



Conference Call about 4th Quarter 2011 Earnings Results

Itaú Unibanco Holding S.A.

Roberto Egydio Setubal
President & CEO

Feb | 08 | 2012



1. Results:

- Recurring net income reached R\$ 3.7 billion in the 4thQ/11 (21.8% ROE) and R\$ 14.6 billion in 2011 (22.3% ROE).

2. Loan Portfolio Growth:

- The loan portfolio totaled R\$ 397.0 billion on December 31, 2011, a 3.9% growth in the 4thQ/11 and 19.1% from 2010.

3. Financial Margin with Clients and Banking Service Fees:

- Financial Margin with Clients grew 14.5% in 2011, reaching R\$ 45.8 billion;
- Net Interest Margin with Clients decreased 70 basis points in the 4thQ/11 due to the expansion of funding from clients and the reduction of Selic rate. The spread on loans remained almost stable with a 20 basis point decrease in the quarter;
- Banking service fees plus result from insurance, pension plans and capitalization operations grew 7.4% in the 4thQ/11, totaling R\$ 5.9 billion. The growth in the year was 13.3%, totaling R\$ 21.8 billion.

4. **Non-Performing Loans Ratio and Loan Losses:**

- Expense for allowance for loan and lease losses, net of recovery of credits, totaled R\$ 3.9 billion in the 4thQ/11, an increase of 6.1% from the previous quarter. In 2011, this result reached R\$ 14.4 billion, a 25.6% growth from 2010;
- The 90-day NPL ratio reached 4.9% in the end of 2011, representing a 20 basis point growth compared to the previous quarter, and a 70 basis point increase compared to December 2010. Compared to December 2009, there was a reduction of 70 basis points.

5. **Non-Interest Expenses:**

- In 2011, non-interest expenses grew 9.5%, reaching R\$ 32.6 billion. In the 4thQ/11, the growth was 1.7% to total R\$ 8.5 billion.

6. **Efficiency Ratio**

- Efficiency ratio in the 4thQ/11 reached 47.3%, an improvement of 20 basis points when compared to the previous quarter and 460 basis points when compared to the same period of 2010.
- In the year, the efficiency ratio reached 47.7%, a 140 basis point decrease in relation to 2010.

7. **Integration:**

- In the second half of 2011, the process of integration between Itaú and Unibanco was completed. Today, 100% of the technology platforms are integrated and running in a single environment.

	4 th Q/11	3 rd Q/11	4 th Q/11 - 3 rd Q/11	2011	2010	2011 - 2010
Operating Revenues	19,578	19,167	2.1%	74,256	66,390	11.8%
Financial Margin with Clients	11,966	11,812	1.3%	45,816	40,020	14.5%
Financial Margin with Market	1,025	1,136	-9.8%	3,785	4,029	-6.1%
Banking Service Fees and Income from Banking Charges	5,088	4,820	5.5%	19,048	17,101	11.4%
Result from Insurance, Pension Plans and Capit. Operations before Retained Claims and Selling Expenses	1,392	1,319	5.5%	5,215	4,711	10.7%
Other Operating Income	108	80	35.2%	393	528	-25.7%
Loan Losses and Retained Claims	(4,202)	(4,041)	4.0%	(15,936)	(13,092)	21.7%
Expense for Allowance for Loan Losses	(5,453)	(4,972)	9.7%	(19,912)	(15,693)	26.9%
Recovery of Credits Written Off as Losses	1,574	1,315	19.7%	5,488	4,209	30.4%
Retained Claims	(322)	(385)	-16.3%	(1,512)	(1,608)	-6.0%
Other Operating Income/(Expenses)	(9,941)	(9,662)	2.9%	(37,819)	(35,169)	7.5%
Non-interest Expenses	(8,547)	(8,401)	1.7%	(32,587)	(29,772)	9.5%
Tax Expenses for ISS, PIS, Cofins and Other Taxes	(976)	(946)	3.2%	(3,839)	(3,770)	1.9%
Other Results (*)	(419)	(315)	32.9%	(1,392)	(1,627)	-14.4%
Income Before Tax on Income	5,435	5,463	-0.5%	20,502	18,129	13.1%
Income Tax and Social Contribution	(1,689)	(1,523)	10.9%	(5,861)	(5,106)	14.8%
Recurring Net Income	3,746	3,940	-4.9%	14,641	13,023	12.4%
Non-recurring Events	(65)	(133)		(20)	300	
Net Income	3,681	3,807	-3.3%	14,621	13,323	9.7%

(*) Includes equity in earnings of permanent investments (+ R\$ 410 million in 2011), non-operating income (+ R\$ 191 million in 2011), selling expenses with insurance (- R\$ 989 million in 2011) and profit sharing (management members) and minority interest (- R\$ 1,005 million in 2011).

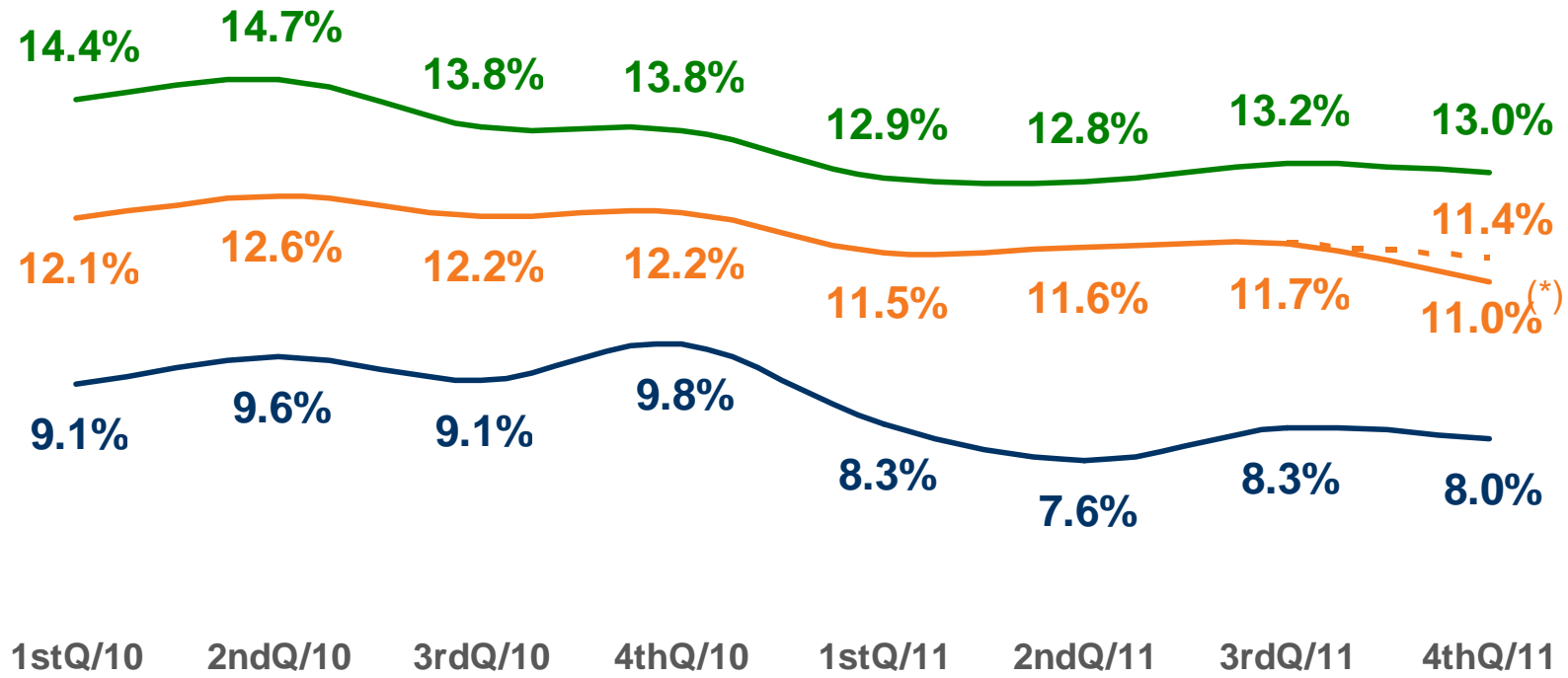
Loans by Type of Client

	Variation				
	Dec 31, 11	Sep 30, 11	Dec 31, 10	Dec/11– Sep/11	2011–2010
Individuals	147,573	141,475	125,079	4.3%	18.0%
Credit Card	38,961	35,586	33,030	9.5%	18.0%
Personal Loans	35,069	33,282	23,864	5.4%	47.0%
Vehicles	60,093	60,008	60,118	0.1%	0.0%
Mortgage Loans	13,450	12,599	8,067	6.8%	66.7%
Companies	228,761	221,660	193,951	3.2%	17.9%
Corporate	139,907	134,751	115,348	3.8%	21.3%
Very Small, Small and Middle Market	88,854	86,908	78,604	2.2%	13.0%
Argentina/Chile/Uruguay/Paraguay	20,678	19,102	14,397	8.3%	43.6%
Total with endorsements and sureties	397,012	382,236	333,427	3.9%	19.1%
Total Retail - Brazil	236,427	228,383	203,682	3.5%	16.1%
Corporate - Total Risk (*)	155,127	150,289	130,946	3.2%	18.5%
Endorsements and Sureties	51,530	46,957	38,374	9.7%	34.3%
Growth adjusted for the effects of exchange rate changes				3.7%	17.2%

(*) Includes private securities (debentures, CRIs and commercial papers).

Note: The acquired payroll loan portfolio is considered as corporate risk (balance of R\$ 1,265 million on December 31, 2011 with decreases of 10.4% in the 4thQ/11 and 37.3% in 2011).

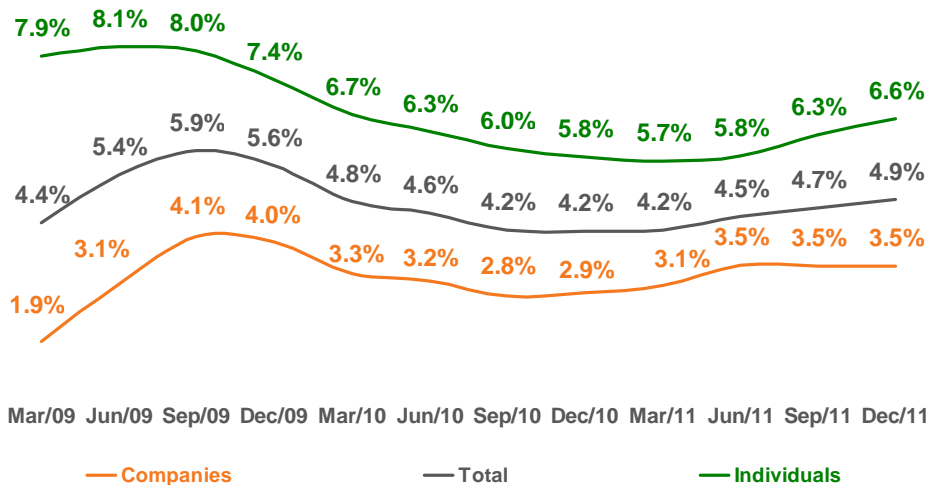
Net Interest Margin



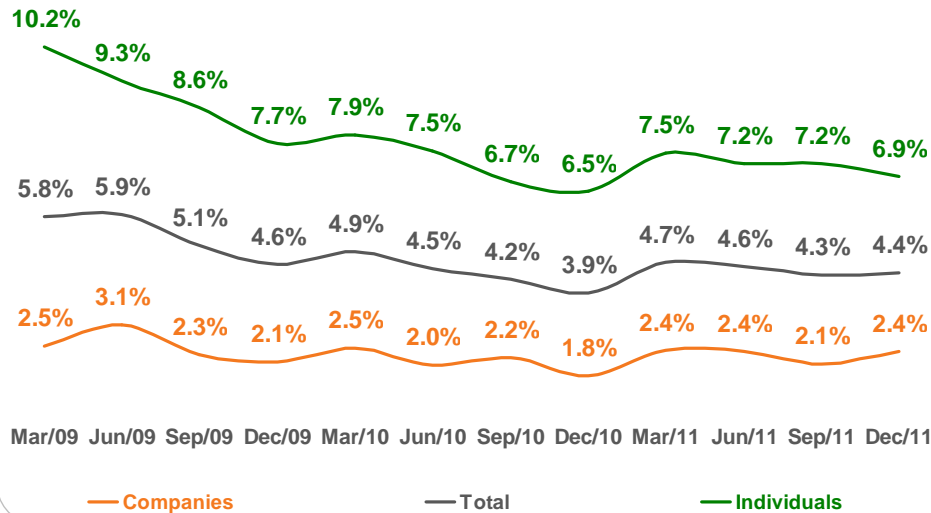
- Credit NIM
- NIM with clients
- - - NIM with clients (considering Selic constant and the growth of funding the same as that of credit)
- Credit NIM after Provisions for Credit Risk

(*) Decrease influenced by the increase in funds from clients and the decrease in the Selic rate.

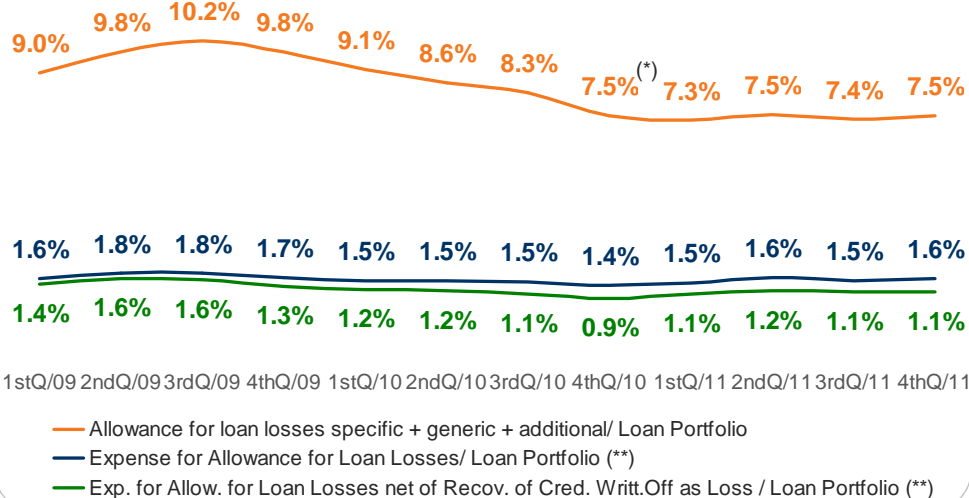
90-day NPL Ratio



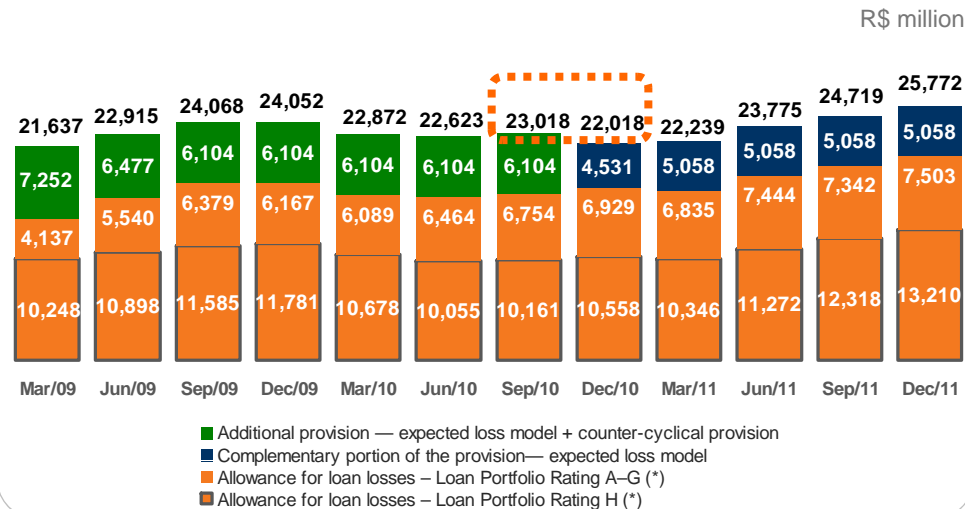
15 to 90-day NPL Ratio



Allowance for Loan Losses



Balance of Allowance for Loan Losses

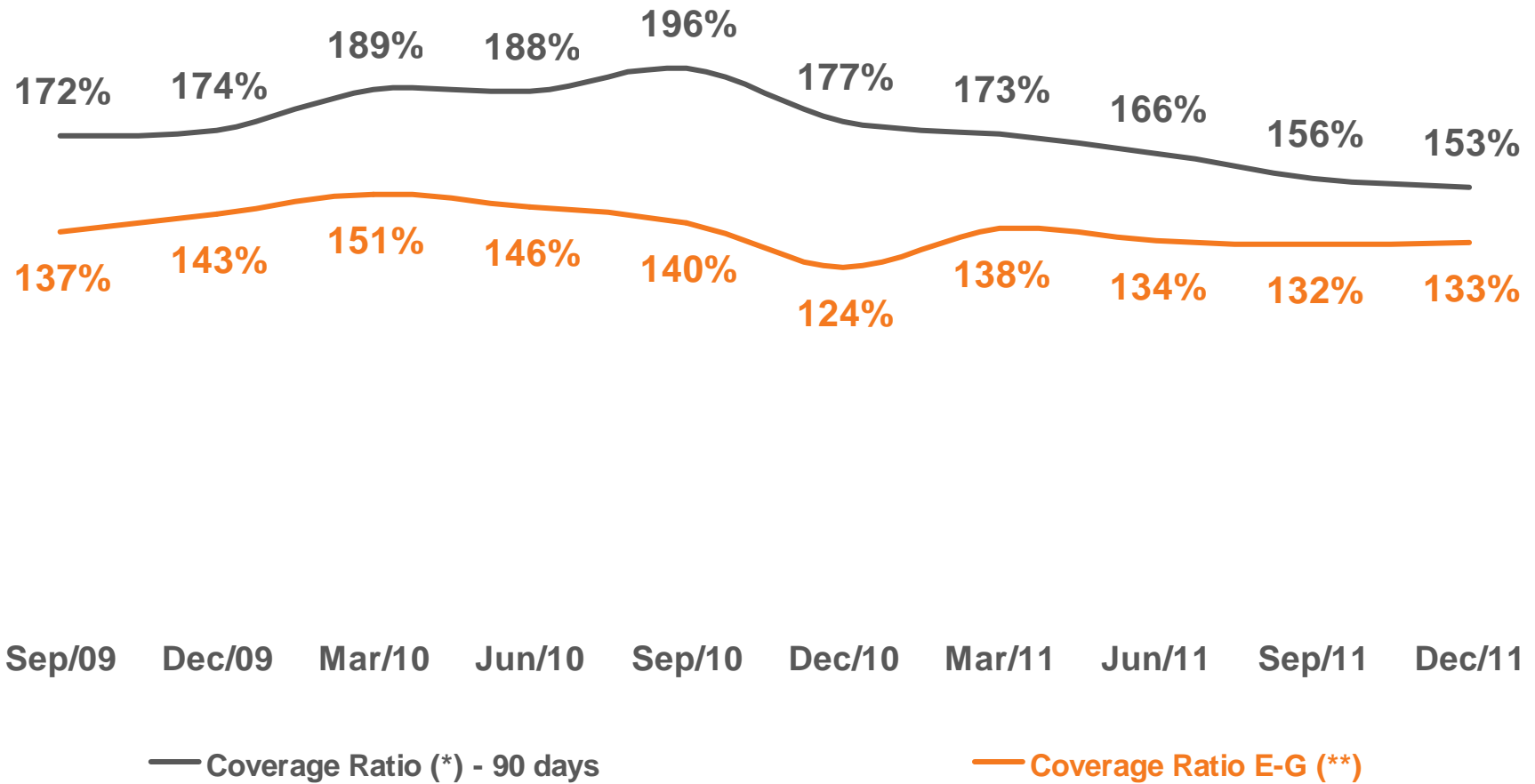


(*) There was an additional provision reversal in the amount of R\$ 1.6 billion.

(**) Average loan portfolio balance considering the last two quarters.

(*) Resolution 2.682/99 CMN

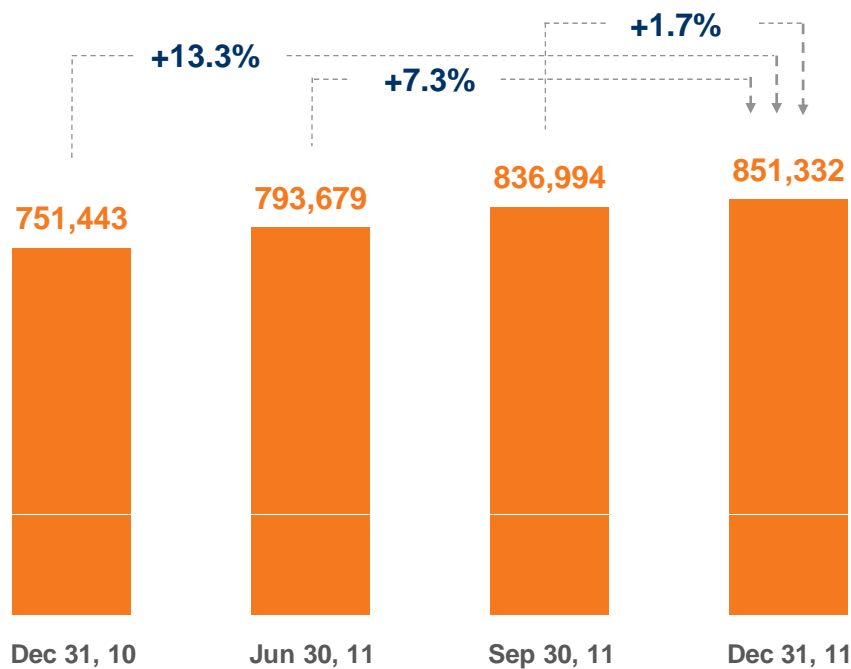
Credit coverage ratio



(*) Allowance for loan and lease losses / Balance of operations more than 90 days overdue

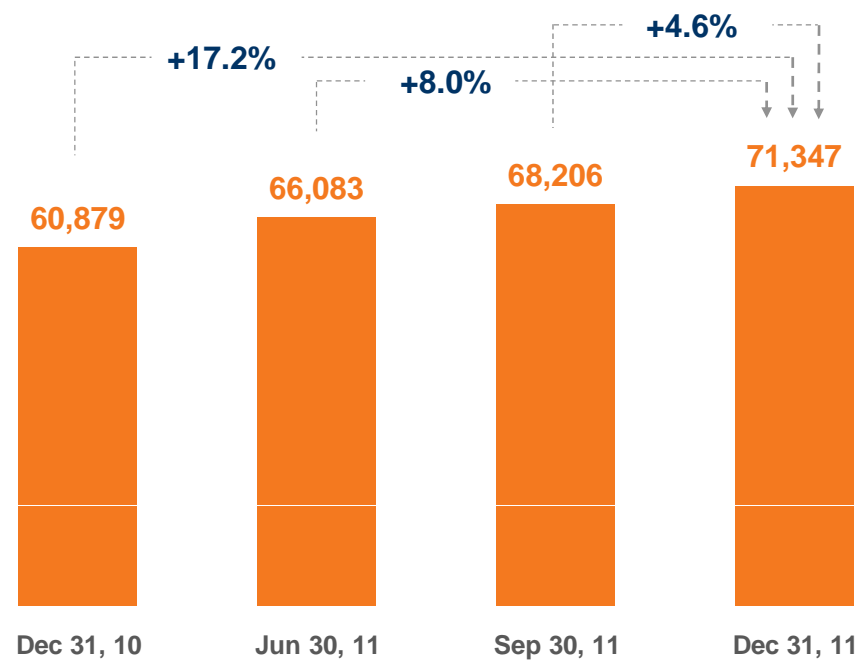
(**) Allowance for loan and lease losses excluding portfolio rating H / Portfolio rating E-G

Assets



Stockholders' Equity

R\$ million



Funding and Assets Under Management

R\$ million

	Variation				
	Dec 31, 11	Sep 30, 11	Dec 31, 10	Dec/11– Sep/11	Dec/11– Dec/10
Demand Deposits	28,293	25,439	25,667	11.2%	10.2%
Savings Deposits	67,145	63,307	57,883	6.1%	16.0%
Time Deposits	130,473	121,402	113,468	7.5%	15.0%
Debentures (Repurchase Agreements)	107,781	102,315	89,420	5.3%	20.5%
Funds from Bills ⁽¹⁾	33,587	25,501	14,278	31.7%	135.2%
(1) Total - Funding from Account Holders	367,279	337,963	300,716	8.7%	22.1%
Institutional Clients	22,073	17,735	16,982	24.5%	30.0%
Onlending	35,459	36,073	31,689	-1.7%	11.9%
(2) Total – Funding from Institutional & Account Holders	424,812	391,772	349,388	8.4%	21.6%
Assets Under Administration	403,906	390,811	363,818	3.4%	11.0%
Technical Provisions for Insurance, Pension Plan and Capitalization	73,754	70,170	60,551	5.1%	21.8%
(3) Total – Clients	902,472	852,752	773,757	5.8%	16.6%
Deposits from Banks	2,066	2,157	1,929	-4.3%	7.1%
Funds from Acceptance and Issuance of Securities Abroad	16,931	14,350	9,930	18.0%	70.5%
Total Funds from Clients + Banks	921,469	869,260	785,616	6.0%	17.3%
Repurchase Agreements ⁽²⁾	74,663	85,004	98,363	-12.2%	-24.1%
Borrowings	21,143	21,799	15,649	-3.0%	35.1%
Foreign Exchange Portfolio	26,182	39,759	22,035	-34.1%	18.8%
Subordinated Debt	38,974	37,638	33,830	3.6%	15.2%
Collection and payment of Taxes and Contributions	856	4,636	694	-81.5%	23.3%
Free Assets ⁽³⁾	61,577	59,010	53,412	4.4%	15.3%
Free Assets and Other	223,395	247,845	223,983	-9.9%	-0.3%
Total Funds (Free, Raised and Managed Assets)	1,144,864	1,117,105	1,009,599	2.5%	13.4%

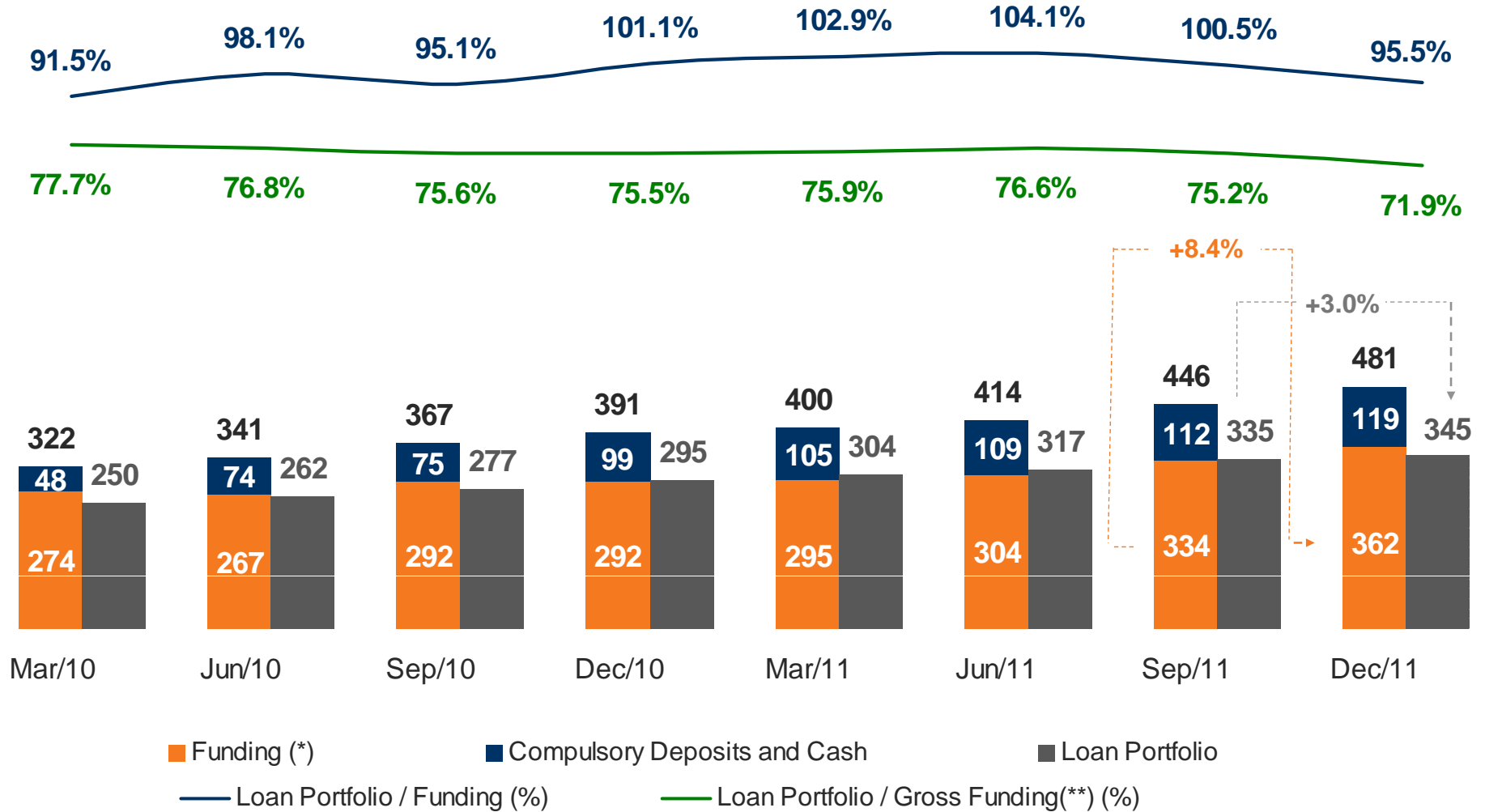
(1) Includes funds from Real estate, mortgage, financial, credit and similar notes.

(2) Does not include own issued Debentures classified as funding.

(3) Stockholders' Equity + Minority - Permanent Assets.

Ratio between Loan Portfolio and Funding

R\$ billion



(*) Includes resources obtained from account holders and institutional clients, onlending, foreign borrowings and securities, borrowings and subordinated debts that are not included in Tier II Reference Equity. Considers the deductions of compulsory deposits and cash and cash equivalents;

(**) Considers gross funding (disregarding the deductions of compulsory deposits and cash and cash equivalents)

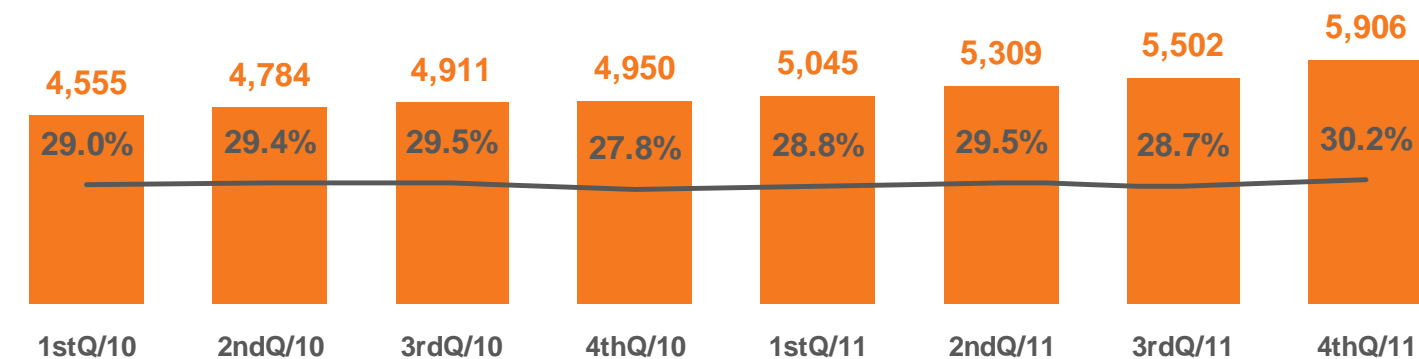
Banking Fees Revenues and Result from Insurance, Pension Plans and Capitalization



R\$ million

	4 th Q/11	3 rd Q/11	4 th Q/11 - 3 rd Q/11	2011	2010	2011 - 2010
Asset Management	662	671	-1.3%	2,608	2,496	4.5%
Current Account Services	680	623	9.2%	2,477	2,451	1.1%
Loan Operations and Guarantees Provided	859	823	4.4%	3,288	2,809	17.1%
Collection Services	345	357	-3.5%	1,333	1,324	0.6%
Credit Cards	2,110	1,891	11.6%	7,497	6,347	18.1%
Other	432	455	-5.1%	1,845	1,673	10.3%
Banking Service Fees Income	5,088	4,820	5.5%	19,048	17,101	11.4%
Result from Insurance, Pension Plans and Capitalization(*)	819	681	20.2%	2,714	2,100	29.3%
Total	5,906	5,502	7.4%	21,762	19,201	13.3%

(*) Income from insurance, pension plan and capitalization operations (-) Expenses for claims (-) Selling expenses with insurance, pension plan and capitalization



— Banking Service Fees and Income from Banking Charges + Result from Insur., Pens. Plans and Capit.

— Banking Service Fees and Income from Banking Charges + Result from Insur., Pens. Plans and Capit./Operating Revenues

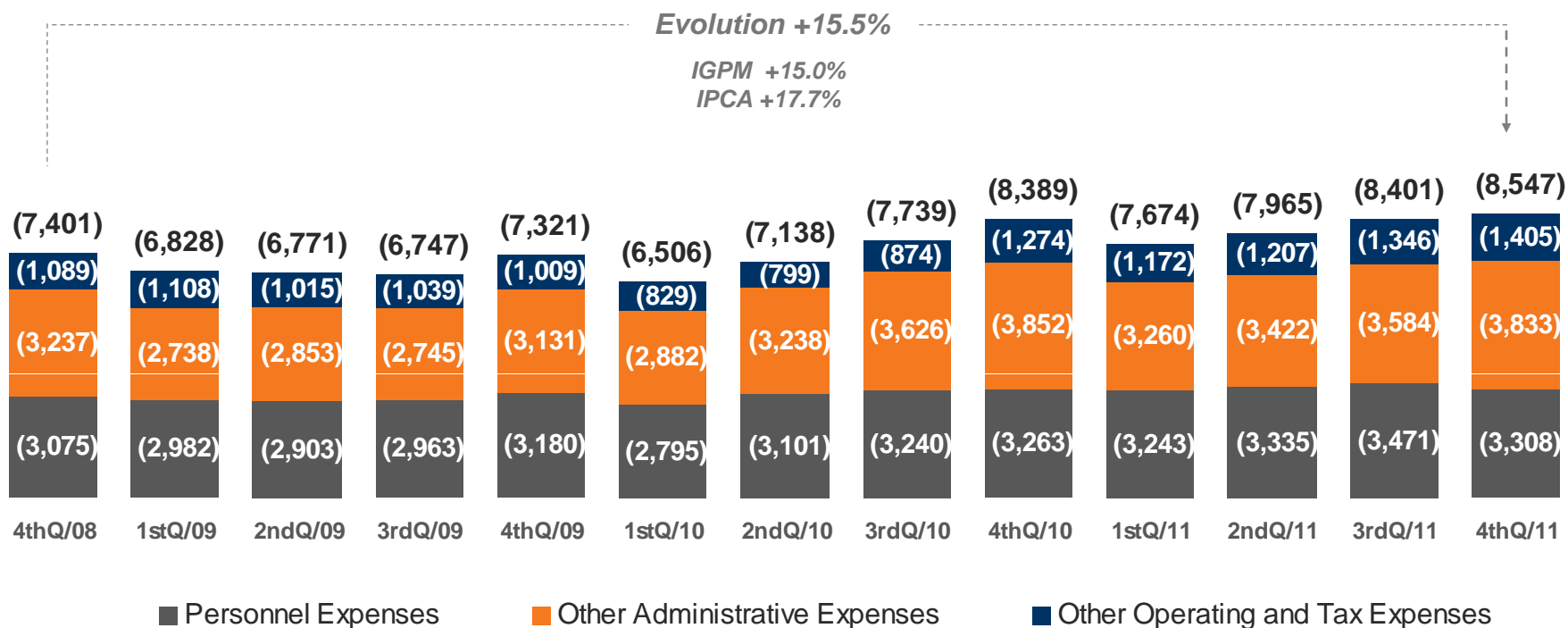
Non-Interest Expenses

R\$ million

	4 th Q/11	3 rd Q/11	4 th Q/11 - 3 rd Q/11	2011	2010	2011 - 2010
Personnel Expenses	(3,308)	(3,471)	-4.7%	(13,357)	(12,399)	7.7%
Administrative Expenses	(3,833)	(3,584)	7.0%	(14,100)	(13,598)	3.7%
Personnel Expenses and Administrative	(7,141)	(7,055)	1.2%	(27,456)	(25,996)	5.6%
Operating Expenses (*)	(1,284)	(1,259)	2.0%	(4,760)	(3,465)	37.4%
Other Tax Expenses (**)	(122)	(87)	39.5%	(370)	(311)	19.0%
Non-Interest Expenses	(8,547)	(8,401)	1.7%	(32,587)	(29,772)	9.5%

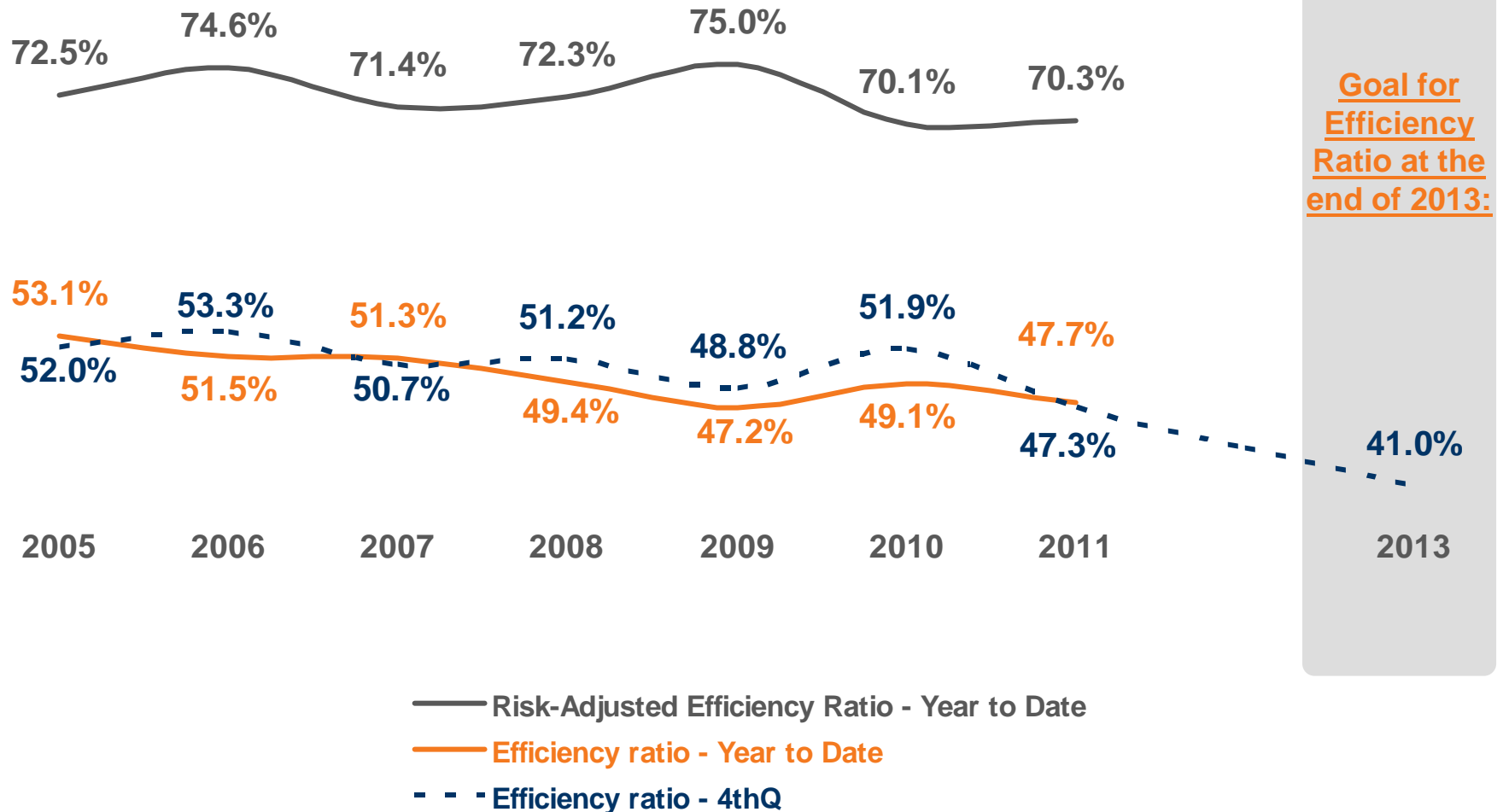
(*) Considers expenses for provision for contingencies, credit card selling, claims and other.

(**) Includes IPTU, IPVA, IOF and other. Does not include PIS, Cofins and ISS



Evolution of Efficiency Ratio since 2005

Efficiency Ratio and Risk-Adjusted Efficiency Ratio



Pro Forma Segmentation Highlights



R\$ million

4thQ/11 x 3rdQ/11

	Commercial Bank		Consumer Credit		Itaú BBA		Activities with the Market + Corporation		Itaú Unibanco	
	4 th Q/11	QoQ (%)	4 th Q/11	QoQ (%)	4 th Q/11	QoQ (%)	4 th Q/11	QoQ (%)	4 th Q/11	QoQ (%)
Recurring Net Income	1,801	-0.7%	380	19.9%	706	17.7%	859	-28.9%	3,746	-4.9%
Allocated Capital	28,613	7.3%	9,634	7.6%	10,394	8.4%	22,707	-1.2%	71,347	4.6%
Quarterly RAROC - Annualized	26.1%	-220 bps	16.3%	310 bps	28.3%	310 bps	15.7%	-600 bps	21.8%	-170 bps
Efficiency Ratio (ER)	52.6%	90 bps	46.3%	-730 bps	34.7%	-860 bps	21.9%	1,020 bps	47.3%	-20 bps
Total Assets (*)	571,315	-0.9%	101,453	2.3%	191,620	-4.4%	115,171	35.1%	851,332	1.7%

2011 x 2010

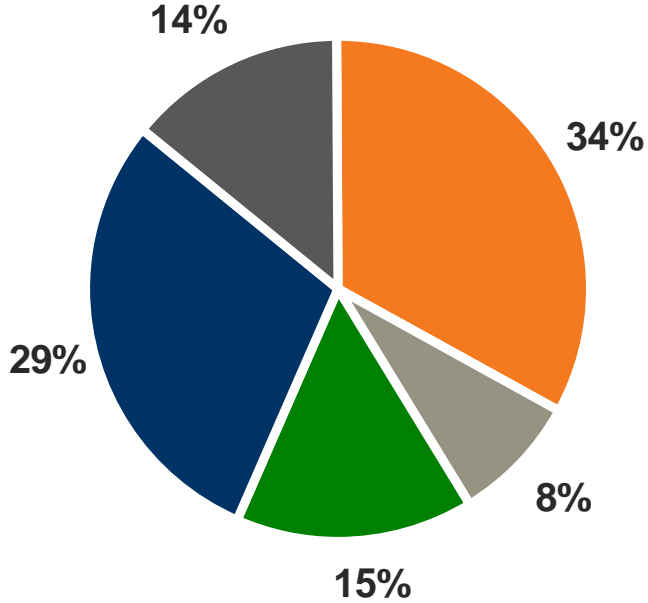
	Commercial Bank		Consumer Credit		Itaú BBA		Activities with the Market + Corporation		Itaú Unibanco	
	2011	YoY (%)	2011	YoY (%)	2011	YoY (%)	2011	YoY (%)	2011	YoY (%)
Recurring Net Income	7,563	20.4%	1,445	-42.5%	2,565	-9.7%	3,069	121.5%	14,641	12.4%
Allocated Capital	28,613	37.9%	9,634	21.8%	10,394	-18.3%	22,707	16.5%	71,347	17.2%
Quarterly RAROC - Annualized	30.6%	-550 bps	15.3%	-1,770 bps	25.1%	190 bps	14.4%	670 bps	22.3%	-120 bps
Efficiency Ratio (ER)	50.9%	-210 bps	52.7%	450 bps	38.5%	120 bps	17.9%	-1,140 bps	47.7%	-150 bps
Total Assets (*)	571,315	7.2%	101,453	10.1%	191,620	-8.7%	115,171	73.7%	851,332	13.3%

(*) Does not represent the sum of the parts because there are transactions between segments that were eliminated only in the consolidated statements.

Itaú Unibanco Net Income Composition

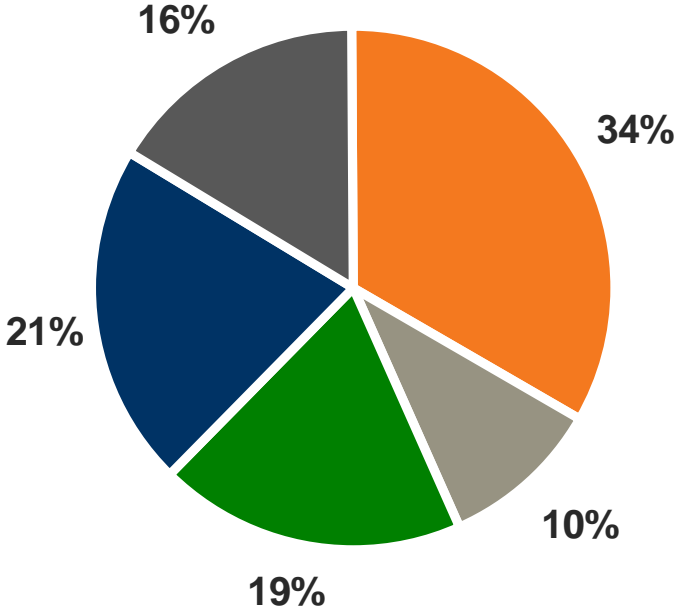


3rdQ/2011



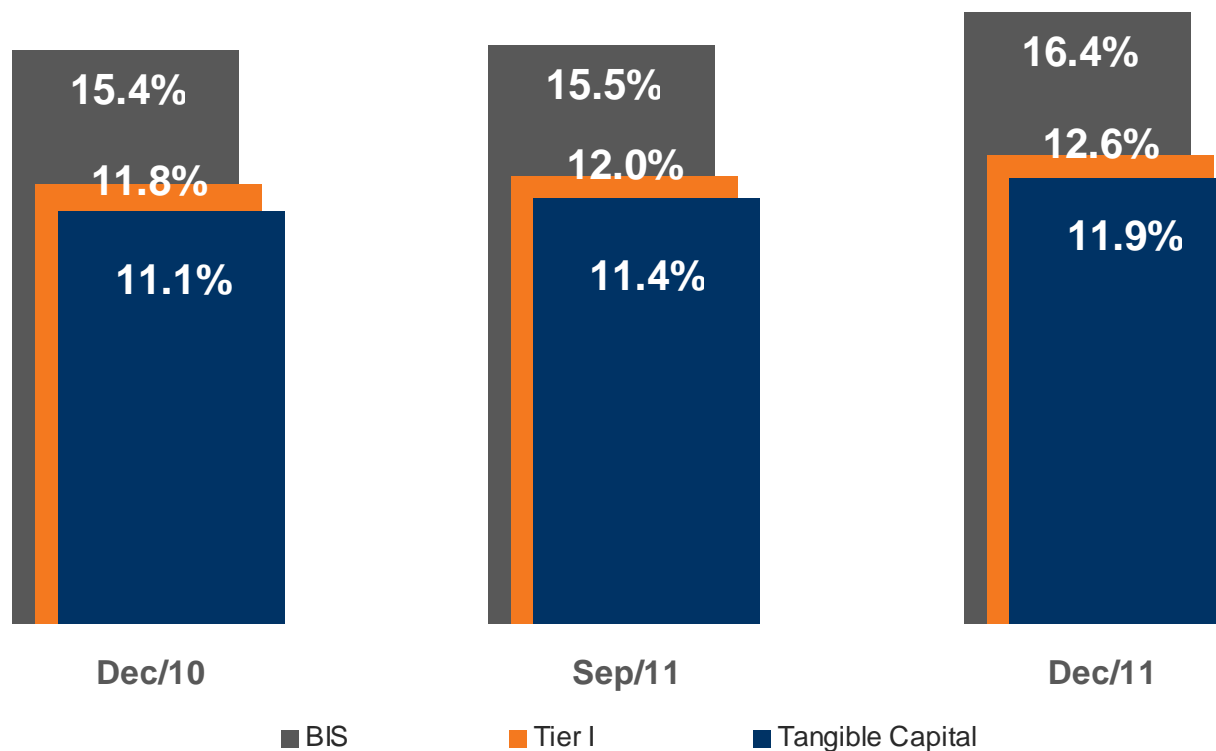
- Commercial Bank
- Itaú BBA
- Insurance, pension plans and capitalization

4thQ/2011



- Consumer Credit
- Activity with the Market + Corporation

Evolution of BIS Ratio, Tier I and Tangible Capital (*)
(Economic Financial Consolidated)



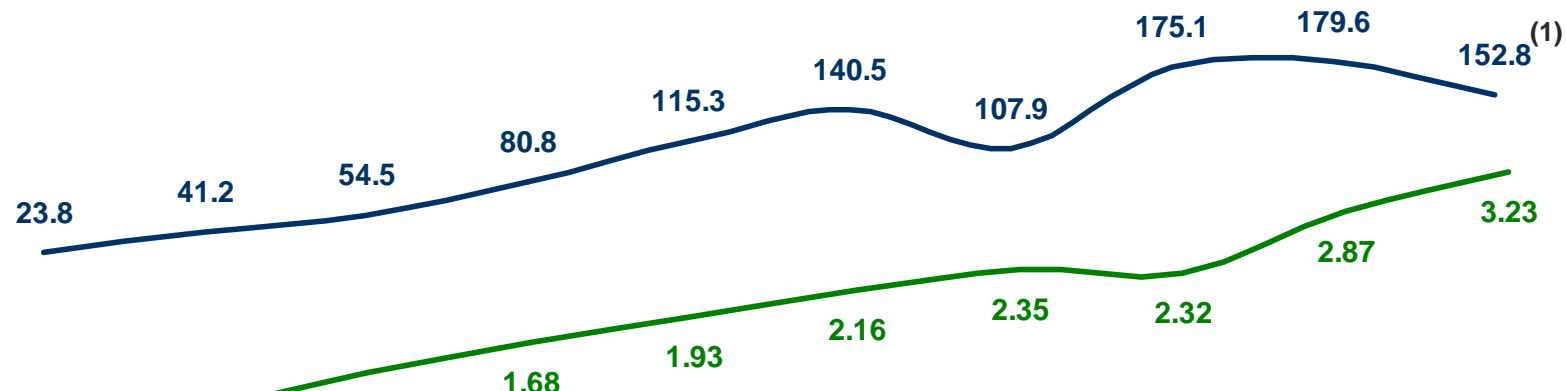
- Considering the Stockholders' Equity decrease pursuant to the approval, in the stockholders' meeting scheduled to April 20, 2012, of the management proposal for the supplementary payment of interest on own capital in the amount of R\$1,847 million, the ratio would have been 16.0%;
- The BIS ratio of December 31, 2011, increased 40 basis points when compared to September 30, 2011, as a result of BACEN Circular No. 3,563, in effect since July 1st, 2011;
- The repurchase of 41 million shares to the Treasury, carried out in 2011, reduced the Basel ratio in 20 basis points.

(*)The Tangible Common Equity – TCE is defined internationally as equity less intangible assets, goodwill and non-voting shares.

In Brazil, non-voting shares essentially fulfill the role of capital and, therefore, were not excluded. We point out that the tax credits were not excluded for this calculation and, therefore, do not represent the concept of core capital introduced by the Basel Pillar III.

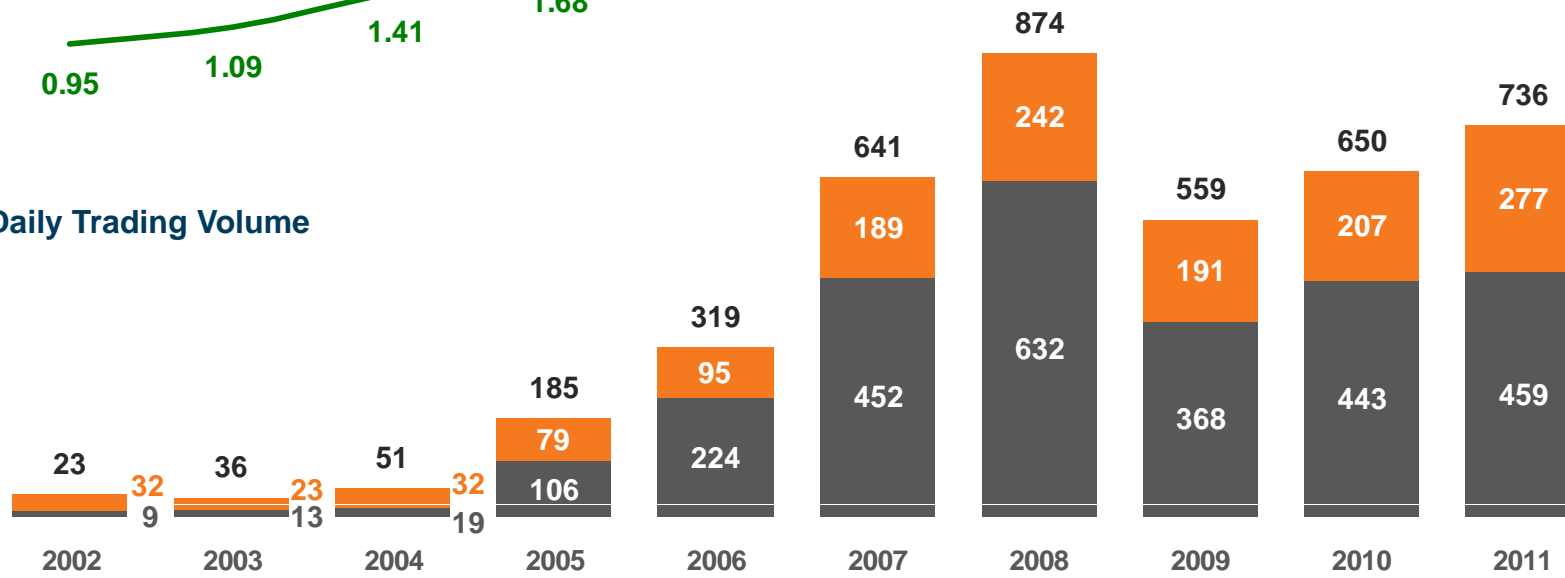
Note: Based on financial conglomerate, the BIS ratio reached 16.0% on December 31, 2011.

Market Capitalization and Average Daily Trading Volume



R\$ million

Average Daily Trading Volume

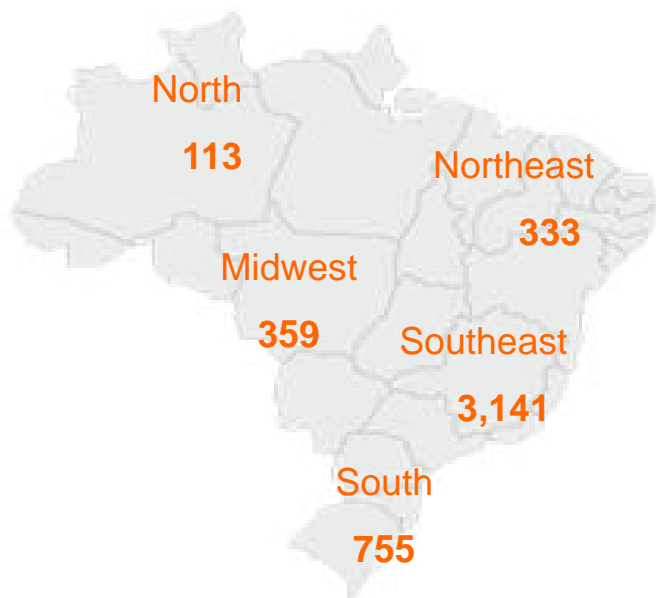


NYSE (ADR)
 BM&FBOVESPA (Non-voting + Common)

Market Capitalization (R\$ billion)
 Recurring Net Income per share (R\$)

⁽¹⁾ As of December 31, 2011, we were the 8th largest bank in the world in terms of market capitalization (Source: Bloomberg)

Number of regular branches and Client Service Branches (CSB)



Brazil:	4,701
Abroad + IBBA:	283
Total:	4,984

Highlights 2011 - Brazil

- ✓ Opening of 123 branches and 43 CSBs
 - 93% in cities with more than 50 thousand inhabitants
 - 82 branches and 8 CSBs in the 4thQ/11
- ✓ Remodeling of 440 branches to the new service model of Itaú Unibanco
 - 386 remodeled branches in the 4thQ/11

Highlights 2011 - Abroad

- ✓ Acquisition of the HSBC Chile network (4 branches)
- ✓ Opening of 19 branches in Latin America

	Real Figures
1. Credit growth: 16% – 20% (*)	19.1%
2. A slight increase in NPL levels	70 bps
3. Banking services fees growth: 14% – 16%	11.4%
4. Non-interest expenses growth: 10% – 13% Revised to 8% - 10%	9.5%
5. A 250 basis point improvement in the Efficiency Ratio	(2011-2010) 140 bps
	(4 th Q11-4 th Q10) 460 bps

(*) Does not include endorsements and sureties.

1. Credit growth: 14% – 17% (*)

maintenance of market share among privately owned banks

2. Stable NPL levels in the year

with possible seasonal variations

3. Increase in banking service fees and result from insurance, pension plan and capitalization operations (**): 10% – 12%

4. Non-interest expenses growth: 4% – 8%

5. Efficiency ratio improvement: 200 – 300 basis points

(*) Does not include endorsements and sureties

(**) Banking Service Fees (+) Income from insurance, pension plan and capitalization operations (-) Expenses for claims (-) Selling expenses with insurance, pension plan and capitalization.

Public Tender Offer Highlights:

- **Indicative purchase price:** maximum of R\$ 35 per common share (RD3)
- **Number of Shares:** 336,390,251 shares (49.9859% of capital)
- **Total Offer :** R\$ 11.8 billion (in cash - Brazilian Reais, BRL)

Rational:

- Offer price in line with the average Price Target for 12 months
- Neutral in terms of results for the next 2 years
- Change in regulation
- Increased flexibility (avoids potential conflicts between different minority shareholders)

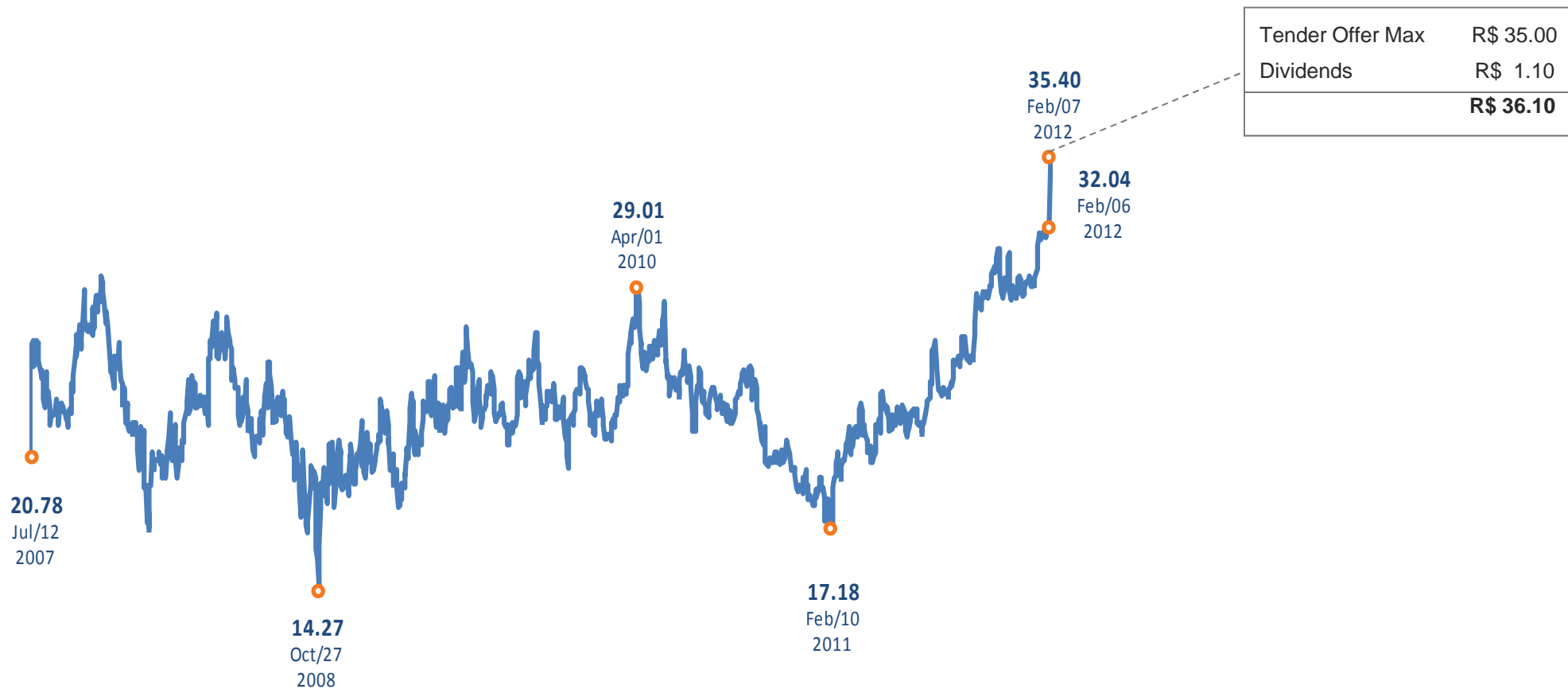
Next Steps:

- **An Extraordinary General Meeting will be convened by the Board of Directors of Redecard to discuss:**
 - The choice of the specialized service provider retained to produce the appraisal report on the RD3 Shares;
 - The withdrawal of Redecard from the Novo Mercado Segment.

The Tender Offer for Voluntary Delisting is subject to regulatory approval and other terms and conditions of the offer shall be disclosed to the market, in accordance with the applicable rules.

Redecard – Share price evolution – RDCD3

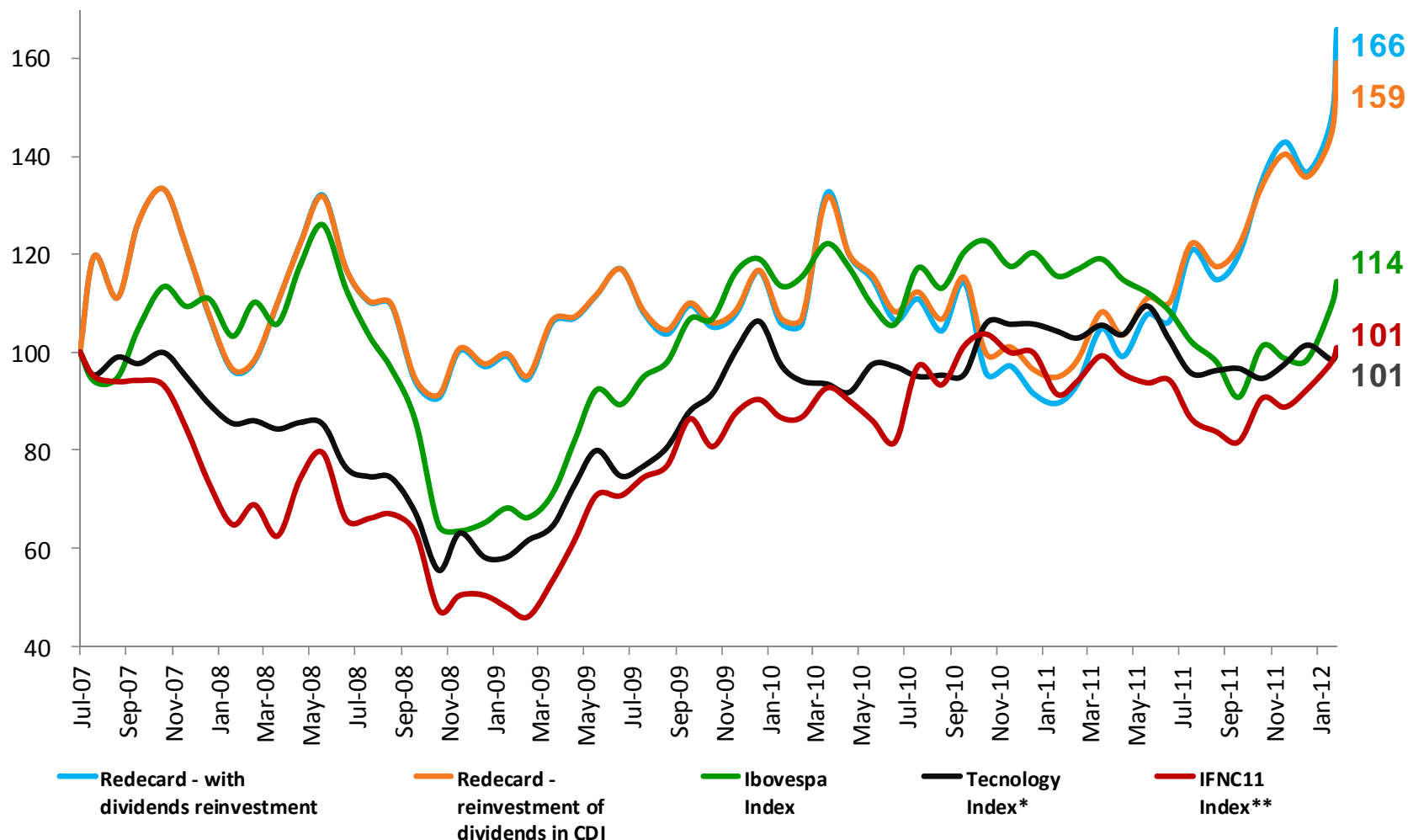
R\$



Historical price adjusted for dividend payments

Redecard – Share price evolution – RDCD3

Base 100: Jul/12/2007
IPO Redecard



(*): Composed by TOTS3 (Totvs), POSI3 (Positive), TIMP3 (Tim), TNLP4 (Telemar), NETC4 (Net) and BRTO4 (Brazil Telecom). All stocks have the same participation in the index (16.66 %).

(**): Financial Index (BMF & BOVESPA) composed by stocks representing companies of financial intermediaries sectors, financial services and several pension and insurance companies.



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