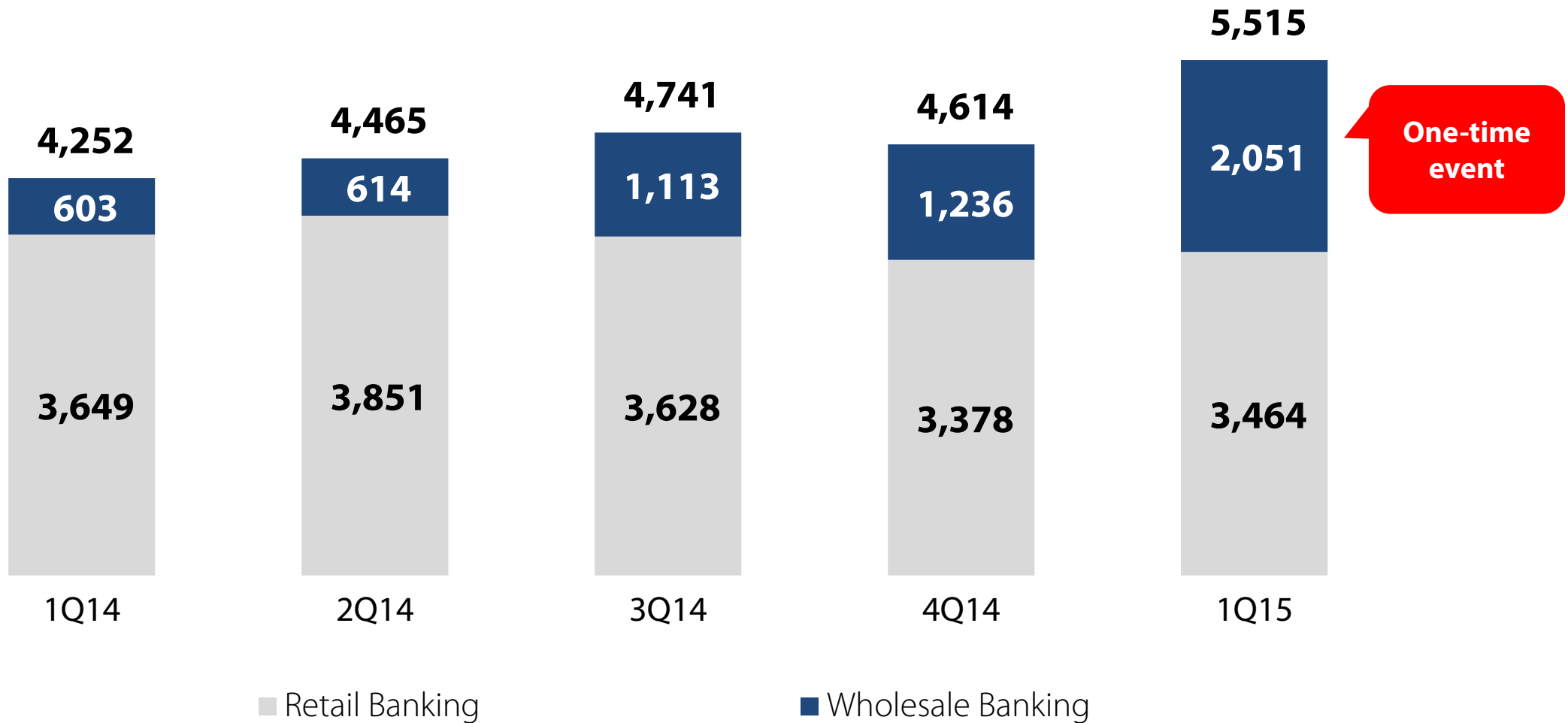
NPL Creation and Write Off



¹ Average balance of the loan portfolio considering the last two quarters

Loan Loss Provision Expenses by Segment

In R\$ millions



Commissions & Fees and Result from Insurance

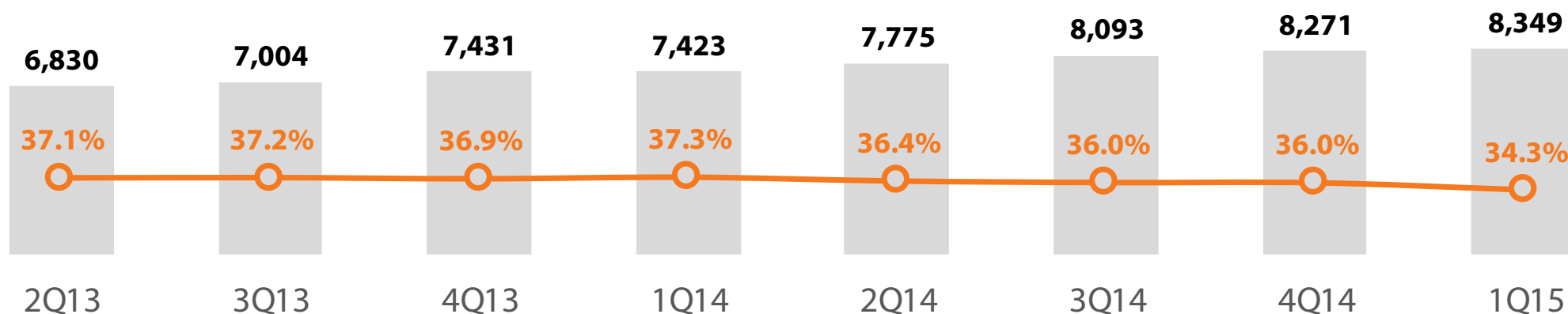


In R\$ millions	1Q15	4Q14	variation		1Q14	variation	
Asset Management ¹	662	650	12	1.9%	653	9	1.5%
Current Account Services	1,405	1,293	112	8.6%	1,137	267	23.5%
Credit Operations and Guarantees Provided	800	799	2	0.2%	693	107	15.4%
Collection Services	365	368	(2)	-0.6%	363	3	0.8%
Credit Cards	2,884	2,996	(112)	-3.7%	2,601	283	10.9%
Other	750	719	31	4.3%	610	140	23.0%
Banking Service Fees and Income from Banking Charges	6,867	6,825	42	0.6%	6,057	810	13.4%
Result from Insurance, Pension Plan and Premium Bonds	1,482	1,446	36	2.5%	1,366	116	8.5%
Total	8,349	8,271	78	0.9%	7,423	926	12.5%
(-) Result from Other Insurance Activities ²	85	80	5	6.4%	133	(49)	-36.6%
Total excluding Other Insurance Activities²	8,264	8,191	73	0.9%	7,289	975	13.4%

¹ Includes fund management fees and consortia management fees.

² Other insurance activities include extended warranty, large risks, health insurance, other products and our interest in IRB.

R\$ millions

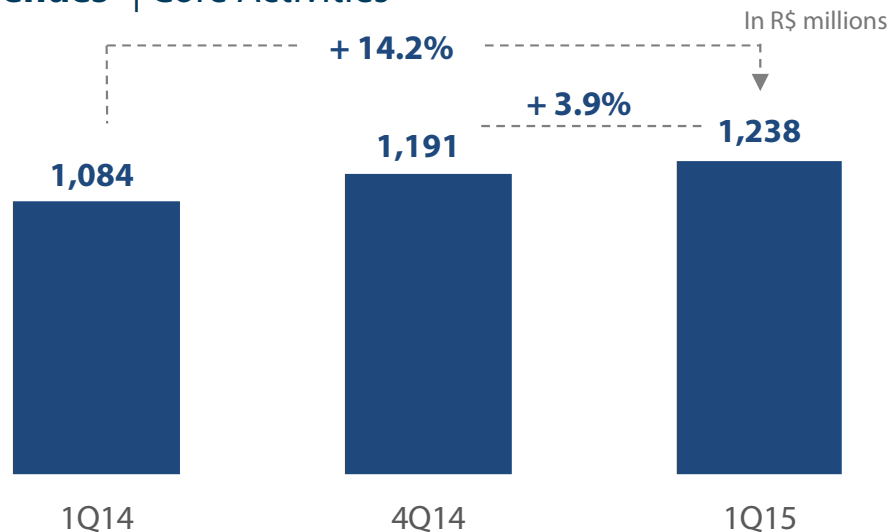


■ Banking Services Fees and Income from Banking Charges and Result from Insurance Operations*

○ (Banking Services Fees and Income from Banking Charges and Result from Insurance Operations*) / (Financial Margin + Banking Services Fees and Income from Banking Charges and Result from Insurance Operations*)

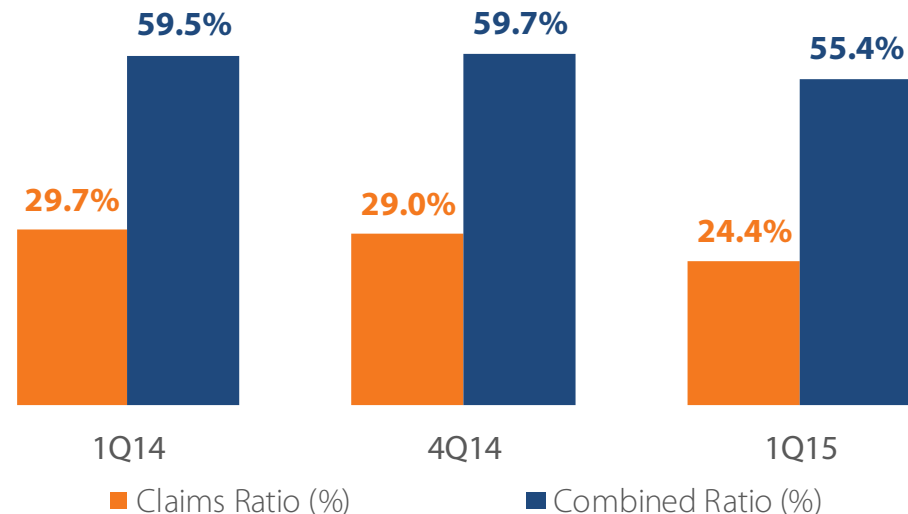
* Insurance Operations include insurance, pension plan and premium bonds.

Revenues¹ | Core Activities



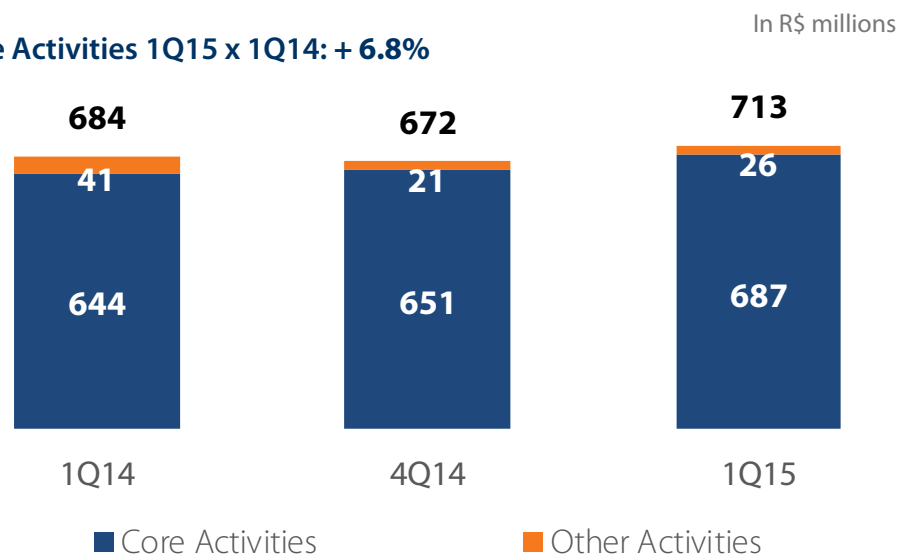
¹ Revenues: Earned Premiums, Net Revenues from Pension Plan and Premium Bonds.

Claims Ratio and Combined Ratio Insurance Core Activities



Recurring Net Income | Core Activities and Other

Core Activities 1Q15 x 1Q14: + 6.8%



Market Share¹ | Technical Result

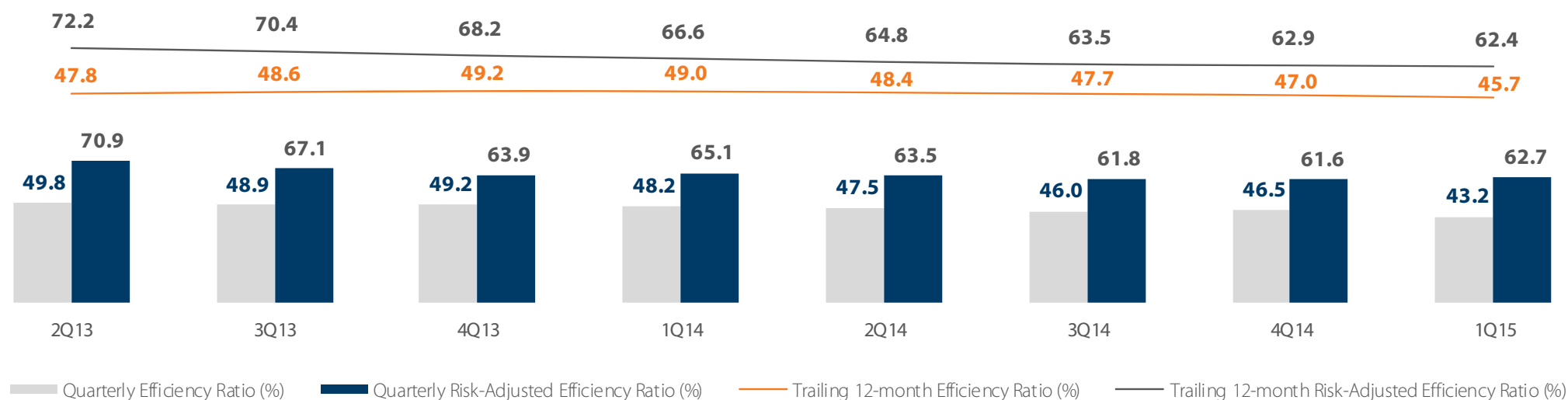
	Market	Itaú Unibanco	Itaú Unibanco + 30% Porto Seguro
Insurance ²	R\$3.7	11.5%	15.3%
Insurance - Core ^{2,3}	R\$2.1	18.0%	18.6%
Pension Plan ⁴	R\$0.8	26.0%	26.0%
Premium Bonds ⁵	R\$0.3	27.2%	27.4%

¹ Source: SUSEP (Jan-Feb/15); ² Earned Premiums (-) Retained Claims (-) Selling Expenses. ³ Insurance core include: Personal Insurance (except redeemable term life insurance - Endowment), Housing, Multiple Peril and Domestic Credit - Individuals. It does not include Health Care. ⁴ Pension Contribution Income (-) Recognition of Provision for Benefits to be Granted (+) Revenues from Service Fees - Source SUSEP and ANBIMA (-) Benefit Expenses (-) Selling Expenses (+) Reinsurance. It does not include life annuities. ⁵ Net Capitalization Revenues (-) Variation of the Provision for Redemption and of Deferred Income (+) Result from Raffles (-) Selling Expenses (+) Revenue from Redemption (+) Other Operating Revenues.

Non-Interest Expenses

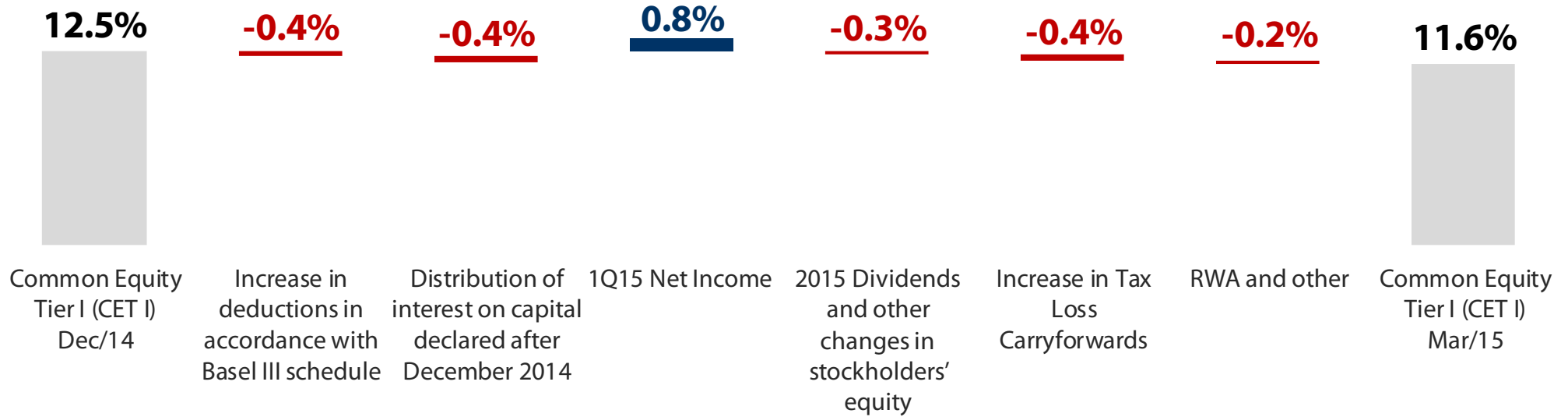
In R\$ millions	1Q15	4Q14	variation		1Q14	variation	
Personnel Expenses	(4,514)	(4,426)	(88)	2.0%	(3,859)	(655)	17.0%
Administrative Expenses	(3,927)	(4,253)	326	-7.7%	(3,726)	(201)	5.4%
Personnel and Administrative Expenses	(8,441)	(8,679)	238	-2.7%	(7,585)	(857)	11.3%
Operating Expenses ⁽¹⁾	(1,274)	(1,273)	(2)	0.1%	(1,326)	52	-3.9%
Other Tax Expenses ⁽²⁾	(165)	(162)	(4)	2.2%	(129)	(36)	28.2%
Total	(9,881)	(10,113)	232	-2.3%	(9,039)	(841)	9.3%
(-) Operations Abroad	(1,016)	(860)	(155)	18.1%	(804)	(212)	26.4%
Total (ex-operations abroad)	(8,865)	(9,253)	388	-4.2%	(8,236)	(629)	7.6%

¹ Includes expenses from provisions for contingencies, credit card selling expenses, claims and other; ² Includes IPTU, IPVA, IOF and other. Does not include PIS, Cofins e ISS.

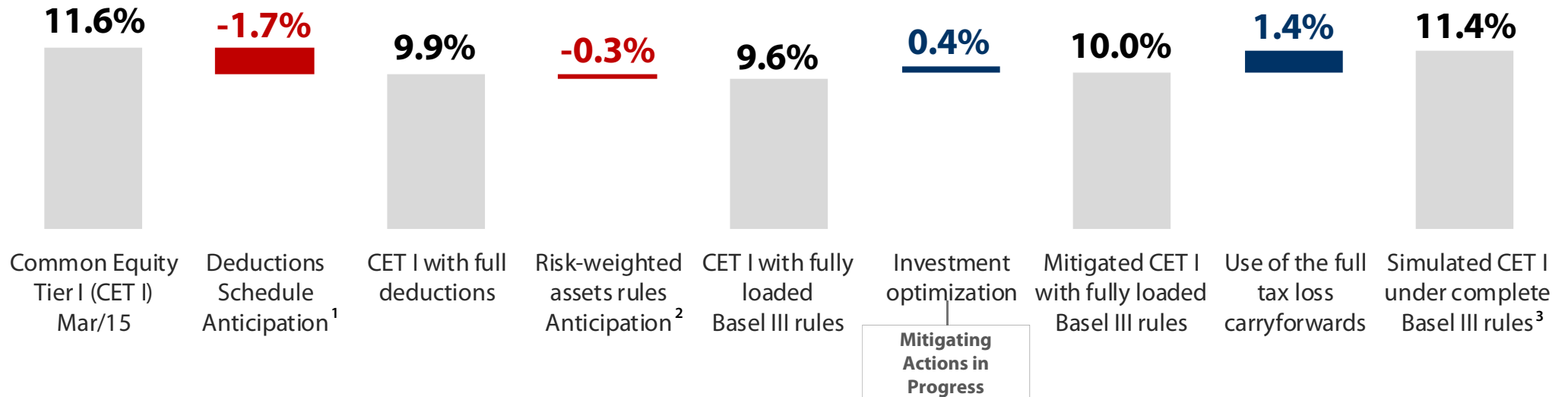


Core Capital Ratio (Common Equity Tier I)

Changes in the Core Capital Ratio in the 1Q15

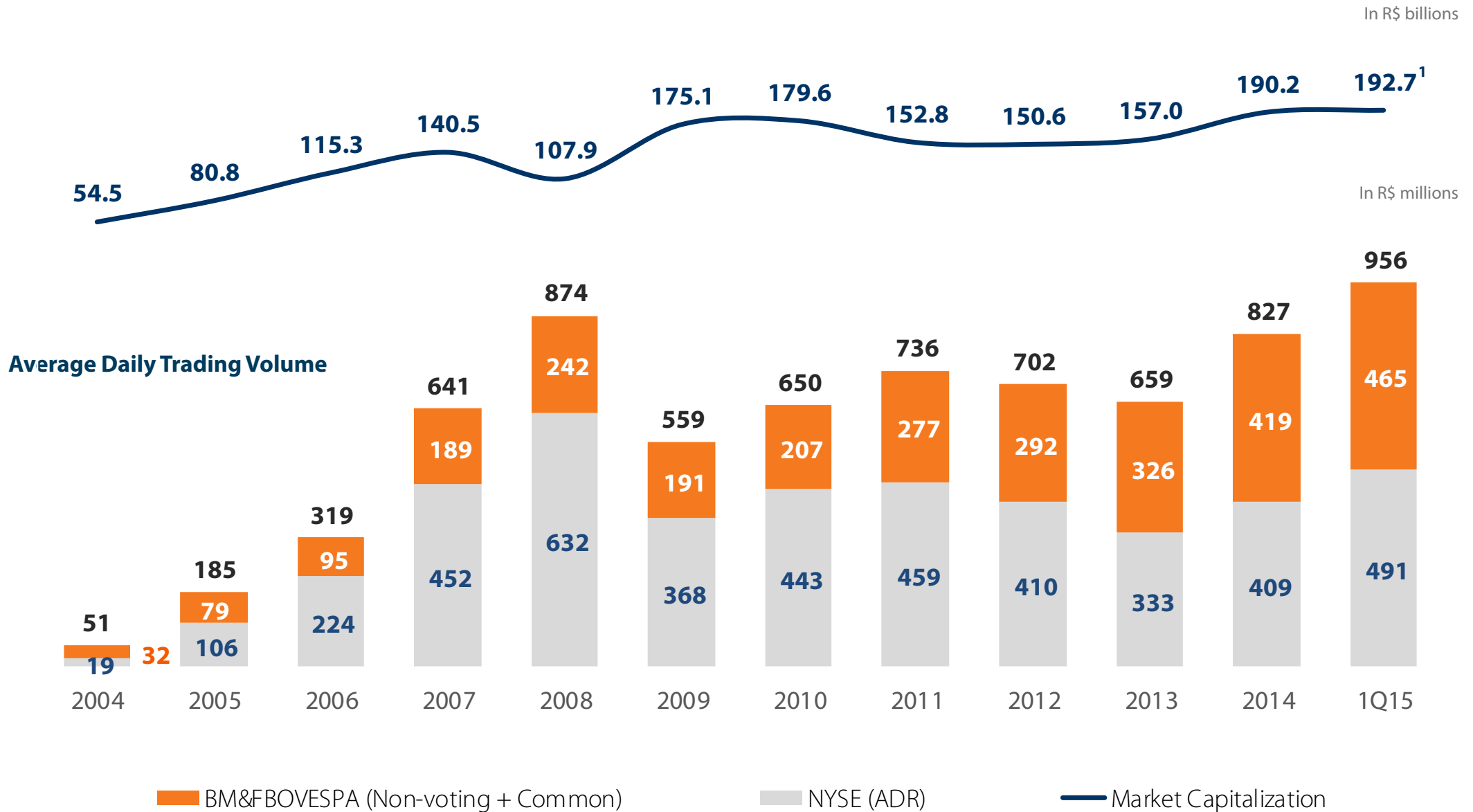


Full application of Basel III rules | March 31, 2015



¹ Includes deductions of Goodwill, Intangible Assets, Tax Loss Carryforwards, Deferred Tax Assets, Equity Investments in Insurance and similar companies. ² Also includes the increase of the multiplier of the market risk, operational risk and certain credit risk accounts. This multiplier, which is at 9.09 nowadays, will be to 12.5 in 2019. ³ Does not include any reversal of the complementary portion of the loan loss provisions.

Market Capitalization and Average Daily Trading Volume



¹ On March 31, 2015, Itaú Unibanco was the 28th largest bank in the world in terms of market capitalization (Source: Bloomberg).

	Previous	Reviewed
Total Loan Portfolio¹	Growth of 6.0% to 9.0%	Growth of 3.0% to 7.0%
Managerial Financial Margin²	Growth of 10.0% to 14.0%	Growth of 14.5% to 17.5%
Loan Loss Provision Expenses net of Recoveries	Between R\$13 billion and R\$15 billion	Between R\$ 15 billion and R\$ 18 billion
Service Fees and Result from Insurance³	Growth of 9.0% to 11.0%	Growth of 9.5% to 11.5%
Non-Interest Expenses	Growth of 6.5% to 8.5%	Growth of 7.0% to 10.0%

¹ Includes endorsements, sureties and private securities;

² Includes Financial Margin with Clients and Financial Margin with Market;

³ Service Fees (+) Income from Insurance, Pension Plan and Premium Bonds (-) Retained Claims (-) Selling Expenses with Insurance, Pension Plan and Premium Bonds.

* The outlook does not consider the effects of the CorpBanca's transaction, which is subject to regulatory approvals.

Strategic Alliance with Mastercard

On March 16, 2015, we entered into an agreement with Mastercard, for a period of 20 years, to operate a new electronic payments network under a brand with domestic and international acceptance.

* This alliance is subject to the satisfaction of certain precedent conditions, including the approval by appropriate regulatory authorities.

Opening of the new Technology Center

On March 13, 2015, in accordance with our focus on increasing the digital bank approach, we opened our new technology center, which will provide more agility, security and availability for the operations carried out by our clients.

- The new technology center supports the bank's growth through 2050 (in accordance with concepts of predictability);
- System uninterruptedly available;
- As of July 2016, all operations will be processed in the new technology center



1st quarter 2015 – Earnings Review

Conference Call

Eduardo Mazzilli de Vassimon

Executive Vice-President, CFO (Chief Financial Officer)
and CRO (Chief Risk Officer)

Marcelo Kopel

Investor Relations Officer

