

ITAÚSA

Selected Quarterly Information
3rd quarter of 2019



Contents

- Simplified Ownership Structure
- Itaúsa and Investees Highlights
- Economic Performance
- Investees' Economic Performance
- Capital Markets
- Flow of Dividends / Interest on Capital

We present the information and financial indicators of Itaúsa – Investimentos Itaú S.A. (Itaúsa) in accordance with the International Financial Reporting Standards (IFRS) and the rules set forth by the Brazilian Securities and Exchange Commission (CVM).

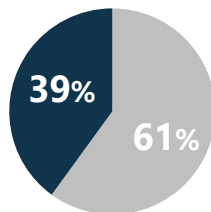
Simplified Ownership Structure^(1,2)

ITAÚSA

09.30.19



Distribution of shares



Free Float

66.07%

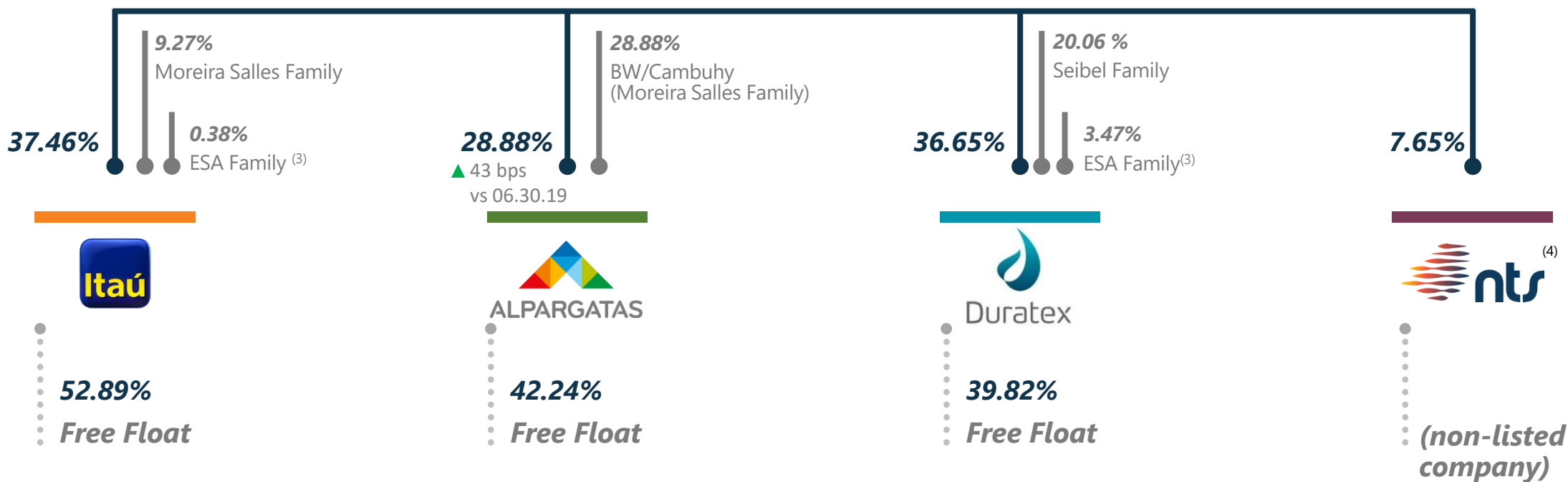
▲ 1 bps
vs 06.30.19

33.93%

▼ 1 bps
vs 06.30.19

Egydio Souza
Aranha Family (ESA)

ITAÚSA



(1) Interests shown exclude treasury shares.

(3) Shares directly held by individuals or members of the ESA Family.

(2) Corresponds to direct and indirect interest in companies.

(4) Investment not accounted for under the equity method.



Highlights of the Period

Return to stockholders

On 08.23 and 10.01, additional and quarterly dividends were paid out in the amounts of R\$0.3405 and R\$0.02 per share, respectively, to stockholders with stockholding position at the end of 08.15 and 08.30, respectively.

In the first nine months of 2019, earnings paid totaled approximately R\$9.3 billion.

Acquisition of Liquigás

On November 7, Itaúsa announced to the market that the Acquiring Group of which it is part has submitted the best offer for acquiring the totality of Liquigás' shares.

The offer price by the Acquiring Group was R\$ 3.7 billion and is subject to certain adjustments provided for in the purchase and sale agreement. Itaúsa's stake in the Transaction will be through equity investment in Copagaz, thereby holding approximately 49% in Copagaz's total and voting capital. This Transaction will be submitted to the approval of Petrobras' relevant bodies, and subsequently submitted to the Brazilian Antitrust Authority (CADE). This transaction will have no impact in Itaúsa's results in this fiscal year.

For further information, please access the material fact at

<http://www.itausa.com.br/en/announcements-and-minutes/material-facts>

1. Includes the investments in NTS classified in the Financial Assets group in the Individual Balance Sheet.

2. Managerial vision that includes share of income and the results of the amount invested in NTS (investment not stated under the equity method).

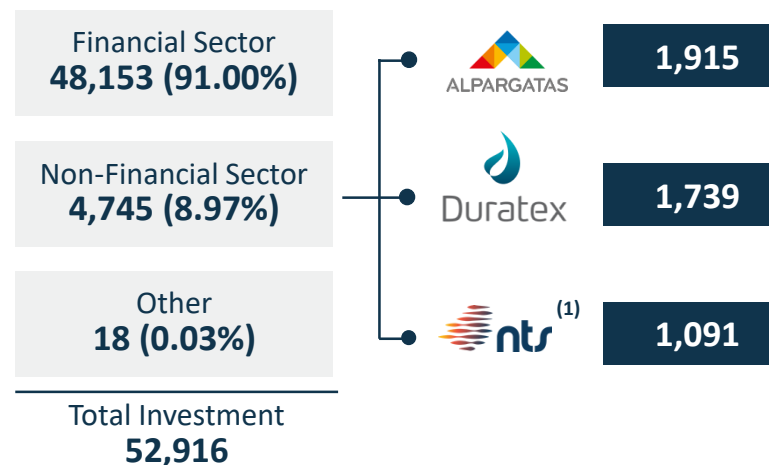
Sustainability

Itaúsa, for the 16th year, and Itaú Unibanco, for the 20th consecutive year, were selected to make up the portfolio of the Dow Jones Sustainability World Index (DJSI), the world's main corporate sustainability index. In its 2019/2020 edition, this portfolio is made up of 318 companies from 27 countries, of which only 7 are Brazilian. Furthermore, Itaúsa and Itaú Unibanco were selected for the portfolio of the Dow Jones Sustainability Emerging Markets Index.



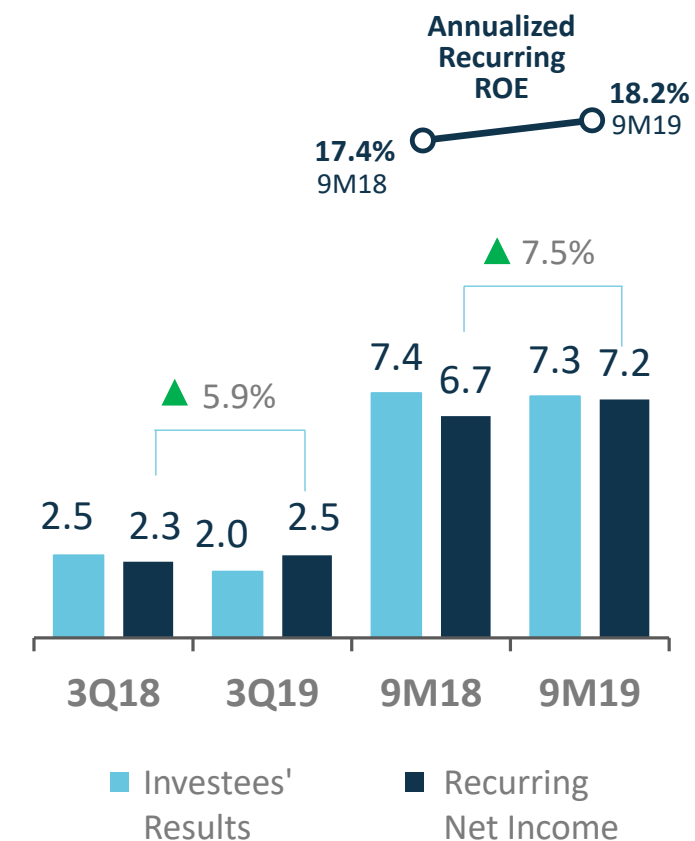
Investments by Sector on 09.30.2019

Book value in R\$ million



Investees' Results,⁽²⁾ Itaúsa's Recurring Net Income and Recurring Return on Equity

(R\$ billion)*



* Attributable to controlling stockholders



Highlights of the Period

● Technology Investments

Technology has become an important pillar for ensuring that Itaú Unibanco is up to date and ready to respond to the challenges from its market and its clients' expectations. In 2019 the increase in technology investments is expected to be at least 20% higher than the amount in 2018 and 60% higher than in 2016, which shows the commitment to the advancement of digital solutions and better client experiences.

● 55 million clients

80% have held their accounts for over **5 years**
55% of new account holders are **under 30**

Individual account holders:

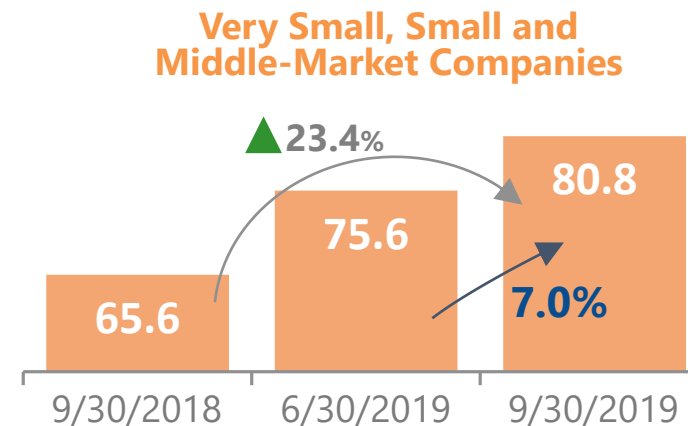
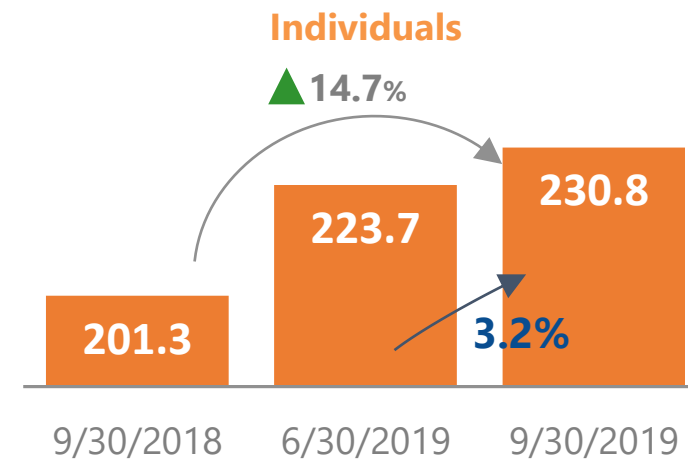
+43% accounts opened from 2016
-29% accounts closed or inactive from 2016

Clients more satisfied

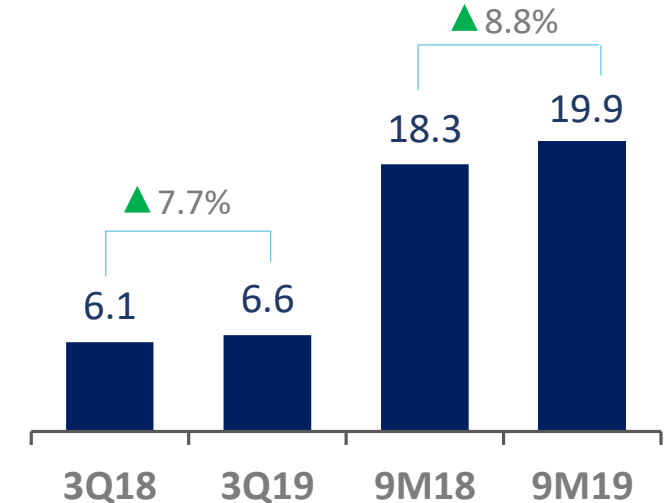
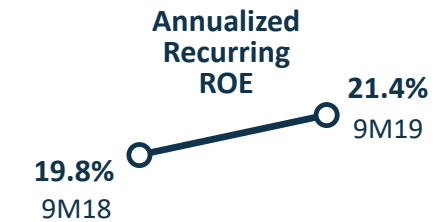
8 points NPS Global
in 12 months



Loan Portfolio for Individuals, Very Small, Small and Middle-Market Companies (R\$ billion) - IFRS



Recurring Net Income and Recurring Return on Equity (R\$ billion)* - IFRS



* Attributable to controlling stockholders



Highlights of the Period

● New headquarters, a new culture

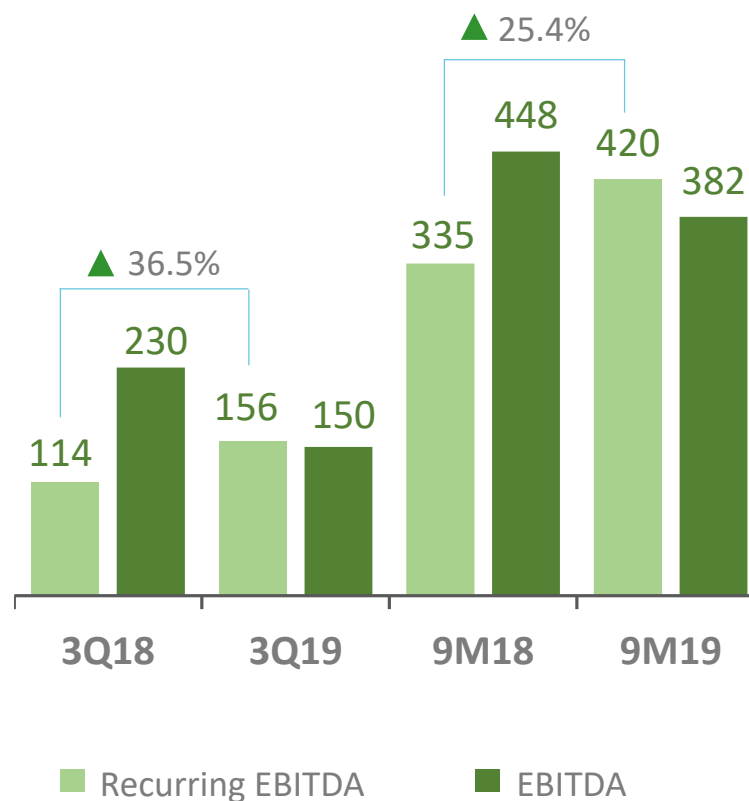
As part of Nova Alpa transformation project, combining delivery of results, connectivity, and people appreciation focused on meritocracy, in August Alpargatas' headquarters were moved to a new address, also in the city of São Paulo, which features a collaborative architecture and lower rent expenses.

● New Distribution Center

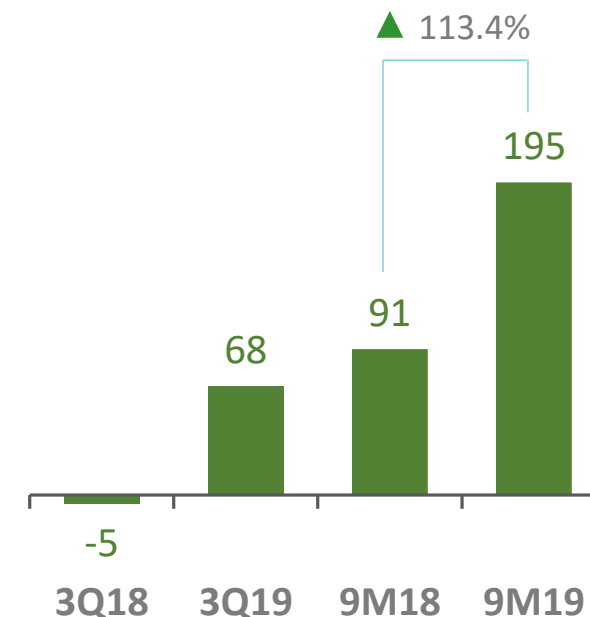
Alpargatas opened a new distribution center (DC) intended for multichannel sales, with facilities in the City of Extrema (MG). This new DC is part of the plan to integrate the physical stores of its largest business Havaianas with ecommerce.



EBITDA (R\$ million)



Recurring Net Income (R\$ million)*



* Attributable to controlling stockholders



Highlights of the Period

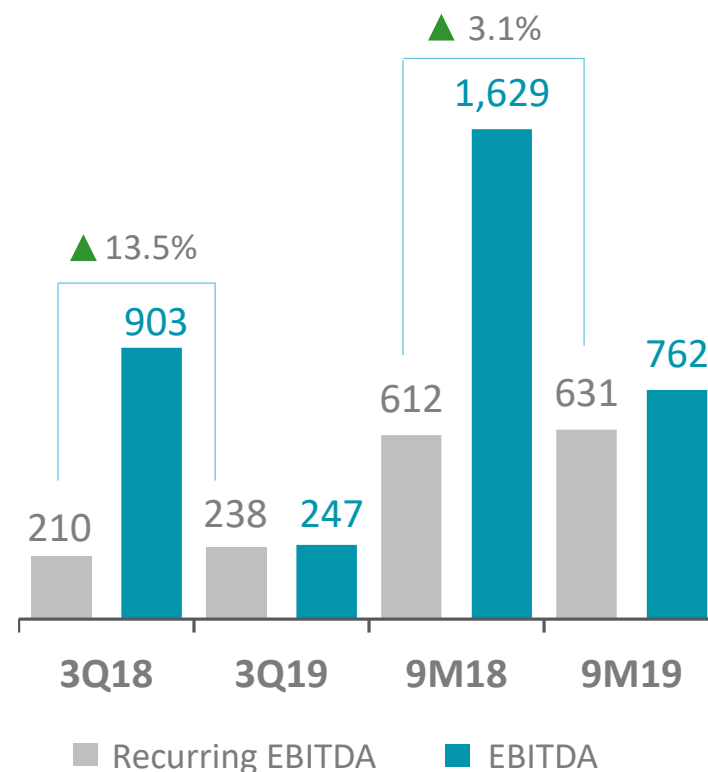
● Optimizing assets for higher profitability

To optimize its assets base to respond to the search for higher business profitability and better return of capital invested, Duratex has announced the sale of forest assets in the State of São Paulo and the decommissioning of the wood panel unit of Botucatu, which operations had been suspended since November 2018. These transactions will in the aggregate lead to the recognition capital gains, net, of approximately R\$230.0 million, and R\$450.0 million net in cash, to be accounted for in 4Q19.

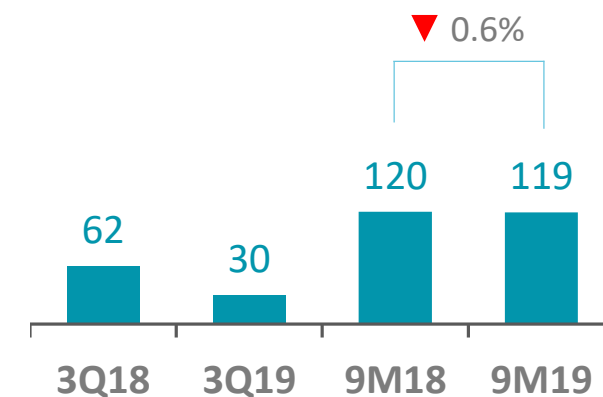
● Acquisition of Cecrisa completed

In 2Q19, Duratex announced the acquisition of 100% of Cecrisa, which produces and sells Cecrisa and Portinari branded products. In 3Q19, the Company completed this acquisition process by paying R\$253 million and accounting for Cecrisa's liabilities in the amount of R\$439 million into its balance sheet. Over the next 5 years, R\$275 million will be disbursed in connection with related contingencies.

EBITDA
(R\$ million)



Recurring Net Income
(R\$ million)*



* Attributable to controlling stockholders



Highlights of the Period

● Operational Results

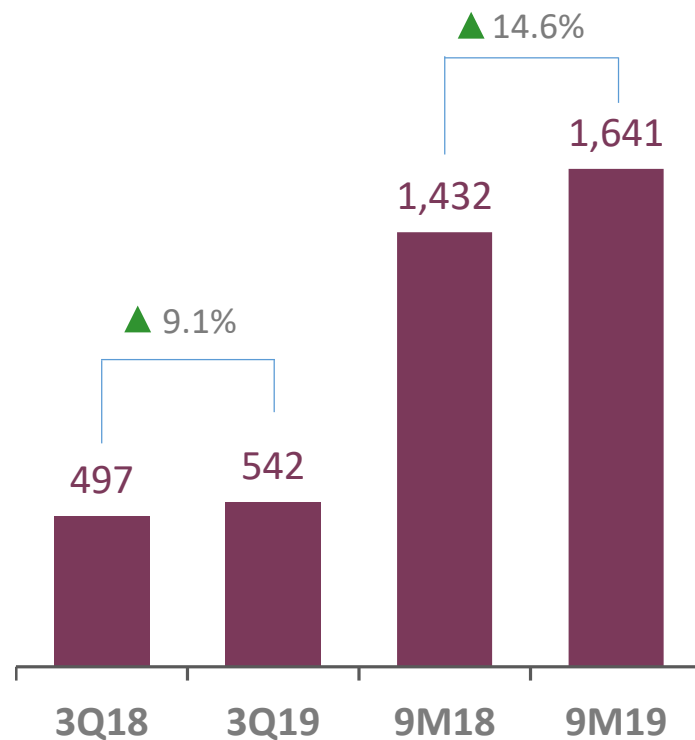
In 3Q19, net revenue totaled R\$1,112 million, up 9% year on year, mainly driven to inflation-adjustment of gas ship-or-pay agreements based on IGP-M in early 2019.

● Dividends and interest on capital (2019 base period)

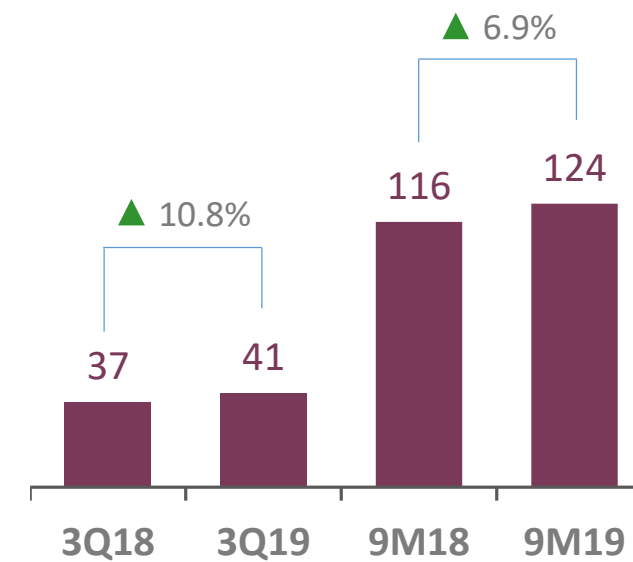
In 3Q19, Itaúsa received dividends and interest on capital, gross, in the amount of R\$41 million. The total amount received year-to-date was R\$ 124 million.



Net Income (R\$ million)






Gross flow received by Itaúsa (R\$ million) | Dividends and Interest on Capital



Economic Performance

Main financial indicators of Itaúsa

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		R\$ million			R\$ per share		
		9M19	9M18	Change	09.30.2019	09.30.2018	Change
Profitability and ROE (%) (annualized) 	Net Income	6,862	6,929	-1.0%	0.82	0.84	-2.5%
	Recurring Net Income	7,168	6,657	7.7%	0.85	0.80	6.1%
	Return on Equity	17.4%	18.1%	-70 bps			
	Recurring Return on Equity	18.2%	17.4%	80 bps			
Balance Sheet ⁽¹⁾ 	Total Assets	55,509	55,845	-0.6%			
	Net Indebtedness	263	24	995.8%			
	Stockholders' Equity	52,130	52,691	-1.1%	6.20	6.26	-1.1%
Capital Markets 	Market Value ⁽²⁾	110,855	84,948	30.5%			
	Average daily traded financial volume - Itaúsa PN ⁽³⁾	292	201	45.1%			

(1) For better comparability, all periods include the merger of Itaúsa Empreendimentos.

(2) Calculated based on the closing price of preferred shares in the last day of the period.

(3) Average daily financial volume traded over the last 12 months.










Economic Performance

ITAÚSA

R\$ million

Main financial indicators of Investees (1)

We present below the main financial indicators of Itaúsa Conglomerate companies. Net Income, Stockholders' Equity and ROE correspond to the amounts attributable to controlling stockholders.

		january to september			
Results	 Operating revenues	2019	143,404	2,956	3,526
		2018	125,233	2,647	3,686
Balance Sheet	 Net income	2019	18,439	156	121
		2018	18,254	258	574
Returns (%) (Annualized)	 Stockholders' equity	2019	129,380	2,535	4,765
		2018	129,879	2,249	5,389
Returns (%) (Annualized)	 ROE on average equity (%)	2019	19.9%	8.5%	3.4%
		2018	19.8%	15.8%	15.4%
Cash Generation	 Recurring ROE on average equity (%)	2019	21.4%	10.6%	3.4%
		2018	19.8%	5.6%	3.2%
Cash Generation	 Internal fund generation⁽²⁾	2019	42,662	441	752
		2018	42,566	319	970

(1) Itaúsa's investment in NTS is recorded in "Financial assets measured at fair value through profit or loss". As Itaúsa's interest in NTS is below 20% of capital, it does not record this investment under the equity method.

(2) Refers to amounts from operations as disclosed in the Statements of Cash Flows.

Performance Analysis

Investees' Results

ITAÚSA

R\$ million

Itaúsa's results are basically derived from its share of income, determined based on the results of its investees, and the revenues from investments in financial assets.

Calculation of Investees' Results ⁽¹⁾



OTHER ⁽³⁾
COMPANIES

ITAÚSA

	3Q19	3Q18	3Q19	3Q18	3Q19	3Q18	3Q19	3Q18	3Q19	3Q18	3Q19	3Q18
Net Income of Investees	6,596	6,126	68	(5)	30	62	n.a	n.a	(5)	(2)		
(x) Direct/Indirect interest ⁽²⁾	37.46%	37.57%	28.82%	27.55%	36.65%	36.67%	7.65%	7.65%				
(=) Share in recurring net income	2,471	2,301	20	(3)	11	23	n.a	n.a	(5)	(2)	2,497	2,319
(+/-) Share of income not arising from net income	(1)	(2)	(22)	(6)	-	-	-	-	-	-	(23)	(8)
(=) Recurring share of income	2,470	2,299	(2)	(9)	11	23	-	-	(5)	(2)	2,474	2,311
(+/-) Non-recurring income	(533)	3	1	36	(1)	115	-	-	-	-	(533)	154
(=) Share of income	1,937	2,302	(1)	27	10	138	-	-	(5)	(2)	1,941	2,465
(+) Revenues from Investments in Financial Assets - FVTPL ⁽⁴⁾⁽⁵⁾	-	-	-	-	-	-	69	13	-	-	69	13
(=) Investees' Results in Itaúsa	1,937	2,302	(1)	27	10	138	69	13	(5)	(2)	2,010	2,478
	96.4%	92.9%	0.0%	1.1%	0.5%	5.6%	3.4%	0.5%	-0.2%	-0.1%	100.0%	100.0%

(1) For better comparability, all periods include the merger of Itaúsa Empreendimentos.

(2) Represents the % of proportional interest in result for the quarter.

(3) Result of investees Itaútec and ITH Zux Cayman.

(4) Includes dividends/interest on capital, adjustment to fair value of shares, interest on interest on debentures convertible into shares, and expenses on time installment of the amount invested in NTS.

(5) FVTPL – Fair value through profit or loss.

Performance Analysis

Investees' Results

ITAÚSA

R\$ million

Itaúsa's results are basically derived from its share of income, determined based on the results of its investees, and the revenues from investments in financial assets.

Calculation of Investees' Results ⁽¹⁾



OTHER ⁽³⁾
COMPANIES

ITAÚSA

	9M19	9M18	9M19	9M18	9M19	9M18	9M19	9M18	9M19	9M18	9M19	9M18
Net Income of Investees	19,877	18,265	195	91	119	120	n.a	n.a	(11)	30		
(x) Direct/Indirect interest ⁽²⁾	37.46%	37.57%	28.61%	27.55%	36.65%	36.67%	7.65%	7.65%				
(=) Share in recurring net income	7,446	6,863	55	23	43	44	n.a	n.a	(11)	29	7,533	6,959
(+/-) Share of income not arising from net income	(124)	(26)	(22)	(31)	-	-	-	-	-	-	(146)	(57)
(=) Recurring share of income	7,322	6,837	33	(8)	43	44	-	-	(11)	29	7,387	6,902
(+/-) Non-recurring income	(324)	144	(11)	47	1	166	-	-	-	-	(334)	357
(=) Share of income	6,998	6,981	22	39	44	210	-	-	(11)	29	7,053	7,259
(+) Revenues from Investments in Financial Assets - FVTPL ⁽⁴⁾⁽⁵⁾	-	-	-	-	-	-	203	117	-	-	203	117
(=) Investees' Results in Itaúsa	6,998	6,981	22	39	44	210	203	117	(11)	29	7,256	7,376
	96.5%	94.6%	0.3%	0.5%	0.6%	2.8%	2.8%	1.6%	-0.2%	0.4%	100.0%	100.0%

(1) For better comparability, all periods include the merger of Itaúsa Empreendimentos.

(2) Represents the % of proportional interest in result for the period.

(3) Result of investees Elekeiroz (up to May 2018), Itaotec, and ITH Zux Cayman.

(4) Includes dividends/interest on capital, adjustment to fair value of shares, interest on interest on debentures convertible into shares, and expenses on time installment of the amount invested in NTS.





(5) FVTPL – Fair value through profit or loss.

Performance Analysis

Statement of Income of Itaúsa⁽¹⁾⁽²⁾

ITAÚSA

R\$ million

	3Q19		3Q18		Δ%	9M19		9M18		Δ%
 INVESTEES' RECURRING RESULTS IN ITAÚSA	2,543	100%	2,324	100%	9%	7,590	100%	7,019	100%	8%
FINANCIAL SECTOR	2,470	97%	2,299	99%	7%	7,322	96%	6,837	97%	7%
NON FINANCIAL SECTOR	78	3%	27	1%	187%	279	4%	153	2%	82%
OTHER COMPANIES ⁽³⁾	(5)	0%	(2)	0%	150%	(11)	0%	29	0%	-138%
 RESULTS OF ITAÚSA	(48)		(38)		26%	(378)		(412)		-8%
FINANCIAL INCOME / EXPENSES	(15)		(12)		25%	(36)		(56)		-36%
ADMINISTRATIVE EXPENSES	(31)		(26)		19%	(93)		(68)		37%
TAX EXPENSES	(3)		(4)		-25%	(252)		(297)		-15%
OTHER OPERATING REVENUES	1		4		-75%	3		9		-67%
INCOME BEFORE INCOME TAX/SOCIAL CONTRIBUTION	2,495		2,286		9%	7,212		6,607		9%
INCOME TAX / SOCIAL CONTRIBUTION	(21)		42		-150%	(44)		50		-188%
 RECURRING NET INCOME	2,474		2,328		6%	7,168		6,657		8%
NON-RECURRING RESULTS	(533)		154		-446%	(306)		272		-213%
 NET INCOME	1,941		2,482		-22%	6,862		6,929		-1%

(1) Attributable to controlling stockholders.

(2) For better comparability, all periods include the merger of Itaúsa Empreendimentos in the Statement of Income.

(3) Results of investees Elekeiroz (up to May 2018), Itautec, and ITH Zux Cayman.

Performance Analysis

ITAÚSA

R\$ million

Reconciliation of the Parent Company's Recurring Net Income

Profitability



	3Q19	3Q18	9M19	9M18
Recurring Net income	2,474	2,328	7,168	6,657
Addition/(Exclusion) of Non-Recurring Effects D= (A + B + C)	(533)	154	(306)	272
Own (A)	-	-	28	(85)
Disposal of shares in Elekeiroz	-	-	-	(85)
Disposal of interest in Itaú Unibanco Centro Empresarial	-	-	28	-
Arising from Ownership Interest in the Financial Sector (B)	(533)	3	(324)	144
Changes in treasury shares	3	3	214	147
Voluntary Resignation Plan	(536)	-	(536)	-
Provision for civil contingencies – Economic plans	-	-	-	34
Realization of assets and Impairment	-	-	-	(37)
Other	-	-	(2)	-
Arising from Ownership Interest in the Non-Financial Sector (C)	-	151	(10)	213
Alpargatas	1	36	(11)	47
Duratex	(1)	115	1	166
Net Income	1,941	2,482	6,862	6,929

Performance Analysis

Balance Sheet of Itaúsa⁽¹⁾⁽²⁾

ITAÚSA






R\$ million

ASSETS	09.30.2019	12.31.2018	LIABILITIES AND STOCKHOLDERS' EQUITY	09.30.2019	12.31.2018
Financial assets	2,206	2,539	Current and non-current	3,379	3,294
Cash and cash equivalents	965	1,239	Debentures	1,228	1,208
Financial Assets - FVTPL (NTS)	1,091	1,030	Dividends / Interest on Capital Payable	353	408
Dividends / Interest on Capital Receivable	150	270	Liabilities payable	327	296
			Tax liabilities	99	79
			Tax contingencies	1,315	1,277
				12	-
Tax assets	1,231	1,222	Other Liabilities	45	26
Income tax and social contribution - Current	303	300			
Income tax and social contribution - Deferred	916	922			
			TOTAL LIABILITIES	3,379	3,294
Right-of-Use Assets	12	-			
			Stockholders' equity	52,130	55,143
Investments	51,830	54,507	Capital	43,515	43,515
Investments in controlled companies	51,825	54,503	Reserves	10,332	13,339
Other	5	4	Carrying Value Adjustment	(1,717)	(1,711)
Fixed Assets, Net	100	99			
			TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	55,509	58,437
Other Assets	142	70			
TOTAL ASSETS	55,509	58,437			

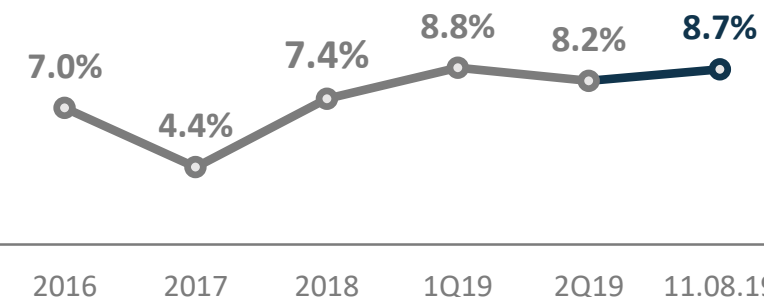
(1) Attributable to controlling stockholders.

(2) For better comparability, all periods include the merger of Itaúsa Empreendimentos in the Balance Sheet.

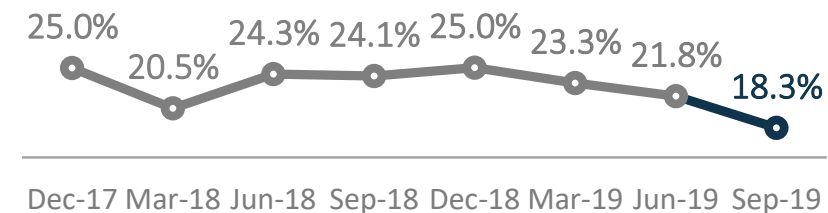
Itaúsa's Portfolio – Market Value¹ on 09.30.2019

	Market value of companies (a)	Interest of Itaúsa in companies (%) (b)	Market value of interests (c) = (a) x (b)	Market value of the Itaúsa interests (d)	Market value of Itaúsa ⁽²⁾ (e)
	341,336	37.46%	127,860	+ 135,711	ITAÚSA 110,855  Discount (e/d)-1 18.3%
	14,991	28.88%	4,330		
	8,725	36.65%	3,198		
	-	-	1,091		
Other assets and liabilities⁽⁴⁾	-	-	(768)		

Dividend Yield⁵ (%)



History of Discount (%)



(1) Calculated based on the price of preferred shares.

(2) Calculated based on the number of shares issued, less treasury shares, multiplied by the closing price of the most liquid shares in the last day of the period.

(3) Investment amount recorded in Itaúsa's Balance Sheet in Financial Assets on 09.30.2019.

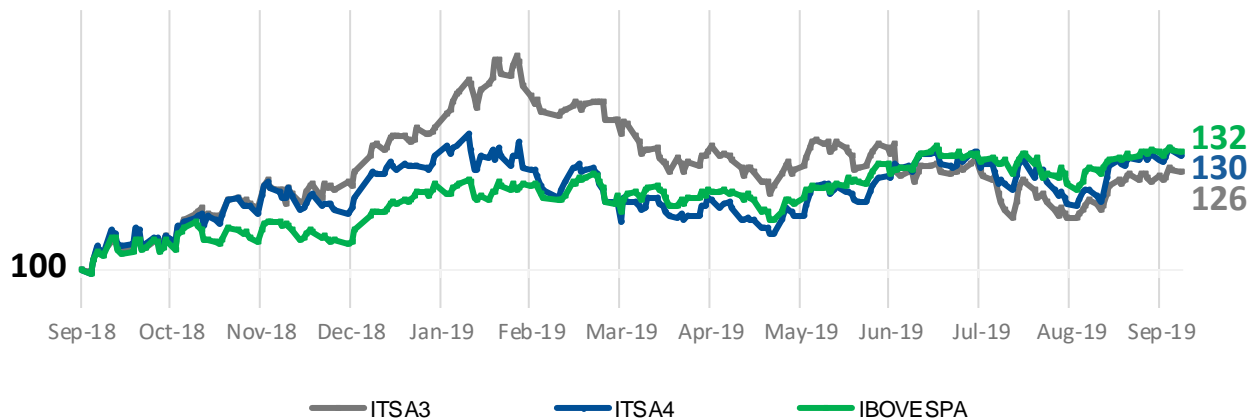
(4) Other Assets and Liabilities recorded in the Balance Sheet on 09.30.2019.

(5) Dividend Yield consider dividends and interest on capital, gross, paid in the last 12 months, including dividends declared in 08.12.19, divided by the closing price.

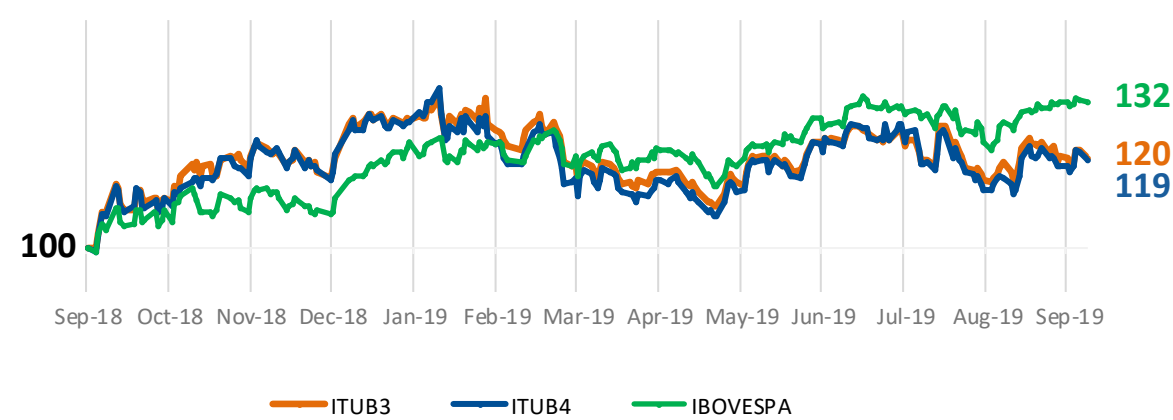
Capital Markets

Share prices performance on B3¹ – Data base 09.28.2018

Itaúsa

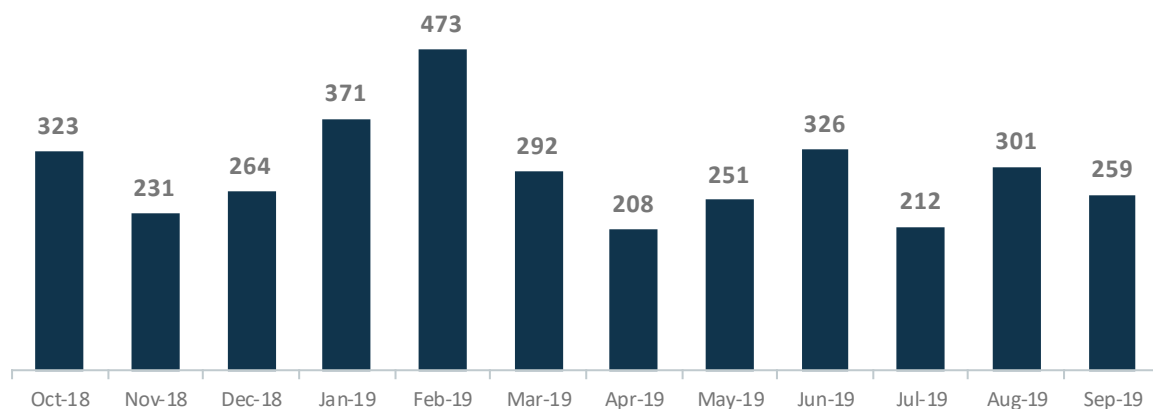


Financial Sector

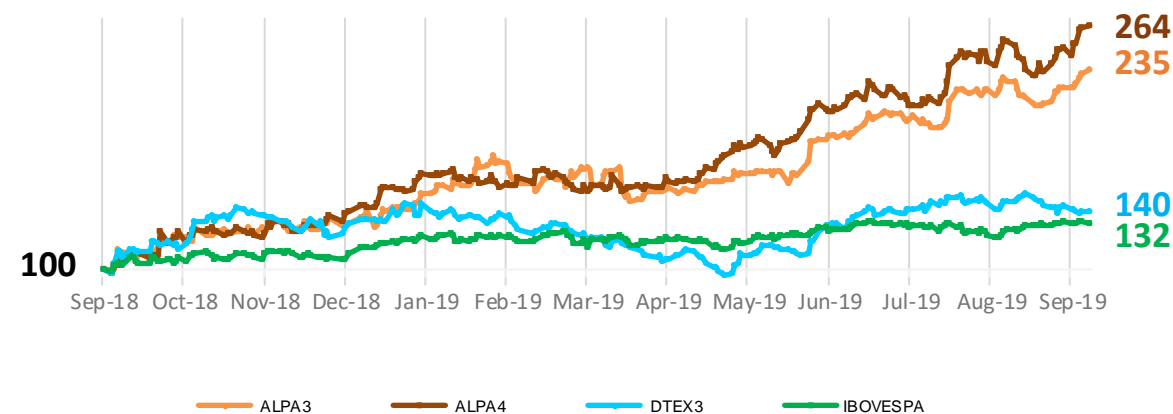


Average daily traded financial volume - Itaúsa PN

R\$ Million



Non financial Sector



Source: Economática
 Period: 09.28.2018 a 09.30.2019
 Prices adjusted by events, such as stock split, reverse split and bonus shares.
 (1) B3 S.A. – Brasil, Bolsa, Balcão.

Flow of Dividends and Interest on Capital ^{1,2}

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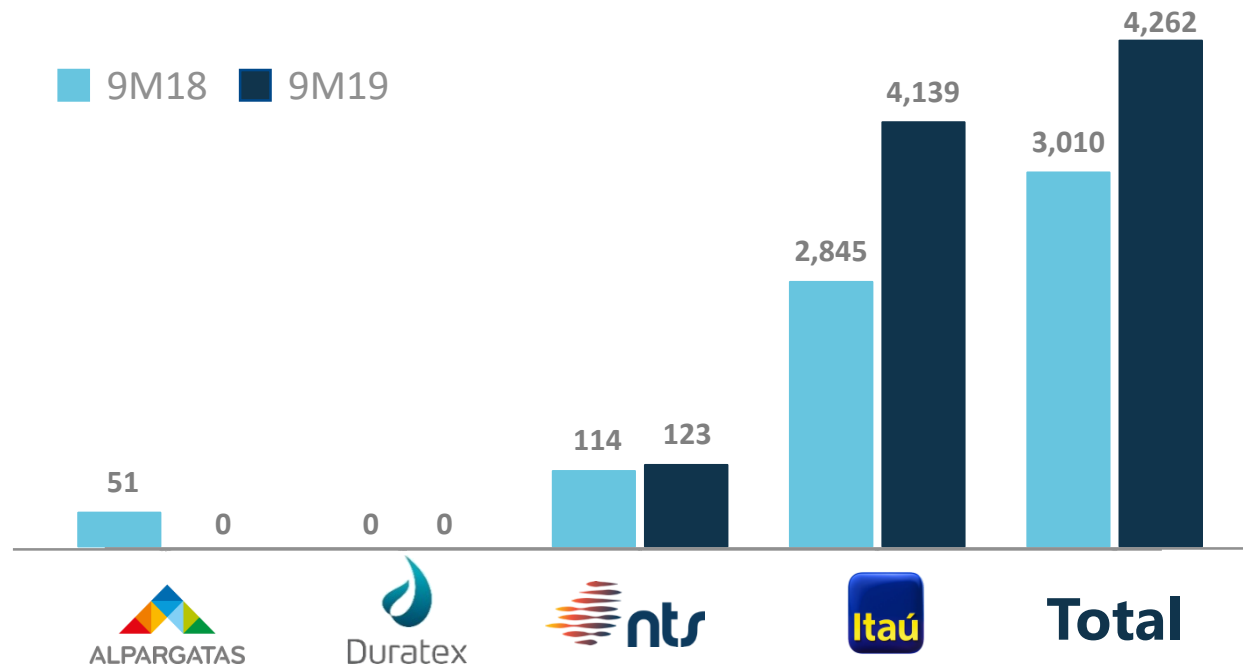
R\$ million

Base Period



Received and to be received ⁽³⁾

9M18 9M19

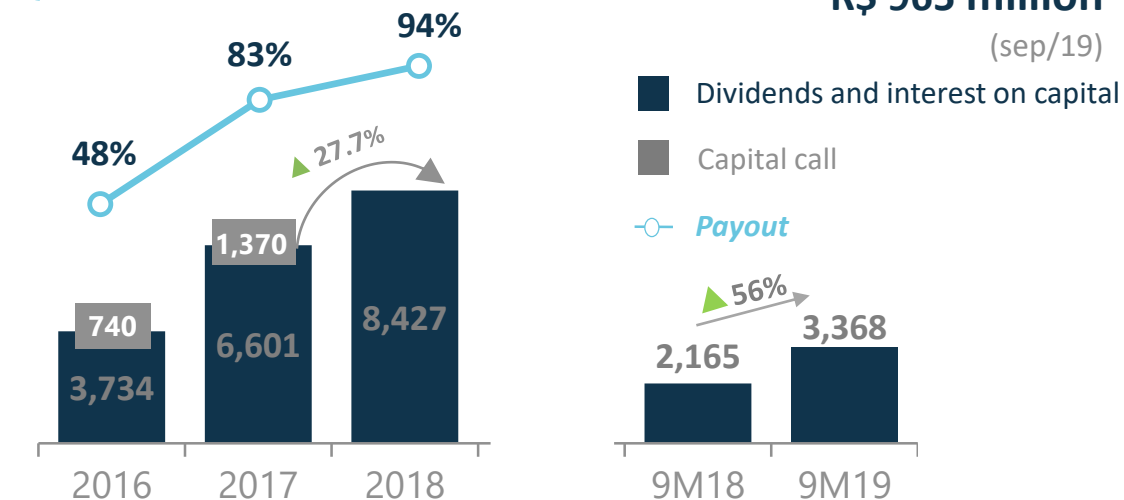


Non Financial Sector
 2018: R\$ 165 million
 2019: R\$ 123 million



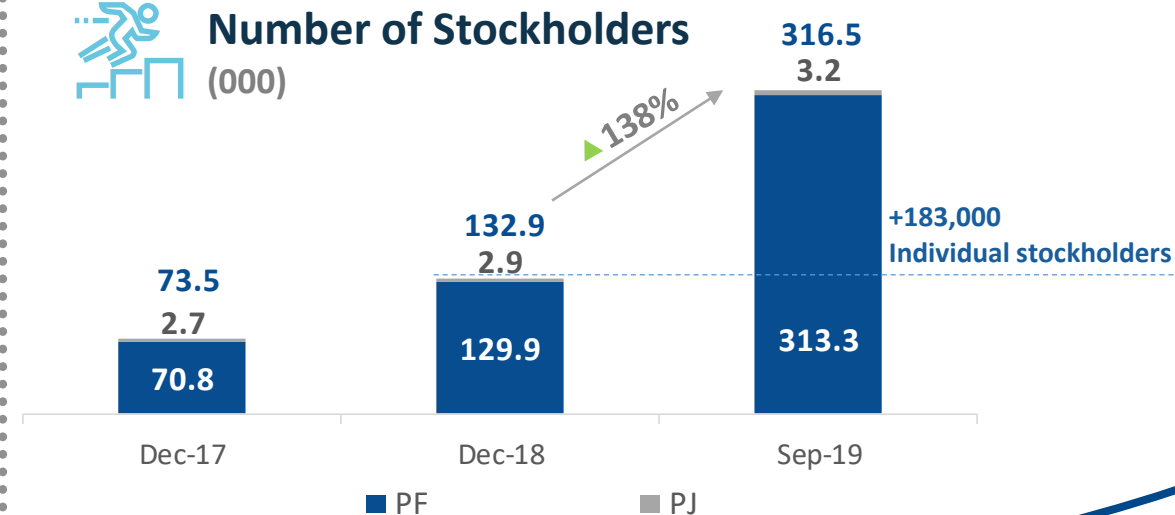
Paid and to be paid

Cash balance of R\$ 965 million (sep/19)



Number of Stockholders

(000)



(1) Refers to Individual Balance Sheet.
 (2) Interest on capital, net of withholding income tax.
 (3) Includes dividends registered in revenue reserve.