

# Conference Call about 3<sup>rd</sup> Quarter 2010 Earnings Results

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Investor Relations Officer

Nov | 04 | 2010

Itaú Unibanco Holding S.A.



# Highlights

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## 1. Branch Migration Process is Finished

- **In less than 2 years of the association, we concluded the integration process of our areas and of our branch network:**
  - Dec/08: Definition of both structural and functional design of Itaú Unibanco;
  - Jan/09: ATM network sharing to all clients;
  - Mar/09: Most of our areas were already integrated, including the Treasury, IBBA, Wealth Management and others.
  
- **In October 24, 2010, we concluded Unibanco's branch network migration to Itaú:**
  - More than 1,200 Unibanco branches and units were successfully migrated;
  - We had up to 500 simultaneous branch renovations per month and mobilized more than 650 suppliers, including 65 furniture suppliers and 150 construction companies;
  - IT developments consumed more than 3 million system development hours. Our Data Centers were fully integrated and modernized. As of today, they have an increased capacity of over 65%.
  
- **Now, we are focused in developing a strong organizational culture (Our Way of Making it Happen), intended to excel in customer satisfaction and to be the leader in sustainable performance.**
  
- **Next Steps include the migration of Unibanco's portfolios and the deactivation of these systems. This will happen in successive waves until December, 2011, when it is expected to end.**

# Highlights

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## 2. Net Income:

- In the third quarter 2010, the recurring net income reached R\$ 3.2 billion, an increase of 17.5% compared to the same period of last year, and a recurring annualized ROE of 22.5%. If branch migration expenses were excluded from our results, recurring net income would have reached R\$ 3.4 billion with an ROE of 24.4%;
- In the first nine months of 2010, recurring net income was R\$ 9.6 billion, a 25.4% growth over the same period of 2009.

## 3. Loan Portfolio Growth:

- In September 30, 2010, the loan portfolio reached R\$ 313.2 billion, an increase of 5.7% over June 30, 2010, and a rise of 16.6% over September, 2009. For comparison purposes, it is worth noting that the Brazilian financial system grew 5.4% in the quarter;
- Loans to companies rose 6.7% over last quarter and 16.2% over September, 2009. Corporate loans grew 5.8% this quarter while very small, small and middle market ones grew by 7.9%;
- Loans to individuals are 4.1% above last quarter and 15.9% higher than September, 2009, reaching R\$ 118.8 billion. In this segment, the most representative products are Vehicle financing (R\$ 57.3 billion) and Credit Cards (R\$ 30.5 billion);
- Mortgage Loans, the fastest growing segment of our portfolio, reached R\$ 12.0 billion in September, 2010, increasing 13.9% compared to prior quarter and 52.7% when compared to September, 2009.

## 4. Financial Margin with Clients and Service Fees:

- Our financial margin with clients grew 3.0% over last quarter and reached R\$ 10.3 billion, driven by credit expansion;
- Service fees rose 3.5% over the second quarter, adding up R\$ 4.5 billion and explained by the growth of our client base and of our operational volume, mainly. The growth, year to date, represents 17.0% over the same period of last year.

# Highlights

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## 5. Non Performing Loans rate and Result of Loan Losses:

- Our 90 days non performing loans rate continued to evolve positively and reached 4.3% at the end of the third quarter, a positive variance of 30 basis points if compared to the end of the second quarter and 130 basis points if compared to December, 2009.

## 6. Non Interest Expenses

- Strongly impacted by the branch migration process anticipation, January to September, 2010, non interest expenses grew 8.2% over the same period of 2009;
- If Unibanco's branch migration expenses, which cost R\$ 406 million in the third quarter of 2010, were excluded from the base, along with those from Redecard, Porto Seguro and those related to the expansion of our network, we would have observed a growth of 1.1%, when compared to the same period of 2009 expenses.

## Non Recurring Effects – Net of Taxes

R\$ million

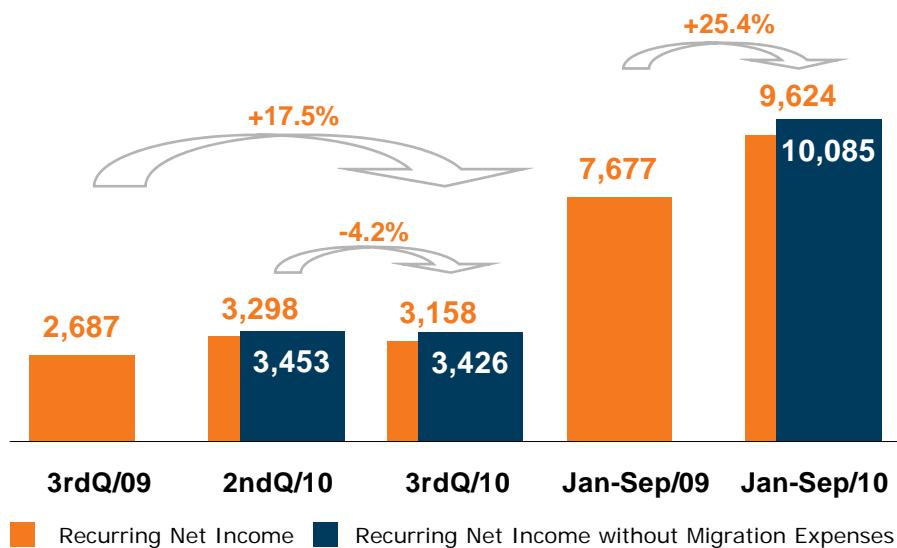
|  | 3 <sup>rd</sup> Q/10 | 2 <sup>nd</sup> Q/10 | Jan-Sep/10   | Jan-Sep/09   |
|--|----------------------|----------------------|--------------|--------------|
| <b>Recurring Net Income (A)</b>  | <b>3,158</b>         | <b>3,298</b>         | <b>9,624</b> | <b>7,677</b> |
| Sale of investments  | -                    | -                    | -            | 212          |
| Program for Settlement or Installment Payment of Federal Taxes- Law No.11,941/09 | -                    | -                    | 145          | -            |
| Provision for contingencies – economic plans                                     | (124)                | (133)                | (335)        | (166)        |
| Amortization of goodwill (*)   | -                    | -                    | -            | (506)        |
| Itaú Unibanco Association with CBD   | -                    | -                    | -            | (363)        |
| <b>Total Non-Recurring Effects (B)</b>   | <b>(124)</b>         | <b>(133)</b>         | <b>(190)</b> | <b>(823)</b> |
| <b>Net Income (A + B)</b>  | <b>3,034</b>         | <b>3,165</b>         | <b>9,433</b> | <b>6,854</b> |

(\*) The first nine months of 2009, refers basically to the Redecard operation.

# Highlights

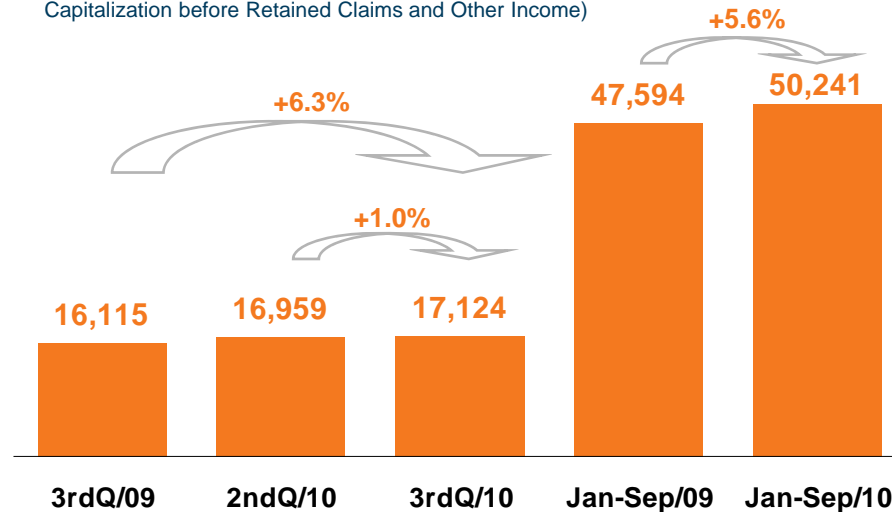
R\$ million

## Recurring Net Income



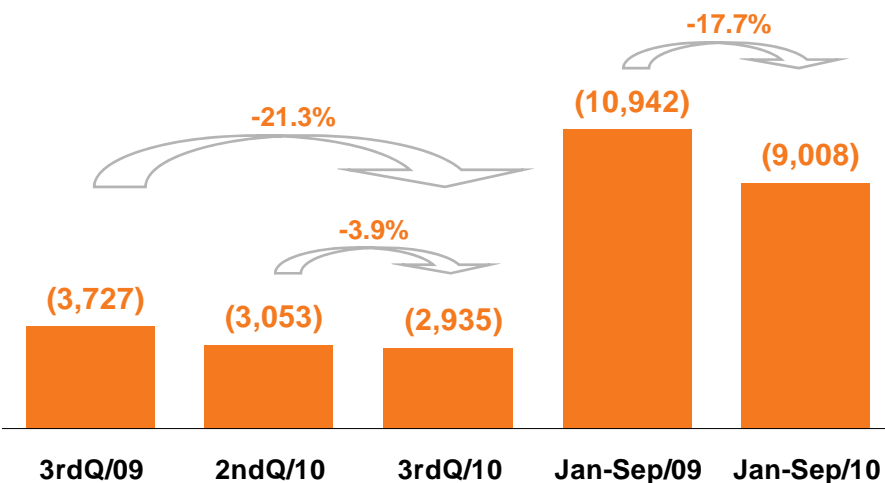
## Managerial Financial Margin Plus Banking Service Fees

(Financial Margin, Banking Service Fees, Result from Op. of Insurance, Pension Plans and Capitalization before Retained Claims and Other Income)



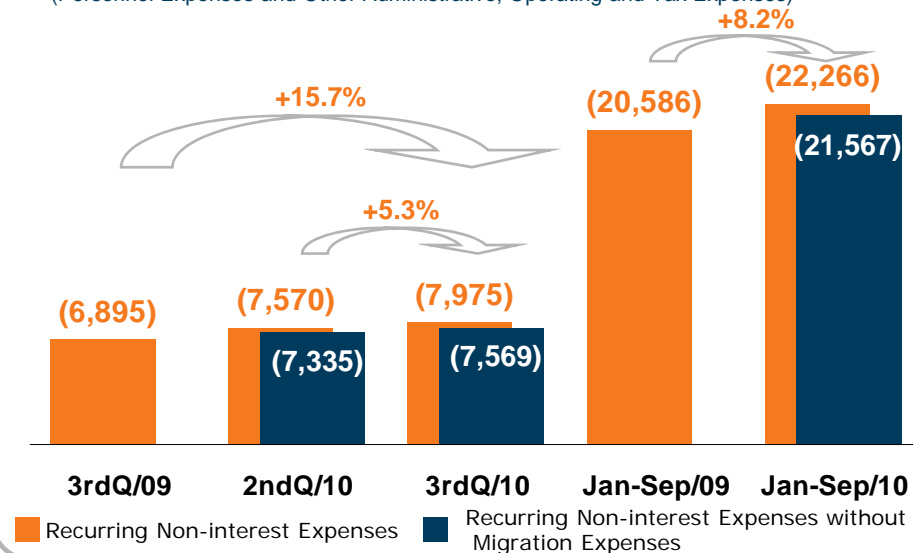
## Result from Loan Losses

(Expense for Allowance for Loan Losses net of Recovery of Credits Written Off as Losses)



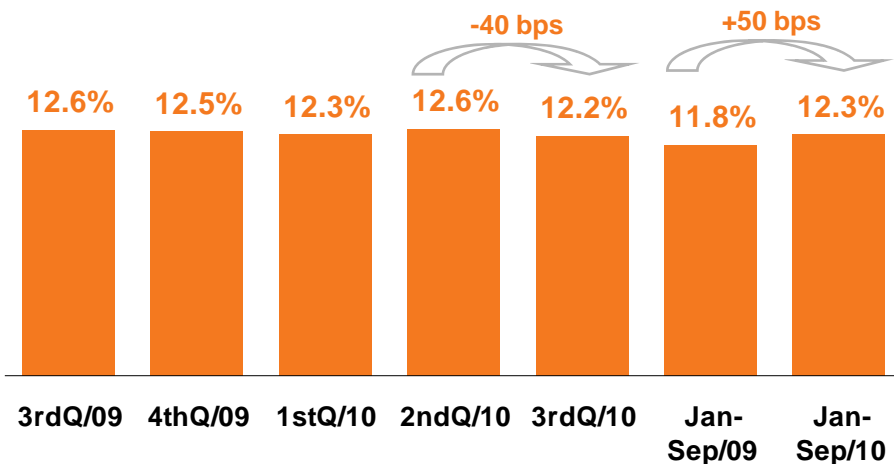
## Non-interest Expenses

(Personnel Expenses and Other Administrative, Operating and Tax Expenses)



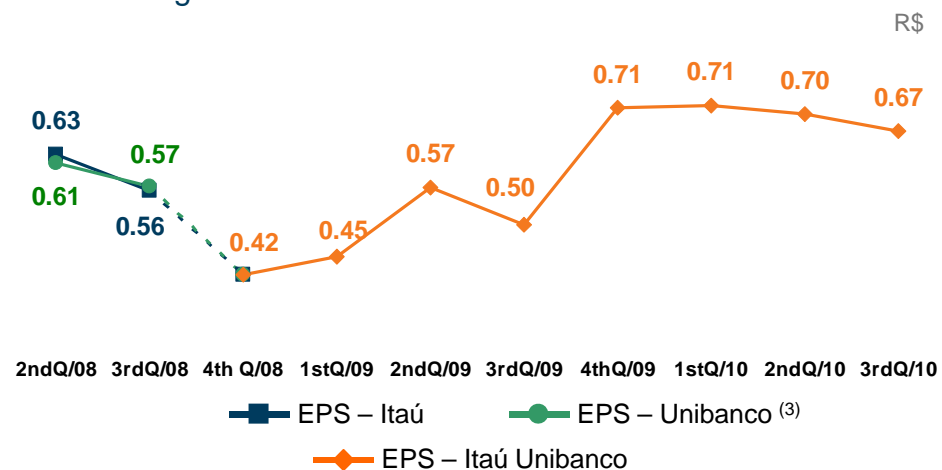
# Highlights

## Net Interest Margin (with Clients) <sup>(1)</sup>



(1) Revised criteria.

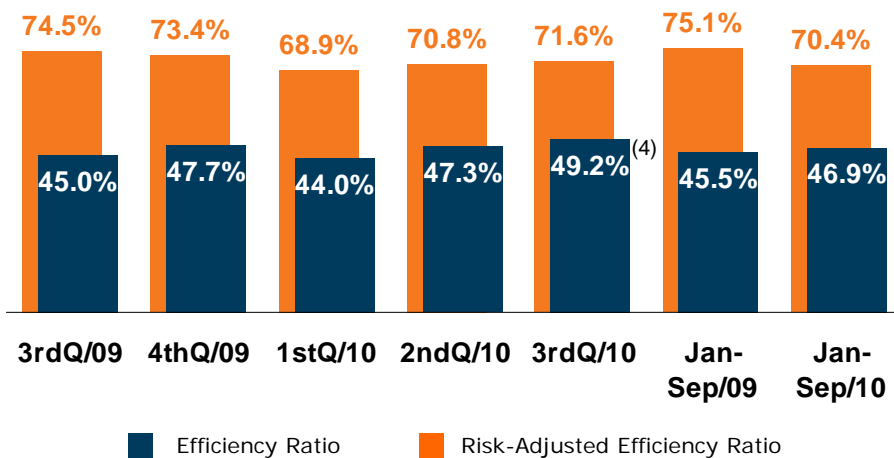
## Earnings Per Share <sup>(2)</sup>



(2) The number of shares outstanding was adjusted to reflect the 10% share bonus that occurred on August 28, 2009.

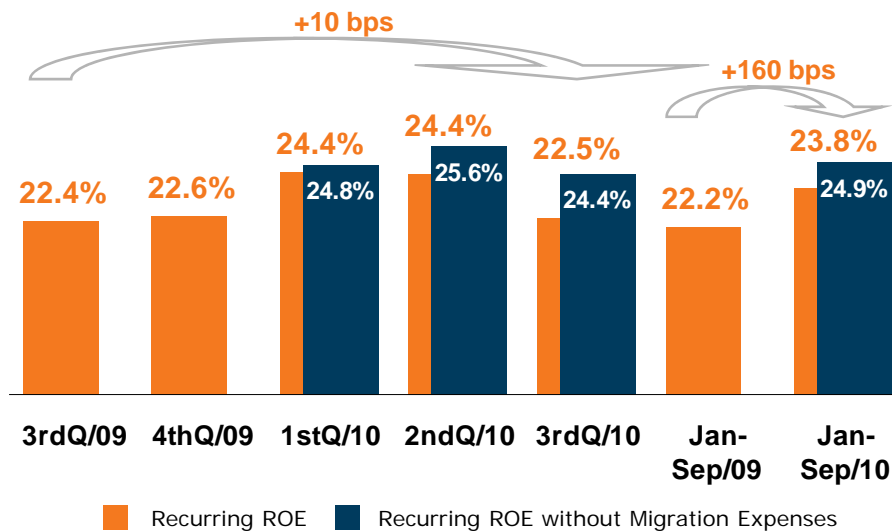
(3) Adjusted by the exchange ratio of shares in relation to Itaú and Unibanco merger.

## Efficiency Ratio



(4) The efficiency ratio without considering the migration expenses is 46.7%.

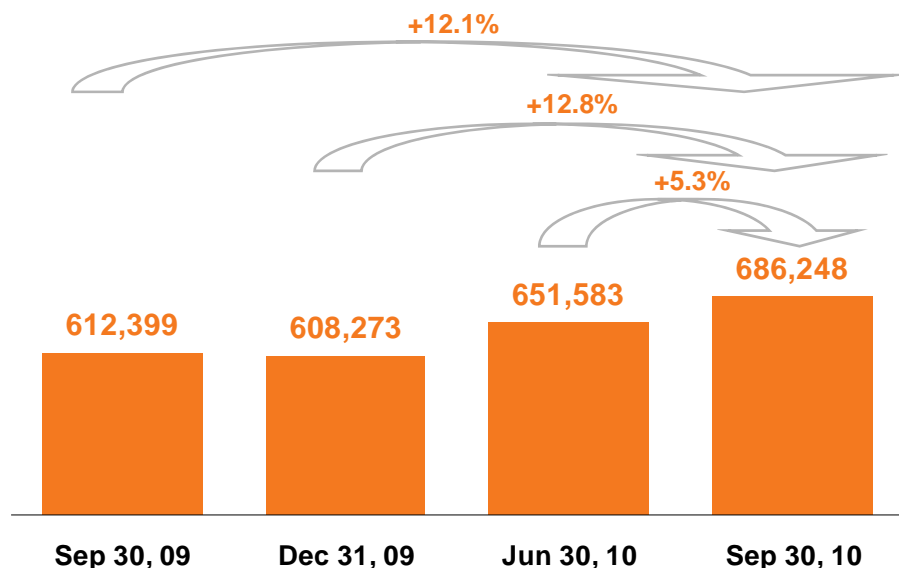
## Recurring ROE (average)



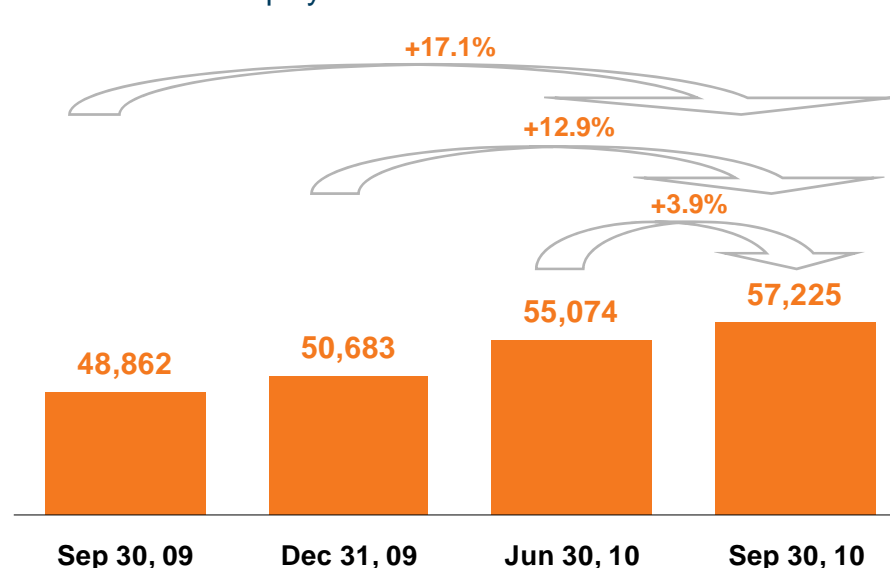
# Highlights

R\$ million

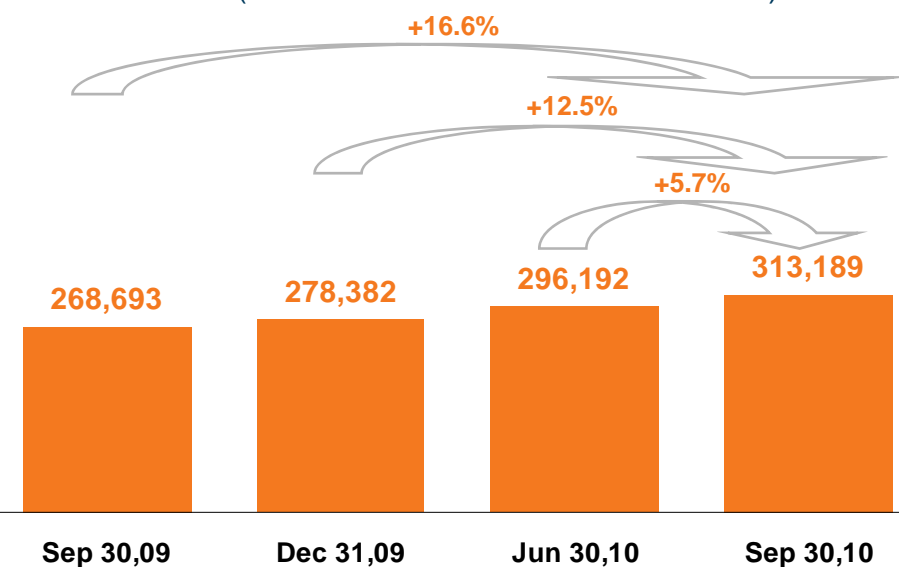
## Assets



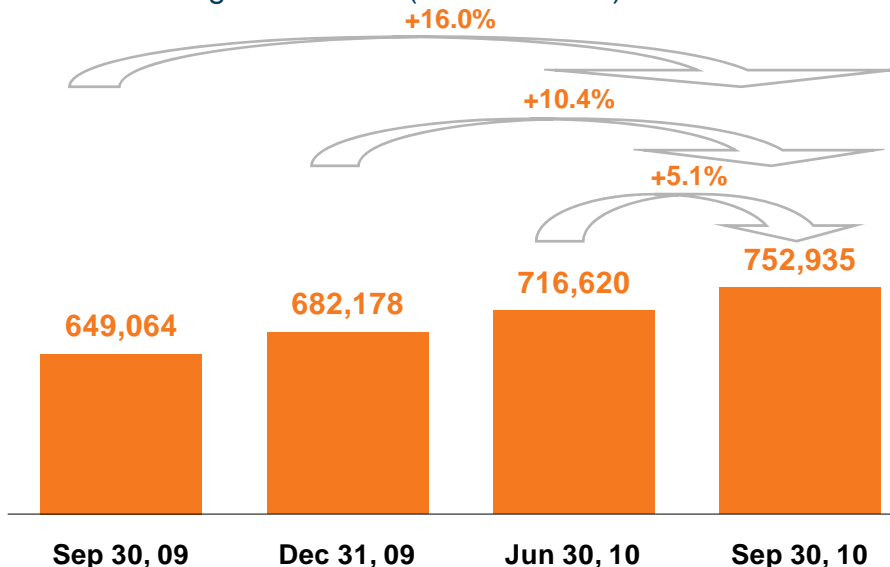
## Stockholders' Equity



## Loan Portfolio (Includes Endorsements and Sureties)



## Total Funding with Clients (includes AUM)





# Itaú Unibanco - Results

R\$ million

|  | 3 <sup>rd</sup> Q/10 | 2 <sup>nd</sup> Q/10 | 3 <sup>rd</sup> Q/10 –<br>2 <sup>nd</sup> Q/10 | Jan-Sep/10      | Jan-Sep/09      | Jan-Sep/10 –<br>Jan-Sep/09 |
|--|----------------------|----------------------|--|-----------------|-----------------|----------------------------|
| <b>Managerial Financial Margin Plus Banking Service Fees</b>       | <b>17,124</b>        | <b>16,959</b>        | <b>1.0%</b>                                    | <b>50,241</b>   | <b>47,594</b>   | <b>5.6%</b>                |
| Financial Margin with Clients                                      | 10,298               | 10,001               | 3.0%   | 29,669          | 27,800          | 6.7%                       |
| Financial Margin with Market                                       | 906                  | 891                  | 1.7%   | 2,816           | 4,133           | -31.9%                     |
| Banking Service Fees and Income from Banking Charges               | 4,451                | 4,300                | 3.5%   | 12,870          | 10,996          | 17.0%                      |
| Result from Insurance, Pension Plans and Capitalization Operations | 1,374                | 1,411                | -2.6%  | 4,233           | 4,170           | 1.5%                       |
| Other Operating Income   | 94                   | 357                  | -73.6%   | 654             | 496             | 31.9%                      |
| <b>Loan Losses and Retained Claims</b>                             | <b>(3,624)</b>       | <b>(3,745)</b>       | <b>-3.2%</b>                                   | <b>(11,190)</b> | <b>(13,391)</b> | <b>-16.4%</b>              |
| Expense for Allowance for Loan Losses                              | (4,069)              | (4,019)              | 1.2%   | (11,954)        | (14,070)        | -15.0%                     |
| Reversal / (Increase) of Additional Provision for Loan Losses      | -                    | -                    | -  | -               | 1,687           | -                          |
| Recovery of Credits Written Off as Losses                          | 1,134                | 967                  | 17.3%  | 2,946           | 1,440           | 104.6%                     |
| Retained Claims  | (689)                | (692)                | -0.4%  | (2,181)         | (2,448)         | -10.9%                     |
| <b>Other Operating Income/(Expenses)</b>                           | <b>(10,342)</b>      | <b>(9,916)</b>       | <b>4.3%</b>                                    | <b>(29,428)</b> | <b>(26,526)</b> | <b>10.9%</b>               |
| Non-interest Expenses  | (7,975)              | (7,570)              | 5.3%   | (22,266)        | (20,586)        | 8.2%                       |
| Tax Expenses for ISS, PIS, Cofins and Other Taxes                  | (913)                | (970)                | -5.9%  | (2,749)         | (2,378)         | 15.6%                      |
| Other Results (*)  | (1,454)              | (1,376)              | 5.6%   | (4,413)         | (3,562)         | 23.9%                      |
| <b>Recurring Net Income</b>  | <b>3,158</b>         | <b>3,298</b>         | <b>-4.2%</b>                                   | <b>9,624</b>    | <b>7,677</b>    | <b>25.4%</b>               |
| <b>Non-recurring Events</b>  | <b>(124)</b>         | <b>(133)</b>         | <b>-6.6%</b>                                   | <b>(190)</b>    | <b>(823)</b>    | <b>-76.9%</b>              |
| <b>Net Income</b>  | <b>3,034</b>         | <b>3,165</b>         | <b>-4.1%</b>                                   | <b>9,433</b>    | <b>6,854</b>    | <b>37.6%</b>               |

(\*) Other results is composed by Equity in earnings of affiliates and other investments, Non Operating Income, Income Tax and Social Contribution, Profit Sharing (Officers) and Minority Interest in subsidiaries.

## Loans by Type of Client (\*)

R\$ million

|   | Sep 30,10      | Jun 30,10      | Dec 31,09      | Sep 30,09      | Variation       |                 |                 |
|---|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|
|   |                |                |                |                | Sep/10 - Jun/10 | Sep/10 - Dec/09 | Sep/10 - Sep/09 |
| <b>Individuals</b>                      | <b>118,827</b> | <b>114,200</b> | <b>107,812</b> | <b>102,558</b> | <b>4.1%</b>     | <b>10.2%</b>    | <b>15.9%</b>    |
| Credit Card                             | 30,481         | 29,835         | 29,313         | 25,215         | 2.2%            | 4.0%            | 20.9%           |
| Personal Loans                          | 23,686         | 22,538         | 20,627         | 21,297         | 5.1%            | 14.8%           | 11.2%           |
| Vehicles                                | 57,334         | 55,165         | 52,276         | 50,670         | 3.9%            | 9.7%            | 13.2%           |
| Mortgage Loans                          | 7,025          | 6,342          | 5,249          | 4,970          | 10.8%           | 33.8%           | 41.4%           |
| Rural Loans                             | 302            | 320            | 348            | 407            | -5.8%           | -13.3%          | -25.9%          |
| <b>Companies</b>                        | <b>180,814</b> | <b>169,437</b> | <b>158,862</b> | <b>155,594</b> | <b>6.7%</b>     | <b>13.8%</b>    | <b>16.2%</b>    |
| Corporate                               | 104,411        | 98,643         | 95,832         | 96,833         | 5.8%            | 9.0%            | 7.8%            |
| Very Small, Small and Middle Market     | 76,402         | 70,794         | 63,030         | 58,761         | 7.9%            | 21.2%           | 30.0%           |
| <b>Argentina/Chile/Uruguay/Paraguay</b> | <b>13,548</b>  | <b>12,555</b>  | <b>11,708</b>  | <b>10,541</b>  | <b>7.9%</b>     | <b>15.7%</b>    | <b>28.5%</b>    |
| <b>Total</b>                            | <b>313,189</b> | <b>296,192</b> | <b>278,382</b> | <b>268,693</b> | <b>5.7%</b>     | <b>12.5%</b>    | <b>16.6%</b>    |
| <b>Total Retail (**)</b>                | <b>195,230</b> | <b>184,994</b> | <b>170,842</b> | <b>161,319</b> | <b>5.5%</b>     | <b>14.3%</b>    | <b>21.0%</b>    |
| <b>Corporate - Total Risk (***)</b>     | <b>117,830</b> | <b>111,363</b> | <b>106,367</b> | <b>108,300</b> | <b>5.8%</b>     | <b>10.8%</b>    | <b>8.8%</b>     |
| <b>Endorsements and Sureties</b>        | <b>34,155</b>  | <b>32,694</b>  | <b>32,431</b>  | <b>31,594</b>  | <b>4.5%</b>     | <b>5.3%</b>     | <b>8.1%</b>     |
| Individuals                             | 186            | 189            | 187            | 181            | -1.9%           | -0.8%           | 2.5%            |
| Corporate                               | 30,238         | 29,135         | 29,150         | 28,316         | 3.8%            | 3.7%            | 6.8%            |
| Very Small, Small and Middle Market     | 2,962          | 2,577          | 2,414          | 2,485          | 14.9%           | 22.7%           | 19.2%           |
| Argentina/Chile/Uruguay/Paraguay        | 769            | 792            | 680            | 611            | -2.9%           | 13.2%           | 25.8%           |

(\*) Includes endorsements and sureties.

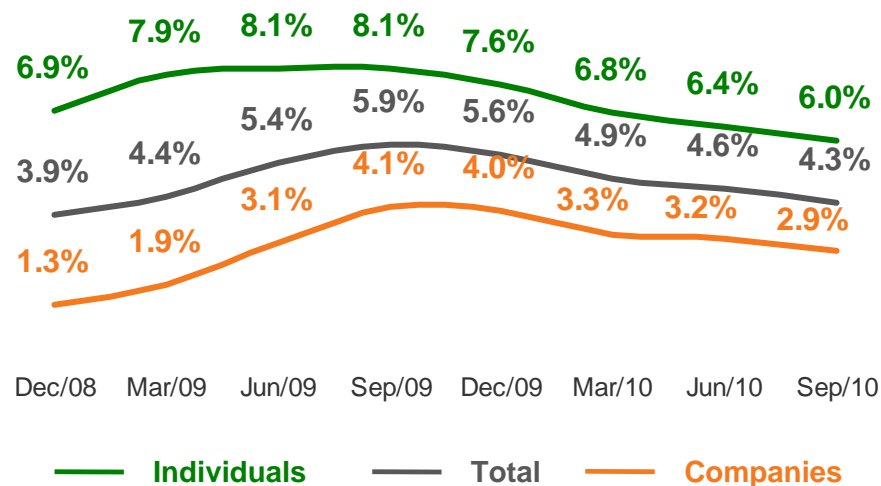
(\*\*) Includes Credit Card, Personal Loans, Vehicles, Rural Loans (Individuals), Mortgage Loans (Individuals) and Very Small, Small and Middle Market..

(\*\*\*) Includes Private Bonds (Debentures, CRI and Commercial Paper). Without considering the exchange rate variation, the growth would be 7.1% in relation to Jun 30, 10, 11.3% in relation to Dez 31, 09 and 9.8% in relation to Sep 30, 09.

Note: The acquired payroll credit portfolio started to be considered as corporate risk, and to achieve comparability, the prior quarters were adjusted. Mortgage Loans and Rural Loans portfolios from the businesses segment are allocated according to the client's size.

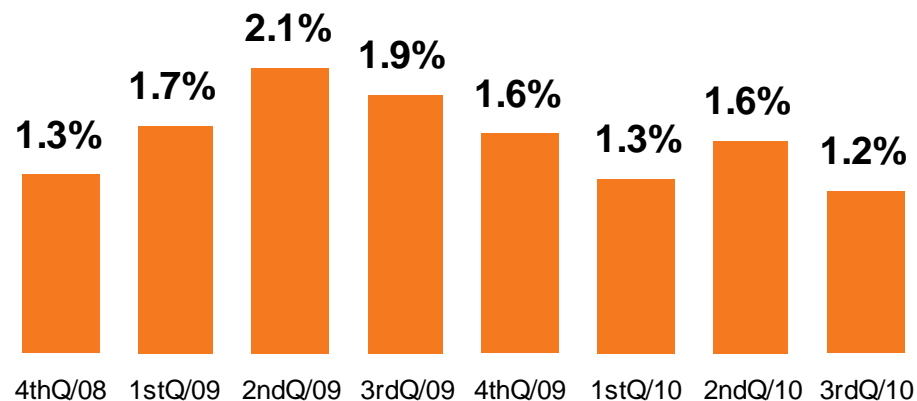
# Non-Performing Loans and Coverage Ratios

NPL Ratio (90 days)



New NPL 90 days / Loan Portfolio (\*)

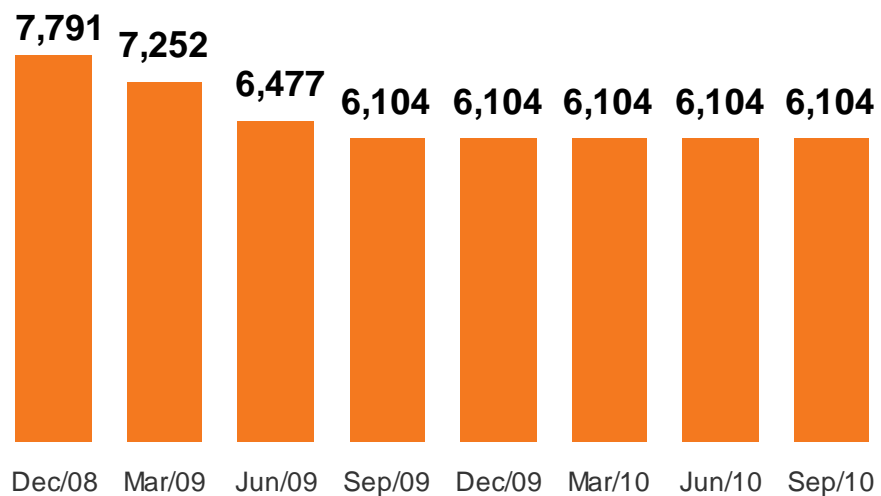
(Non Performing Loans 90 days portfolio increase to loan portfolio)



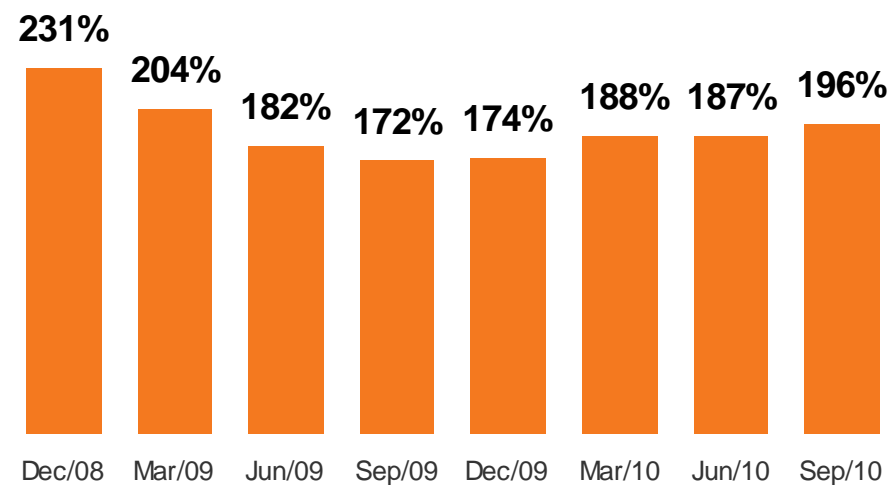
(\*) Does not include endorsements and sureties.

Additional Balance of Allowance for Loan Losses

R\$ million

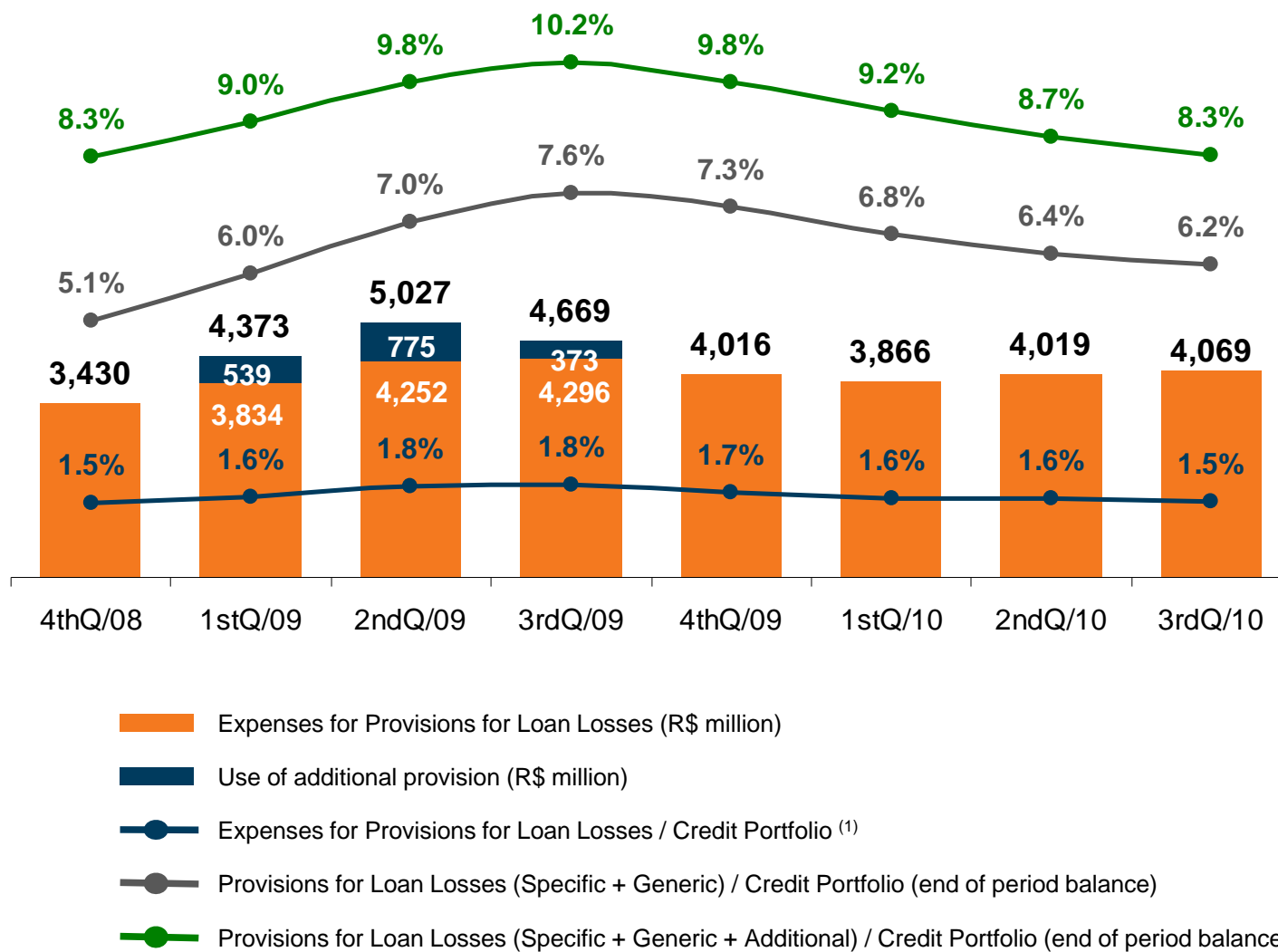


Coverage ratio (\*\*) – 90 days



(\*\*) Allowance for Loan Losses / Credits overdue more than 90 days.

# Provision for Loan Losses



(1) Average balance of the two previous quarters.

# Funding and Assets Under Management

R\$ million

|  | Variation      |                |                |                 |                 |
|--|----------------|----------------|----------------|-----------------|-----------------|
|  | Sep 30, 10     | Jun 30, 10     | Sep 30, 09     | Sep/10 - Jun/10 | Sep/10 - Sep/09 |
| Demand Deposits  | 28,461         | 25,838         | 23,306         | 10.2%           | 22.1%           |
| Savings Deposits   | 54,858         | 51,836         | 44,132         | 5.8%            | 24.3%           |
| Time Deposits  | 106,011        | 104,750        | 105,896        | 1.2%            | 0.1%            |
| Debentures (Repurchase Agreements) and Mortgage – Backed Notes (*)             | 94,066         | 86,566         | 66,032         | 8.7%            | 42.5%           |
| <b>Subtotal 1 – Funding from Account Holders Customers</b>                     | <b>283,397</b> | <b>268,990</b> | <b>239,366</b> | <b>5.4%</b>     | <b>18.4%</b>    |
| Institutional Clients  | 14,104         | 13,583         | 20,007         | 3.8%            | -29.5%          |
| Onlending  | 28,862         | 24,749         | 20,661         | 16.6%           | 39.7%           |
| <b>Subtotal 2 – Funding from Institutional &amp; Account Holders Customers</b> | <b>326,363</b> | <b>307,322</b> | <b>280,035</b> | <b>6.2%</b>     | <b>16.5%</b>    |
| Assets under Management  | 357,495        | 344,689        | 310,346        | 3.7%            | 15.2%           |
| Technical Provisions of Insurance, Pension Plans and Capitalization            | 58,490         | 56,001         | 49,978         | 4.4%            | 17.0%           |
| Deposits from Banks  | 1,293          | 2,307          | 2,232          | -44.0%          | -42.1%          |
| Funds from Acceptance and Issuance of Securities Abroad                        | 9,295          | 6,301          | 6,474          | 47.5%           | 43.6%           |
| <b>Total – Funding from Clients</b>  | <b>752,935</b> | <b>716,620</b> | <b>649,064</b> | <b>5.1%</b>     | <b>16.0%</b>    |
| Repurchase Agreements (**)   | 65,844         | 74,641         | 66,712         | -11.8%          | -1.3%           |
| Borrowings   | 14,397         | 13,321         | 12,147         | 8.1%            | 18.5%           |
| Foreign Exchange Portfolio   | 21,399         | 18,793         | 36,722         | 13.9%           | -41.7%          |
| Subordinated Debt  | 33,017         | 28,255         | 22,773         | 16.9%           | 45.0%           |
| Collection and Payment of Taxes and Contributions                              | 3,707          | 3,738          | 3,377          | -0.8%           | 9.8%            |
| Free Assets (***)  | 50,608         | 48,821         | 42,346         | 3.7%            | 19.5%           |
| <b>Free Assets and Other</b>   | <b>188,972</b> | <b>187,570</b> | <b>184,076</b> | <b>0.7%</b>     | <b>2.7%</b>     |
| <b>Total Funds</b>   | <b>941,907</b> | <b>904,190</b> | <b>833,140</b> | <b>4.2%</b>     | <b>13.1%</b>    |

(\*) Real estate, mortgage, credit and similar notes

(\*\*) Does not include own issued Debentures.

(\*\*\*) Stockholders' Equity + Minority- Permanent Assets.

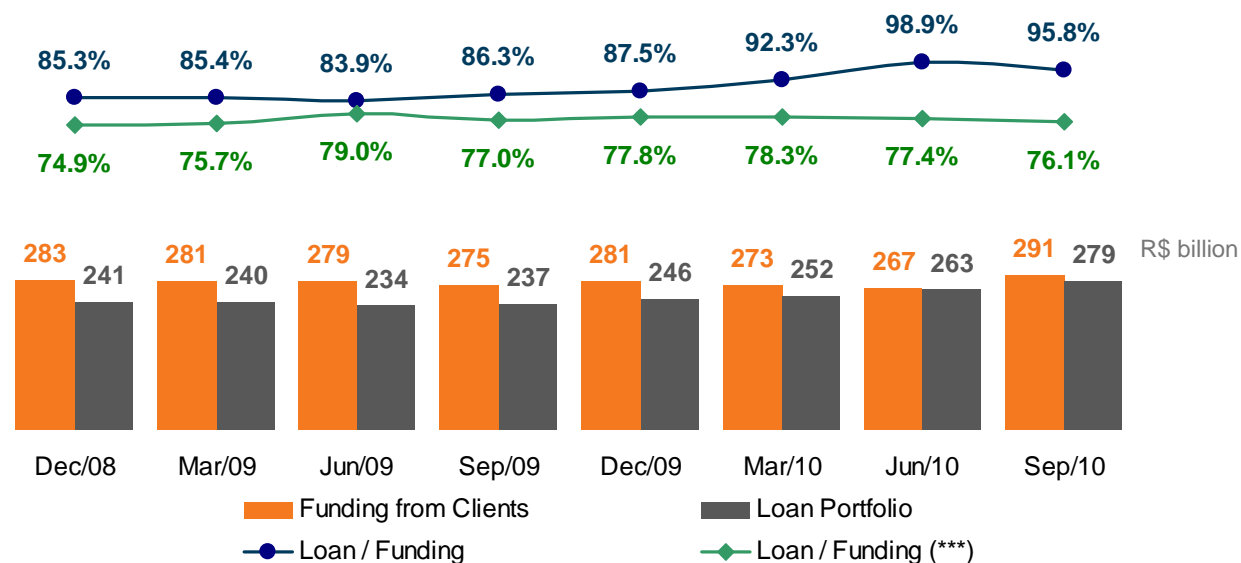
# Ratio between Loan Portfolio and Funding

R\$ million

|   | Sep 30, 10     | Jun 30, 10     | Sep 30, 09     | Variation       |                 |
|---|----------------|----------------|----------------|-----------------|-----------------|
|   |                |                |                | Sep/10 - Jun/10 | Sep/10 - Sep/09 |
| Funding from Institutional & Account Holders Customers  | 326,363        | 307,322        | 280,035        | 6.2%            | 16.5%           |
| Funds from Acceptance and Issuance of Securities Abroad | 9,295          | 6,301          | 6,474          | 47.5%           | 43.6%           |
| Borrowings  | 14,397         | 13,321         | 12,147         | 8.1%            | 18.5%           |
| Other (*)   | 16,779         | 13,614         | 9,364          | 23.2%           | 79.2%           |
| <b>Total (A)</b>  | <b>366,833</b> | <b>340,559</b> | <b>308,019</b> | <b>7.7%</b>     | <b>19.1%</b>    |
| (-) Compulsory Deposits                                 | (64,432)       | (61,585)       | (22,854)       | 4.6%            | 181.9%          |
| (-) Cash and Cash Equivalents (Currency)                | (11,063)       | (12,415)       | (10,325)       | -10.9%          | 7.1%            |
| <b>Total (B)</b>  | <b>291,338</b> | <b>266,558</b> | <b>274,840</b> | <b>9.3%</b>     | <b>6.0%</b>     |
| <b>Loan Portfolio (C) (**)</b>                          | <b>279,035</b> | <b>263,498</b> | <b>237,099</b> | <b>5.9%</b>     | <b>17.7%</b>    |
| <b>C/A</b>  | <b>76.1%</b>   | <b>77.4%</b>   | <b>77.0%</b>   | <b>-131 bps</b> | <b>-91 bps</b>  |
| <b>C/B</b>  | <b>95.8%</b>   | <b>98.9%</b>   | <b>86.3%</b>   | <b>-308 bps</b> | <b>951 bps</b>  |

(\*) These are comprised of installments of subordinated debt that is not included in Tier II Reference Equity.

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



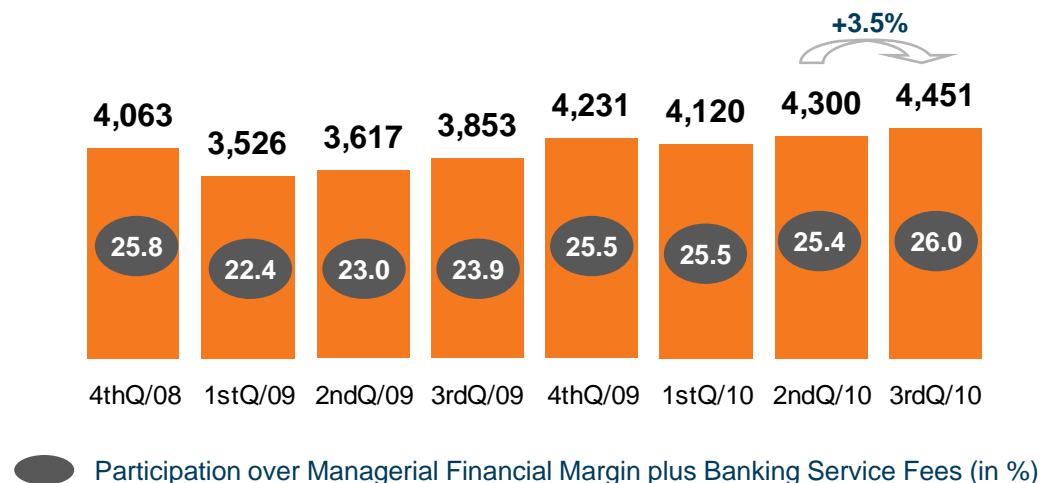
(\*\*\*) Gross funding, disregarding the deduction of cash and cash equivalents.

# Banking Fees Revenues and Income from Banking Charges

R\$ million

|   | 3 <sup>rd</sup> Q/10 | 2 <sup>nd</sup> Q/10 | 3 <sup>rd</sup> Q/10 –<br>2 <sup>nd</sup> Q/10 | Jan-Sep/10    | Jan-Sep/09    | Jan-Sep/10 –<br>Jan-Sep/09 |
|---|----------------------|----------------------|--|---------------|---------------|----------------------------|
| Asset Management                        | 654                  | 615                  | 6.4%   | 1,869         | 1,629         | 14.7%                      |
| Current Account Services (*)            | 641                  | 608                  | 5.5%   | 1,829         | 1,722         | 6.2%                       |
| Loan Operations and Guarantees Provided | 727                  | 672                  | 8.1%   | 2,057         | 1,594         | 29.0%                      |
| Collection Services                     | 336                  | 317                  | 5.7%   | 976           | 886           | 10.1%                      |
| Credit Cards                            | 1,706                | 1,639                | 4.1%   | 4,898         | 4,233         | 15.7%                      |
| Other                                   | 386                  | 447                  | -13.6%   | 1,242         | 932           | 33.3%                      |
| <b>Total</b>                            | <b>4,451</b>         | <b>4,300</b>         | <b>3.5%</b>                                    | <b>12,870</b> | <b>10,996</b> | <b>17.0%</b>               |

## Historical Data of Banking Fees Revenues and Income from Banking Charges



(\*) In the 1<sup>st</sup>Q/09 a reversal of R\$ 95 million income was made related to the reversion of provision of the credit information renewal charge charged during the period of 2008.

# Non-interest Expenses

R\$ million

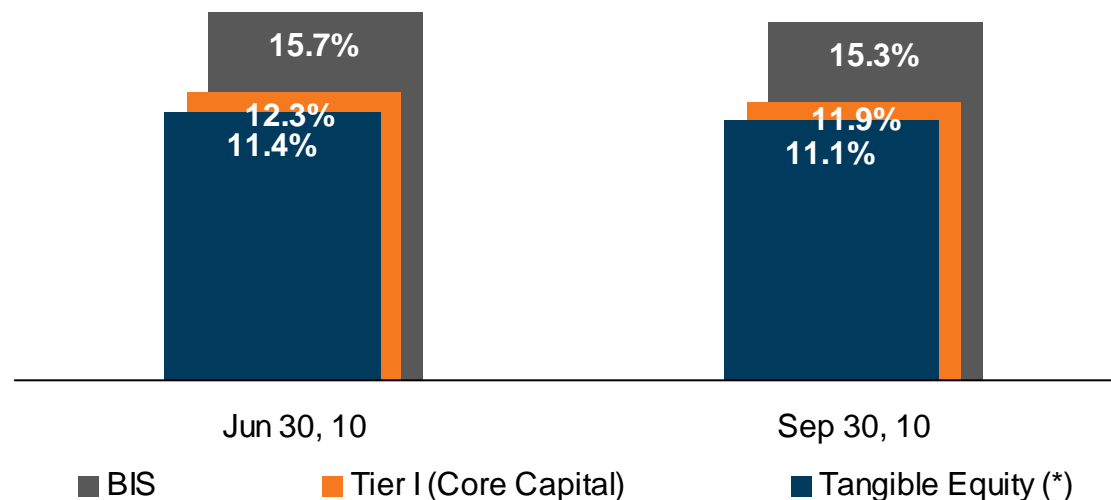
|   | 3 <sup>rd</sup> Q/10 | 2 <sup>nd</sup> Q/10 | 3 <sup>rd</sup> Q/10 –<br>2 <sup>nd</sup> Q/10 | Jan-Sep/10      | Jan-Sep/09      | Jan-Sep/10 –<br>Jan-Sep/09 |
|---|----------------------|----------------------|--|-----------------|-----------------|----------------------------|
| Personnel Expenses  | (3,346)              | (3,186)              | 5.0%   | (9,414)         | (8,849)         | 6.4%                       |
| Other Administrative Expenses   | (3,738)              | (3,335)              | 12.1%  | (10,051)        | (8,431)         | 19.2%                      |
| Other Operating Expenses  | (804)                | (956)                | -16.0%   | (2,553)         | (3,047)         | -16.2%                     |
| Tax Expenses (*)  | (86)                 | (93)                 | -7.3%  | (248)           | (260)           | -4.4%                      |
| <b>Non-interest Expenses</b>  | <b>(7,975)</b>       | <b>(7,570)</b>       | <b>5.3%</b>                                    | <b>(22,266)</b> | <b>(20,586)</b> | <b>8.2%</b>                |
| (+) Redecard Expenses   | 309                  | 263                  | 17.7%  | 805             | 693             | 16.1%                      |
| (+) Porto Seguro Expenses   | 125                  | 117                  | 7.3%   | 349             | -               | -                          |
| (+) New Points of Sale Expenses   | 183                  | 68                   | 170.8%   | 304             | -               | -                          |
| (+) Branches' Migration Expenses  | 406                  | 235                  | 72.9%  | 700             | -               | -                          |
| <b>Non-interest Expenses without Redecard, Porto Seguro, New Points of Sale Openings and Branches' Migration effects.</b> | <b>(6,951)</b>       | <b>(6,888)</b>       | <b>0.9%</b>                                    | <b>(20,108)</b> | <b>(19,893)</b> | <b>1.1%</b>                |

(\*) PIS, Cofins and ISS not included.



# BIS Ratio

R\$ million



## BIS Ratio Evolution

| BIS Ratio Evolution                                     | Referential equity |               |               | Adjusted Risk-weighted Exposure | BIS Ratio    | Tier I / Referential equity |
|---|--------------------|---------------|---------------|---------------------------------|--------------|-----------------------------|
|   | Tier I             | Tier II       | Total         |                                 |              |                             |
| <b>Jun 30, 10</b>                                       | <b>56,190</b>      | <b>15,358</b> | <b>71,548</b> | <b>454,925</b>                  | <b>15.7%</b> | <b>78.5%</b>                |
| Net income (**)   | 3,241              | -             | 3,241         | -                               | 0.7%         |                             |
| Dividends and Interest on capital                       | (1,105)            | -             | (1,105)       | -                               | -0.2%        |                             |
| Subordinated debt variation and Other                   | -                  | 1,526         | 1,526         | -                               | 0.3%         |                             |
| Others  | (135)              | 9             | (126)         | -                               | 0.0%         |                             |
| Adjusted Risk-weighted Exposure                         | -                  | -             | -             | 34,432                          | -1.2%        |                             |
| <b>Sep 30, 10</b>                                       | <b>58,191</b>      | <b>16,893</b> | <b>75,084</b> | <b>489,357</b>                  | <b>15.3%</b> | <b>77.5%</b>                |
| Issuance of US\$ 1 billion Subordinated Debt (***)      | -                  | 1,694         | 1,694         | -                               | 0.3%         |                             |
| <b>Sep 30, 10 - considering Subordinated Debt (***)</b> | <b>58,191</b>      | <b>18,587</b> | <b>76,778</b> | <b>489,357</b>                  | <b>15.6%</b> | <b>75.8%</b>                |

(\*) The Tangible Common Equity (TCE) is internationally defined as Stockholders' Equity less intangible assets, goodwill and preferred shares. In the case of Brazil, non-voting shares have primarily a capital function and, for this reason, have not been excluded from Tangible Equity.

(\*\*) Economic-financial Consolidated.

(\*\*\*) The Subordinated Debt is still in the process of approval from the Central Bank.

# Segmentation Highlights Pro Forma

R\$ million

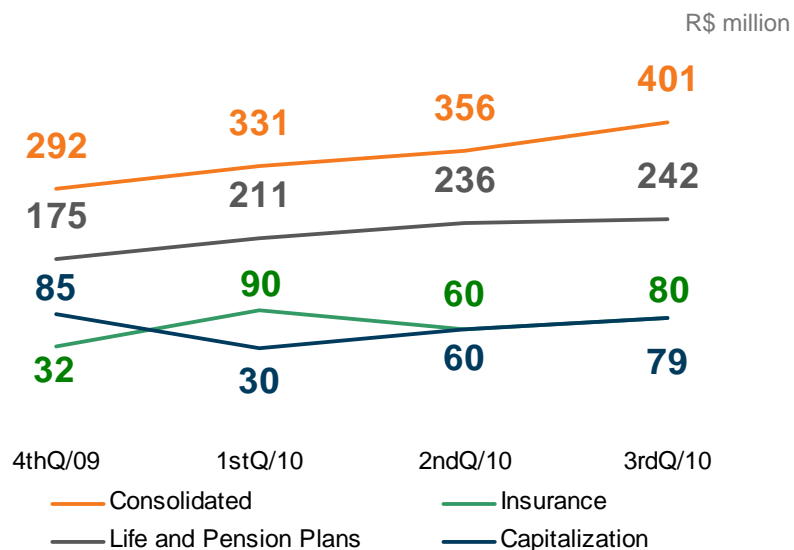
|                                    | Commercial Bank | Itaú BBA | Consumer Credit | Corporation + Treasury | Itaú Unibanco |
|------------------------------------|-----------------|----------|-----------------|------------------------|---------------|
| <b>3<sup>rd</sup> Quarter 2010</b> |                 |          |                 |                        |               |
| Recurring Net Income               | 1,483           | 789      | 631             | 255                    | 3,158         |
| Allocated Capital                  | 20,120          | 12,253   | 7,344           | 17,508                 | 57,225        |
| RAROC in the quarter (% p.y.)      | 31.7%           | 26.1%    | 33.7%           | 5.7%                   | 22.5%         |
| Efficiency Ratio (ER)              | 53.3%           | 35.7%    | 49.3%           | 33.0%                  | 49.2%         |
| Total Assets (*)                   | 487,814         | 197,127  | 85,772          | 59,452                 | 686,248       |
| <b>2<sup>nd</sup> Quarter 2010</b> |                 |          |                 |                        |               |
| Recurring Net Income               | 1,494           | 592      | 679             | 532                    | 3,298         |
| Allocated Capital                  | 17,301          | 11,887   | 7,649           | 18,238                 | 55,074        |
| RAROC in the quarter (% p.y.)      | 36.5%           | 19.9%    | 35.3%           | 11.8%                  | 24.4%         |
| Efficiency Ratio (ER)              | 53.0%           | 36.9%    | 45.8%           | 25.6%                  | 47.3%         |
| Total Assets (*)                   | 469,628         | 180,947  | 80,704          | 56,020                 | 651,583       |

(\*) Does not reflect the sum of the parts because certain intercompany transactions were eliminated only at the Consolidated level.

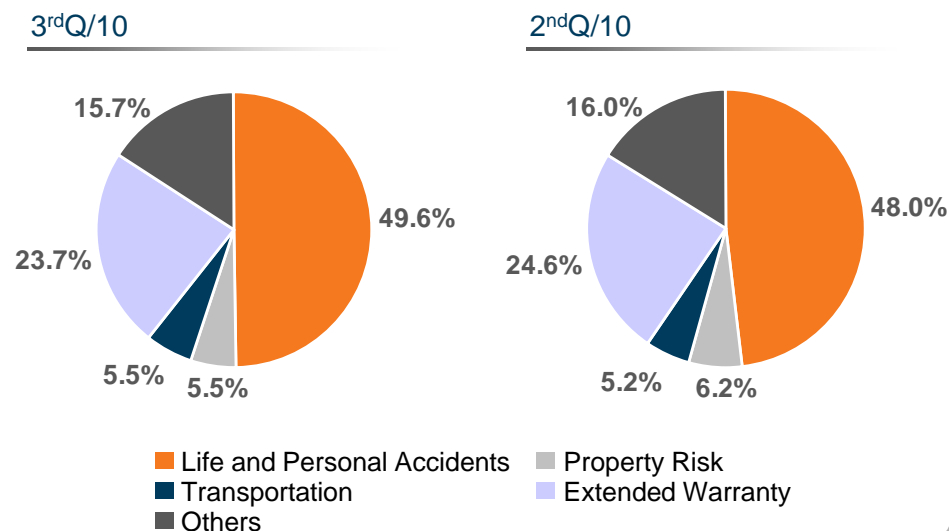
Note: As from 4Q09, it includes 30% stake of Porto Seguro at Corporation + Treasury.

# Insurance, Pension Plans and Capitalization

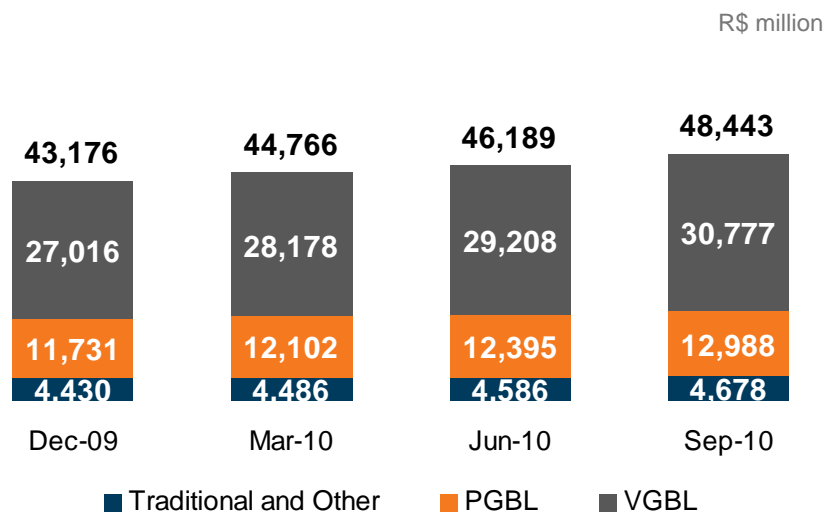
## Evolution of Net Income



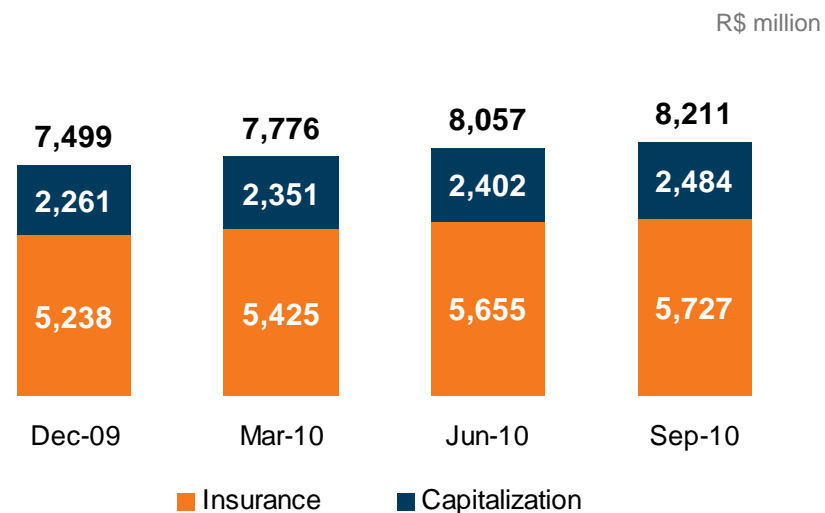
## Composition of Earned Premiums



## Pension Plan Technical Provisions

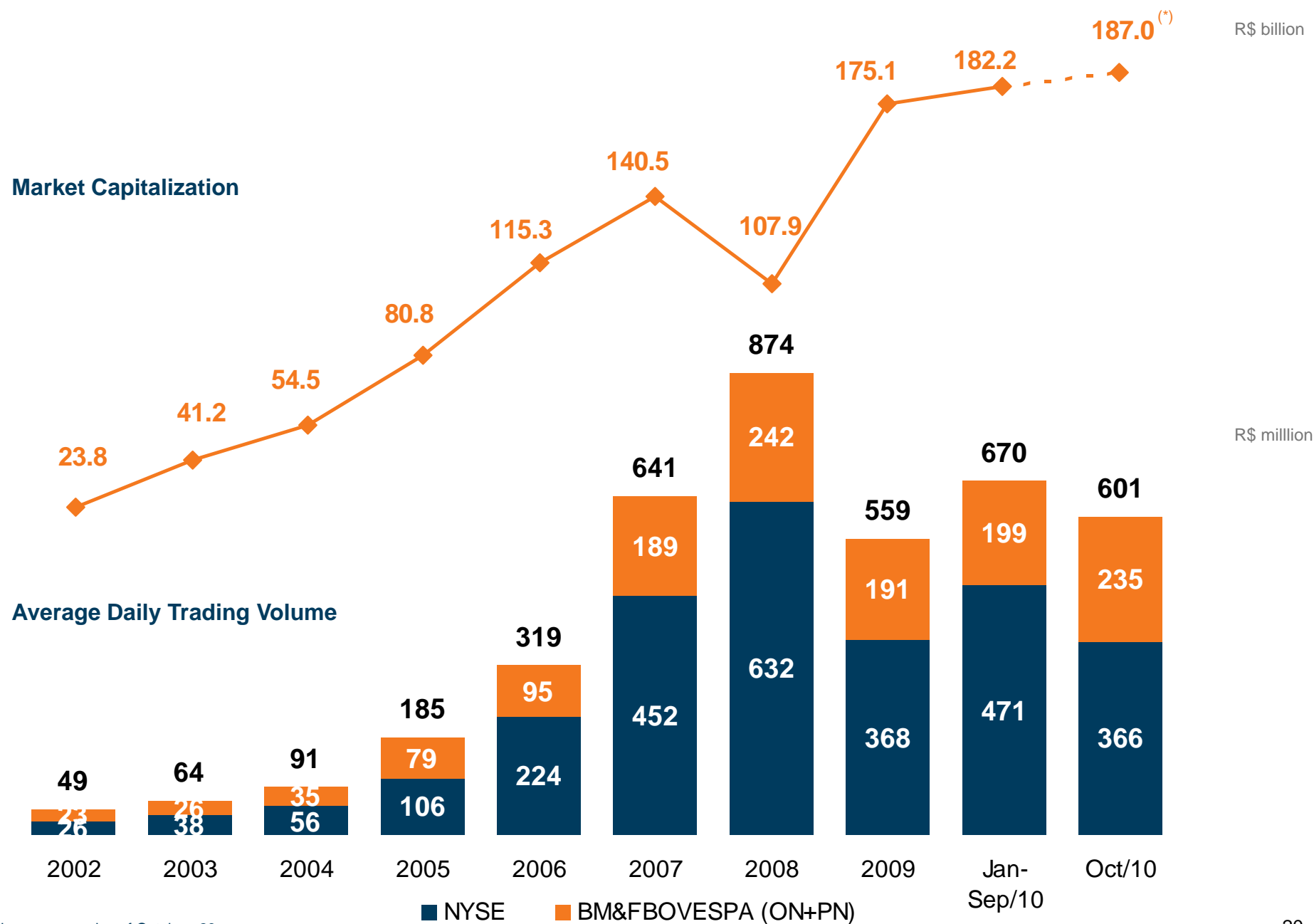


## Insurance and Capitalization Technical Provisions



Obs.: The numbers presented do not include results from the Porto Seguro association.

# Market Capitalization and Average Daily Trading Volume



(\*) Based on the average price of October, 29.

# Conference Call about 3<sup>rd</sup> Quarter 2010 Earnings Results

Alfredo Egydio Setubal  
Investor Relations Officer

Nov | 04 | 2010

Itaú Unibanco Holding S.A.

