



Itaúsa Headquarters | Paulista Avenue – São Paulo

# ITAÚSA

## Selected Quarterly Information

1<sup>st</sup> quarter of 2020

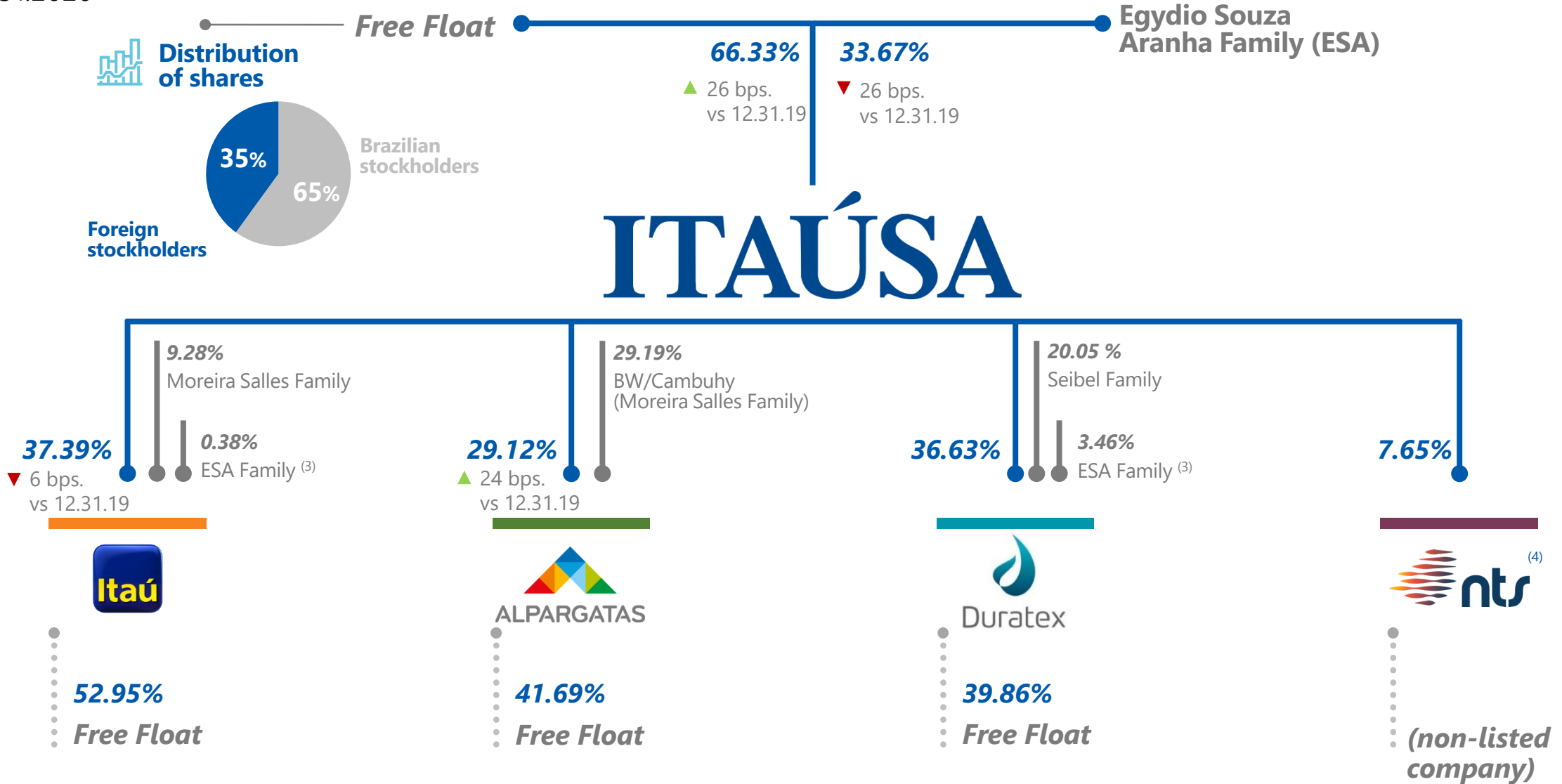
- Simplified Ownership Structure
- Itaúsa and Investees Highlights
- Economic Performance
- Investees' Economic Performance
- Capital Markets
- Flow of Dividends / Interest on Capital

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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<sup>(1,2)</sup>

03.31.2020



(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

Initiatives adopted by investees during the COVID-19 pandemic

Since the beginning of the COVID-19 outbreak in Brazil, Itaúsa and investees have adopted measures to prioritize employees' health and safety and minimize impacts on each operation. Please see below the main COVID-19 relief efforts by each investee:



- Institutional Crisis Management Committee set up with daily meetings
- 3 approaches: (i) Searching for the best solutions in order to serve customers in the best way possible; (ii) Keeping operating normally under abnormal conditions; and (iii) Ensuring the wellbeing of its employees, customers and service providers
- 95% of employees working from home, joining the #NãoDemita (don't sack anyone) initiative, paying Christmas bonus in advance, and giving vacations in advance to risk group employees
- Broader availability of digital channels
- R\$1.3 billion donations for *Todos pela Saúde* (All for Health) and other initiatives
- Keeping liquidity and capitalization at adequate levels for stress scenarios
- Renegotiations with new conditions, fee exemptions, increasing credit granting, extending payment terms, among other measures
- Main impacts of COVID-19 in the 1Q20: provision for loan losses and fair value of financial assets

- Strategic Committee set up with periodic meetings
- Adopting home-office practice for offices in Brazil and around the world, and closing own stores; joining the #NãoDemita (don't sack anyone) initiative
- Keeping strict safety and social distancing rules at distribution centers and reducing logistics and production staff on a temporary basis
- Shutting down plants and granting paid leave and collective vacation (shutdown)
- Donating a number of pieces of equipment to protect health professionals and basic item kits for vulnerable communities
- Managing liquidity with new loans raised for stress scenarios
- Main impacts of COVID-19 in the 1Q20: provision for inventory losses, provision for loan losses, idle plant costs, loans raised

- Crisis Management Committee set up with daily meetings, involving five working fronts: Finance, Commercial, Industrial and Supplies, Information Technology and People and Communication
- Adopting home-office practice at the head office and strict safety and social distancing rules at plants
- Temporary suspension of Panel operations, forest unit operating with reduced staff, Deca and Ceramic Tiles Divisions operating partially or with reduced production capacity
- Donating bathroom fixtures and fittings for the construction of field hospitals
- Managing liquidity for stress scenarios with new loans raised and roll-over of short-term debts
- Main impacts of COVID-19 in the 1Q20: fall in volume of sales, loans raised and extension of customer receivables terms, partially mitigated by extending payment terms with suppliers



# Highlights

Itaúsa and Investees

# ITAÚSA

# ITAÚSA

## 1Q20 Events

### Results

Itaúsa's recurring net income totaled R\$1.1 billion in 1Q20, down 53% on a year-on-year basis. Main impact was on Itaú Unibanco's equity in the earnings of subsidiaries, which was down 45% in the period, mainly driven by higher expected loan losses. Another impact in 1Q20 was in NTS's results (classified as a financial asset), which had its fair value reduced and also adverse effects of foreign exchange variation on the time installment of the invested amount denominated in US dollars.

### Enhanced Presentation of Financial Statements

Proceeding with its financial reporting enhancement process, as from 1Q20 on, the financial statements of Itaúsa are being prepared in a condensed format, in conformity with CPC 21 (R1) and international standard IAS 34, and consistent with the standards issued by CVM.

## Subsequent Events

### Increased interest in Alpargatas' Capital Stock

Between 03.19.20 and 04.16.20, Itaúsa acquired 1.8 million Alpargatas preferred shares, at the average price of R\$22.72 per share, thus increasing its interest in the Company's capital<sup>(3)</sup> by 0.3% to 29.2%.

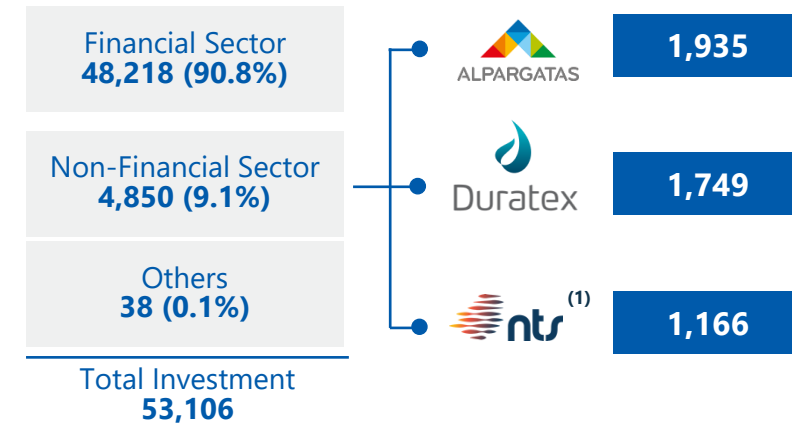
### Date of Annual and Extraordinary General Stockholders' Meeting Changed

In conformity with the provisions of Provisional Measure No. 931/20 and CVM Resolution No. 849/20, on April 8, 2020 Itaúsa announced that its Board of Directors had decided to cancel its Annual and Extraordinary General Stockholders' Meeting scheduled to be held on April 24, 2020 with in-person attendance. The new date of the Meeting will be June 17, 2020, with online attendance only, in accordance with CVM Instruction No. 622/20, in view of the current restrictions on movement and meeting of people due to the COVID-19 pandemic.



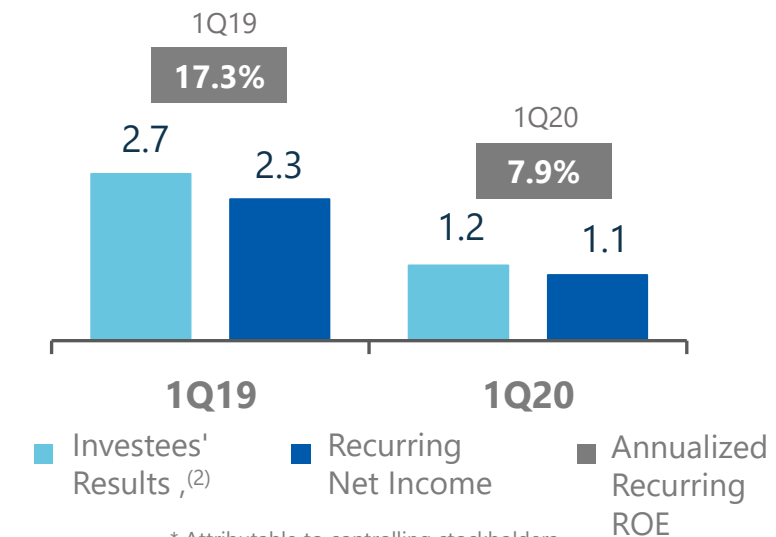
## Investments by Sector on - 03.31.2020

Book value in R\$ million



## Main Indicators of Itaúsa's Results

(R\$ billion)\*



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).  
 3. The interest presented includes total shares issued, excluding treasury shares



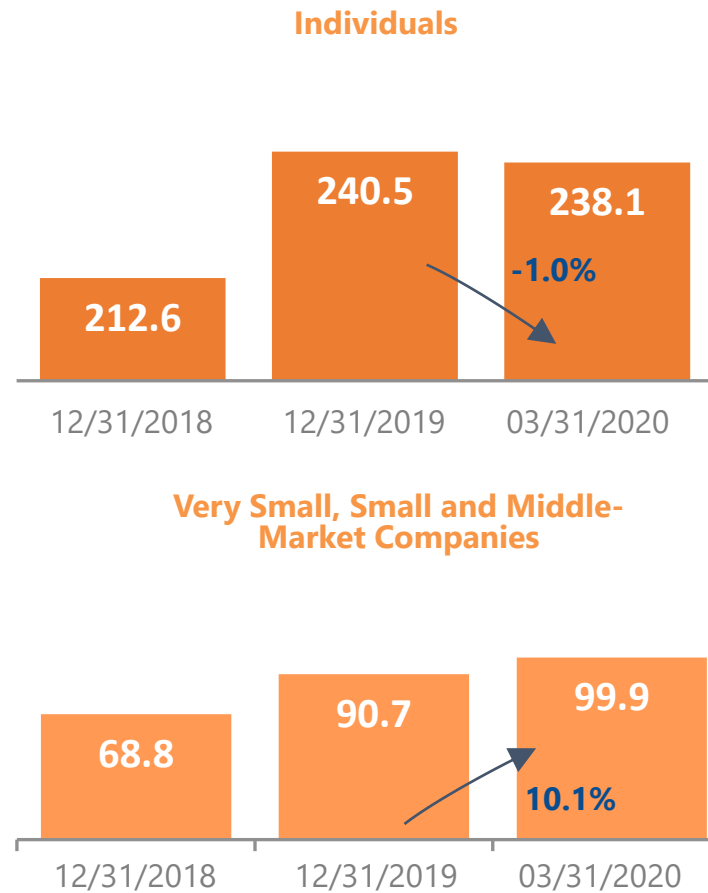
# Highlights

Itaúsa and Investees



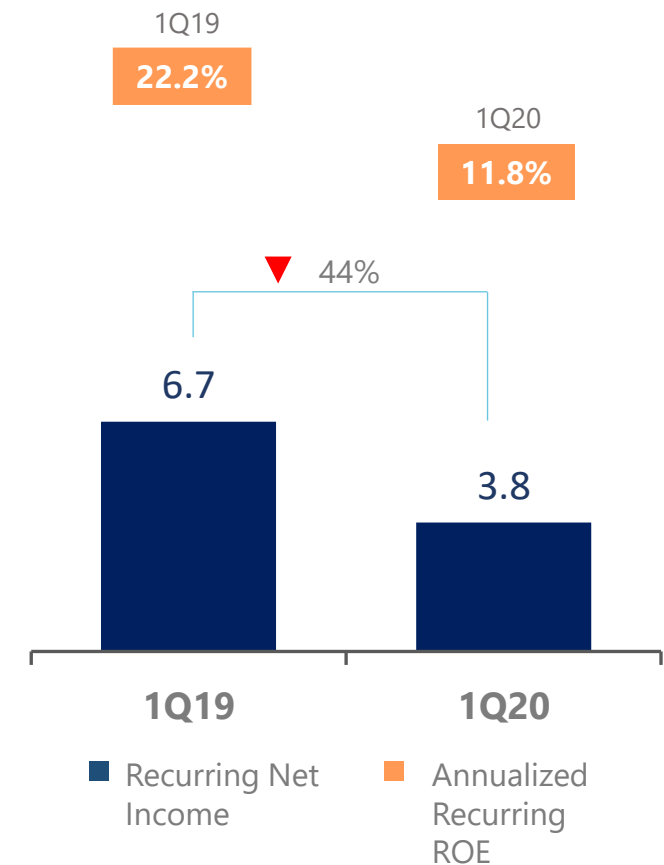
## Loan Portfolio for Individuals, Very Small, Small and Middle-Market Companies

(R\$ billion) - IFRS



## Recurring Net Income and Recurring Return on Equity

(R\$ billion)\* - IFRS



\* Attributable to controlling stockholders

## 1Q20 Events

### ● Todos pela saúde (All for Health) Campaign

Itaú Unibanco has announced a R\$1 billion donation for the Todos pela Saúde (All for Health) campaign. A team of seven renowned specialists has been set out to define the actions to be financed with these funds. This amount adds to the R\$250 million in donations, previously announced, to fight COVID-19 and its effects on Brazilian society, of which R\$150 million came through Fundação Itaú para Educação e Cultura and Instituto Unibanco for projects supporting the purchase of ventilators, face masks, COVID-19 detection test kits, and the construction and expansion of hospitals. These initiatives jointly carried out by Itaú Unibanco and the foundations totaled approximately R\$1.25 billion in donations

### ● Results

Itaú Unibanco's net income totaled R\$3.5 billion in 1Q20, down 48.7% on a year-on-year basis, mainly driven by higher expected loan losses basically as a result of the change in the macroeconomic scenario and its impacts on the financial prospects of customers from the second fortnight of March 2020 on.



# Highlights

Itaúsa and Investees



**EBITDA**  
(R\$ million)



**Recurring Net Income and  
Recurring Return on Equity**  
(R\$ million)\*

## 1Q20 Events

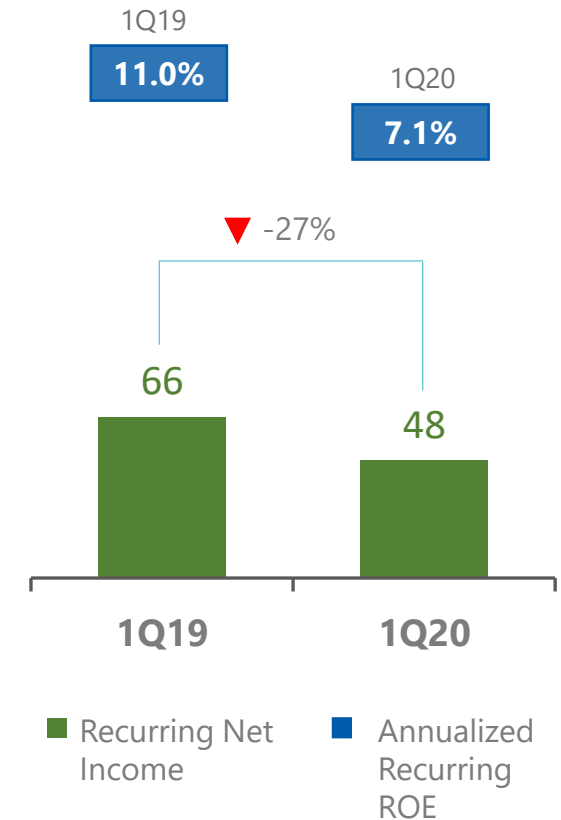
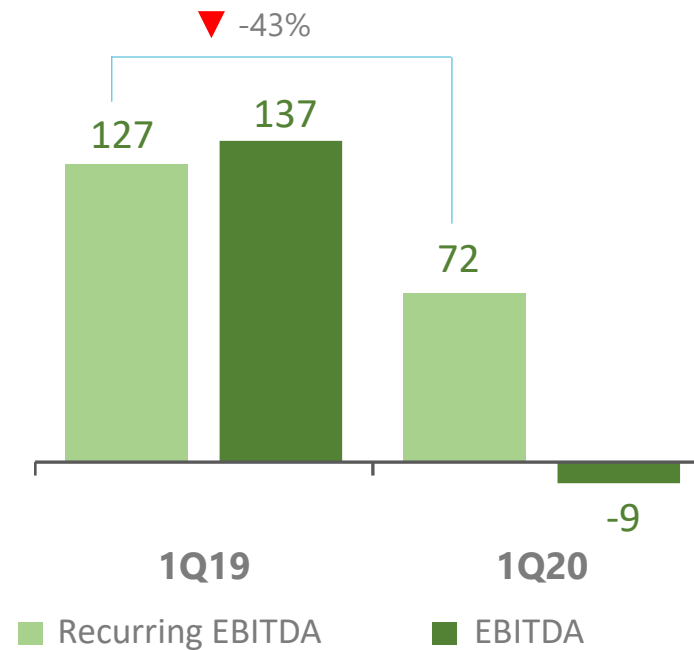
### ● Call Option Exercised in Advance and Investment in Argentina Written Off

In the first quarter of 2020, Alpargatas carried out the definitive write-off of the investment it held in Alpargatas Argentina, as it has transferred shares to the Buyer in the period, upon the exercise in advance of his call option, which was announced to the market on December 27, 2019. Therefore, the Company has completed the process to discontinue operations in Argentina.

### ● Results

Alpargatas' consolidated net revenue was down by 8.8% in 1Q20, as a result of the challenging scenario in all operations, caused by the COVID-19 spread around the world, which hit Brazil more hardly as from March on. In 1Q20, net revenue of Brazil operations, represented by brands Havaianas, Mizuno and Osklen, totaled R\$550 million, down 10% on a year-on-year basis, mainly driven by a lower volume caused by the COVID-19 effects, partially offset by the rise in prices and a better mix of products, a result of the Revenue Growth Management program.

The Company's results in 1Q20 was adversely affected also by the write-off of the investment in Argentina and other impacts in connection with the COVID-19 spread (idle plant costs, provision for loan losses, provision for inventory losses).



\* Attributable to controlling stockholders



# Highlights

Itaúsa and Investees



**EBITDA**  
(R\$ million)



**Recurring Net Income and  
Recurring Return on Equity**  
(R\$ million)\*

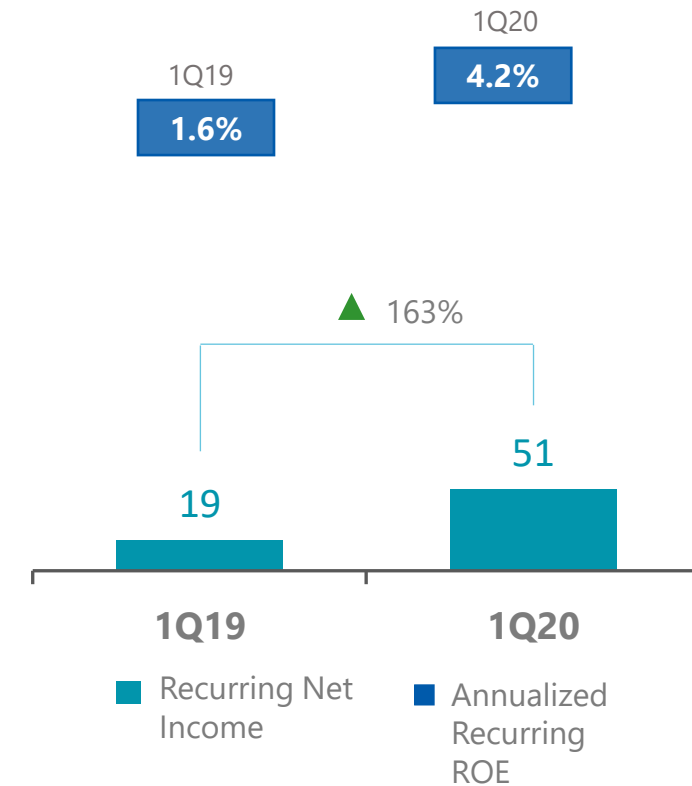
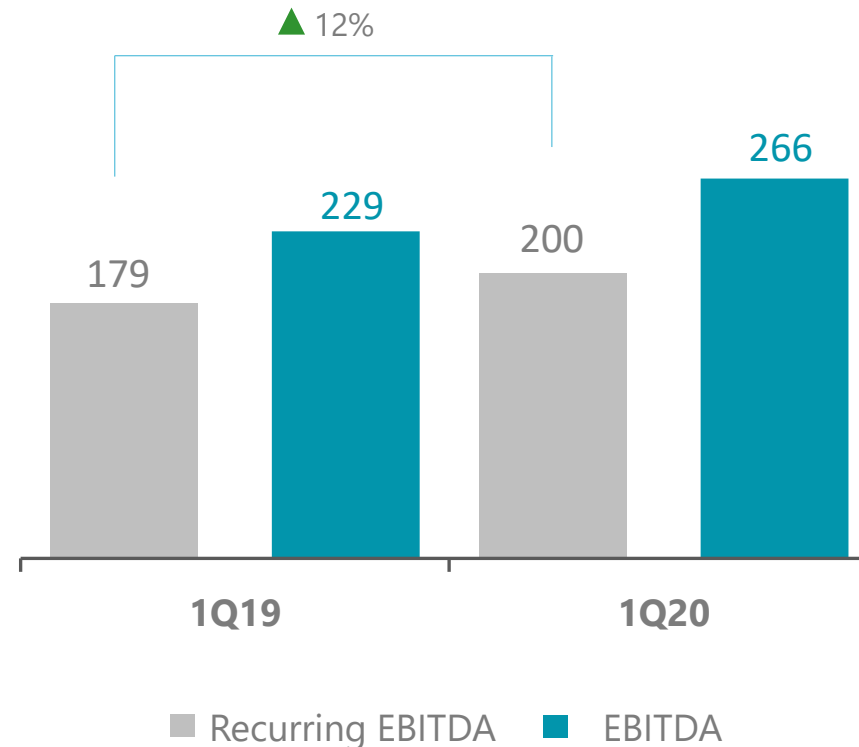
## 1Q20 Events

### ● New product lines launched at Expo Revestir 2020 trade fair

With the strategy of offering Solutions for Better Living, Duratex attended the Expo Revestir 2020 trade fair on March, 2020 through its Deca and Ceramic Tiles Units, which had the opportunity to introduce new product lines, and worth mentioning was the big size ceramic tiles line, boosting the ramp-up of the new production line.

### ● Results

Consolidated net revenue in 1Q20 totaled R\$1,162 million, up 8.3% on a year-on-year basis, mainly driven by the inclusion of Cecrisa's results, partially offset by a lower volume in all business lines, as a result of COVID-19 impacts.



\* Attributable to controlling stockholders





# Highlights

Itaúsa and Investees



## 1Q20 Events

### ● Operating Result

In 1Q20, net revenue totaled R\$1,148 million, up 5.9% on a year-on-year basis, mainly driven by the annual inflation adjustment of gas ship-or-pay agreements. Net income in 1Q20 totaled R\$602 million, up 11.9% on a year-on-year basis, caused by a more favorable net finance result, mainly driven by lower finance expense as a result of debt restructuring.

### ● Main Covid-19 relief efforts

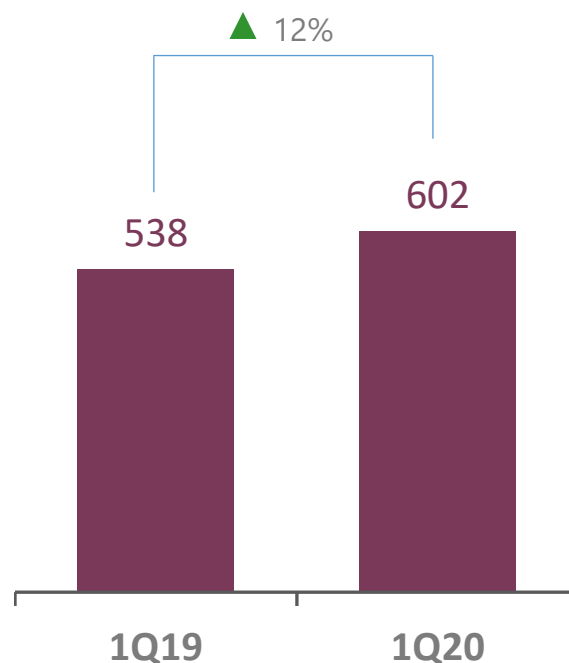
NTS has undertaken efforts to mitigate the pandemic impacts on its operations, employees and surrounding communities. Therefore, it has set up a Crisis Committee, joined home-office practices, set up an action protocol to control the COVID-19 spread in the Company, and donated hospital beds and equipment to hospitals in the cities of Nova Iguaçu and Japeri, Rio de Janeiro State, where NTS pipelines are located.

### ● Dividends and Interest on Capital (2020 base year)

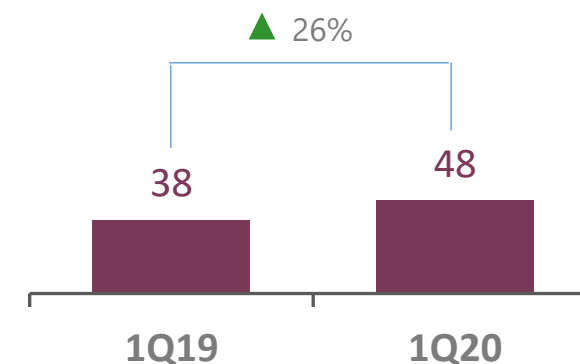
In 1Q20, Itaúsa received dividends and interest on capital, gross, in the amount of R\$48 million, up 26% on a year-on-year basis.



**Net Income**  
(R\$ million)






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



# Economic Performance

Main financial indicators of Itaúsa Individual

		R\$ million			R\$ per share		
		1Q20	1Q19	Change	03.31.2020	03.31.2019	Change
<b>Profitability and ROE (%) (annualized)</b> 	Net Income	<b>1,012</b>	2,486	-59.3%	<b>0.12</b>	0.30	-59.3%
	Recurring Net Income <sup>(1)</sup>	<b>1,062</b>	2,280	-53.4%	<b>0.13</b>	0.27	-53.4%
	Return on Equity	<b>7.6%</b>	18.8%	-1120 bps			
	Recurring Return on Equity <sup>(1)</sup>	<b>7.9%</b>	17.3%	-940 bps			
<b>Balance Sheet</b> <sup>(2)</sup> 	Total Assets	<b>55,598</b>	54,323	2.3%			
	Stockholders's equity	<b>51,962</b>	50,402	3.1%	<b>6.18</b>	5.99	3.1%
<b>Capital Markets</b> 	Market Value <sup>(3)</sup>	<b>73,763</b>	100,760	-26.8%	<b>8.77</b>	11.98	-26.8%
	Average daily traded financial volume - Itaúsa PN	<b>341</b>	380	-10.4%			

(1) Includes reallocations between Recurring and Non-Recurring Results of 2019.

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

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











# Economic Performance

Main financial indicators of Investees <sup>(1)</sup>

ITAÚSA

R\$ million

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 March			
<b>Results</b>	 Operating revenues	<b>2020</b>	<b>37,665</b>	<b>747</b>	<b>1,162</b>
		2019	46,717	819	1,073
	 Net income	<b>2020</b>	<b>3,459</b>	<b>26</b>	<b>52</b>
		2019	6,747	53	24
	 Recurring Net income	<b>2020</b>	<b>3,784</b>	<b>48</b>	<b>51</b>
		2019	6,747	66	19
<b>Balance Sheet</b>	 Stockholders' equity	<b>2020</b>	<b>129,808</b>	<b>2,783</b>	<b>4,776</b>
		2019	124,754	2,423	4,670
<b>Returns (%) (Annualized)</b>	 ROE on average equity (%)	<b>2020</b>	<b>10.8%</b>	<b>3.8%</b>	<b>4.3%</b>
		2019	22.2%	8.8%	2.1%
	 Recurring ROE on average equity (%)	<b>2020</b>	<b>11.8%</b>	<b>7.1%</b>	<b>4.2%</b>
		2019	22.2%	11.0%	1.6%
<b>Cash Generation</b>	 Internal fund generation <sup>(2)</sup>	<b>2020</b>	<b>22,163</b>	<b>89</b>	<b>239</b>
		2019	14,740	131	250

(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'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 <sup>(1)</sup>

									OTHER <sup>(3)</sup> COMPANIES		ITAÚSA	
	1Q20	1Q19	1Q20	1Q19	1Q20	1Q19	1Q20	1Q19	1Q20	1Q19	1Q20	1Q19
 <b>Net Income of Investees</b>	3,784	6,747	48	66	51	19	n.a	n.a	(1)	(4)		
(x) Direct/Indirect interest <sup>(2)</sup>	37.39%	37.46%	28.97%	27.55%	36.63%	36.66%	7.65%	7.65%	100.00%	100.00%		
<b>(=) Share in recurring net income</b>	<b>1,415</b>	<b>2,527</b>	<b>14</b>	<b>18</b>	<b>19</b>	<b>7</b>	<b>n.a</b>	<b>n.a</b>	<b>(1)</b>	<b>(4)</b>	<b>1,447</b>	<b>2,548</b>
(+/-) Share of income not arising from net income	(84)	(121)	(4)	(4)	-	-	-	-	-	-	(88)	(125)
 <b>(=) Recurring share of income</b>	<b>1,331</b>	<b>2,406</b>	<b>10</b>	<b>14</b>	<b>19</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(4)</b>	<b>1,359</b>	<b>2,423</b>
(+/-) Non-recurring income	8	209	(58)	(5)	-	2	-	-	-	-	(50)	206
<b>(=) Share of income</b>	<b>1,339</b>	<b>2,615</b>	<b>(48)</b>	<b>9</b>	<b>19</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(4)</b>	<b>1,309</b>	<b>2,629</b>
<b>(+) Revenues from Investments in Financial Assets - FVTPL <sup>(4) (5)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(95)</b>	<b>58</b>	<b>-</b>	<b>-</b>	<b>(95)</b>	<b>58</b>
 <b>(=) Investees' Results in Itaúsa</b>	<b>1,339</b>	<b>2,615</b>	<b>(48)</b>	<b>9</b>	<b>19</b>	<b>9</b>	<b>(95)</b>	<b>58</b>	<b>(1)</b>	<b>(4)</b>	<b>1,214</b>	<b>2,687</b>
	<b>110.3%</b>	<b>97.3%</b>	<b>-4.0%</b>	<b>0.3%</b>	<b>1.6%</b>	<b>0.3%</b>	<b>-7.8%</b>	<b>2.2%</b>	<b>-0.1%</b>	<b>-0.1%</b>	<b>100.0%</b>	<b>100.0%</b>

(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

Statement of Income of Itaúsa <sup>(1)(2)</sup>

	1Q20		1Q19		Δ%
 <b>INVESTEES' RECURRING RESULTS IN ITAÚSA</b>	<b>1,264</b>	<b>100%</b>	<b>2,481</b>	<b>100%</b>	<b>-49%</b>
FINANCIAL SECTOR	1,331	105%	2,406	97%	-45%
NON FINANCIAL SECTOR	(66)	-5%	79	3%	-184%
ALPARGATAS	10		14		-29%
DURATEX	19		7		171%
NTS	(95)		58		-264%
OTHER COMPANIES <sup>(3)</sup>	(1)	0%	(4)	0%	-75%
 <b>RESULTS OF ITAÚSA</b>	<b>(219)</b>		<b>(289)</b>		<b>-24%</b>
FINANCIAL INCOME / EXPENSES	(11)		(13)		-15%
ADMINISTRATIVE EXPENSES	(38)		(34)		12%
TAX EXPENSES	(171)		(244)		-30%
OTHER OPERATING REVENUES	1		2		-
<b>INCOME BEFORE INCOME TAX/SOCIAL CONTRIBUTION</b>	<b>1,045</b>		<b>2,192</b>		<b>-52%</b>
INCOME TAX / SOCIAL CONTRIBUTION	17		88		-81%
 <b>RECURRING NET INCOME</b>	<b>1,062</b>		<b>2,280</b>		<b>-53%</b>
<b>NON-RECURRING RESULTS</b>	<b>(50)</b>		<b>206</b>		<b>-124%</b>
FINANCIAL SECTOR	8		209		-96%
NON FINANCIAL SECTOR	(58)		(3)		-
 <b>NET INCOME</b>	<b>1,012</b>		<b>2,486</b>		<b>-59%</b>

(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 Itaútec, and ITH Zux Cayman.

# Performance Analysis

Reconciliation of the Parent Company's Recurring Net Income

ITAÚSA

R\$ million

## Profitability



	1Q20	1Q19
<b>Recurring Net income</b>	<b>1,062</b>	<b>2,280</b>
<b>Addition/(Exclusion) of Non-Recurring Effects C= (A + B)</b>	<b>(50)</b>	<b>206</b>
<b>Arising from Ownership Interest in the Financial Sector (A)</b>	<b>8</b>	<b>209</b>
Change of treasury shares	129	209
Mark to Market of Collateralized Securities	(115)	-
Others	(6)	-
<b>Arising from Ownership Interest in the Non-Financial Sector (B)</b>	<b>(58)</b>	<b>(3)</b>
Alpargatas	(58)	(5)
Duratex	-	2
<b>Net Income</b>	<b>1,012</b>	<b>2,486</b>



# Performance Analysis

Balance Sheet of Itaúsa<sup>(1)(2)</sup>

ITAÚSA

R\$ million

ASSETS	03.31.2020	12.31.2019	LIABILITIES AND STOCKHOLDERS' EQUITY	03.31.2020	12.31.2019
<b>Financial assets</b>	<b>2,257</b>	<b>2,475</b>	<b>Current and non-current</b>	<b>3,636</b>	<b>3,339</b>
Cash and cash equivalents	1,057	1,091	Debentures	1,219	1,206
Financial Assets - FVTPL (NTS)	1,166	1,213	Dividends / Interest on Capital Payable	426	397
Dividends / Interest on Capital Receivable	34	171	Liabilities payable	415	319
			Tax liabilities <sup>(3)</sup>	67	11
<b>Tax assets</b>	<b>1,183</b>	<b>1,115</b>	Tax contingencies	1,436	1,338
Income tax and social contribution - Current	389	338	Lease liabilities	11	12
Income tax and social contribution - Deferred <sup>(3)</sup>	794	777	Other Liabilities	62	56
<b>Right-of-use assets</b>	<b>11</b>	<b>12</b>	<b>TOTAL LIABILITIES</b>	<b>3,636</b>	<b>3,339</b>
<b>Investments</b>	<b>51,945</b>	<b>54,771</b>	<b>Stockholders' equity</b>	<b>51,962</b>	<b>55,232</b>
Investments in controlled companies	51,940	54,766	Capital	43,515	43,515
Other	5	5	Reserves	10,370	13,479
			Carrying Value Adjustment	(1,923)	(1,762)
<b>Fixed Assets, Net</b>	<b>104</b>	<b>103</b>			
<b>Other Assets</b>	<b>98</b>	<b>95</b>			
<b>TOTAL ASSETS</b>	<b>55,598</b>	<b>58,571</b>	<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>55,598</b>	<b>58,571</b>

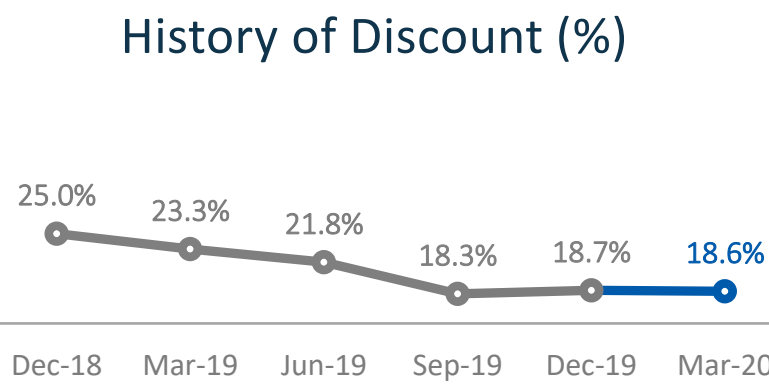
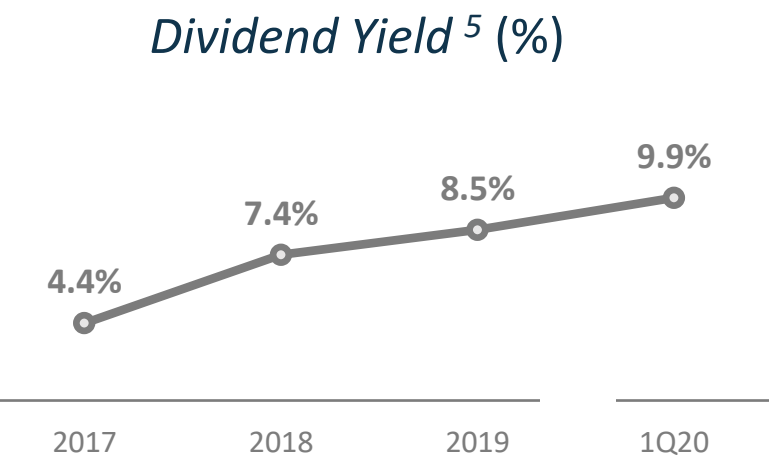
(1) Attributable to controlling stockholders.

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

(3) Deferred income tax and social contribution – assets and liabilities are stated offset by the taxable entity.

	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 <sup>(2)</sup> (e)
	225,411	37.39%	84,279	<b>90,606</b>	<b>ITAÚSA</b> <b>73,763</b>
	13,405	29.12%	3,904		
	6,453	36.63%	2,364		
	-	-	1,166		
<b>Other assets and liabilities<sup>(4)</sup></b>	-	-	(1,106)		

R\$ million



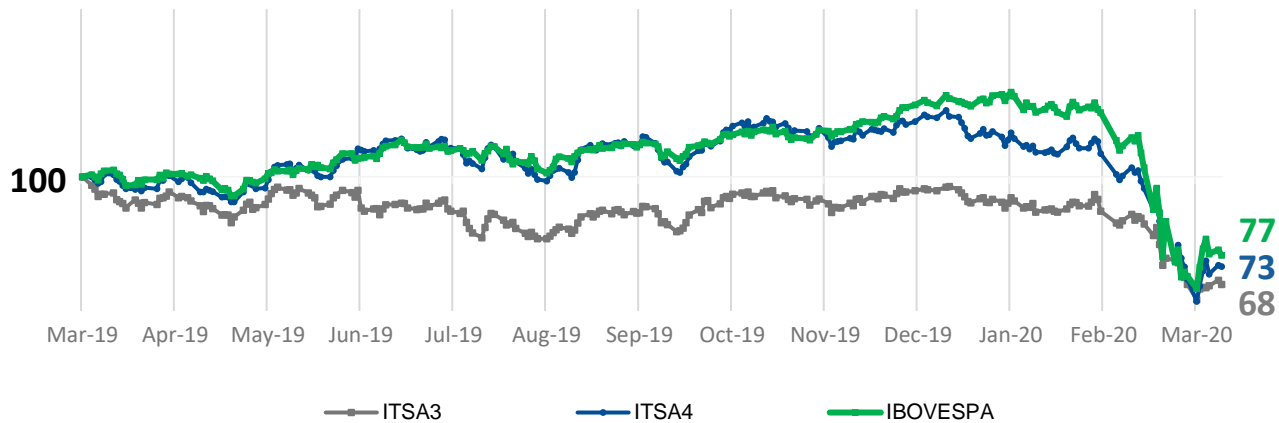
**Discount**  
(e/d)-1  
**18.6%**

(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 03.31.2020.  
 (4) Other Assets and Liabilities recorded in the Balance Sheet on 03.31.2020.  
 (5) Dividend Yield consider dividends and interest on capital, gross, paid in the last 12 months.

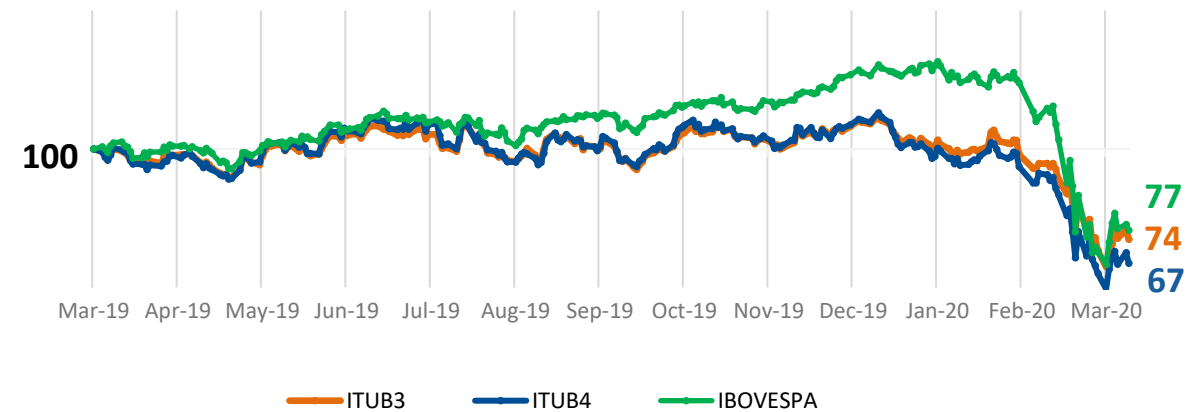


Share prices performance on B3<sup>1</sup> – Last 12 months

## Itaúsa

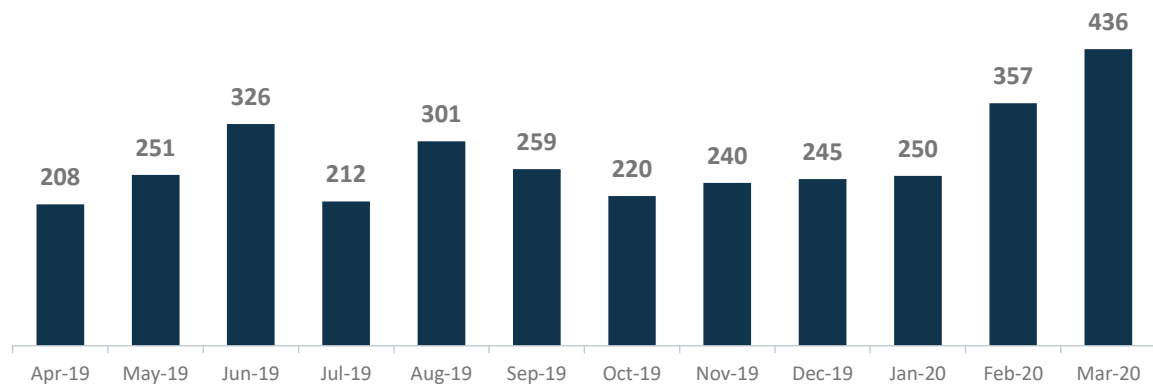


## Financial Sector

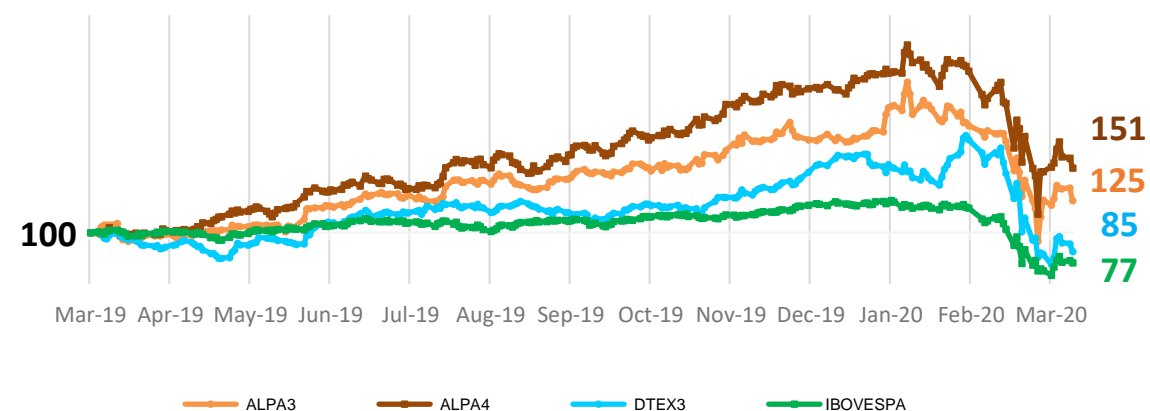


## Average daily traded financial volume - Itaúsa PN

R\$ Million



## Non Financial Sector

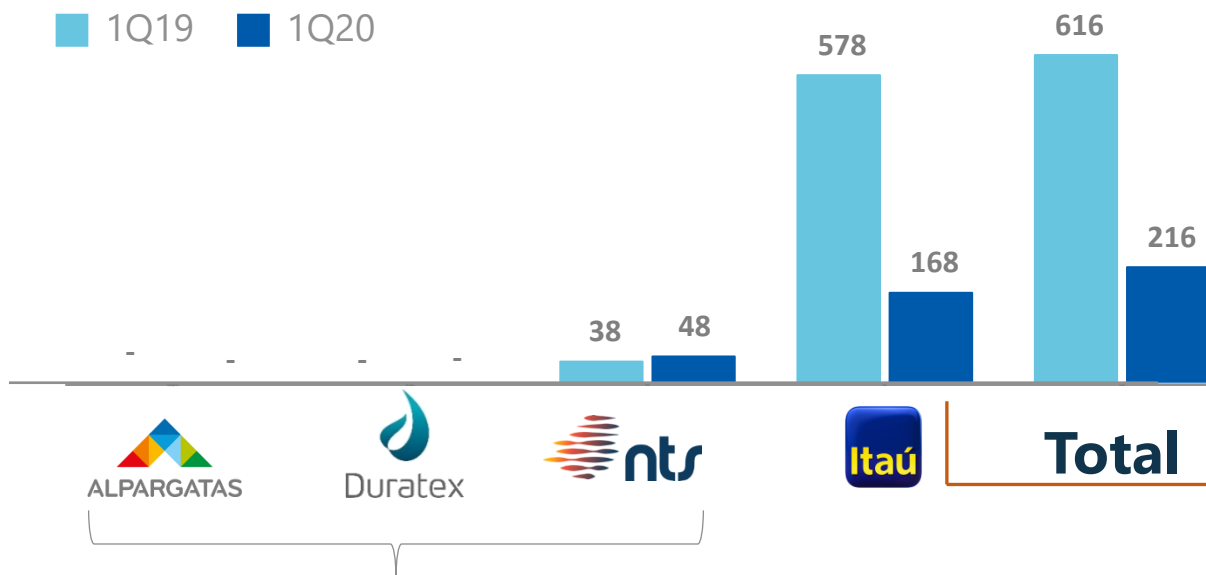


Source: Economática  
 Period: 03.31.2019 to 03.31.2020  
 Prices adjusted by events, such as stock split, reverse split and bonus shares.  
 (1) B3 S.A. – Brasil, Bolsa, Balcão.

# Flow of Dividends and Interest on Capital <sup>1,2</sup>

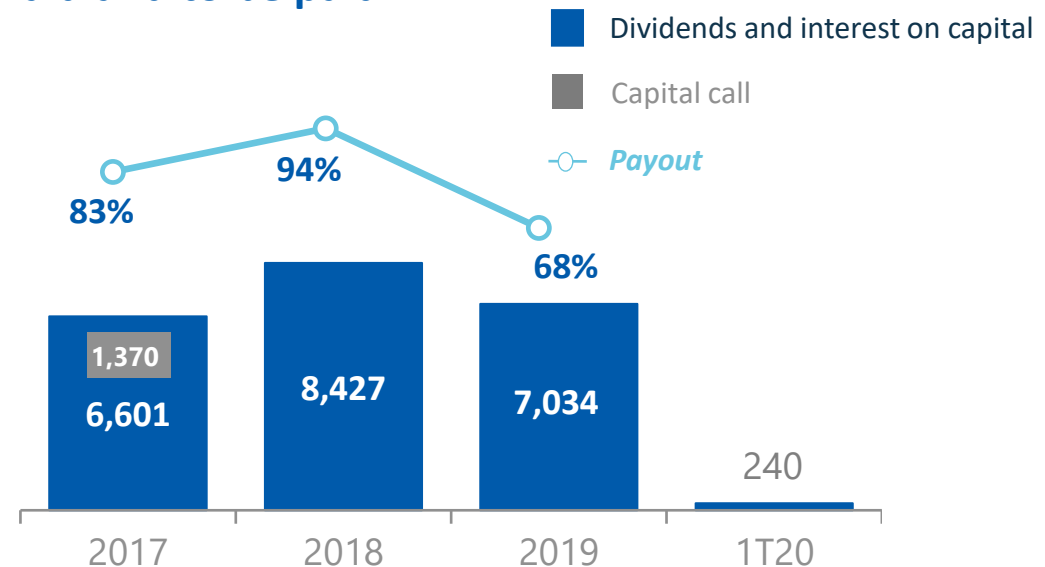
Base Period

## Received and to be received <sup>(3)</sup>

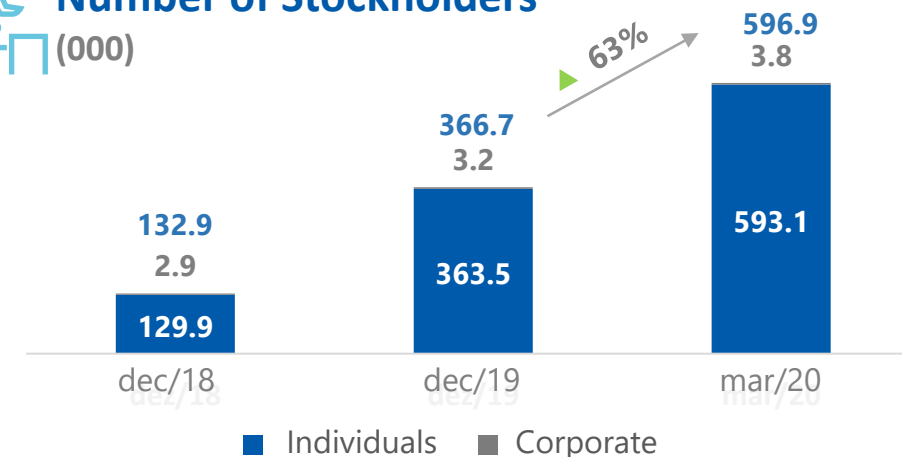


**Non-Financial Sector**  
 2019: R\$ 47 million  
 2020: R\$ 48 million

## Paid and to be paid



## 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.