

# Executive Summary

Fourth Quarter of 2008



## Executive Summary

### Fourth Quarter of 2008

#### Itaú Unibanco Banco Múltiplo S. A.

On November 3, 2008, the controlling shareholders of Itaúsa and Unibanco Holdings announced to the market the completion of an association agreement in order to unify the financial operations of Itaú and Unibanco, giving rise to Itaú Unibanco Banco Múltiplo, the result of the merger of the two institutions.

The Management Discussion and Analysis Report that follows will present the consolidated results and balances of the operations of Itaú Unibanco *pro forma*, by comparing net income and balances in the fourth quarter of 2008 to the prior quarter. It should be noted that net income and balances for the fourth quarter were arrived at by consolidating the companies of Itaú Unibanco, while the third quarter results and balances merely reflect the sum of results and balances separately posted by Itaú and Unibanco during the period. A similar procedure was adopted to derive net income for 2008 and 2007.

The table below shows selected information and performance indicators based on the Itaú Unibanco *pro forma*, as well as the consolidated financial statements of Itaú Unibanco Banco Múltiplo. Additionally we presented selected information and performance indicators for Itaú (*pro forma*) and Unibanco (*pro forma*) financial statements with the purpose of allowing complementary analyses from the institutions, on the same bases that were previously presented.

#### Itaú Unibanco Pro Forma (Basis for Analysis (I +II))

R\$ million

Highlights	4th Q/08	3rd Q/08	2008	2007
Net Income	1,871	2,551	10,004	11,921
Recurring Net Income	2,339	2,677	10,571	9,779
Net Income per share (1)	0.46	0.62	2.44	2.91
Recurring Net Income per share (1)	0.57	0.65	2.58	2.39
Return on Average Equity - Annualized (2)	17.0%	23.3%	23.4%	32.0%
Recurring Return on Average Equity - Annualized (2)	21.2%	24.5%	24.8%	26.2%
Efficiency Ratio	51.6%	49.6%	48.7%	49.8%
	<b>Dec 31, 08</b>		<b>Sep 30, 08</b>	
Total Assets	632,728		575,120	
Credit Operations (3)	271,938		254,766	
Deposits + Debentures + Borrowings and Onlending and Securities (4)	282,708		241,066	
Stockholders' Equity	43,664		44,510	

Data of the fourth quarter derive from the consolidation of balances, revenues and expenses of Itaú Unibanco while the result and balances of the third quarter and the year 2007 correspond simply to the sum of the results and balances obtained by Itaú and by Unibanco in those periods.

#### Itaú Unibanco Banco Múltiplo (Accounting)

R\$ million

Highlights	4th Q/08	3rd Q/08	2008	2007
Net Income	1,871	1,848	7,803	8,474
Recurring Net Income	2,339	1,973	8,371	7,179
Net Income per share (1)	0.46	0.62	1.90	2.82
Recurring Net Income per share (1)	0.57	0.67	2.04	2.39
Return on Average Equity - Annualized (2)	17.0%	23.9%	22.1%	32.1%
Recurring Return on Average Equity - Annualized (2)	21.2%	25.5%	23.7%	27.2%
Solvency Ratio (BIS Ratio)	16.1%	14.7%	16.1%	17.1%
Efficiency Ratio	51.6%	47.0%	47.1%	46.2%
	<b>Dec 31, 08</b>		<b>Sep 30, 08</b>	
Total Assets	632,728		396,599	
Credit Operations (3)	271,938		164,486	
Deposits + Debentures + Borrowings and Onlending and Securities (4)	282,708		162,905	
Stockholders' Equity	43,664		31,591	

Data of the fourth quarter derive from the consolidation of balances, revenues and expenses of Itaú Unibanco while the result and balances of the third quarter of 2008 and the year 2007 correspond to the results and balances obtained by Itaú.

#### Itaú Pro Forma (I)

R\$ million

Highlights	4th Q/08	3rd Q/08	2008	2007
Recurring Net Income	1,687	1,973	7,718	7,179
Recurring Net Income per share (1)	0.57	0.66	2.60	2.39
Recurring Return on Average Equity - Annualized (2)	20.8%	25.5%	25.2%	27.2%
Efficiency Ratio	49.7%	47.0%	46.1%	46.2%
	<b>Dec 31, 08</b>		<b>Sep 30, 08</b>	
Total Assets	450,693		396,599	
Credit Operations (3)	180,266		164,486	
Deposits + Debentures + Borrowings and Onlending and Securities (4)	195,893		162,905	
Stockholders' Equity	33,347		31,591	

(1) Calculated considering the weighted average number of shares outstanding.

(2) Annualized Return was calculated by dividing Net Income by the Average Stockholders' Equity/Average Assets. The quotient of this division was multiplied by the number of periods of the year to derive the annualized index.

(3) Include sureties and endorsements,

(4) Net of compulsory deposits as described on page 20.

#### Unibanco Pro Forma (II)

R\$ million

Highlights	4th Q/08	3rd Q/08	2008	2007
Recurring Net Income	652	704	2,853	2,600
Recurring Net Income per share (1)	0.23	0.25	1.02	0.93
Recurring Return on Average Equity - Annualized (2)	20.1%	22.0%	22.8%	23.9%
Efficiency Ratio	55.6%	55.7%	54.3%	57.8%
	<b>Dec 31, 08</b>		<b>Sep 30, 08</b>	
Total Assets	185,252		178,520	
Credit Operations (3)	91,672		90,280	
Deposits + Debentures + Borrowings and Onlending and Securities (4)	86,856		78,162	
Stockholders' Equity	13,044		12,919	

## Executive Summary

### Fourth Quarter of 2008

### Managerial Statement of Income

In the fourth quarter of 2008, the consolidated net income of Itaú Unibanco *pro forma* was influenced by non-recurring events, as shown in the table below.

R\$ million

	4th Q/08	3rd Q/08	2008	2007
<b>Recurring Net Income</b>	<b>2,339</b>	<b>2,677</b>	<b>10,571</b>	<b>9,779</b>
Effects related to Itaú Unibanco merger (merger of shares)	5,183	-	5,183	-
Equalization of accounting criteria	(1,414)	-	(1,414)	-
Provision for Itaú Unibanco merger expenses	(888)	-	(888)	-
Additional provision for loan losses	(3,023)	(66)	(3,089)	(443)
Effects of the adoption of Law No. 11,638	(136)	-	(136)	-
Economic plans provision	2	(58)	(174)	(206)
Disposal of investments	40	-	233	3,201
Goodwill amortization	(203)	-	(223)	-
Other non recurring effects	(30)	(2)	(59)	(408)
Total of non recurring effects	(468)	(126)	(567)	2,143
<b>Net Income</b>	<b>1,871</b>	<b>2,551</b>	<b>10,004</b>	<b>11,921</b>

Note:

The impacts of the nonrecurring events described above are net of tax effects. Further details are presented in Balance Sheet Note 22-I.

The net profit of the fourth quarter of 2008 results from the consolidation of revenues and expenses of Itaú Unibanco, while the result of the third quarter corresponds to the sum of the results obtained by Itaú and by Unibanco. In relation to the annual result, the net profit of 2008 derives from the sum of the consolidated result of the fourth quarter and the results obtained individually by Itaú and by Unibanco during the first nine months of 2008 while the net profit of 2007 derives from the sum of the results obtained individually by Itaú and by Unibanco during the twelve months of the year.

### Macroeconomic Indices

	Dec 31,08	Sep 30,08	Dec 31,07
EMBI Brazil Risk	429	303	233
CDI (In the Quarter)	3.3%	3.2%	2.6%
Dollar Exchange Rate (Var. in the Quarter)	22.1%	20.3%	-3.7%
Dollar Exchange Rate (Quotation in R\$)	2.3370	1.9143	1.7713
IGP-M (In the Quarter)	1.2%	1.5%	3.5%
Savings Rate (In The Quarter)	2.1%	2.1%	1.7%

### Tax Effect of Hedge of Investments Abroad and Sovereign Bonds

R\$ million

	4th Q/08	3rd Q/08	Variation
Tax Effect of Hedge of Investments Abroad (*)	2,797	2,071	726
Tax Effect of Sovereign Bonds	215	241	(26)
<b>Total</b>	<b>3,012</b>	<b>2,313</b>	<b>699</b>

(\*) As shown in the table on page 11

### 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.

In the fourth quarter of 2008, the real depreciated by 22.1% against the U.S. dollar, while in the third quarter of the year it depreciated by 20.3%. With respect to the euro, the real

depreciated by 20.2% and 7.5% in the fourth and third quarters of 2008, respectively.

As a result of the exchange variation seen in the period, combined with our policy of exchange risk management of investments abroad, the tax effect of the hedge of Itaú Unibanco investments abroad and sovereign bonds in our portfolio reached R\$ 3,012 million.

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### Managerial Statement of Income

Our strategy of management of the exchange risk of the capital invested abroad has the objective of not permitting impacts on the result management of the exchange variation. To reach that goal, the exchange risk is neutralized and the investments are remunerated in Reais by using derivative financial instruments. Our hedge strategy further considers all tax effects due, as well as the tax benefit obtained with sovereign securities issued by foreign governments.

R\$ million

4th Quarter/08	Itaú Unibanco Pro Forma				
	Pro Forma	Non-recurring effects	Distribution of Exchange Variation	Tax Effect of Hedge of Investments Abroad and Sovereign Bonds	Managerial
<b>Managerial Financial Margin</b>	<b>6,763</b>	<b>79</b>	<b>(24)</b>	<b>3,012</b>	<b>9,831</b>
• Financial Margin with Customers	8,669	79	-	-	8,748
• Financial Margin with Market	(1,905)	-	(24)	3,012	1,083
<b>Result from Loan Losses</b>	<b>(7,917)</b>	<b>4,908</b>	<b>38</b>	<b>-</b>	<b>(2,971)</b>
Provision for Loan and Lease Losses	(8,376)	4,908	38	-	(3,430)
Recovery of Credits Written Off as Losses	459	-	-	-	459
<b>Net Result from Financial Operations</b>	<b>(1,153)</b>	<b>4,987</b>	<b>14</b>	<b>3,012</b>	<b>6,860</b>
<b>Other Operating Income/(Expenses)</b>	<b>(7,556)</b>	<b>4,604</b>	<b>(35)</b>	<b>(314)</b>	<b>(3,303)</b>
Banking fees and charge revenues	3,762	-	(12)	-	3,749
Result from Op. of Insurance, Pension Plans and Capitalization	294	265	(0)	-	559
Non-interest Expenses	(12,115)	5,065	128	-	(6,924)
Tax Expenses for ISS, PIS and Cofins	(713)	-	8	(314)	(1,019)
Equity in the Earnings of Associated Companies	263	(75)	(158)	-	30
Other Operating Income	953	(651)	-	-	302
<b>Operating Income</b>	<b>(8,710)</b>	<b>9,591</b>	<b>(21)</b>	<b>2,698</b>	<b>3,557</b>
Non-operating Income	(31)	13	(3)	-	(22)
<b>Income before Tax and Profit Sharing</b>	<b>(8,741)</b>	<b>9,604</b>	<b>(24)</b>	<b>2,698</b>	<b>3,535</b>
<b>Income Tax and Social Contribution</b>	<b>11,033</b>	<b>(9,163)</b>	<b>5</b>	<b>(2,698)</b>	<b>(823)</b>
<b>Profit Sharing</b>	<b>(307)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(307)</b>
<b>Minority Interests</b>	<b>(114)</b>	<b>27</b>	<b>20</b>	<b>-</b>	<b>(67)</b>
<b>Net Income</b>	<b>1,871</b>	<b>468</b>	<b>0</b>	<b>-</b>	<b>2,339</b>

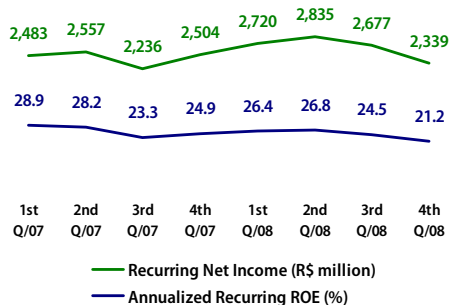
R\$ million

3rd Quarter/08	Itaú Unibanco Pro Forma				
	Pro Forma	Non-recurring effects	Distribution of Exchange Variation	Tax Effect of Hedge of Investments Abroad and Sovereign Bonds	Managerial
<b>Managerial Financial Margin</b>	<b>6,950</b>	<b>-</b>	<b>(107)</b>	<b>2,313</b>	<b>9,156</b>
• Financial Margin with Customers	8,147	-	-	-	8,147
• Financial Margin with Market	(1,197)	-	(107)	2,313	1,009
<b>Result from Loan Losses</b>	<b>(2,446)</b>	<b>100</b>	<b>36</b>	<b>-</b>	<b>(2,309)</b>
Provision for Loan and Lease Losses	(2,858)	100	36	-	(2,722)
Recovery of Credits Written Off as Losses	413	-	-	-	413
<b>Net Result from Financial Operations</b>	<b>4,505</b>	<b>100</b>	<b>(70)</b>	<b>2,313</b>	<b>6,847</b>
<b>Other Operating Income/(Expenses)</b>	<b>(2,495)</b>	<b>84</b>	<b>(6)</b>	<b>(186)</b>	<b>(2,603)</b>
Banking fees and charge revenues	3,595	-	(8)	-	3,586
Result from Op. of Insurance, Pension Plans and Capitalization	579	-	-	-	579
Non-interest Expenses	(6,544)	98	61	-	(6,385)
Tax Expenses for ISS, PIS and Cofins	(644)	-	-	(186)	(831)
Equity in the Earnings of Associated Companies	124	(13)	(54)	-	57
Other Operating Income	395	-	(5)	-	390
<b>Operating Income</b>	<b>2,009</b>	<b>184</b>	<b>(76)</b>	<b>2,126</b>	<b>4,244</b>
Non-operating Income	15	(3)	(4)	-	8
<b>Income before Tax and Profit Sharing</b>	<b>2,025</b>	<b>181</b>	<b>(80)</b>	<b>2,126</b>	<b>4,252</b>
<b>Income Tax and Social Contribution</b>	<b>1,074</b>	<b>(59)</b>	<b>7</b>	<b>(2,126)</b>	<b>(1,104)</b>
<b>Profit Sharing</b>	<b>(334)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(334)</b>
<b>Minority Interests in subsidiaries</b>	<b>(214)</b>	<b>4</b>	<b>73</b>	<b>-</b>	<b>(137)</b>
<b>Net Income</b>	<b>2,551</b>	<b>126</b>	<b>(0)</b>	<b>0</b>	<b>2,677</b>

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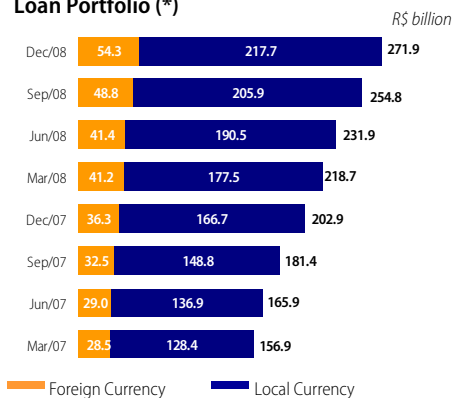
Fourth Quarter of 2008

Net Income and Annualized Return on Average Equity



In the fourth quarter of 2008, Itaú Unibanco consolidated net income totaled R\$ 1,871 million. During the period, recurring consolidated net income added up to R\$ 2,339 million, a 12.7% decline when compared to the prior quarter. The parent company stockholders' equity amounted to R\$ 43,664 million at December 31, 2008, corresponding to a recurring annualized return on average capital of 21.2% in the last quarter of the year, declining by 330 basis points quarter-on-quarter.

Loan Portfolio (\*)



(\*) Includes endorsements and sureties.

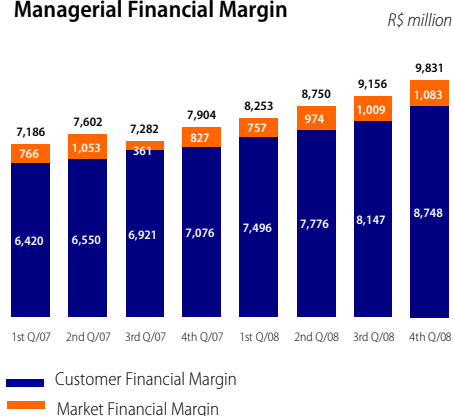
	R\$ million			Variation (%)	
	Dec 31, 08	Sep 30, 08	Dec 31, 07	Dec/08-Sep/08	Dec/08-Dec/07
<b>Individuals</b>	<b>93,173</b>	<b>90,229</b>	<b>74,966</b>	<b>3.3%</b>	<b>24.3%</b>
Credit Card	23,638	20,854	19,792	13.3%	19.4%
Personal Loans	21,681	22,304	19,929	-2.8%	8.8%
Vehicles	47,854	47,070	35,245	1.7%	35.8%
<b>Businesses</b>	<b>153,465</b>	<b>140,667</b>	<b>108,168</b>	<b>9.1%</b>	<b>41.9%</b>
Corporate	100,849	91,027	71,414	10.8%	41.2%
Micro, small and middle market	52,616	49,640	36,755	6.0%	43.2%
<b>Directed Loans</b>	<b>11,898</b>	<b>11,844</b>	<b>9,771</b>	<b>0.5%</b>	<b>21.8%</b>
Rural Loans	5,654	6,082	5,349	-7.0%	5.7%
Mortgage Loans	6,244	5,762	4,423	8.4%	41.2%
<b>Argentina/Chile/Uruguay/Paraguay</b>	<b>13,402</b>	<b>12,026</b>	<b>9,991</b>	<b>11.4%</b>	<b>34.1%</b>
<b>Total</b>	<b>271,938</b>	<b>254,766</b>	<b>202,896</b>	<b>6.7%</b>	<b>34.0%</b>

The balance of the loans and financing portfolio of Itaú Unibanco, including endorsements and sureties, reached R\$ 271,938 million on December 31, 2008, with accretion of 6.7% in relation to the third quarter of the year. Transactions of loans to companies presented an increase of 9.1% in relation to the previous quarter. Restrictions to which large companies have been subject to obtain capital in the capital market have contributed to the increase of the volume of loan and financing transactions with financial institutions. In relation to micro, small and mid-sized companies, we observed a stable credit demand. The exchange rate variation in the period also increased the total balance of credit operations with businesses.

In relation to the credit portfolio of individual clients, we noted an increase of 3.3% in relation to the previous quarter. The crisis in the financial markets caused the automobile financing and leasing portfolio to increase only 1.7% in relation to the previous quarter. The entry of the resources of the 13<sup>th</sup> month salary in the economy contributed to a reduction in the balance of credit to individuals between quarters. The credit card portfolio expanded 13.3% as a result of a greater use of this product as an instrument of payment in the year-end sales, and this increase occurred mainly in the balance of the installment that has not been financed.

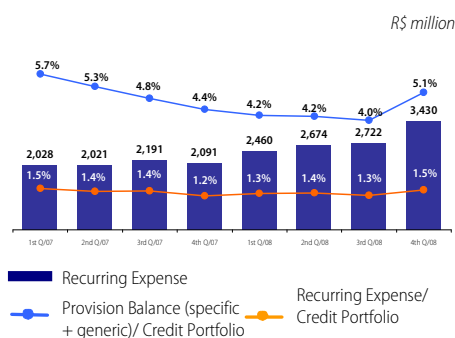
The credit operations in Chile, Uruguay, Argentina and Paraguay increased by 11.4% in comparison to the previous quarter, as a result of the expansion of foreign trade financing transactions in Chile, as well as due to the exchange rate variation in the period.

Managerial Financial Margin

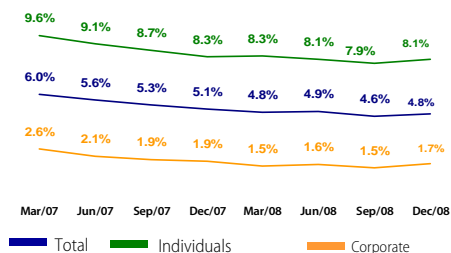


The managerial financial margin of Itaú Unibanco totaled R\$ 9,831 million in the last quarter of 2008, which corresponds to an increase of 7.4% in relation to the previous quarter. The managerial financial margin obtained from transactions with clients totaled R\$ 8,748 million, up 7.4% comparing both periods. The expansion of the balance of credit transactions in most recent quarters was the main factor responsible for such increase. In relation to the financial margin with the market, we verified an increase of 7.3% in relation to the previous quarter, totaling R\$ 1,083 million.

Provision for Loan Losses and Credit Portfolio

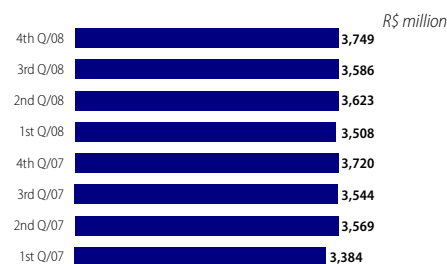


NPL Ratio(\*) - Individuals x Businesses (%)

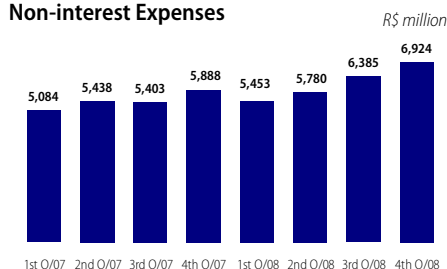


(\*) Nonperforming Loans: Loan transactions overdue more than 60 days.

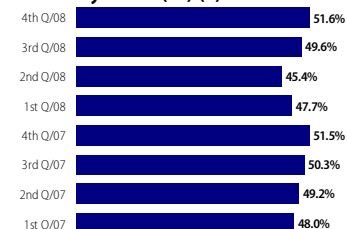
Banking fees and charge revenues



Non-interest Expenses

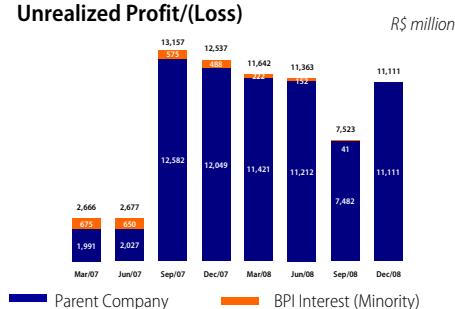


Efficiency Ratio (%) (\*)



(\*) The criteria for calculating the efficiency ratio are detailed on page 16.

Unrealized Profit/(Loss)



In the fourth quarter of 2008, the provision for loan losses increased by 26.0% from the prior quarter, to reach R\$ 3,430 million. Such increase is primarily due to risk re-ratings of large companies, as well as the impact of the economic downturn on the risk quality of the micro, small and mid-sized companies, and individual portfolios.

The nonperforming loan ratio stood at 4.8%, with a 20 basis point change from the prior period. In the quarter, we have not made any credit assignments. So, we have adjusted the historic ratios series to eliminate the impact of credit assignments made in previous quarters.

Itaú Unibanco banking service fees and banking charge revenues amounted to R\$ 3,749 million in the fourth quarter of 2008, a 4.6% growth from the prior quarter. During the period, revenues from credit transactions and credit cards increased for seasonal reasons, primarily as a result of the higher volume of commercial transactions at year-end. The revenues from current account services increased due to the growth in the base of account holders who use the maxiconta package. The collection services fees increased due to the growth arising from the increased charge on collection services.

In the last quarter of 2008, non-interest expenses grew by 8.4% compared to the third quarter, reaching R\$ 6,924 million. During the period, Itaú Unibanco non-interest expenses were influenced by the Collective Labor Agreement, that increased the compensation expenses, and a higher level of operating activity, as is typical in the last quarter of the year. Our efficiency ratio stood at 51.6% in the fourth quarter of 2008, corresponding to a 200 basis point increase quarter-on-quarter.

At December 31, 2008, Itaú Unibanco had a unrealized net income/(loss) of R\$ 11,111 million. Also in the quarter, in the new macro economical context, we significantly increased the provision for loan losses, and the additional provisions to the minimum required by the bank authority, for the purpose of permitting the absorption of any increases in default resulting from the strong reversal of the economic cycle, reaching R\$7,791 million and increasing the coverage index from 138% to 184%. Such provision is not taken into consideration when determining the unrealized net income/(loss).

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#### Consolidated Pro Forma Balance Sheet

R\$ million

ASSETS	Dec 31,08	Sep 30,08	Dec 31,07	Variation	
				Dec/08-Sep/08	Dec/08-Dec/07
<b>Current and Long-term Assets</b>	<b>622,570</b>	<b>565,005</b>	<b>435,181</b>	<b>10.2%</b>	<b>43.1%</b>
Cash and Cash Equivalents	15,847	9,809	8,718	61.6%	81.8%
Short-term Interbank Deposits	124,546	124,540	94,457	0.0%	31.9%
Securities and Derivative Instruments	138,344	119,643	87,311	15.6%	58.4%
Interbank and Interbranch Accounts	14,268	28,466	24,615	-49.9%	-42.0%
Loans, Leasing Operations and Other Credits	241,043	224,059	176,002	7.6%	37.0%
(Allowance for Loan Losses)	(19,972)	(12,243)	(10,911)	63.1%	83.1%
Other Assets	108,495	70,732	54,988	53.4%	97.3%
Foreign Exchange Portfolio	51,829	31,229	23,286	66.0%	122.6%
Others	56,666	39,503	31,702	43.4%	78.7%
<b>Permanent Assets</b>	<b>10,158</b>	<b>10,114</b>	<b>9,292</b>	<b>0.4%</b>	<b>9.3%</b>
Investments	2,258	2,302	1,994	-1.9%	13.2%
Fixed Assets	4,057	3,380	3,073	20.0%	32.0%
Intangible	3,843	4,432	4,225	-13.3%	-9.0%
<b>TOTAL ASSETS</b>	<b>632,728</b>	<b>575,120</b>	<b>444,473</b>	<b>10.0%</b>	<b>42.4%</b>

R\$ million

LIABILITIES AND EQUITY	Dec 31,08	Sep 30,08	Dec 31,07	Variation	
				Dec/08-Sep/08	Dec/08-Dec/07
<b>Current and Long-term Liabilities</b>	<b>586,315</b>	<b>525,421</b>	<b>399,482</b>	<b>11.6%</b>	<b>46.8%</b>
Deposits	206,189	167,491	127,235	23.1%	62.1%
Demand Deposits	28,071	23,424	38,413	19.8%	-26.9%
Savings Accounts	39,296	37,191	38,496	5.7%	2.1%
Interbank Deposits	2,921	3,196	2,765	-8.6%	5.6%
Time Deposits	135,901	103,680	47,561	31.1%	185.7%
Funds Received under Securities Repurchase Agreements	124,358	137,131	91,813	-9.3%	35.4%
Funds from Acceptances and Issue of Securities	19,596	19,194	12,972	2.1%	51.1%
Interbank and Interbranch Accounts	3,008	6,123	2,620	-50.9%	14.8%
Borrowings and On-lendings	42,636	39,396	33,137	8.2%	28.7%
Financial Instruments and Derivatives	14,807	10,953	7,778	35.2%	90.4%
Technical Provisions for Insurance, Pension Plans and Cap.	41,574	39,529	34,888	5.2%	19.2%
Other Liabilities	134,145	105,605	89,040	27.0%	50.7%
Foreign Exchange Portfolio	50,761	28,674	21,933	77.0%	131.4%
Subordinated Debt	22,465	20,138	17,132	11.6%	31.1%
Others	60,920	56,793	49,974	7.3%	21.9%
<b>Deferred Income</b>	<b>231</b>	<b>163</b>	<b>130</b>	<b>41.4%</b>	<b>77.2%</b>
<b>Minority Interest in subsidiaries (*)</b>	<b>2,519</b>	<b>5,025</b>	<b>4,054</b>	<b>-49.9%</b>	<b>-37.9%</b>
<b>Stockholders' Equity of Parent Company</b>	<b>43,664</b>	<b>44,510</b>	<b>40,806</b>	<b>-1.9%</b>	<b>7.0%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>632,728</b>	<b>575,120</b>	<b>444,473</b>	<b>10.0%</b>	<b>42.4%</b>
Deposits	206,189	167,491	127,235	23.1%	62.1%
Assets Under Management (AUM)	258,252	265,042	266,399	-2.6%	-3.1%
Total Deposits + Assets Under Management (AUM)	464,441	432,534	393,634	7.4%	18.0%

(\*) The decrease in the balance of minority interest in subsidiaries is fundamentally related to the equity acquisitions of Unibanco AIG Seguros, Banco Itaú Europa S.A. and Itaú BBA Participações S.A.

## Executive Summary

### Fourth Quarter of 2008

#### Consolidated *Pro Forma* Statement of Income

R\$ million

	4th Q/08	3rd Q/08	2008	2007	Variation			
					4th Q/08-3rd Q/08	%	2008-2007	%
<b>Managerial Financial Margin</b>	<b>9,831</b>	<b>9,156</b>	<b>35,990</b>	<b>29,973</b>	<b>674</b>	<b>7.4%</b>	<b>6,016</b>	<b>20.1%</b>
• Financial Margin with Customers	8,748	8,147	32,708	26,968	601	7.4%	5,740	21.3%
• Financial Margin with Market	1,083	1,009	3,282	3,006	73	7.2%	276	9.2%
<b>Result from Loan Losses</b>	<b>(2,971)</b>	<b>(2,309)</b>	<b>(9,720)</b>	<b>(7,020)</b>	<b>(661)</b>	<b>28.6%</b>	<b>(2,700)</b>	<b>38.5%</b>
Provision for Loan and Lease Losses	(3,430)	(2,722)	(11,286)	(8,331)	(708)	26.0%	(2,955)	35.5%
Recovery of Credits Written Off as Losses	459	413	1,566	1,311	46	11.2%	255	19.4%
<b>Net Result from Financial Operations</b>	<b>6,860</b>	<b>6,847</b>	<b>26,270</b>	<b>22,954</b>	<b>13</b>	<b>0.2%</b>	<b>3,316</b>	<b>14.4%</b>
<b>Other Operating Income/(Expenses)</b>	<b>(3,302)</b>	<b>(2,603)</b>	<b>(9,911)</b>	<b>(7,592)</b>	<b>(699)</b>	<b>26.9%</b>	<b>(2,320)</b>	<b>30.6%</b>
Banking fees and charge revenues	3,749	3,586	14,467	14,216	163	4.6%	251	1.8%
Result from Operations of Insurance, Pension Plans and Cap.	559	579	2,216	1,964	(20)	-3.5%	252	12.8%
Non-interest Expenses	(6,924)	(6,385)	(24,541)	(21,813)	(539)	8.4%	(2,728)	12.5%
Tax Expenses for ISS, PIS and Cofins	(1,019)	(831)	(3,378)	(2,954)	(188)	22.6%	(424)	14.4%
Equity in the Earnings of Associated Companies	30	57	194	374	(27)	-48.2%	(180)	-48.1%
Other Operating Income	302	390	1,131	622	(88)	-22.6%	509	81.8%
<b>Operating Income</b>	<b>3,557</b>	<b>4,244</b>	<b>16,359</b>	<b>15,362</b>	<b>(686)</b>	<b>-16.2%</b>	<b>997</b>	<b>6.5%</b>
Non-operating Income	(22)	8	17	(10)	(30)	-	27	-260.8%
<b>Income before Tax and Profit Sharing</b>	<b>3,535</b>	<b>4,252</b>	<b>16,375</b>	<b>15,352</b>	<b>(717)</b>	<b>-16.9%</b>	<b>1,024</b>	<b>6.7%</b>
<b>Income Tax and Social Contribution</b>	<b>(823)</b>	<b>(1,104)</b>	<b>(3,900)</b>	<b>(3,918)</b>	<b>281</b>	<b>-25.5%</b>	<b>18</b>	<b>-0.5%</b>
<b>Profit Sharing</b>	<b>(307)</b>	<b>(334)</b>	<b>(1,372)</b>	<b>(1,304)</b>	<b>27</b>	<b>-8.2%</b>	<b>(68)</b>	<b>5.2%</b>
<b>Minority Interests in subsidiaries</b>	<b>(67)</b>	<b>(137)</b>	<b>(533)</b>	<b>(351)</b>	<b>70</b>	<b>-50.8%</b>	<b>(182)</b>	<b>51.8%</b>
<b>Recurring Net Income</b>	<b>2,339</b>	<b>2,677</b>	<b>10,571</b>	<b>9,779</b>	<b>(338)</b>	<b>-12.6%</b>	<b>792</b>	<b>8.1%</b>
Number of shares outstanding - in thousands (*)	4,096,634	4,096,634	4,096,634	4,096,634				
Book value per share - R\$ (*)	10.66	10.87	10.66	10.87			(0.21)	-1.9%
Net Income per share - R\$ (*)	0.57	0.65	2.58	2.39			0.19	8.1%

(\*) Adjusted to reflect the stock issuance approved in November, 2008 extraordinary stockholders meeting and by the stock splits occurred in Apr/08 and Oct/07.

Data of the fourth quarter derive from the consolidation of balances, revenues and expenses of Itaú Unibanco while the result and balances of the third quarter of 2008 and the year 2007 correspond simply to the sum of the results and balances obtained by Itaú and by Unibanco in those periods.

In this quarter we will not present the *pro forma* statement of income by segment of Itaú Unibanco, since the business areas will go through restructuring processes with the purpose of permitting the integration of operations of the institutions. Thus, we believe that the disclosure of this *pro forma* statement of income within the current context would not reflect the business model that will be effective after the integration, and, therefore, is not relevant information.

Nevertheless, to enable the assessment of the performance of Itaú and of Unibanco in the fourth quarter of 2008, we will present the analysis by segments of Itaú *pro forma* and Unibanco *pro forma*, according to the pattern in which they have previously been disclosed.