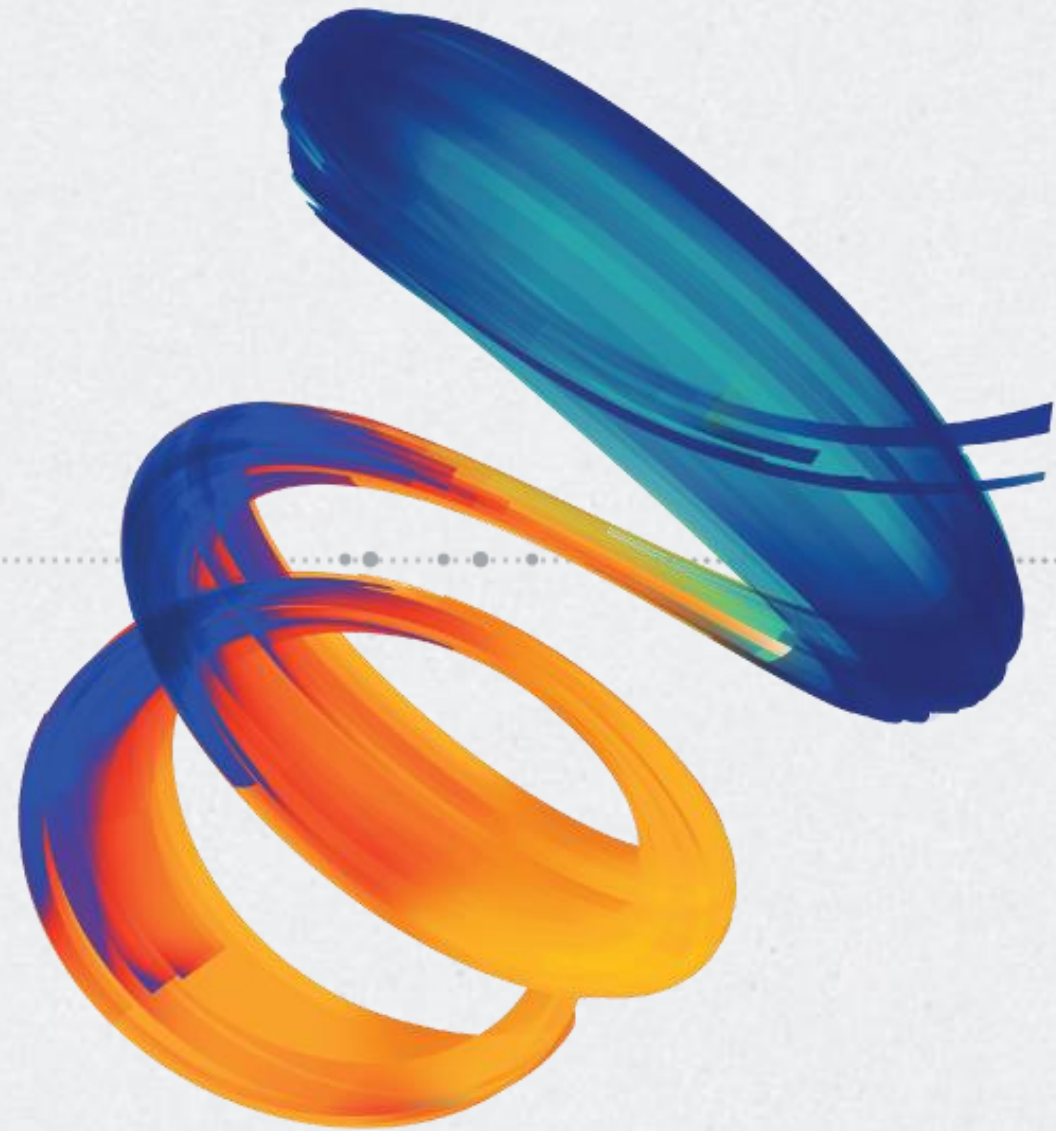


ITAÚSA



Selected quarterly information

2nd quarter 2018

- Ownership structure
- Highlights
- Economic performance
- Performance assessment
- ITAÚSA in the stock market
- Flow of dividends / Interest on capital
- Financial statements

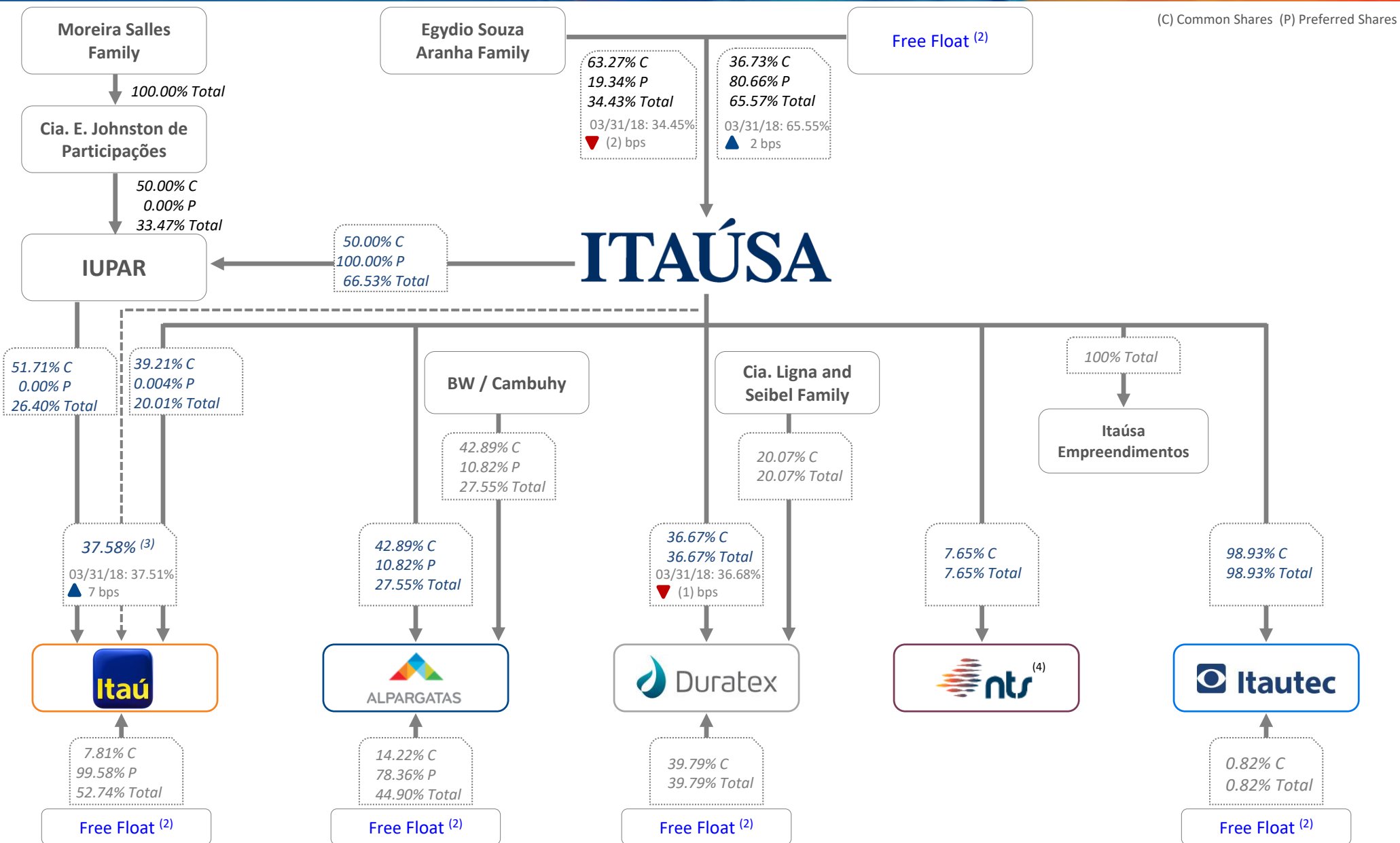
We present the financial information and indicators of Itaúsa – Investimentos Itaú S.A. (Itaúsa) under the International Financial Reporting Standards (IFRS) and CVM (Comissão de Valores Mobiliários – Brazilian Securities and Exchange Commission) instructions.

For better comparability, the information refer to the first half of 2017 was adjusted to the effects from Itaú Unibanco's adoption of CPC 48/IFRS 9.

Future expectations arising from the reading of this report should consider the risks and uncertainties that involve any activities and that are beyond the control of the Conglomerate companies (political and economic changes, volatility in interest and exchange rates, technological changes, inflation, competitive pressure on products and prices, and changes to the tax legislation).

Ownership structure⁽¹⁾ – June 30, 2018

(C) Common Shares (P) Preferred Shares



(1) The Interest presented not consider treasury shares.

(2) Excluding the shares held by controlling interests.

(3) Represents the direct/ indirect Itaúsa interest in the Capital of Itaú Unibanco Holding. (4) Investment is not being assessed under the equity method.

ITAÚSA

Share Buyback Program – Considering the attractiveness in the share price of Itaúsa in the Management's evaluation and with the objective of investing the Company's available funds, in the first half of 2018, Itaúsa acquired 2.5 million preferred shares of own issue in the amount of R\$ 23 million; and in the period between 07/01/2018 and 08/13/2018, Itaúsa acquired 1.0 million preferred shares of own issue in the amount of R\$ 9 million.

Capitalization of Revenue Reserves and 10% Bonus in Preferred Shares – On May 24, 2018, the Board of Directors approved a 10% bonus in shares through the capitalization of revenue reserves, in the amount of R\$ 5 billion. This share bonus assigned stockholders one (1) new preferred share, free of charge, for each ten (10) common and/or preferred shares they held on May 30, 2018.

Corporate Governance – At the General Stockholders' Meeting of April 12, 2018, was approved the permanent operation of the Fiscal Council, which has been established annually and continuously since 1995.

Return to stockholders (Subsequent Event) – On August 13, 2018, Itaúsa's Board of Directors approved the payment of R\$ 1,744 million in dividends and interest on capital, net of withholding income tax, to be credited on August 30, 2018, as follows:

- Payment of interest on capital of R\$ 0.00960 per share (R\$ 0.00816 per share net of withholding income tax);
- Payment of dividends of R\$ 0.1992 per share.

Itaúsa's stockholders with stockholding position on August 17, 2018 are entitled to receive R\$ 0.20736 per share, net of withholding income tax.



Return to Stockholders – On July 30, 2018, Itaú Unibanco’s Board of Directors approved the payment of R\$ 4.7 billion in dividends and interest on capital, net of withholding income tax, to be credited on August 30, 2018. Itaú Unibanco’s stockholders with stockholding position on August 17, 2018 are entitled to receive R\$ 0.73042 per share net of withholding income tax.

Share Buyback – In the period from January to June 2018, Itaú Unibanco acquired 13.1 million preferred shares of own issue in the total amount of R\$ 510 million at the average price of R\$ 38.89 per share.

Corporate Governance – At the Extraordinary General Stockholders’ Meeting of July 27, stockholders approved the permanent operation of the Fiscal Council, which has been established annually and continuously since 2000.

Investimento na XP (Subsequent Event) – Itaú Unibanco Holding S.A has obtained the approval from the Central Bank of Brazil to carry out the investment in XP Investimentos S.A, announced in May, 2017. The First Acquisition of 49.9% of the total share capital (30.1% of which are common shares) , by means of a capital increase in the amount of R\$ 600 million and the acquisition of shares issued by XP Holding held by the Sellers in the amount of R\$ 5.7 billion, will be completed on August 31, 2018.

The contract provides for a single additional acquisition in 2022, subject to Central Bank of Brazil’s future approval, which if approved will enable Itaú Unibanco to hold up to 62.4% of the total share capital of XP Holding (equivalent to 40.0% of the common shares), it being understood that the control of the XP group will remain unaltered. Additionally, Itaú Unibanco will be the right to appoint 2 out of 7 members of the XP Holding’s Board of Directors. Itaú Unibanco undertook before the Central Bank of Brazil the commitment not to acquire the control of XP Holding for 8 years as from the signing of the Concentration Control Agreement. The completion of the First Acquisition is not expected to have material effects on the Company’s recurring earnings in this fiscal year.



Corporate Governance – At the General Stockholders’ Meeting of April 27, 2018, two independent members (out of a total of 07 members) were elected to form the Board of Directors: Luiz Fernando Ziegler de Saint Edmond and Roberto Funari, both with extensive experience in Multinational corporations. These councilors will also participate in the Strategy and People committees as coordinators.

Business Strategy – From 2018, the company has had the full structure needed to fulfill its ambition of growing the Havaianas brand even further in Brazil and in the international market. The Havaianas structure is divided into five markets: Brazil, EMEA, North America, APAC (Asia & Pacific), LATAM & Africa.

With support from a renowned international consultancy, Alpargatas is reviewing the Havaianas strategic plan which encompasses accelerating internationalization and capturing levers for growth in Brazil, and also the go-to-market model for Brazil.

Results and Investments – In the first half of 2018, Alpargatas’ net revenue totaled R\$ 1,793 million, up 7.5% from the same period of 2017 Consolidated recurring EBITDA totaled R\$ 221 million, up 27.2% from the first half of 2017, due to higher gross profit.

In the first half of 2018, Alpargatas’ consolidated investments to support operations (CAPEX) totaled R\$ 31 million.



Duratex

Business Strategy – In June 2018, Duratex and Lenzing (Austrian Group) announce the constitution of a Joint Venture to produce dissolving wood pulp in Triângulo Mineiro, region owned by the company, with a total investment of approximately US\$ 1 billion. Duratex will have shareholder participation of 49% of the NewCo and the start of production can be expected in 2022.

In July 2018, Duratex completed the sale of forest assets in the state of São Paulo to Suzano Papel e Celulose by exercising a call option. Also in July, Duratex announced, following the acquisition of Ceusa, an investment plan to increase the production capacity in the ceramic tiles unit. It will be invested R\$ 94 million between 2018 and 2019 for the modernization of the existing lines and to build a new manufacturing line, which will increase the annual production capacity to 11 million square meters, representing an increase of 83%.

Results and Investments – In the first half of 2018, Duratex's net revenues totaled R\$ 2,174 million, up 16.3% from the same period of the previous year, favored by a higher demand from the Wood Division and the increasing volume of Deca Division retail channel. The incorporation of the Ceramic Tiles Division's results also contributed to this growth in sales in the period.












Consolidated investments to support operations totaled R\$ 197 million in the first half of 2018. In the second quarter, this amount was R\$ 115 million, of which R\$ 68 million were allocated to industrial maintenance and projects, and R\$ 47 million were invested in biological assets.



In the first half of 2018, Itaúsa received dividends and interest on income, gross, from the interest held in NTS, in the amount of R\$ 79 million. From January to May 2018, debenture interest income totaled R\$ 19 million. On May 15, 2018, NTS redeemed these debentures.

Results of Itaúsa

Main indicators



	Parent company		Non-controlling interests		Consolidated	
	6/30/2018	6/30/2017	6/30/2018	6/30/2017	6/30/2018	6/30/2017
January to June						
 Net income	4,447	4,120	126	11	4,573	4,131
 Recurring net income	4,341	4,295	35	9	4,376	4,304
 Stockholders' equity	51,081	48,710	3,165	2,958	54,246	51,668
 Annualized return on average equity (%)	17.6%	17.4%	8.2%	0.7%	17.1%	16.4%
 Annualized recurring return on average equity (%)	17.2%	18.1%	2.3%	0.6%	16.3%	17.1%
Results per share - in R\$	6/30/2018	6/30/2017	Actual change			
 Net income of parent company	0.54	0.50	0.04	6.4%		
 Recurring net income of parent company	0.52	0.53	(0.01)	-0.3%		
 Book value of parent company	6.07	5.93	0.14	2.5%		
 Dividends/ interest on capital, net	0.24	0.12	0.12	103.3%		
 Price of preferred share (PN) ⁽¹⁾	9.19	8.19	1.00	12.2%		
 Market capitalization ⁽²⁾ - R\$ million	77,304	67,337	9,966	14.8%		

(1) Based on the average quotation of preferred shares on the last day of the period.

(2) Calculated based on the average quotation of preferred shares on the last day of the period (quotation of average PN multiplied by the number of outstanding shares at the end of the period).

Note: The number of outstanding shares and the share quotation were adjusted to reflect the 10% bonus approved in Board of Directors held on May 24, 2018.










Reconciliation of recurring net income

	Parent company		Non-controlling interests		Consolidated	
	jan-jun/18	jan-jun/17	jan-jun/18	jan-jun/17	jan-jun/18	jan-jun/17
 Net income	4,447	4,120	126	11	4,573	4,131
Inclusion/(Exclusion) of non-recurring effects D= (A + B + C)	(106)	175	(91)	(2)	(197)	173
Itaúsa (A)	85	-	-	-	85	-
Results of sale of all total shares issued by Elekeiroz	85	-	-	-	85	-
Arising from stockholding interest in Financial Sector (B)	(139)	176	-	-	(139)	176
Change in Treasury Shares	(142)	168	-	-	(142)	168
Provision for Contingencies	(34)	27	-	-	(34)	27
Impairment	38	3	-	-	38	3
Other	(1)	(22)	-	-	(1)	(22)
Arising from stockholding interest in Non Financial Sector (C)	(52)	(1)	(91)	(2)	(143)	(3)
Alpargatas	(1)	-	(3)	-	(4)	-
Duratex	(51)	(1)	(88)	(2)	(139)	(3)
 Recurring net income	4,341	4,295	35	9	4,376	4,304

Main financial indicators of Itaúsa portfolio companies

R\$ million

We present below the main indicators of the Itaúsa portfolio companies, extracted from their financial statements. Net income, stockholders' equity and ROE correspond to results attributable to controlling stockholders.

	January to June	Setor Financeiro 	Setor não Financeiro  		Holding ITAÚSA
 Total assets	2018	1,469,095	3,679	9,488	62,760
	2017	1,363,414	3,709	9,085	60,156
 Operating revenues	2018	80,447	1,793	2,173	7,293
	2017	100,331	1,667	1,869	6,764
 Net income	2018	12,129	137	197	4,447
	2017	12,394	242	17	4,120
 Stockholders' equity	2018	126,336	2,130	4,996	51,081
	2017	123,425	2,158	4,596	48,710
 Annualized return on average equity (%)	2018	20.0%	12.7%	8.2%	17.6%
	2017	21.0%	23.2%	0.8%	17.4%
 Internal fund generation ⁽¹⁾	2018	25,558	236	765	652
	2017	37,758	249	440	272

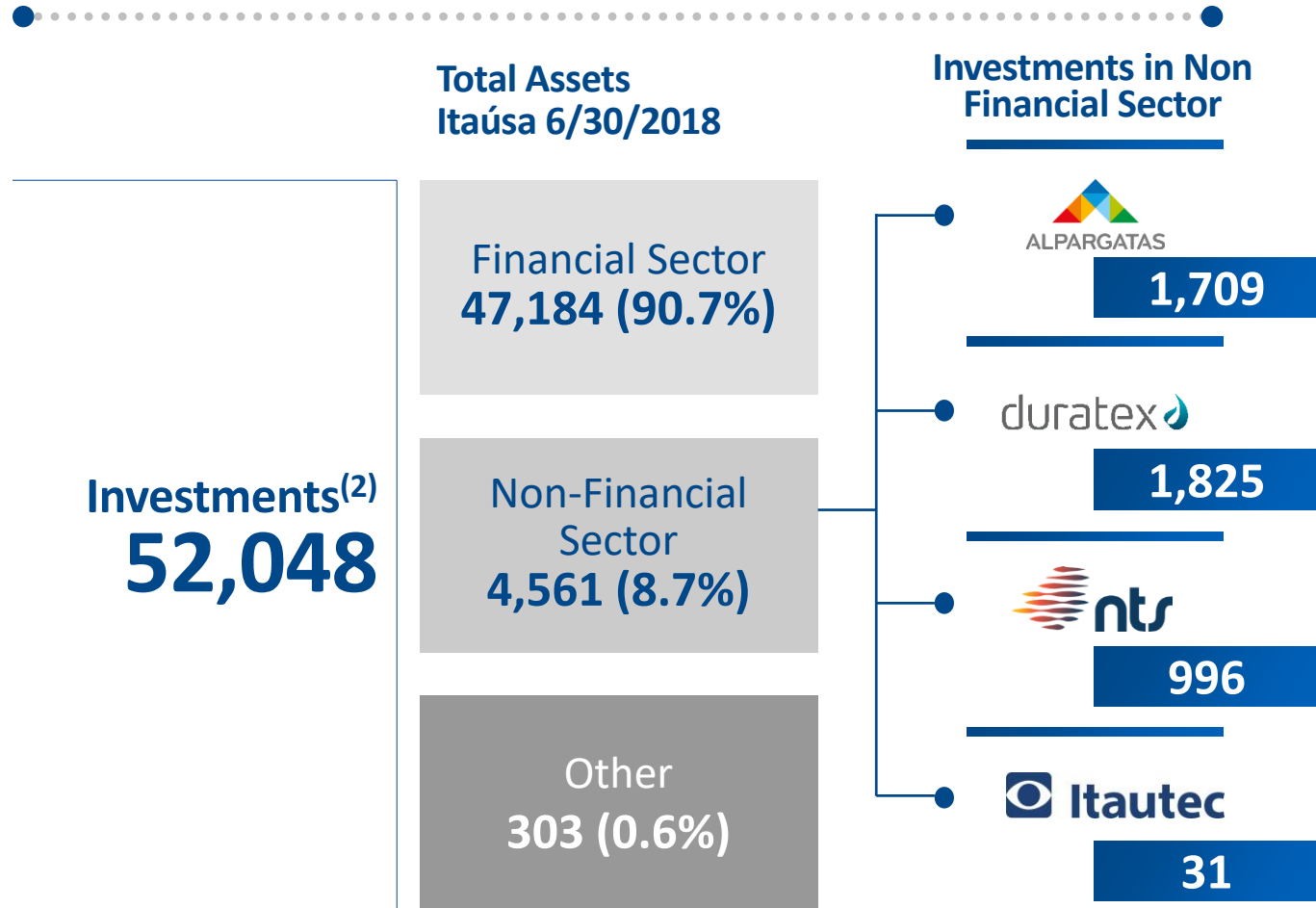
(1) Refers to funds arising from operations as reported by the Statements of Cash Flows.

Itaúsa's investment in NTS is recorded in account "Financial assets – fair value through profit or loss" and totaled R\$ 996 million on June 30, 2018. As Itaúsa's interest in NTS is lower than 20% of capital stock, Itaúsa does not record this investment under the equity method. In the first half of 2018, Itaúsa received dividends and interest on capital in the amount of R\$ 79 million.

Assets Composition⁽¹⁾



Investments by Sector



⁽¹⁾ Individual Balance Sheet

⁽²⁾ Includes investments in NTS

Statement of income

	2nd quarter 2018		2nd quarter 2017		jan-jun 2018		jan-jun 2017		2ndQ18 / 2ndQ17		jan-jun 18 / jan-jun 17	
FINANCIAL SECTOR	2,153	96.6%	2,377	97.1%	4,540	96.5%	4,623	98.7%	(224)	-9.4%	(83)	-1.8%
NON FINANCIAL SECTOR	75	3.4%	71	2.9%	164	3.5%	62	1.3%	4	5.6%	102	164.5%
ALPARGATAS	(4)	-0.2%	-	0.0%	11	0.2%	-	0.0%	(4)	n.a.	11	n.a.
DURATEX	10	0.4%	5	0.2%	21	0.4%	1	0.0%	5	100.0%	20	2000.0%
ELEKEIROZ	19	0.9%	9	0.4%	32	0.7%	8	0.2%	10	111.1%	24	300.0%
ITAUTEC	-	0.0%	(2)	-0.1%	(1)	0.0%	(7)	-0.1%	2	100.0%	6	85.7%
NTS ⁽¹⁾	48	2.2%	59	2.4%	104	2.2%	59	1.3%	(11)	-18.6%	45	76.3%
OTHER AREAS	2	0.1%	-	0.0%	(3)	-0.1%	1	0.0%	2	n.a.	(4)	-400.0%
RECURRING SHARE OF INCOME + DIVIDENDS AND INTEREST ON DEBENTURES	2,228	100%	2,448	100%	4,704	100%	4,685	100%	(220)	-9.0%	19	0.4%
FINANCIAL INCOME / EXPENSES	(21)		(19)		(51)		2		(2)	-10.5%	(53)	-2650.0%
ADMINISTRATIVE EXPENSES	(21)		(12)		(34)		(23)		(9)	-75.0%	(11)	-47.8%
TAX EXPENSES	(7)		(38)		(291)		(258)		31	81.6%	(33)	-12.8%
OTHER OPERATING REVENUES	2		2		4		5		-	0.0%	(1)	-20.0%
RESULTS OF ITAÚSA	(47)		(67)		(372)		(274)		20	29.9%	(98)	-35.8%
INCOME BEFORE INCOME TAX/SOCIAL CONTRIBUTION	2,181		2,381		4,332		4,411		(200)	-8.4%	(79)	-1.8%
INCOME TAX / SOCIAL CONTRIBUTION	(9)		52		9		(116)		(61)	-117.3%	125	107.8%
RECURRING INDIVIDUAL NET INCOME	2,172		2,433		4,341		4,295		(261)	-10.7%	46	1.1%
NON-RECURRING RESULTS	(125)		(257)		106		(175)		132	51.4%	281	160.6%
ITAÚSA'S RESULTS	(85)		-		(85)		-					
FINANCIAL SECTOR	(84)		(257)		139		(176)					
NON FINANCIAL SECTOR	44		-		52		1					
INDIVIDUAL NET INCOME	2,047		2,176		4,447		4,120		(129)	-5.9%	327	7.9%
NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	106		16		126		11		90	562.5%	115	1045.5%
CONSOLIDATED NET INCOME	2,153		2,192		4,573		4,131		(39)	-1.8%	442	10.7%

(1) Includes dividends and interest on capital, fair value adjustment of shares, income from interest on debentures, expenses on the installment of the invested amount in NTS.

The Itaúsa results are basically derived from its Recurring Share of Income of its subsidiaries. We show below the calculation of Share of Income per company.

R\$ million

Determination of Share of Income ⁽¹⁾



Other Areas













	2ndQ18	2ndQ17	2ndQ18	2ndQ17	2ndQ18	2ndQ17	2ndQ18	2ndQ17	2ndQ18	2ndQ17	2ndQ18	2ndQ17	2ndQ18	2ndQ17
Recurring net income	5,757	6,362	44	60	27	25	19	9	-	(2)	2	-		
(x) Direct/Indirect interest	37.58%	37.44%	27.55%	0.00%	36.67%	35.77%	96.60%	96.60%	98.93%	98.93%	100.00%	100.00%		
(=) Share of recurring net income	2,168	2,391	13	-	10	9	19	9	-	(2)	2	-	2,212	2,407
(+/-) Share of income not arising from net income	(15)	(14)	(17)	-	-	(4)	-	-	-	-	-	-	(32)	(18)
Recurring share of income	2,153	2,377	(4)	-	10	5	19	9	-	(2)	2	-	2,180	2,389
Non-recurring results	(84)	(257)	(7)	-	51	-	-	-	-	-	-	-	(40)	(257)
Share of income	2,069	2,120	(11)	-	61	5	19	9	-	(2)	2	-	2,140	2,132
	96.68%	99.44%	-0.51%	0.00%	2.85%	0.23%	0.89%	0.42%	0.00%	-0.09%	0.09%	0.00%	100.00%	100.00%

(1) Investment in NTS is not being assessed under the equity method.

(2) Due the sale of Elekeiroz shares, occurred on 06/04/18, the amounts presented refer to the period from 01/01/18 to 05/31/18.

In the second quarter of 2018, the Recurring Share of Income amounted to R\$ 2,180 million, a 8.7% reduction in relation to the same period of the previous year, arising basically from the 9.4% retraction in the result from the Financial Services Area.

Determination of Share of Income ⁽¹⁾

											Other Areas			
	JAN JUN 2018	JAN JUN 2017	JAN JUN 2018	JAN JUN 2017	JAN JUN 2018	JAN JUN 2017	JAN JUN 2018	JAN JUN 2017	JAN JUN 2018	JAN JUN 2017	JAN JUN 2018	JAN JUN 2017	JAN JUN 2018	JAN JUN 2017
 Recurring net income	12,139	12,414	129	137	58	15	33	8	(1)	(7)	(3)	1		
(x) Direct/Indirect interest	37.58%	37.44%	27.55%	0.00%	36.67%	35.77%	96.60%	96.60%	98.93%	98.93%	100.00%	100.00%		
(=) Share of recurring net income	4,562	4,648	36	-	21	5	32	8	(1)	(7)	(3)	1	4,647	4,655
(+/-) Share of income not arising from net income	(22)	(25)	(25)	-	-	(4)	-	-	-	-	-	-	(47)	(29)
 Recurring share of income	4,540	4,623	11	-	21	1	32	8	(1)	(7)	(3)	1	4,600	4,626
 Non-recurring results	139	(176)	1	-	51	1	-	-	-	-	-	-	191	(175)
 Share of income	4,679	4,447	12	-	72	2	32	8	(1)	(7)	(3)	1	4,791	4,451
	97.66%	99.91%	0.25%	0.00%	1.50%	0.04%	0.67%	0.18%	-0.02%	-0.16%	-0.06%	0.02%	100.00%	100.00%

(1) Investment in NTS is not being assessed under the equity method.

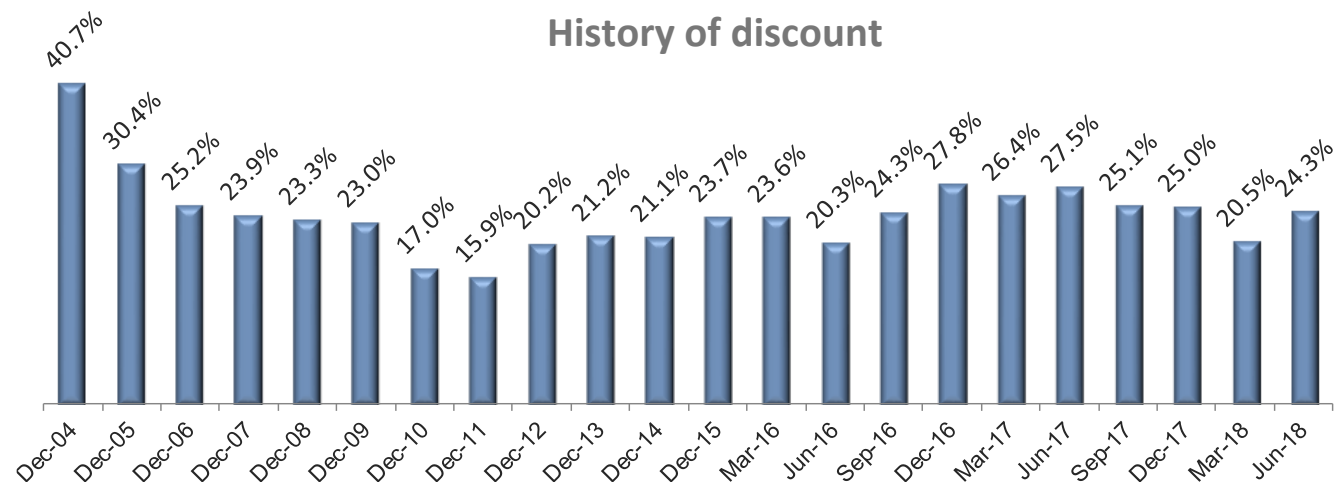
(2) Due the sale of Elekeiroz shares, occurred on 06/04/18, the amounts presented refer to the period from 01/01/18 to 05/31/18.

In the first half of 2018, the Recurring Share of Income amounted to R\$ 4,600 million, remaining stable in relation to the same period of the previous year.

Market value of subsidiaries x Discount in the price of Itaúsa

On June 30, 2018

Public companies	Total shares (thousand)	Average quotation ⁽¹⁾ of the most liquid share (R\$)	Market value of companies (R\$ million)	Interest of Itaúsa in companies (%)	Market value of interests (R\$ million)
	(A)	(B)	(C) = (A) x (B)	(D)	(E) = (C) x (D)
Itaú Unibanco Holding S.A.	6,475,506	40.25	260,639	37.58%	97,942
Alpargatas S.A.	463,053	12.10	5,603	27.55%	1,544
Duratex S.A.	689,374	8.64	5,956	36.67%	2,184
Itautec S.A.	11,072	15.08	167	98.93%	165
Nova Transportadora do Sudeste S.A - NTS ⁽²⁾					996
Other assets and liabilities, net (F)					(664)
Market value of the Itaúsa interests (G)					102,167
Market value of Itaúsa (H)	8,411,698	9.19	77,304		77,304
Discount (%) (I) = (H)/(G)-1					-24.34%

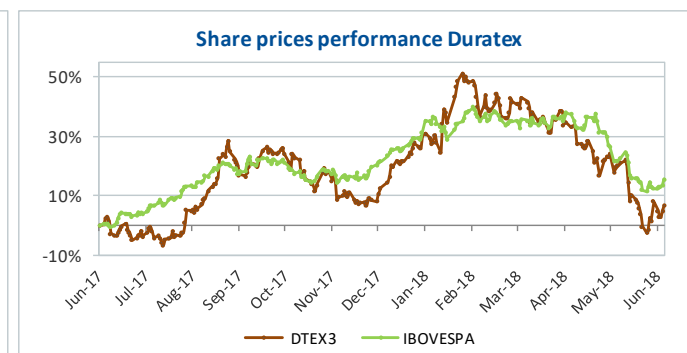
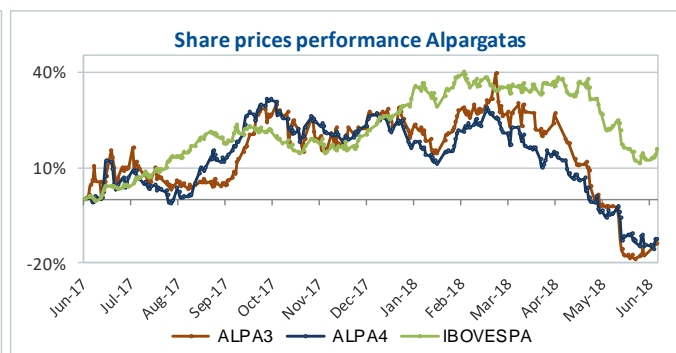
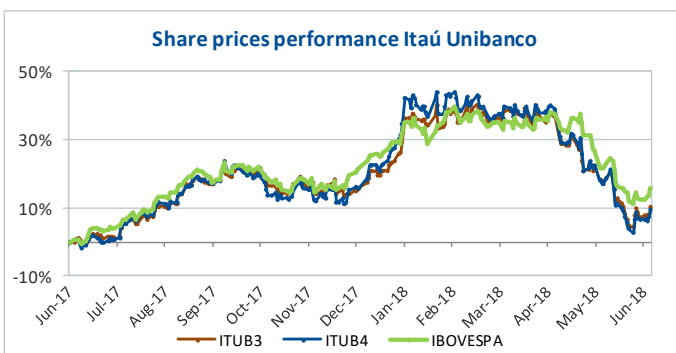
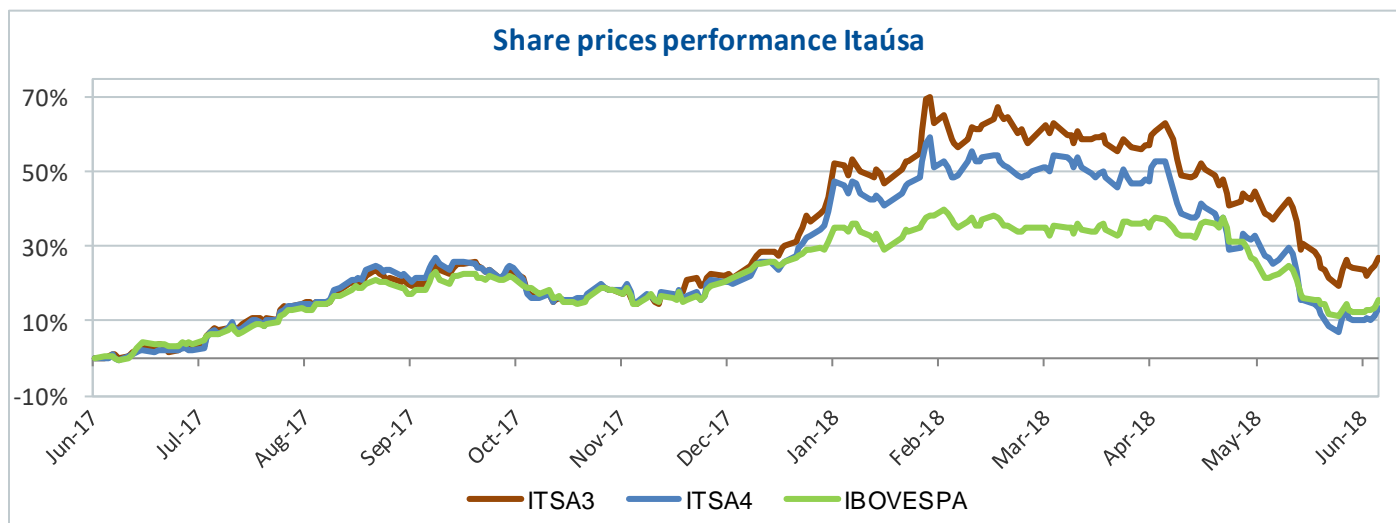


(1) Average quotation of the most liquid share on the last day of the period.

(2) Refers to the participation in the capital of NTS.

(F) Net value of other assets and liabilities (Individual balance sheet).

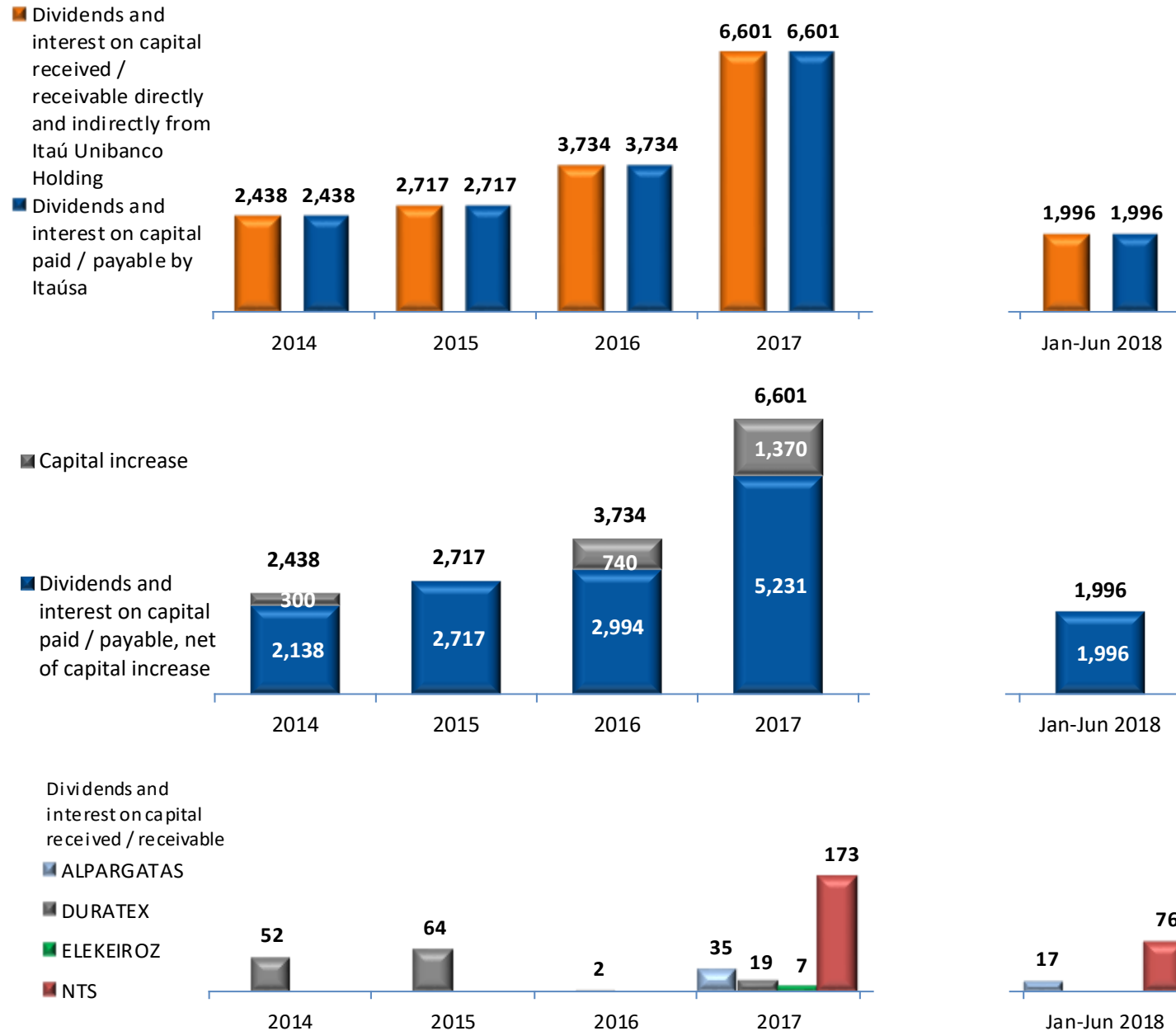
Share prices performance at B3* - Base date June 30, 2017



Source: Economática
 Period: Jun 30, 2017 to Jun 30, 2018
 Average quotations adjusted by events such as reverse split, split and bonus of shares.
 (*) B3.S.A. – Brasil, Bolsa, Balcão.

Flow of dividends / Interest on capital⁽¹⁾

R\$ million



(1) Interest on capital, net of withholding income tax.

Financial statements

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

INDIVIDUAL BALANCE SHEET AT JUNE 30, 2018, MARCH 31, 2018, AND DECEMBER 31, 2017

(In millions of Reais)

ASSETS	6/30/2018	3/31/2018	12/31/2017
Financial assets	2,618	2,476	2,166
Cash and cash equivalents	886	597	71
Financial assets - FVTPL	-	-	52
Financial assets - FVTPL (NTS)	996	950	943
Financial assets - amortised cost	-	443	444
Dividends / Interest on capital receivable	736	486	656
Tax assets	1,226	1,262	1,078
Income tax and social contribution - current	246	340	256
Income tax and social contribution - deferred	980	922	822
Investments	51,086	49,819	53,126
Investments in Controlled Entities	51,052	49,811	53,119
Other investments	34	8	7
Intangible assets	92	90	88
Other non-financial assets	37	36	36
TOTAL ASSETS	55,059	53,683	56,494

LIABILITIES AND STOCKHOLDERS' EQUITY	6/30/2018	3/31/2018	12/31/2017
Current and non-current	3,978	5,183	4,568
Debentures	1,208	1,229	1,208
Dividends / Interest on capital payable	1,063	2,074	1,334
Loans and financing	-	-	501
Other payables	290	248	245
Tax liabilities	151	217	30
Provisions	1,249	1,392	1,244
Other liabilities	17	23	6
TOTAL LIABILITIES	3,978	5,183	4,568
Stockholders' equity	51,081	48,500	51,926
Capital	43,515	37,145	37,145
Reserves	9,160	12,619	16,075
Carrying Value Adjustment	(1,571)	(1,264)	(1,294)
(-) Treasury shares	(23)	-	-
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	55,059	53,683	56,494

Financial statements

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

INDIVIDUAL STATEMENT OF INCOME

Periods ended June 30, 2018 and 2017

(In millions of Reais, except for share information)

	4/01 a 6/30/2018	1/01 a 6/30/2018	4/01 a 6/30/2017	1/01 a 6/30/2017
OPERATING INCOME (net)	2,255	4,970	2,226	4,589
Gain from financial assets	29	43	36	77
Share of income	2,140	4,791	2,132	4,451
Adjustment to fair value - NTS Shares	46	53	-	-
Dividends / Interest on capital	38	79	56	56
Other operating income	2	4	2	5
OPERATING EXPENSES	(235)	(568)	(102)	(353)
General and administrative expenses	(21)	(34)	(12)	(23)
Tax expenses	(7)	(291)	(38)	(258)
Financial expenses	(86)	(122)	(52)	(72)
Other operating expenses	(121)	(121)	-	-
NET INCOME BEFORE INCOME TAX	2,020	4,402	2,124	4,236
INCOME TAX AND SOCIAL CONTRIBUTION	27	45	52	(116)
Current income tax and social contribution	1	-	1	(141)
Deferred Income tax and social contribution	26	45	51	25
NET INCOME	2,047	4,447	2,176	4,120
EARNINGS PER SHARE - BASIC / DILUTED				
Common	0.25	0.54	0.27	0.50
Preferred	0.25	0.54	0.27	0.50