



2nd quarter 2016 – Earnings Review

Conference Call

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The merger between Itaú Chile and CorpBanca was concluded on April, 1st. As from the second quarter of 2016, Itaú CorpBanca, the company resulting from this merger, was consolidated in our financial statements, as we are the controlling shareholder, with a 33.58% ownership of the new bank's total capital.

In order to allow comparison with previous periods, we are presenting historical pro forma data, that is, the combined result of Itaú Unibanco and CorpBanca for the periods previous to the second quarter of 2016, in the Management Discussion & Analysis report and in this presentation.

The pro forma statements above mentioned were prepared considering all lines of the income statement, including 100% of Itaú CorpBanca's result. The result related to the minority shareholders is shown in the "minority interests in subsidiaries" line, for both CorpBanca and Itaú Chile.

As the data was prepared to demonstrate, on a retroactively basis, the effect of a transaction occurred in a subsequent date, there are limits inherent to pro forma information. The data was provided for illustration purposes only and should not be taken as a demonstration of the result that would have been achieved if the merger had occurred on a previous date, nor do they indicate any future result of the combined company.

Highlights

Recurring Net Income

R\$5.6
billion

Consolidated

▲ + 8.0% (2Q16/1Q16)
▼ - 9.1% (2Q16/2Q15)

R\$5.2
billion

Brazil

▲ + 3.9% (2Q16/1Q16)
▼ - 10.3% (2Q16/2Q15)

Recurring ROE (p.a.)

20.6%

Consolidated

▲ + 100 bps (2Q16/1Q16)
▼ - 420 bps (2Q16/2Q15)

21.1%

Brazil

▲ + 40 bps (2Q16/1Q16)
▼ - 400 bps (2Q16/2Q15)

Credit Quality (June/16)

NPL 90
3.6%

Consolidated

▲ + 10 bps (2Q16/1Q16)
▲ + 60 bps (2Q16/2Q15)

NPL 90
4.5%

Brazil

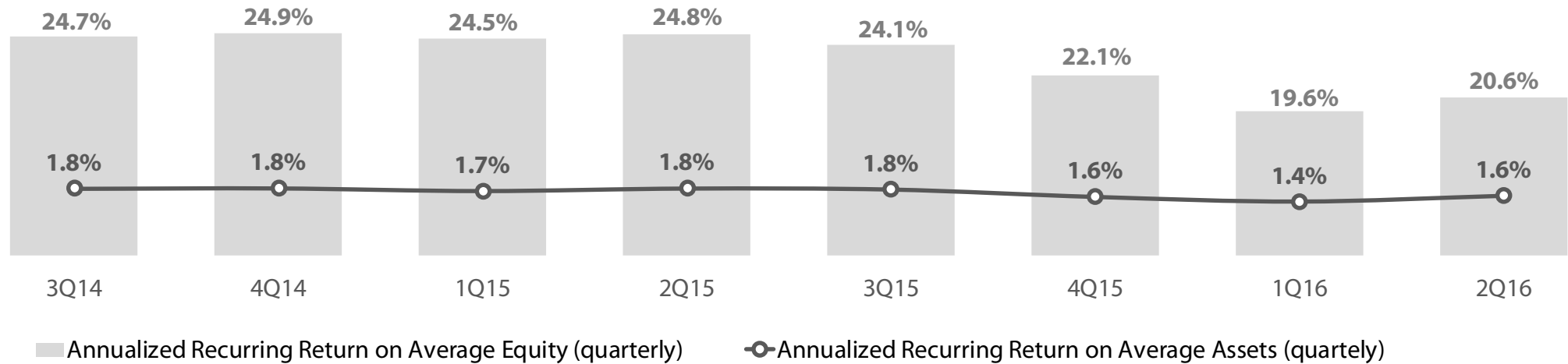
▲ + 10 bps (2Q16/1Q16)
▲ + 90 bps (2Q16/2Q15)

	2Q16 / 1Q16	2Q16 / 2Q15
<ul style="list-style-type: none"> Financial Margin with Clients: Financial Margin with Clients - Brazil: 	▼ - 3.9% ▼ - 2.9%	▼ - 3.8% ▼ - 2.2%
<ul style="list-style-type: none"> Financial Margin with the Market: Financial Margin with the Market - Brazil: 	▼ - 12.5% ▼ - 24.0%	▼ - 2.6% ▼ - 10.1%
<ul style="list-style-type: none"> Provision for Loan Losses: Provision for Loan Losses - Brazil: 	▼ - 19.0% ▼ - 15.7%	▲ + 9.9% ▲ + 10.5%
<ul style="list-style-type: none"> Fees and Result from Insurance¹: Fees and Result from Insurance¹ - Brazil: 	▲ + 5.6% ▲ + 4.4%	▲ + 8.4% ▲ + 7.8%
<ul style="list-style-type: none"> Non-Interest Expenses: Non-Interest Expenses - Brazil: 	▲ + 4.6% ▲ + 5.7%	▲ + 8.0% ▲ + 6.7%
<ul style="list-style-type: none"> Efficiency Ratio: Efficiency Ratio - Brazil: 	▲ + 270 bps ▲ + 320 bps	▲ + 350 bps ▲ + 260 bps
<ul style="list-style-type: none"> Credit Portfolio (Endorsements and Sureties): Credit Portfolio (Endorsements and Sureties) - Brazil: 	▼ - 4.5% ▼ - 3.4%	▼ - 5.4% ▼ - 7.5%

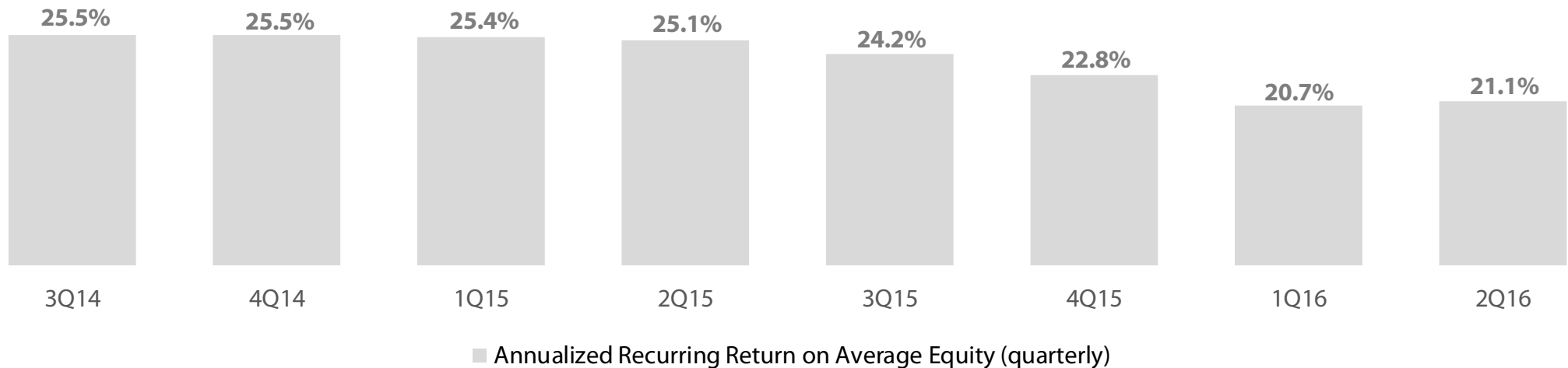
¹ Result from Insurance (-) Retained Claims (-) Insurance Selling Expenses.
Note: Results from Brazil consider units abroad ex-Latin America.

Recurring ROE / Recurring ROA

Consolidated ROE / ROA



Brazil ROE¹



¹ Includes units abroad ex-Latin America.

In R\$ millions	2Q16	1Q16	change		2Q15	change		1H16	1H15	change	
Operating Revenues	26,478	26,884	(405)	-1.5%	26,532	(53)	-0.2%	53,362	52,491	871	1.7%
Managerial Financial Margin	16,588	17,412	(824)	-4.7%	17,229	(641)	-3.7%	34,000	34,037	(36)	-0.1%
Financial Margin with Clients	15,068	15,675	(607)	-3.9%	15,668	(600)	-3.8%	30,743	30,604	138	0.5%
Financial Margin with the Market	1,520	1,737	(217)	-12.5%	1,561	(41)	-2.6%	3,258	3,432	(175)	-5.1%
Commissions and Fees	7,816	7,331	486	6.6%	7,105	711	10.0%	15,147	14,141	1,006	7.1%
Result from Insurance ¹	2,074	2,141	(67)	-3.1%	2,198	(123)	-5.6%	4,215	4,314	(99)	-2.3%
Result from Loan Losses	(5,365)	(6,973)	1,608	-23.1%	(4,605)	(760)	16.5%	(12,338)	(9,238)	(3,101)	33.6%
Provision for Loan Losses	(6,337)	(7,824)	1,487	-19.0%	(5,768)	(569)	9.9%	(14,161)	(11,482)	(2,679)	23.3%
Recovery of Loans Written Off as Losses	972	851	121	14.3%	1,163	(191)	-16.4%	1,823	2,244	(422)	-18.8%
Retained Claims	(352)	(394)	42	-10.7%	(385)	33	-8.5%	(746)	(753)	7	-0.9%
Operating Margin	20,761	19,516	1,245	6.4%	21,541	(780)	-3.6%	40,277	42,500	(2,223)	-5.2%
Other Operating Income/(Expenses)	(13,093)	(12,620)	(472)	3.7%	(12,279)	(813)	6.6%	(25,713)	(24,431)	(1,282)	5.2%
Non-interest Expenses	(11,415)	(10,909)	(505)	4.6%	(10,566)	(848)	8.0%	(22,324)	(20,997)	(1,327)	6.3%
Tax Expenses and Other ²	(1,678)	(1,711)	33	-1.9%	(1,713)	35	-2.0%	(3,389)	(3,434)	45	-1.3%
Income before Tax and Minority Interests	7,669	6,896	773	11.2%	9,262	(1,594)	-17.2%	14,564	18,069	(3,505)	-19.4%
Income Tax and Social Contribution	(1,899)	(1,739)	(159)	9.2%	(2,733)	834	-30.5%	(3,638)	(5,408)	1,770	-32.7%
Minority Interests in Subsidiaries	(195)	6	(201)	-	(396)	201	-50.7%	(189)	(703)	514	-73.1%
Recurring Net Income	5,575	5,162	413	8.0%	6,134	(559)	-9.1%	10,737	11,958	(1,220)	-10.2%

¹ Result from Insurance includes the Result from Insurance, Pension Plan and Premium Bonds Operations before Retained Claims and Selling Expenses.

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

Results – Brazil and Latin America



In R\$ millions	2Q16			1Q16			change		
	Consolidated	Brazil ¹	Latin America (ex-Brazil)	Consolidated	Brazil ¹	Latin America (ex-Brazil)	Consolidated	Brazil ¹	Latin America (ex-Brazil)
Operating Revenues	26,478	23,972	2,507	26,884	24,470	2,413	-1.5%	-2.0%	3.9%
Managerial Financial Margin	16,588	14,835	1,753	17,412	15,624	1,788	-4.7%	-5.1%	-1.9%
Financial Margin with Clients	15,068	13,607	1,461	15,675	14,010	1,665	-3.9%	-2.9%	-12.3%
Financial Margin with the Market	1,520	1,228	293	1,737	1,615	122	-12.5%	-24.0%	139.4%
Commissions and Fees	7,816	7,094	722	7,331	6,743	588	6.6%	5.2%	22.8%
Result from Insurance ²	2,074	2,042	32	2,141	2,103	38	-3.1%	-2.9%	-16.7%
Result from Loan Losses	(5,365)	(5,015)	(351)	(6,973)	(6,237)	(736)	-23.1%	-19.6%	-52.4%
Provision for Loan Losses	(6,337)	(5,941)	(396)	(7,824)	(7,051)	(772)	-19.0%	-15.7%	-48.7%
Recovery of Loans Written Off as Losses	972	927	45	851	814	37	14.3%	13.8%	24.0%
Retained Claims	(352)	(344)	(8)	(394)	(384)	(11)	-10.7%	-10.3%	-25.7%
Other Operating Expenses	(13,093)	(11,464)	(1,629)	(12,620)	(10,982)	(1,639)	3.7%	4.4%	-0.6%
Non-interest Expenses	(11,415)	(9,828)	(1,587)	(10,909)	(9,294)	(1,615)	4.6%	5.7%	-1.8%
Tax Expenses and Other ³	(1,678)	(1,636)	(42)	(1,711)	(1,688)	(24)	-1.9%	-3.1%	77.9%
Income before Tax and Minority Interests	7,669	7,149	520	6,896	6,868	28	11.2%	4.1%	-
Income Tax and Social Contribution	(1,899)	(1,857)	(42)	(1,739)	(1,776)	36	9.2%	4.6%	-216.1%
Minority Interests in Subsidiaries	(195)	(69)	(126)	6	(64)	70	-	7.3%	-280.1%
Recurring Net Income	5,575	5,223	352	5,162	5,028	134	8.0%	3.9%	161.7%

¹ Includes units abroad ex-Latin America.

² Result from Insurance includes the Result from Insurance, Pension Plan and Premium Bonds Operations before Retained Claims and Selling Expenses.

³ Include Tax Expenses (ISS, PIS, COFINS and other) and Insurance Selling Expenses.

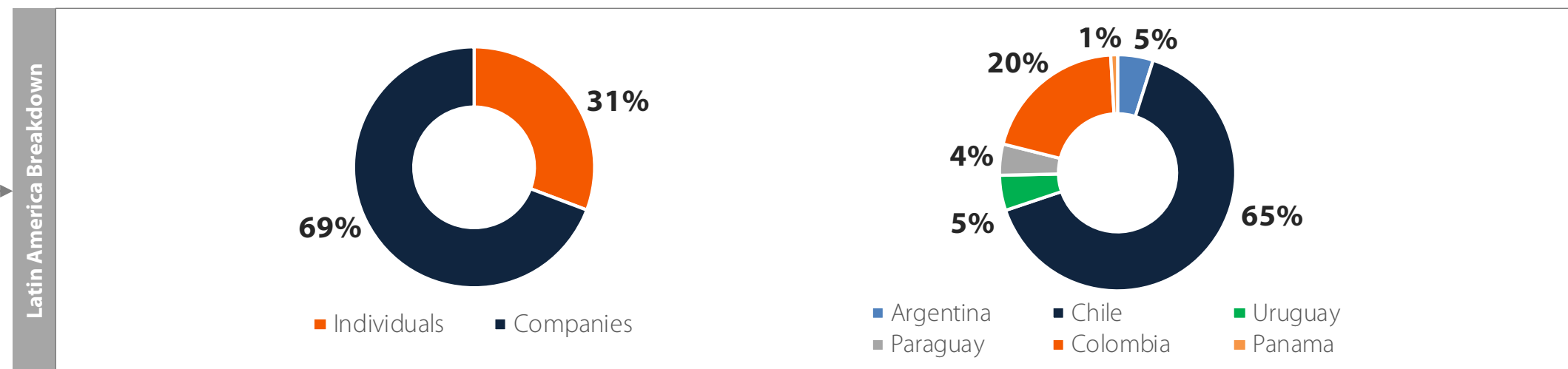
Note: Latin America information is presented in nominal currency.

Credit and Trading & Insurance and Services



In R\$ billions	2Q16				1Q16				change			
	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	26.5	14.5	11.5	0.5	26.9	15.7	11.0	0.2	-1.5%	-8.0%	4.5%	184.2%
Managerial Financial Margin	16.6	12.0	4.0	0.5	17.4	13.4	3.9	0.2	-4.7%	-10.1%	4.4%	184.2%
Commissions and Fees	7.8	2.5	5.4	-	7.3	2.4	5.0	-	6.6%	3.8%	8.0%	-
Result from Insurance	2.1	-	2.1	-	2.1	-	2.1	-	-3.1%	-	-3.1%	-
Result from Loan Losses	(5.4)	(5.4)	-	-	(7.0)	(7.0)	-	-	-23.1%	-23.1%	-	-
Retained Claims	(0.4)	-	(0.4)	-	(0.4)	-	(0.4)	-	-10.7%	-	-10.7%	-
Non-interest Expenses and Other Expenses	(13.3)	(6.7)	(6.6)	(0.0)	(12.6)	(6.2)	(6.4)	(0.0)	5.3%	8.3%	2.2%	184.2%
Recurring Net Income	5.6	1.8	3.4	0.4	5.2	2.0	3.0	0.2	8.0%	-9.2%	11.1%	170.0%
Regulatory Capital	110.6	56.1	37.1	17.4	106.6	64.8	35.4	6.4	3.7%	-13.5%	4.9%	169.9%
Recurring Return	20.6%	12.9%	36.1%	9.5%	19.6%	12.3%	34.1%	9.5%	100 bps	60 bps	200 bps	0 bps

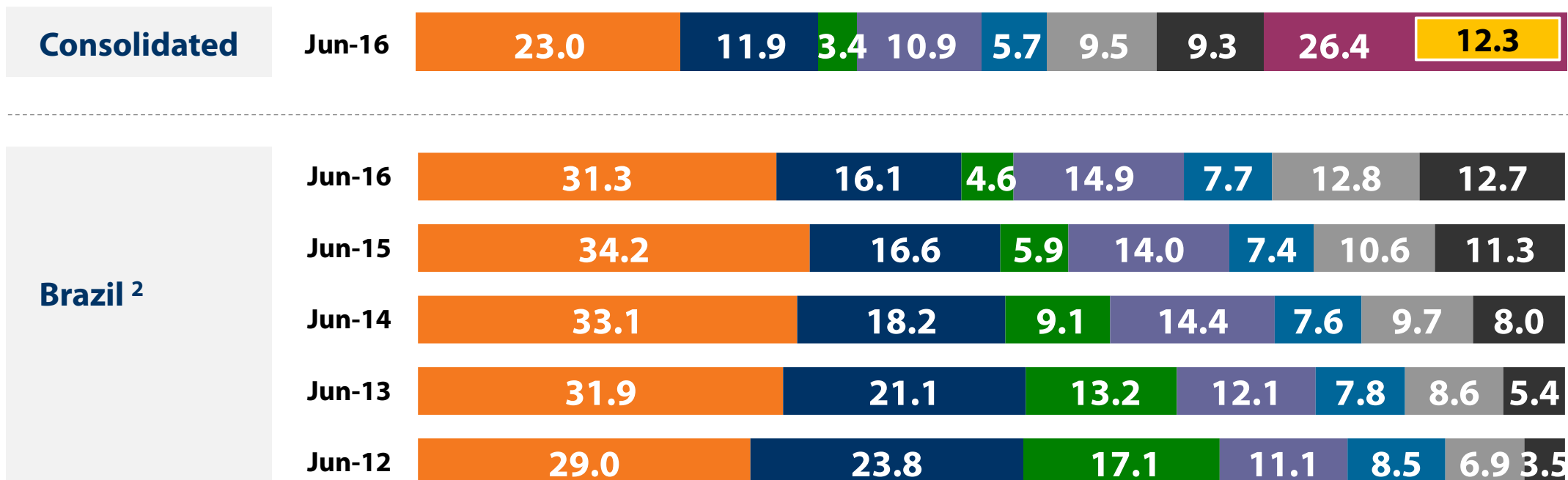
In R\$ millions, end of period		2Q16	1Q16	change	2Q15	change
Consolidated	Individuals	182,626	184,226	-0.9%	187,318	-2.5%
	Credit Card Loans	54,455	54,867	-0.8%	56,247	-3.2%
	Personal Loans	28,703	29,159	-1.6%	30,016	-4.4%
	Payroll Loans	46,489	46,742	-0.5%	45,517	2.1%
	Vehicle Loans	16,700	18,105	-7.8%	23,786	-29.8%
	Mortgage Loans	36,280	35,353	2.6%	31,753	14.3%
	Companies	251,136	264,896	-5.2%	285,121	-11.9%
	Corporate Loans	188,897	199,273	-5.2%	214,687	-12.0%
	Very Small, Small and Middle Market Loans	62,239	65,622	-5.2%	70,434	-11.6%
	Latin America	139,241	151,583	-8.1%	135,845	2.5%
Total with Endorsements and Sureties	573,003	600,705	-4.6%	608,285	-5.8%	
Corporate - Private Securities	35,603	36,768	-3.2%	34,850	2.2%	
Total with Endorsements, Sureties and Private Securities	608,606	637,472	-4.5%	643,134	-5.4%	
Total with Endorsements, Sureties and Private Securities (ex-foreign exchange rate variation)	608,606	618,332	-1.6%	642,008	-5.2%	



Loan Portfolio Mix Change ¹ (%)



Itaú Unibanco's share in Latin America businesses 



■ Corporate

■ Very Small, Small and Middle Market

■ Vehicles

■ Credit Card

■ Personal Loans

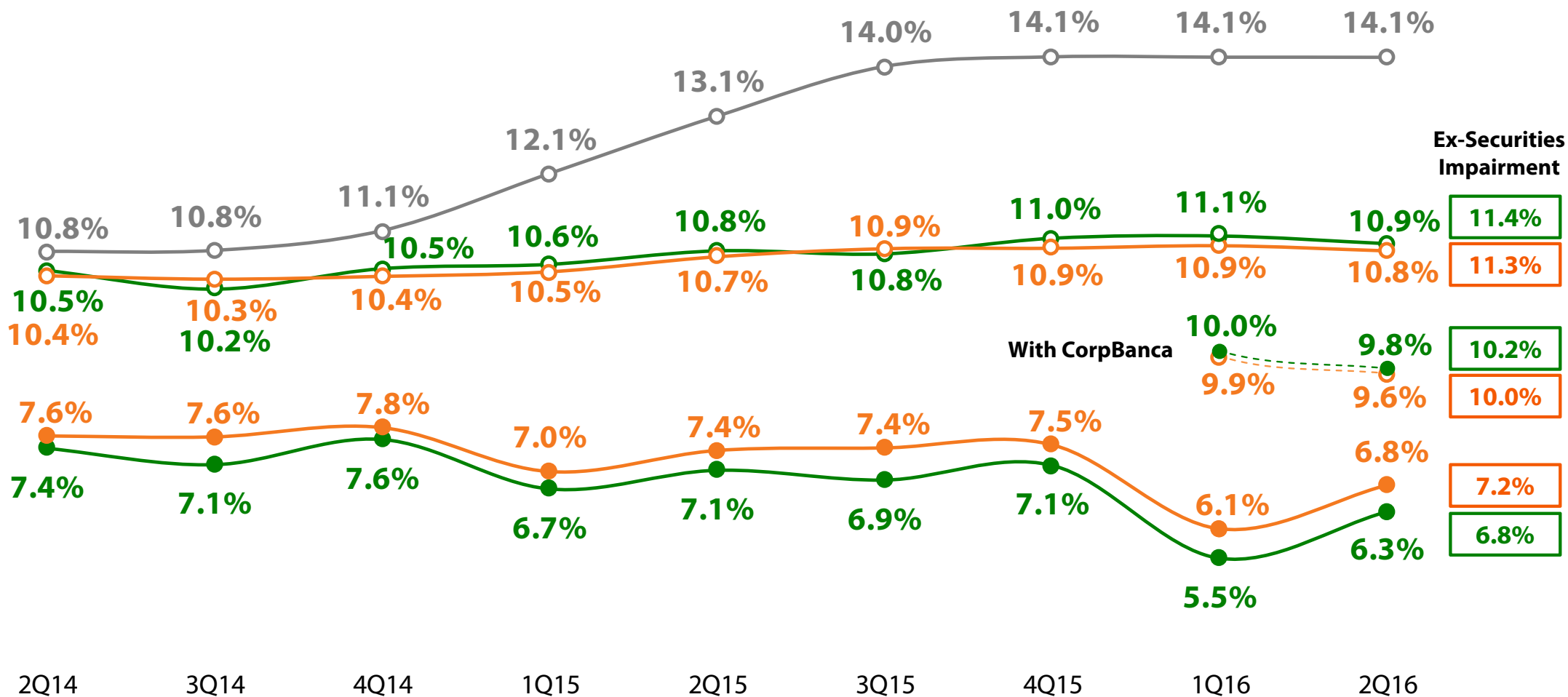
■ Latin America ³

■ Mortgage Loans

■ Payroll Loans

¹ Does not include endorsements and sureties; ² includes units abroad ex-Latin America; ³ excludes Brazil.

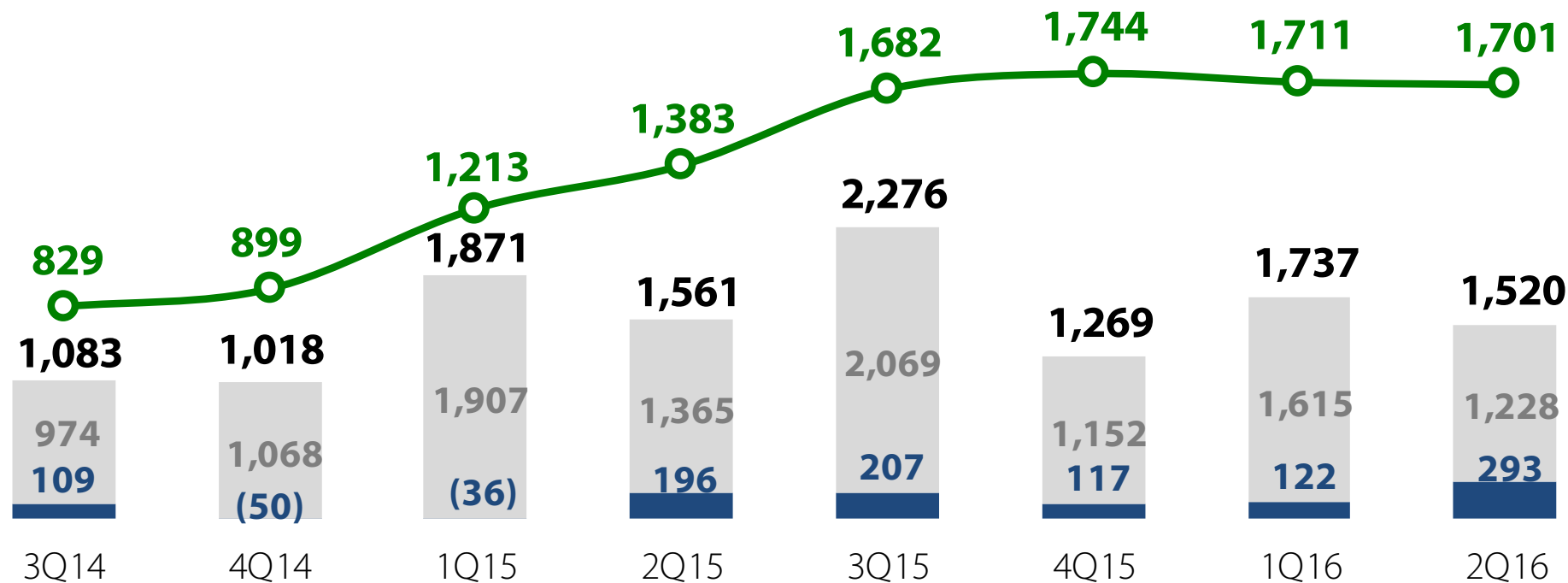
Financial Margin | Annualized average rate



- Annualized average rate of spread-sensitive operations
- Annualized average rate of financial margin with clients
- Annualized average rate of risk-adjusted spread-sensitive operations
- Annualized average rate of risk-adjusted financial margin with clients
- CDI (annualized quarterly rate)
- Annualized average rate of financial margin with clients - Including CorpBanca
- Annualized Average rate of spread-sensitive operations - Including CorpBanca

Financial Margin with the Market

In R\$ millions



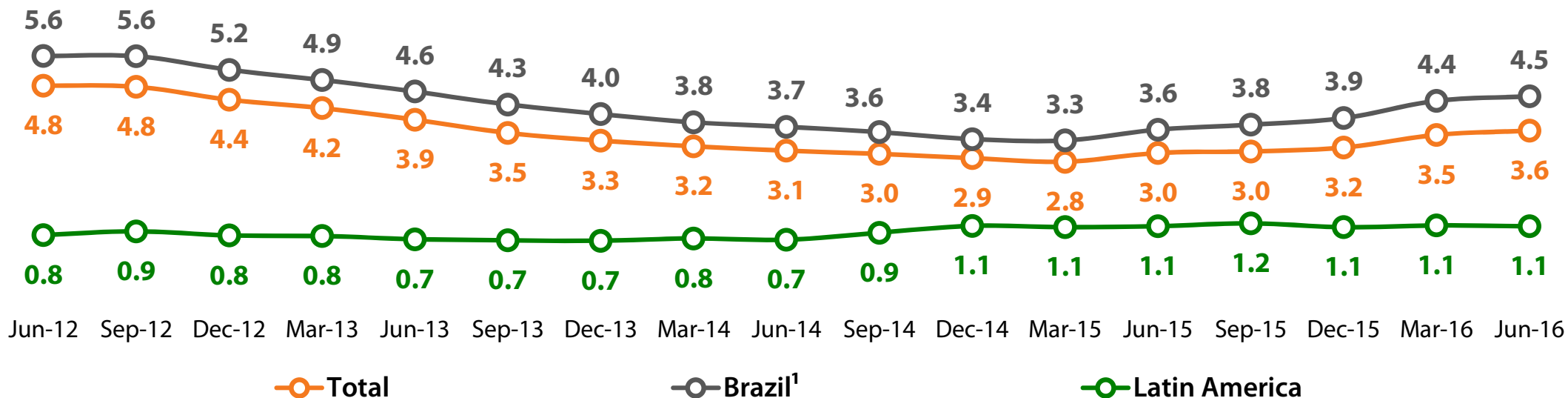
- Financial Margin with the Market - Brazil¹
- Financial Margin with the Market - Latin America²
- 1-year moving average of Financial Margin with the Market

¹ Includes units abroad ex-Latin America; ² Excludes Brazil.

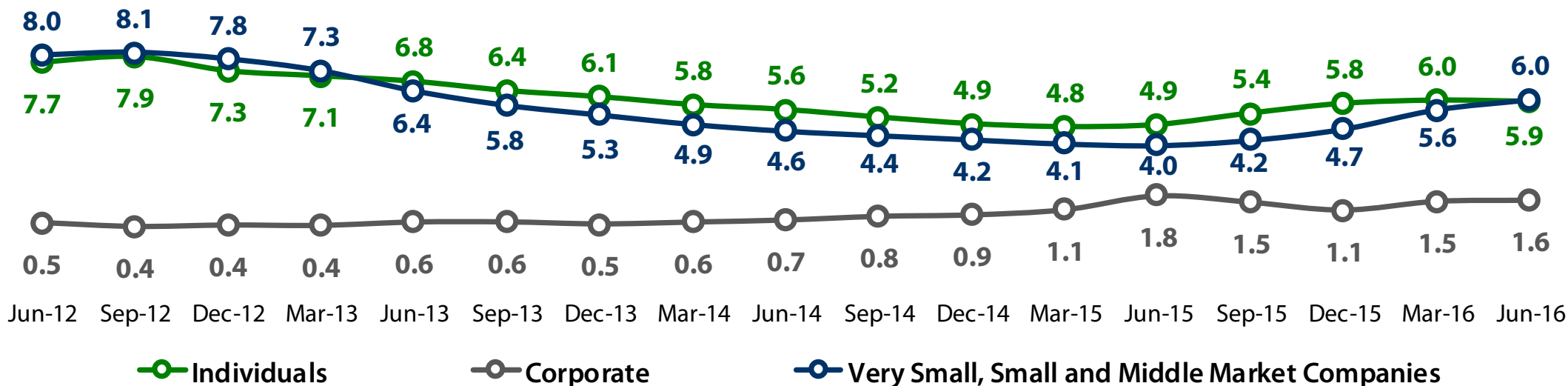
Credit Quality



90-day NPL Ratio - **Consolidated** - %



90-day NPL Ratio - **Brazil¹** - %

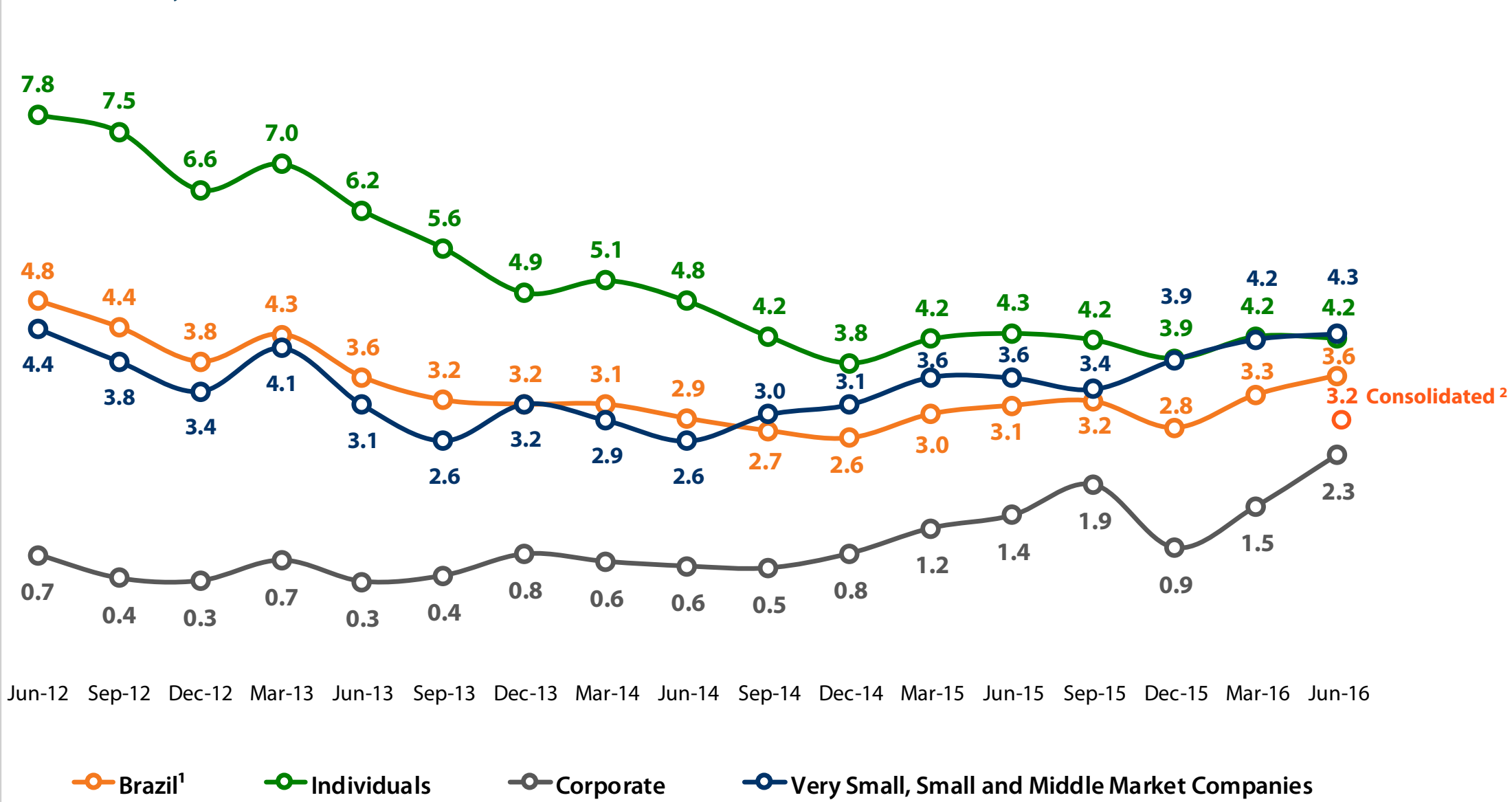


¹ Includes units abroad ex-Latin America.

Credit Quality

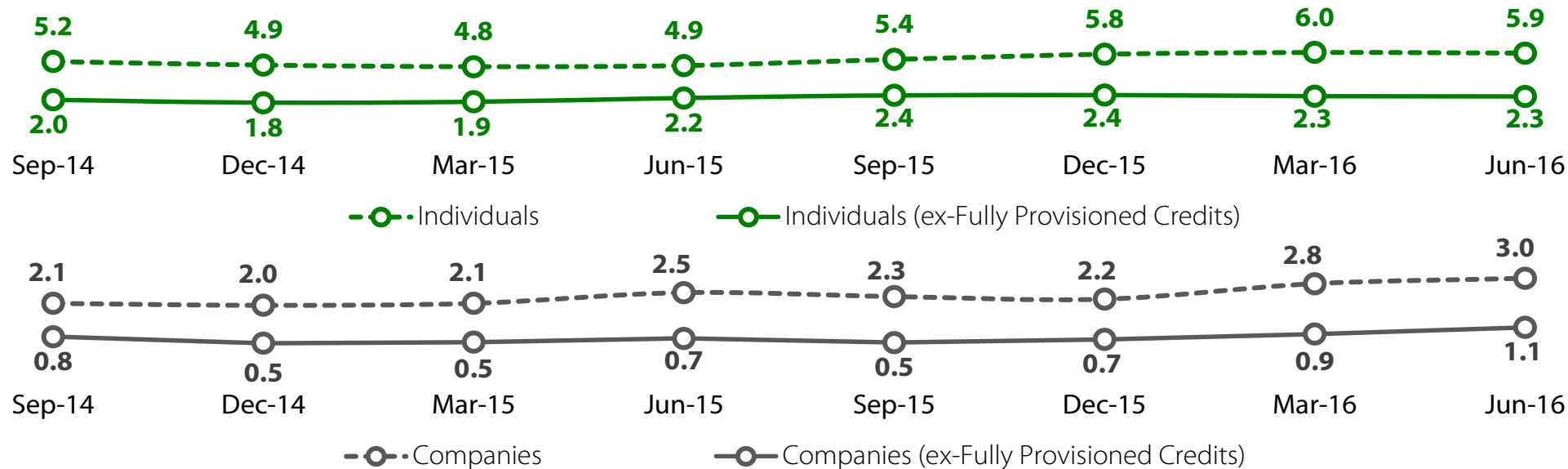


15 to 90-day NPL Ratio - **Brazil**¹ - %

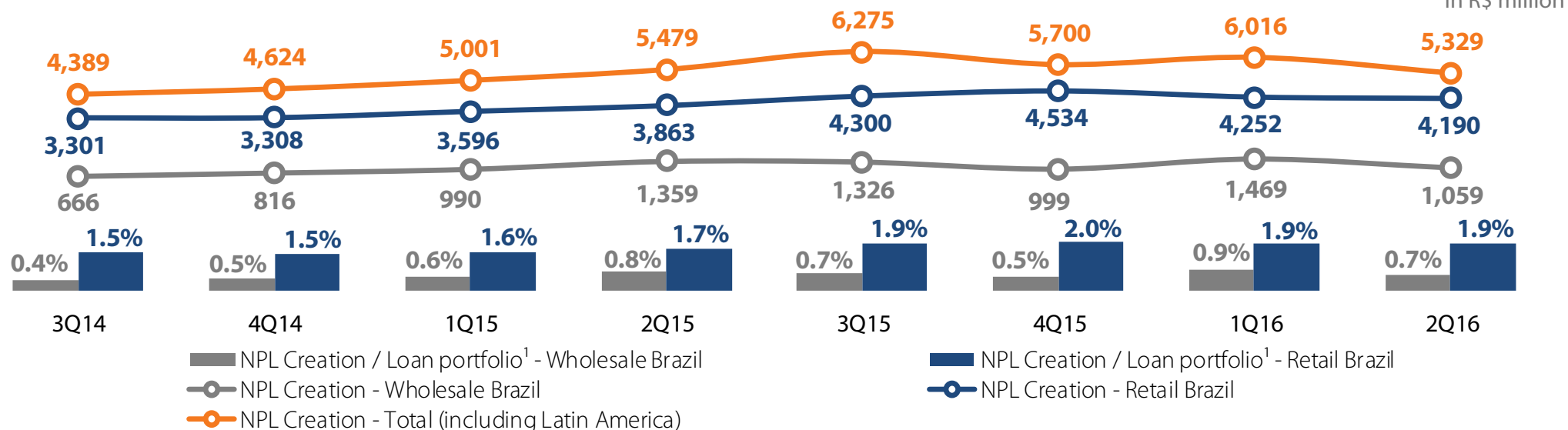


¹ Includes units abroad ex-Latin America; ² Refers to Itaú Unibanco's ratio, which includes operations in Brazil and abroad.

90-day NPL Ratio and 90-day NPL Ratio Excluding Fully Provisioned Credits - Brazil (%)



NPL Creation



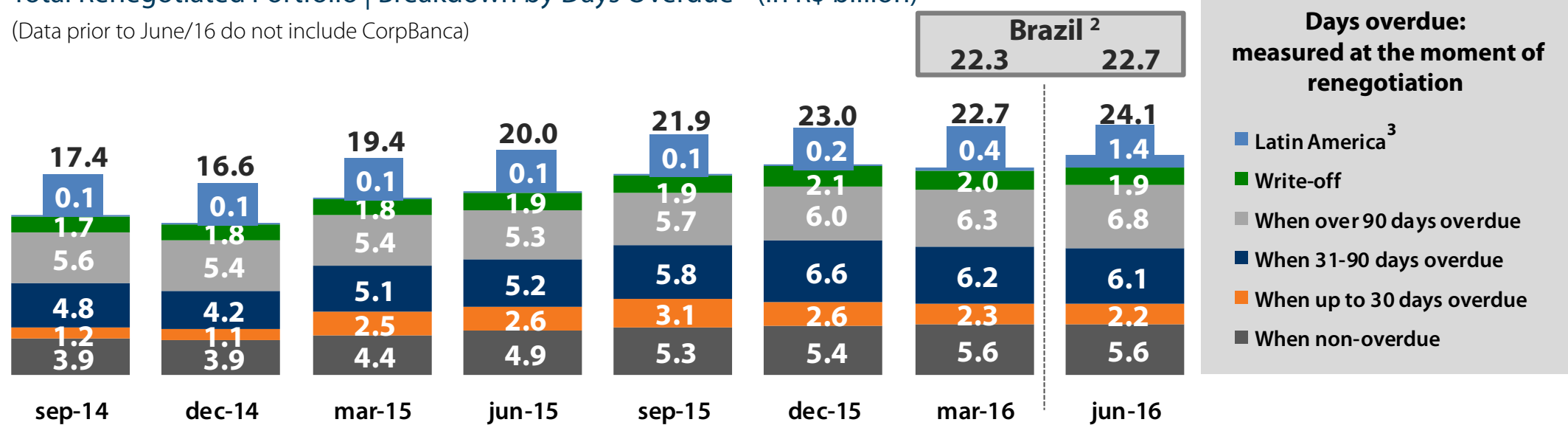
¹ Loan portfolio average balance of the two previous quarters.

Renegotiated Loan Operations



Total Renegotiated Portfolio | Breakdown by Days Overdue ¹ (in R\$ billion)

(Data prior to June/16 do not include CorpBanca)

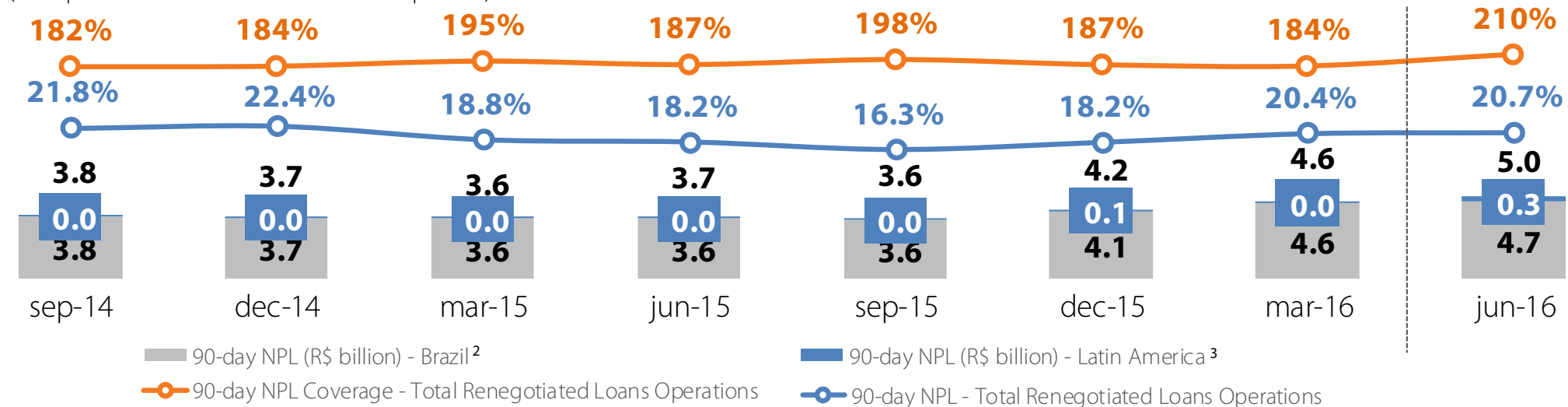


Days overdue: measured at the moment of renegotiation

- Latin America ³
- Write-off
- When over 90 days overdue
- When 31-90 days overdue
- When up to 30 days overdue
- When non-overdue

Delinquency and 90-day NPL Coverage of Total Renegotiated Portfolio ¹

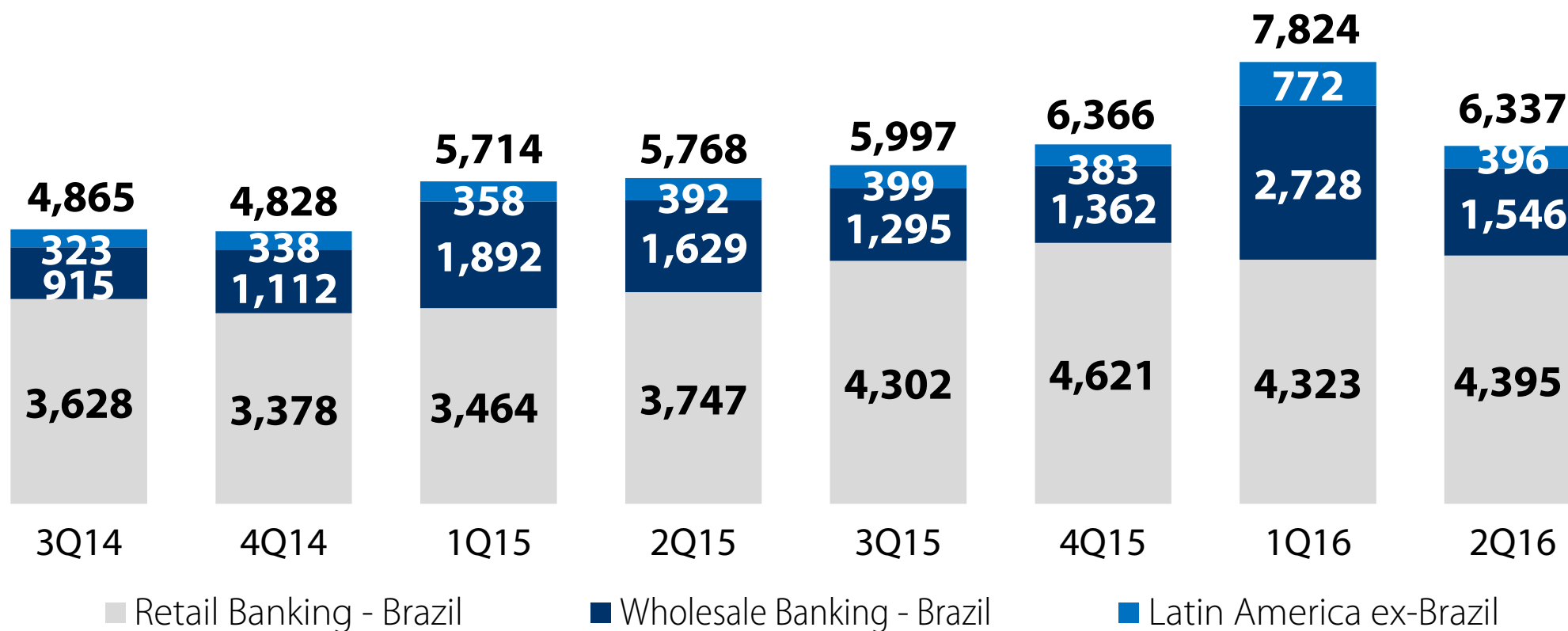
(Data prior to June/16 do not include CorpBanca)



¹ Measured at the moment of renegotiation; ² Includes units abroad ex-Latin America; ³ Excludes Brazil.

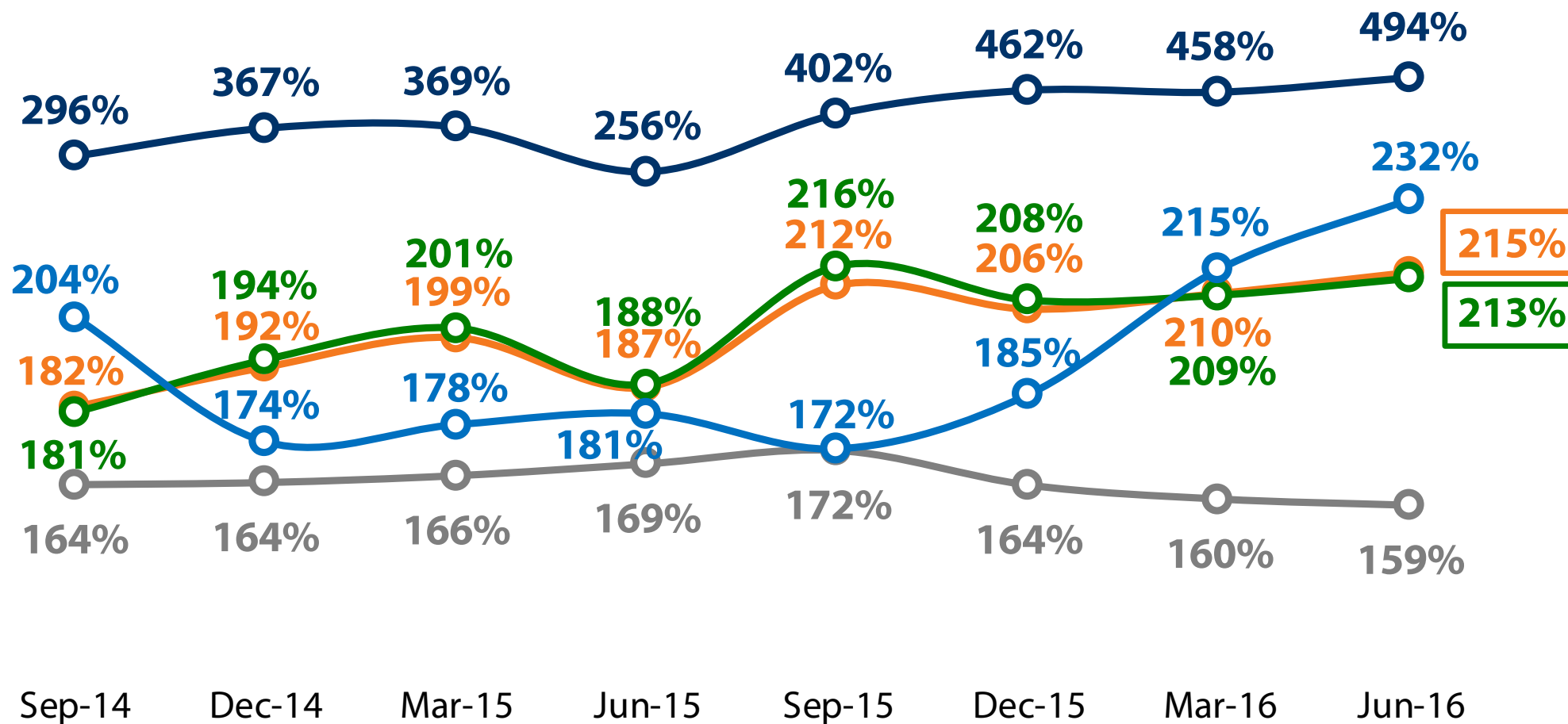
Provision for Loan Losses by Segment

In R\$ million



Note: CorpBanca information from the 3Q14 to the 1Q16 refers to the accounting data disclosed.

Coverage Ratio (90-days NPL)

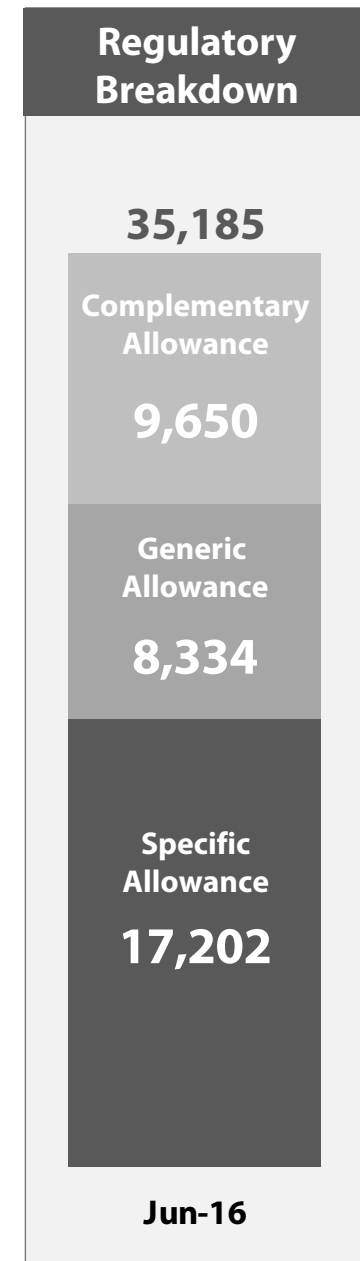
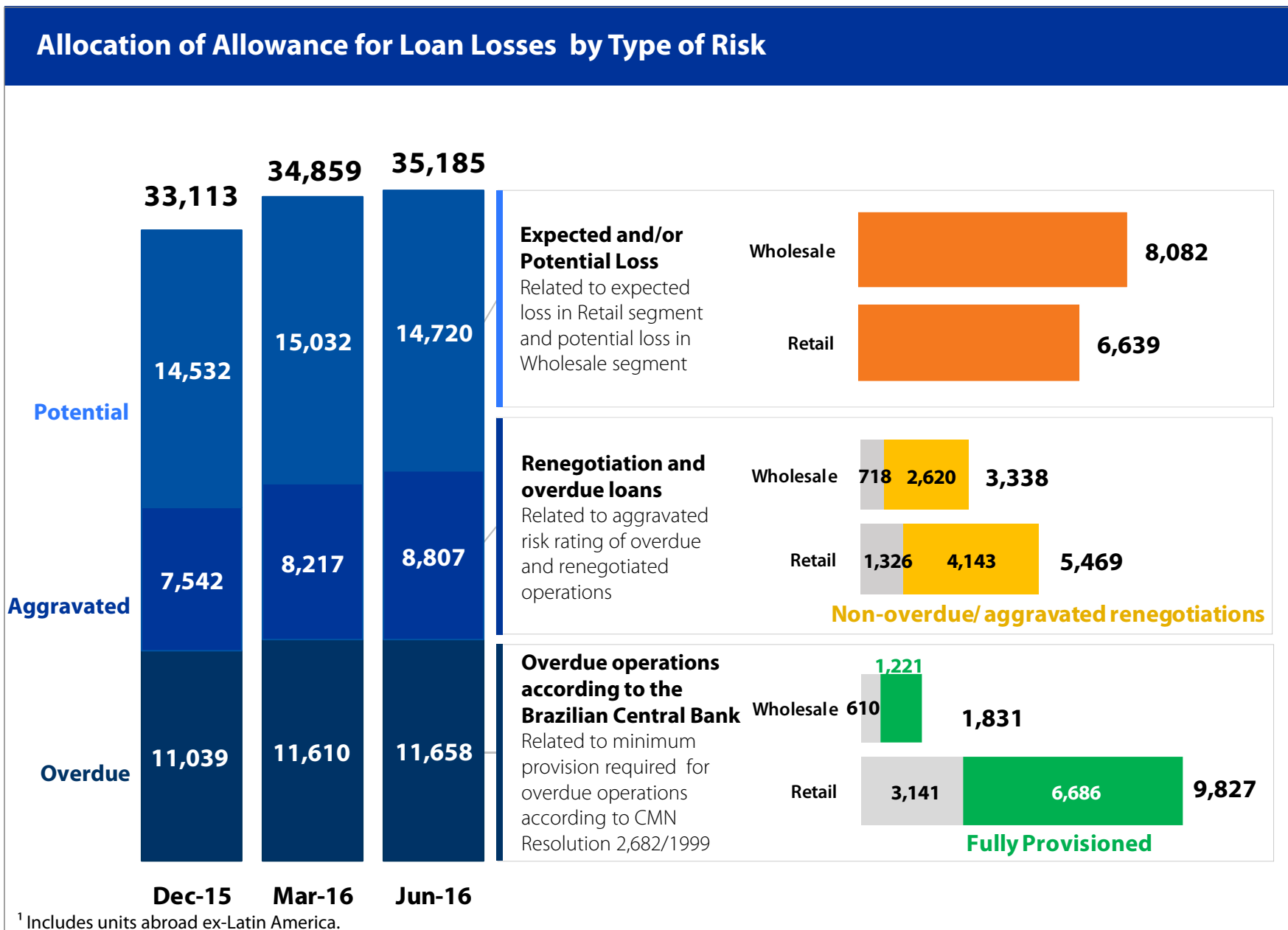


○ Total
 ○ Total - Brazil
 ○ Retail - Brazil
 ○ Latin America ex-Brazil
 ○ Wholesale - Brazil

Allowance for Loan Losses by Type of Risk – Brazil ¹

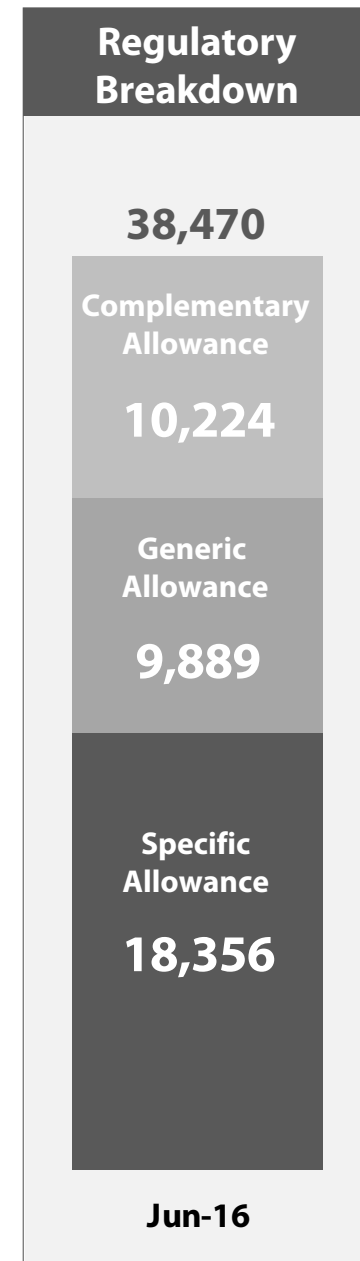
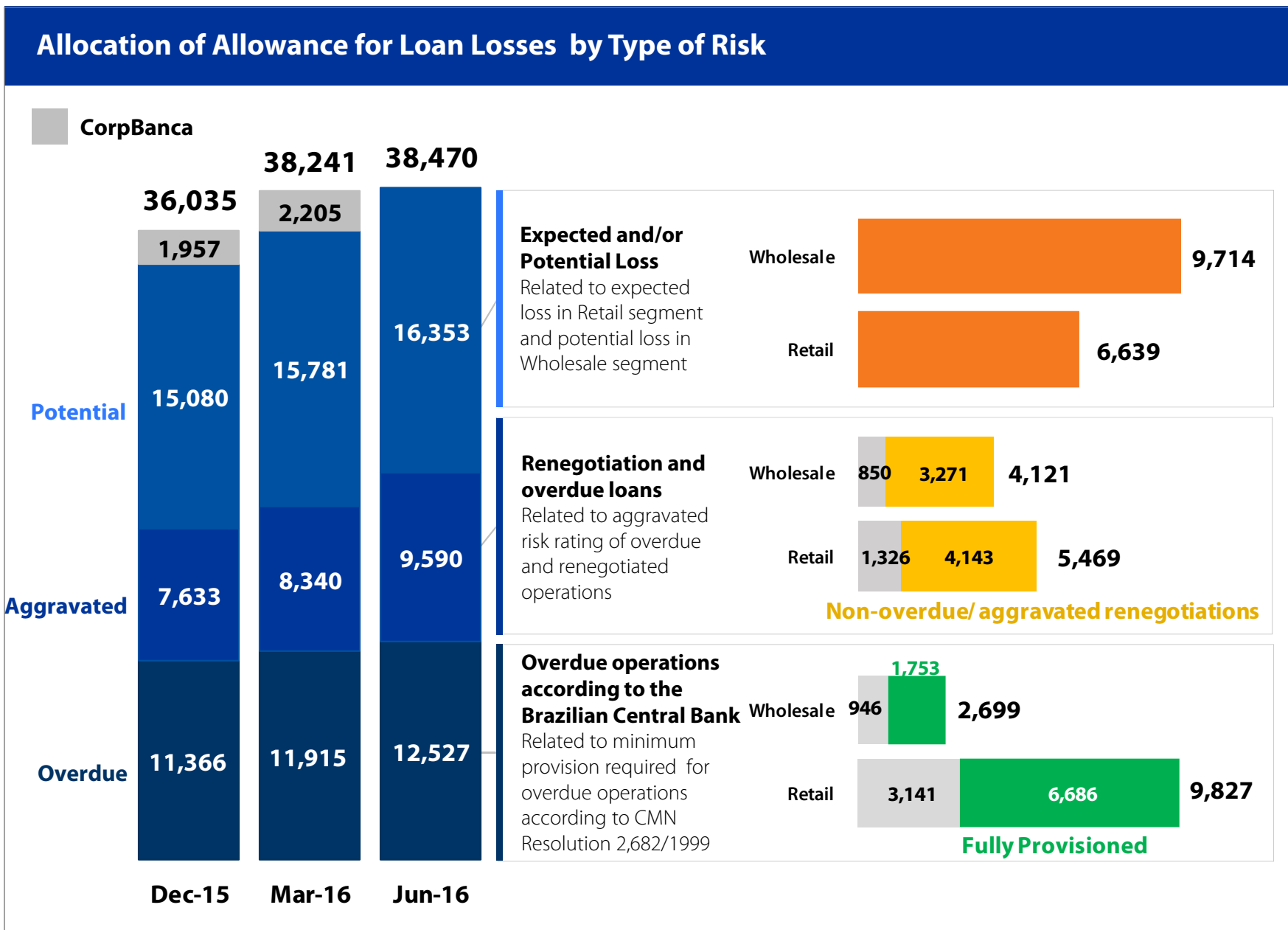


In R\$ millions



Allowance for Loan Losses by Type of Risk – Consolidated

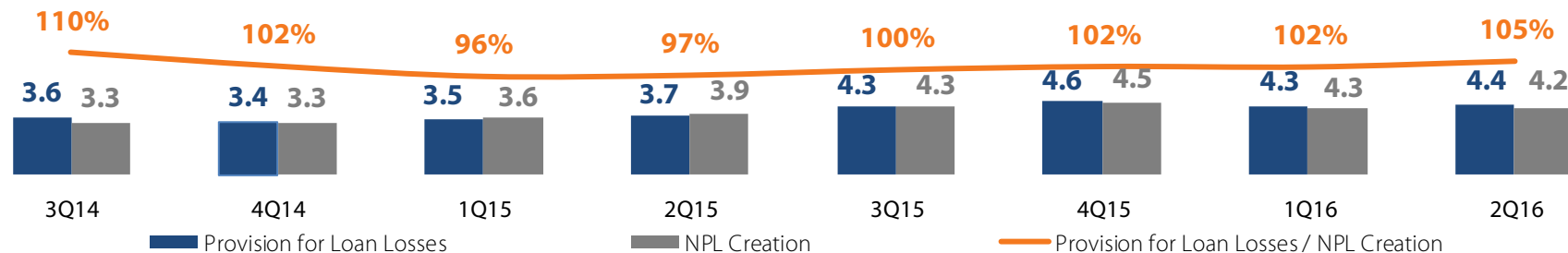
In R\$ millions



Provision for Loan Losses and NPL Creation by Segment

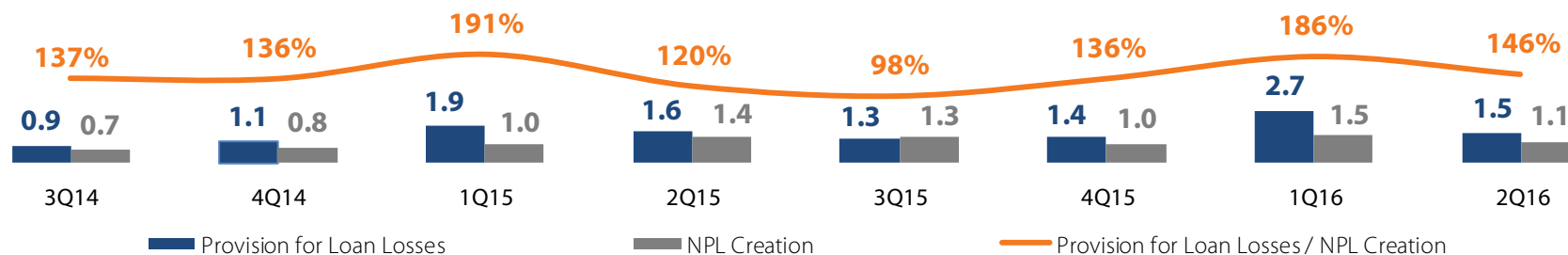
Retail Banking - Brazil

In R\$ billions



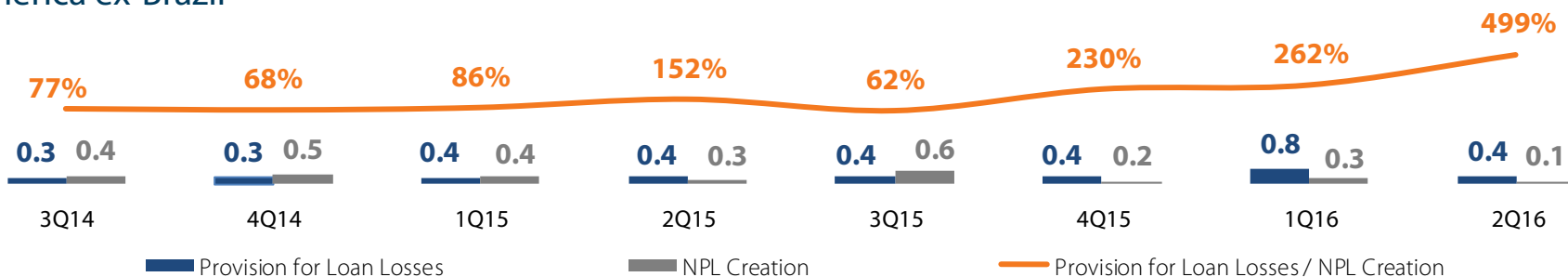
Wholesale Banking - Brazil

In R\$ billions



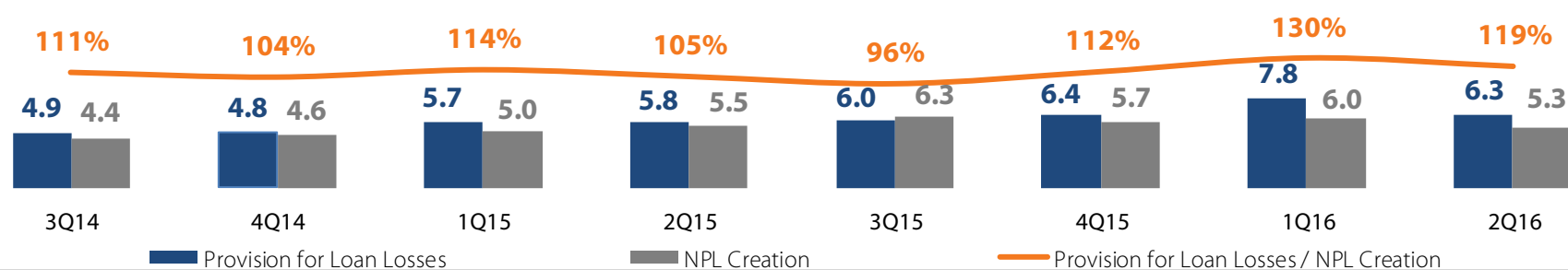
Latin America ex-Brazil

In R\$ billions



Total

In R\$ billions

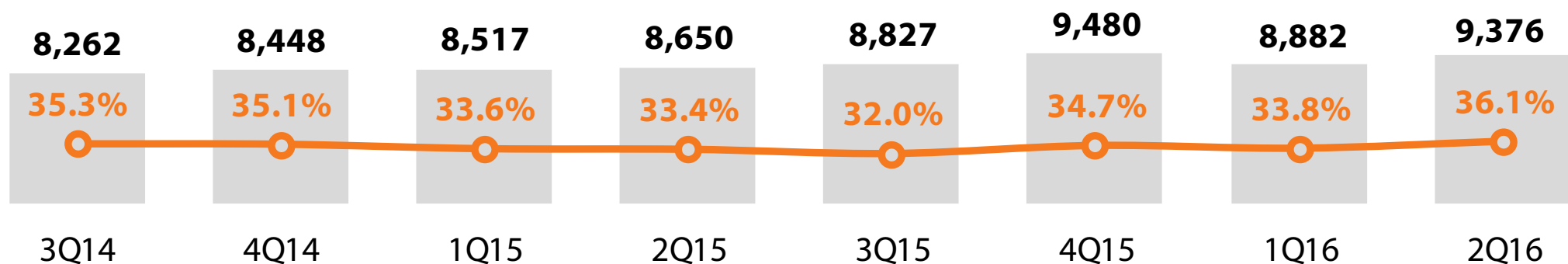


Commissions & Fees and Result from Insurance

In R\$ millions	2Q16	1Q16	change		2Q15	change		1H16	1H15	change	
Asset Management ¹	741	684	57	8.4%	645	96	14.9%	1,425	1,264	160	12.7%
Current Account Services	1,596	1,545	51	3.3%	1,311	285	21.7%	3,141	2,662	478	18.0%
Credit Operations and Guarantees Provided	793	758	35	4.6%	789	4	0.5%	1,551	1,575	(25)	-1.6%
Collection Services	404	364	40	11.0%	379	26	6.8%	769	738	31	4.2%
Credit Cards	3,016	2,907	109	3.7%	2,840	177	6.2%	5,923	5,643	280	5.0%
Other	544	484	60	12.5%	518	27	5.2%	1,028	1,028	0	0.0%
Latin America (ex-Brazil)	722	588	134	22.8%	625	97	15.6%	1,309	1,230	79	6.4%
Commissions and Fees	7,816	7,331	486	6.6%	7,105	711	10.0%	15,147	14,141	1,006	7.1%
Result from Insurance, Pension Plan and Premium Bonds	1,560	1,551	9	0.6%	1,544	16	1.0%	3,111	3,026	85	2.8%
Total	9,376	8,882	494	5.6%	8,650	727	8.4%	18,258	17,167	1,091	6.4%
(-) Result from Other Insurance Activities ²	94	105	(11)	-10.7%	99	(5)	-5.1%	198	183	15	8.3%
Total excluding Other Insurance Activities²	9,283	8,777	506	5.8%	8,551	732	8.6%	18,060	16,984	1,076	6.3%

¹ Includes fund management fees and consortia management fees.

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



■ Commissions and Fees and Result from Insurance Operations*

○ (Commissions and Fees and Result from Insurance Operations*) / (Financial Margin + Commissions and Fees and Result from Insurance Operations*)

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

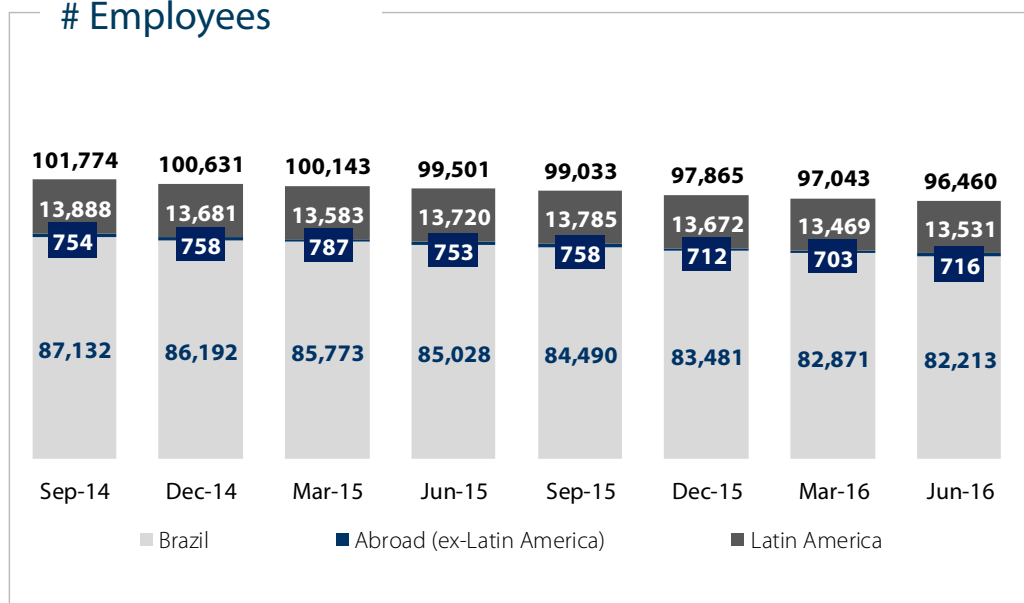
Non-Interest Expenses

In R\$ millions	2Q16	1Q16	change		2Q15	change		1H16	1H15	change	
Personnel Expenses	(4,609)	(4,359)	(250)	5.7%	(3,997)	(612)	15.3%	(8,967)	(8,183)	(784)	9.6%
Administrative Expenses	(3,993)	(3,694)	(299)	8.1%	(3,982)	(11)	0.3%	(7,687)	(7,608)	(79)	1.0%
Personnel and Administrative Expenses	(8,602)	(8,053)	(549)	6.8%	(7,979)	(622)	7.8%	(16,654)	(15,791)	(863)	5.5%
Operating Expenses ⁽¹⁾	(1,338)	(1,239)	(99)	8.0%	(1,256)	(81)	6.5%	(2,577)	(2,506)	(71)	2.8%
Other Tax Expenses ⁽²⁾	(103)	(87)	(16)	17.9%	(45)	(58)	130.4%	(190)	(177)	(14)	7.7%
Latim America (ex-Brazil) ⁽³⁾	(1,372)	(1,531)	158	-10.3%	(1,286)	(86)	6.7%	(2,903)	(2,523)	(379)	15.0%
Total	(11,415)	(10,909)	(505)	4.6%	(10,566)	(848)	8.0%	(22,324)	(20,996)	(1,327)	6.3%
(-) Operations Abroad	(1,774)	(1,874)	100	-5.3%	(1,570)	(205)	13.0%	(3,648)	(3,135)	(514)	16.4%
Total (ex-operations abroad)	(9,640)	(9,035)	(605)	6.7%	(8,996)	(644)	7.2%	(18,675)	(17,862)	(814)	4.6%

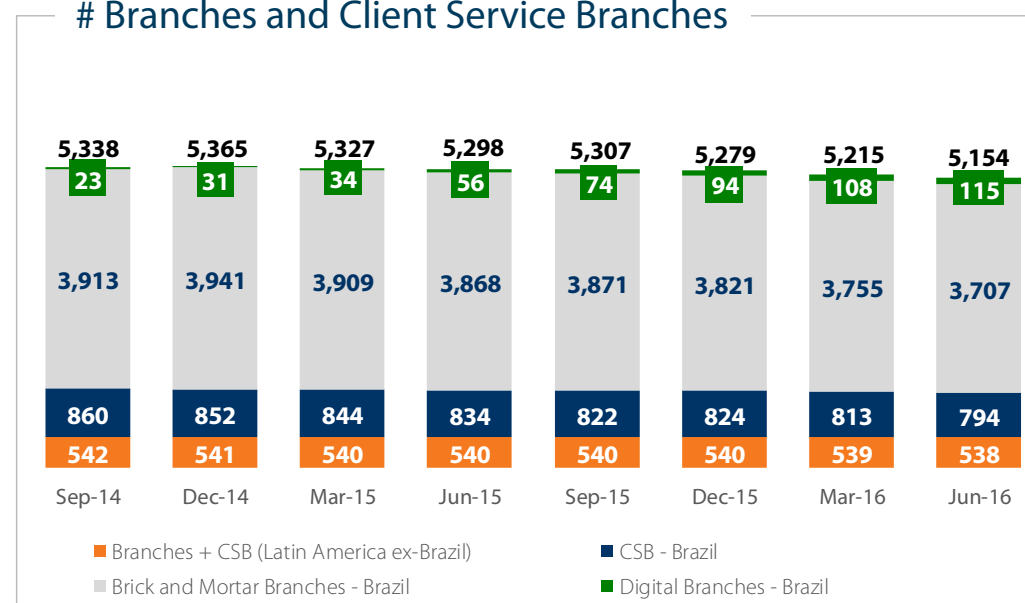
¹ Includes expenses from provisions for contingencies, credit card selling expenses, claims and other;

² Includes IPTU, IPVA, IOF and other. Does not include PIS, Cofins and ISS; ³ Does not considers overhead allocation.

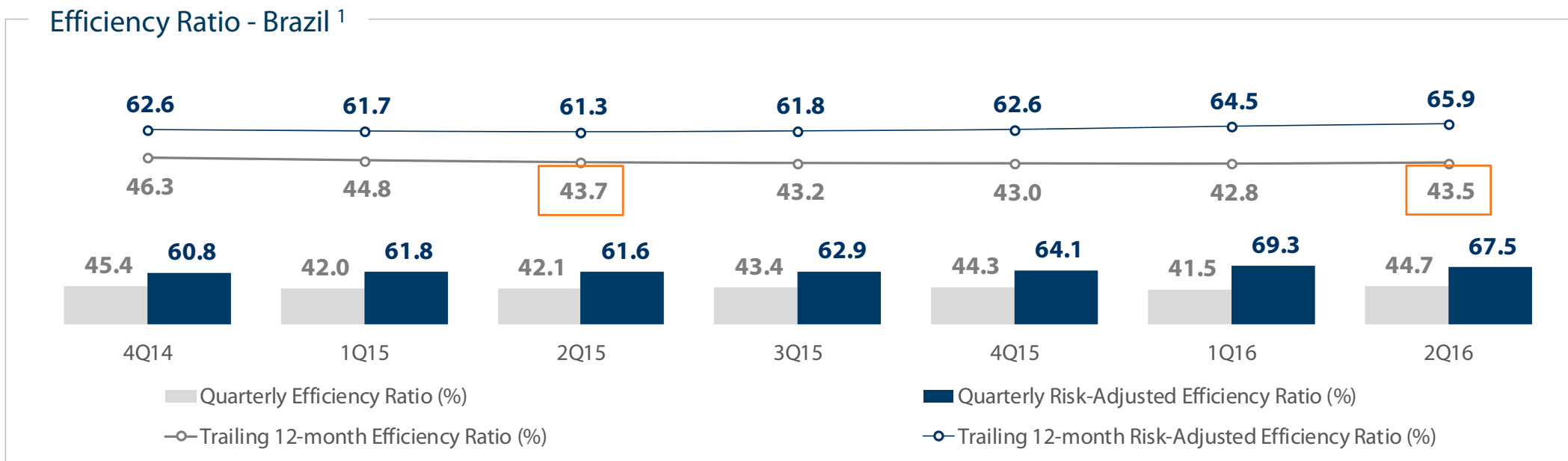
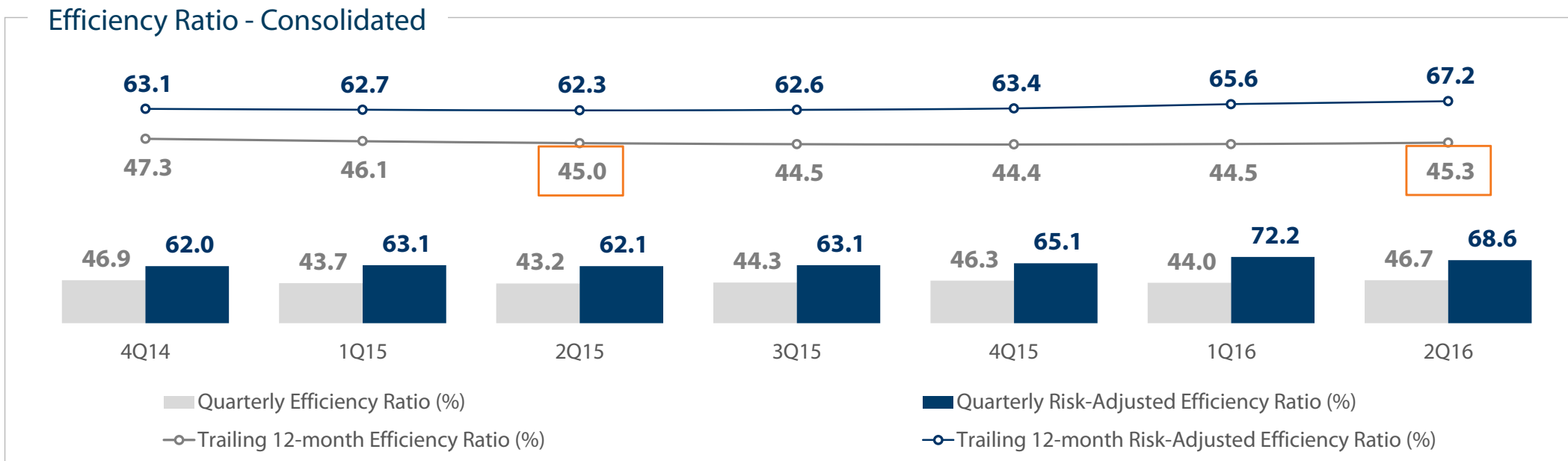
Employees



Branches and Client Service Branches



Efficiency Ratio and Risk-Adjusted Efficiency Ratio

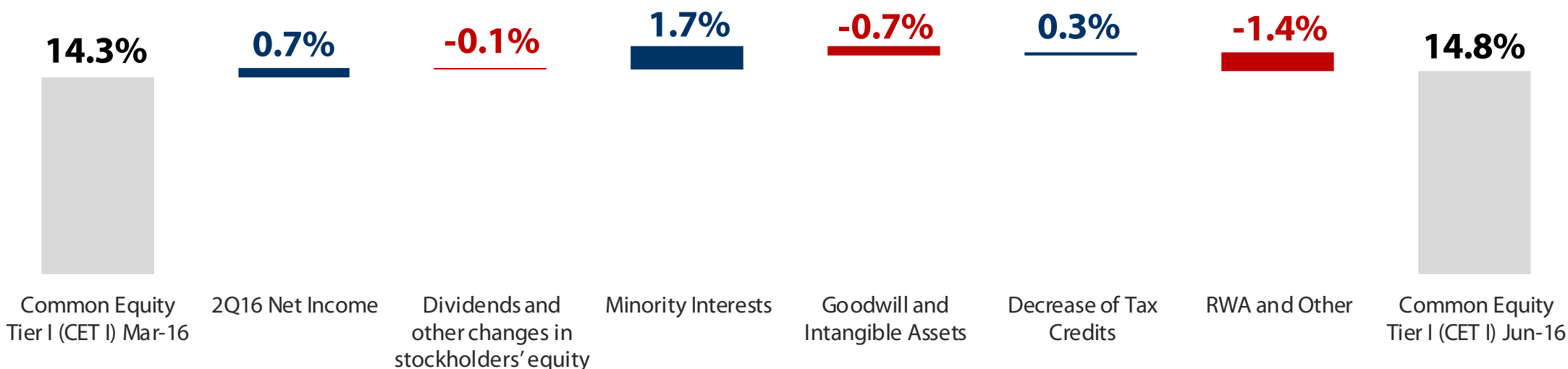


¹ Includes units abroad ex-Latin America

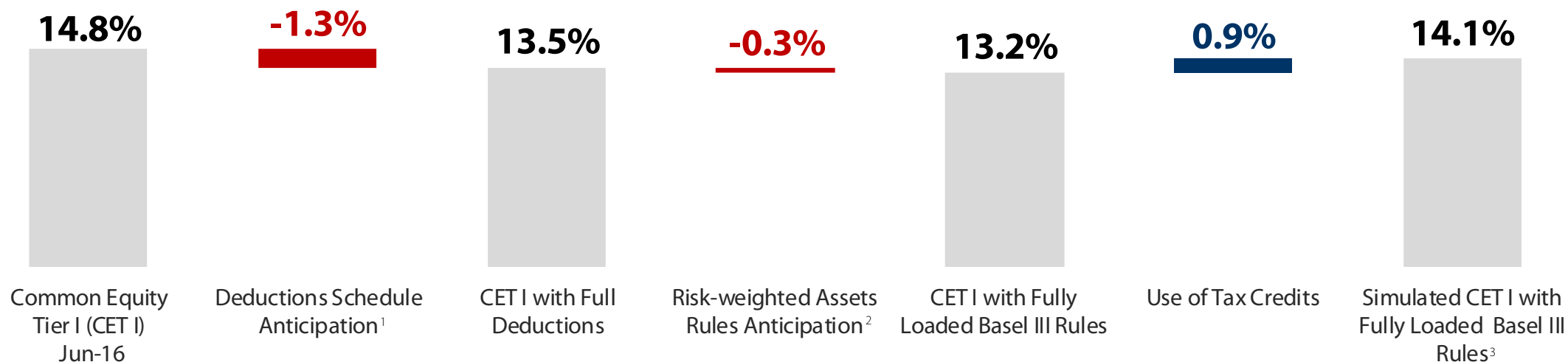
Core Capital Ratio (Common Equity Tier I)



Changes in the Core Capital Ratio



Full application of Basel III rules | June 30, 2016



¹ Includes deductions of Goodwill, Intangible Assets (generated before and after October 2013), Tax Credits from Temporary Differences and Tax Loss, Pension Fund Assets, Equity Investments in Financial Institutions, Insurance and similar companies. ² Includes the increase of the multiplier of the amounts of market risk, operational risk and certain credit risk accounts. This multiplier, which is at 10.1 nowadays, will be 12.5 in 2019. ³ Does not include any reversal of the complementary allowance for loan losses.
Itaú Unibanco Holding S.A.

Main reasons for the forecast review:

- Change on Brazilian GDP expectation for 2016, from -2.5% to -3.5%;
- Change on Exchange rate (end of period) expectation, from R\$4.50 to R\$3.25;
- Itaú CorpBanca's consolidation.

	Consolidated		Brazil ¹	
	Previous	Reviewed	Previous	Reviewed
Total Credit Portfolio ²	From -0.5% to 4.5%	From -10.5% to -5.5%	From -1.0% to 3.0%	From -11.0% to -6.0%
Financial Margin with Clients	From 2.0% to 5.0%	From -2.5% to 0.5%	From 1.0% to 4.0%	From -1.0% to 2.0%
Provision for Loan Losses Net of Recovery of Loans	Between R\$22.0 bi and R\$25.0 bi	Between R\$23.0 bi and R\$26.0 bi	Between R\$21.0 bi and R\$24.0 bi	Between R\$21.0 bi and R\$24.0 bi
Commissions and Fees and Result from Insurance Operations ³	From 6.0% to 9.0%	From 4.0% to 7.0%	From 4.5% to 7.5%	From 4.5% to 7.5%
Non-Interest Expenses	From 5.0% to 7.5%	From 2.0% to 5.0%	From 4.0% to 6.5%	From 2.5% to 5.5%

Reviewed forecasts were calculated based on consolidated pro forma financial information, which considers Itaú CorpBanca's consolidation in prior periods. Previous forecasts were calculated without the effect of Itaú CorpBanca's consolidation in prior periods.

¹ Includes units abroad ex-Latin America; ² Includes endorsements, sureties and private securities; ³ Commissions and Fees (+) Income from Insurance, Pension Plan and Premium Bonds Operations (-) Expenses for Claims (-) Insurance, Pension Plan and Premium Bonds Selling Expenses;

Since 2013, we issue 10% bonus in shares every year.

Each shareholder will be granted **one new share for each ten** of the same type (ITUB3, ITUB4 e ITUB) held.


The proposal assumes a cost attributed to the bonus shares, which can generate tax gains for shareholders.

Board of Directors Proposal (08/01/2016):

- will be submitted to the General Shareholders' Meeting, to be called in due course;
- 10% bonus in shares;
- attributed cost of R\$20.05 per share;
- maintenance of the monthly dividends value in R\$0.015, generating a 10% increase in monthly remuneration.

From this quarter, we have adopted a more modern technology for webcasts.

To participate, we recommend the following browsers:

 Internet Explorer, version 9 or above;

 Google Chrome;

 Mozilla Firefox;

or mobile browsers (IOS 8, or above, and Android 3.0, or above).

! We have provided a document with procedures for adjusting browser settings, if necessary, on our IR website (in the conference call page). For additional questions, please contact Mrs. Doris Pompeu from GlobalRI on (55 11) 5042-6700 or at doris.pompeu@globalri.com.br.



2nd quarter 2016 – 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

