



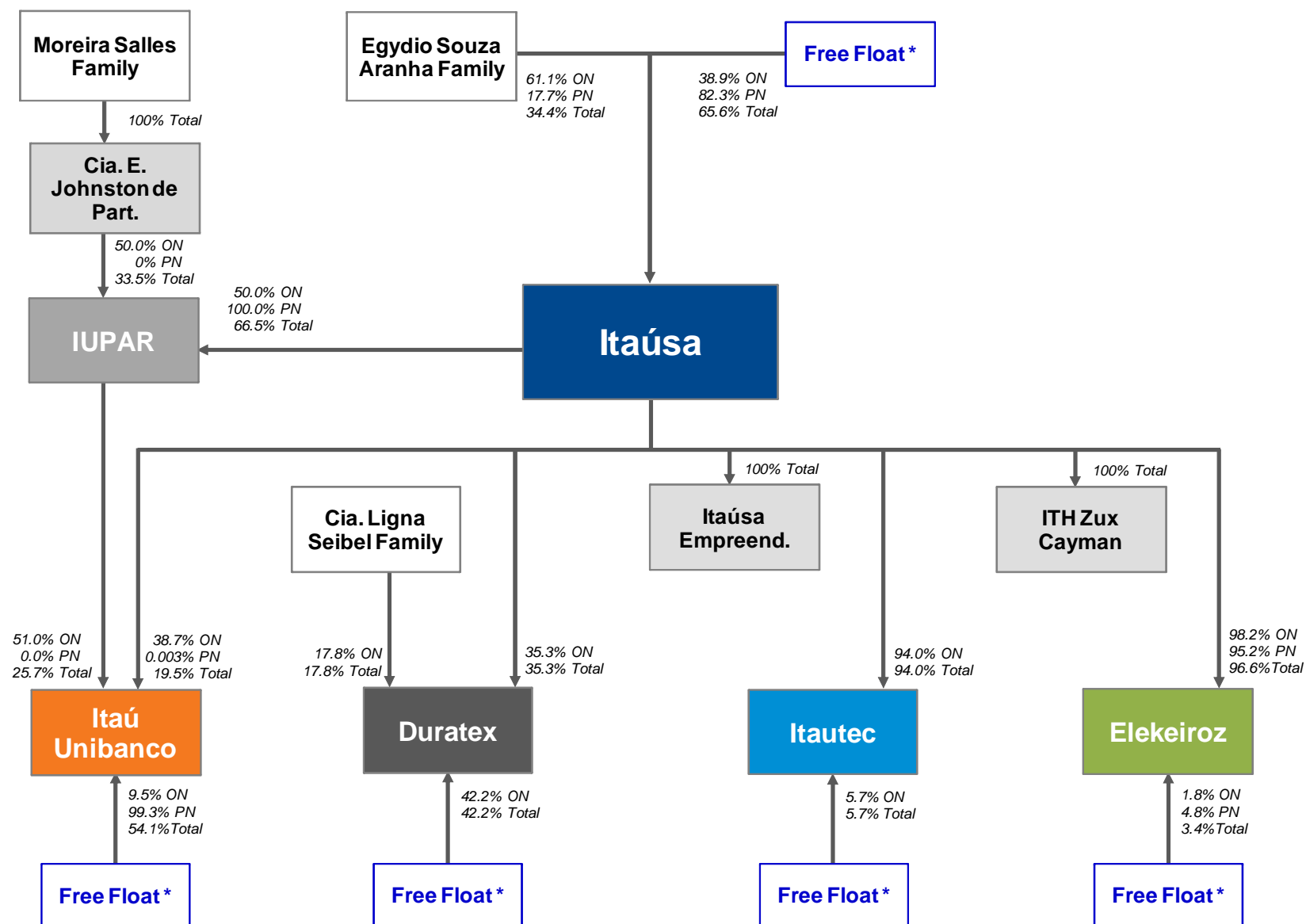
- Executive summary
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Future expectations arising from the reading of this report should consider the risks and uncertainties that involve any activities and that are beyond the control of the Conglomerate companies (political and economic changes, volatility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

We present the financial information and indicators of Itaúsa – Investimentos Itaú S.A. (ITAÚSA) under the International Financial Reporting Standards (IFRS) in compliance with the CVM Instructions Nos. 457/07 and 458/10.

As the adjustments arising from the adoption of the IFRS significantly impacted the financial statements of the Company, as well as those of its subsidiaries Itaú Unibanco, Duratex, Itautec and Elekeiroz, and aiming at making a transition in a transparent way and according to the best practices, we will present, when applicable, the information before and after the adjustments for better comparability.

The information is shown in millions of Reais, except if otherwise stated.



(\*) Excluding the shares held by controlling interests and treasury shares.

# ITAÚSA

Itaúsa was selected to make up the portfolios of Dow Jones Sustainability World Index for the seventh time, and of the Corporate Sustainability Index of BM&FBovespa (ISE) for the fourth consecutive year.

In May 2010, Bank of America Corporation (BAC) sold its interest in the capital of Itaú Unibanco. The preferred shares were traded abroad for qualified buyers, in a private offering of American Depositary Shares (ADS), whereas common shares were purchased by Itaúsa, which increased its direct and indirect interest in the capital of Itaú Unibanco from 35.46% to 36.57%.



The integration of Unibanco branches into the Itaú platform was completed in October 2010, less than two years after the announcement of the merger of the two institutions. With the renovation and integration of more than 1,200 points of services of Unibanco, the institution now counts on almost 5 thousand points throughout the country, all of which with the Itaú brand. As part of the strategy on differentiated service to individual clients, Itaú Uniclass was created in addition to Personalité for top clients of Retail served by the branch network. In June a new concept of customer relationship was introduced, increasing the focus of branches on advisory and sales of products, besides financial transactions.

With the objective of expanding its base of capital and being able to increase the grant of loans, in 2010 Itaú Unibanco raised funds in the domestic and international markets. In the domestic market, R\$ 3.3 billion in Subordinated CDBs were issued, while in the international market US\$ 2.0 billion was raised in Notes.



In 2011, Duratex completed 60 years since its incorporation as leader in the segments of manufactured wood panels, and bathroom metal and porcelain fixtures and fittings in Brazil and in the Southern Hemisphere. The average age of assets is low, and the employed technology is modern. The production scale in addition to the geographical location of its plants, near the most important consumer markets, and the high level of integration of its operations ensure it an important competitive differential.

Noteworthy in 2010 was the consolidation of the merger between Duratex and Satipel, occurred in August 2009. In November 2010, a binding proposal for the acquisition of total shares of a competitor in the bathroom ceramics segment, located in João Pessoa, State of Paraíba, was announced. In February 2011, thus subsequently to the end of 2010, such acquisition was completed, which will enable the increase of Duratex operations in the Brazilian Northeastern market.



The year 2010 of Itautec was marked by an operational, strategic and management restructuring process that resulted in a company that is financially stronger and much better prepared to compete and win in each market segment in which it operates.

Itautec undertook initiatives aimed at increasing its portfolio of products, especially in the computing business, with desktop and notebook lines, including the automation segment, such as ATMs, with biometrics solutions.

 **Elekeiroz**

Elekeiroz launched in November a complete line of sustainable vegetal-based resins for production of parts in composites. Under the trade name BIOPOLI, the new line uses raw materials from renewable sources and reused thermoplastic resins, being thus able to save up to 20% of nonrenewable resources, such as oil, used in traditional polyester resins. With 100% national technology and the patent application already filed, it is a result of investments made by the company in research and development over the latest years. The launch of this technology into the market will enable the development of several sustainable products in the automotive, civil construction, electrical and electronics, and nautical sectors, among others.

**MAIN INDICATORS OF RESULTS OF ITAÚSA – BEFORE IFRS ADJUSTMENTS**

	Parent company		Non-controlling interests		Conglomerate	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Net income	4.953	3.930	9.714	7.812	14.667	11.742
Stockholders' equity	23.743	19.785	44.424	38.170	68.167	57.956
Annualized return on average equity (%)	23,0%	21,5%	23,7%	22,3%	23,4%	22,1%

**MAIN INDICATORS OF RESULTS OF ITAÚSA – UNDER IFRS**

	Parent company		Non-controlling interests		Conglomerate	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Net income	4.417	4.362	595	386	5.013	4.748
Stockholders' equity	26.302	23.190	2.876	2.650	29.178	25.840
Annualized return on average equity (%)	18,0%	20,6%	23,4%	20,7%	19,5%	21,2%

	Dec/10	Dec/09	Change %
<b>Results per thousand shares - in R\$</b>			
Net income of parent company	4.417	4.362	1,3
Book value of parent company	6,01	5,21	15,3
Interest on capital and dividends	0,33	0,28	15,1
Price of preferred share (PN) (1)	13,14	11,83	11,1
Market capitalization (2) – in millions of Reais - R\$	57.478	51.411	11,8

(1) Calculated 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).



## MAIN INDICATORS OF THE ITAÚSA CONGLOMERATE COMPANIES – BEFORE IFRS ADJUSTMENTS

	January to December	FINANCIAL SERVICES AREA		INDUSTRIAL AREA		CONSOLIDATED/ CONGLOMERATE (1)
		Itaú Unibanco Holding S.A.	Duratex S.A. (5)	Itautec S.A.	Elekeiroz S.A.	
Total assets	<b>2010</b>	<b>755,112</b>	<b>5,006</b>	<b>1,079</b>	<b>640</b>	<b>764,211</b>
	2009	608,273	4,354	1,298	604	615,962
Operating revenues (2)	<b>2010</b>	<b>120,510</b>	<b>2,728</b>	<b>1,795</b>	<b>851</b>	<b>123,695</b>
	2009	111,994	2,013	1,872	571	117,369
Net income	<b>2010</b>	<b>13,323</b>	<b>442</b>	<b>12</b>	<b>45</b>	<b>14,667</b>
	2009	10,067	182	54	4	11,742
Stockholders' equity	<b>2010</b>	<b>60,879</b>	<b>2,623</b>	<b>520</b>	<b>476</b>	<b>68,167</b>
	2009	50,683	2,331	496	443	57,956
Annualized return on average equity (%) (3)	<b>2010</b>	<b>24.1%</b>	<b>17.7%</b>	<b>2.5%</b>	<b>9.9%</b>	<b>23.4%</b>
	2009	21.4%	9.2%	11.4%	0.9%	22.1%
Internal fund generation (4)	<b>2010</b>	<b>37,201</b>	<b>839</b>	<b>76</b>	<b>86</b>	<b>35,943</b>
	2009	37,887	301	35	(14)	36,013

(1) Consolidated/Conglomerate data is net of consolidation elimination and unrealized results of intercompany transactions.

(2) Operating revenue by area of operations was obtained as follows:

- Itaú Unibanco : interest and similar income, net gains (loss) on financial assets and liabilities, dividends income, income from financial services, income from premiums of insurance and private pension operations, and other operating income.
- Duratex S.A., Itautec S.A. and Elekeiroz S.A.: Sales of products and services, and income from financial services.

(3) Represents the ratio of net income for the period to the average equity ((Dec + Mar + Jun + Sep + Dec)/5)

(4) Refers to funds arising from operations, according to the Statement of Cash Flows.

(5) In 2009, it includes the results of Satipel (proforma) for comparative effects.

## MAIN INDICATORS OF THE ITAÚSA CONGLOMERATE COMPANIES – UNDER IFRS

	January to December	FINANCIAL SERVICES AREA		INDUSTRIAL AREA		CONSOLIDATED/ GROUP (2) (3)
		Itaú Unibanco Holding S.A.	Duratex S.A. (1)	Itautec S.A.	Elekeiroz S.A.	
						<i>R\$ Million</i>
Total assets	<b>2010</b>	<b>727,481</b>	<b>6,171</b>	<b>1,081</b>	<b>632</b>	<b>275,635</b>
	2009	578,604	5,467	1,314	597	213,504
Operating revenues (4)	<b>2010</b>	<b>119,473</b>	<b>2,742</b>	<b>1,571</b>	<b>851</b>	<b>47,942</b>
	2009	119,326	1,930	1,324	571	45,856
Net income	<b>2010</b>	<b>11,708</b>	<b>467</b>	<b>12</b>	<b>45</b>	<b>5,013</b>
	2009	11,838	181	51	2	4,748
Stockholders' equity	<b>2010</b>	<b>66,265</b>	<b>3,453</b>	<b>514</b>	<b>466</b>	<b>29,178</b>
	2009	57,516	3,142	502	433	25,840
Annualized return on average equity (%) (5)	<b>2010</b>	<b>19.2%</b>	<b>14.1%</b>	<b>2.2%</b>	<b>10.1%</b>	<b>19.5%</b>
	2009	23.4%	7.5%	10.7%	0.5%	21.2%
Internal fund generation (6)	<b>2010</b>	<b>36,996</b>	<b>839</b>	<b>76</b>	<b>86</b>	<b>15,374</b>
	2009	37,887	360	33	(14)	16,436

(1) In 2009, it includes the results of Satipel (proforma) for comparative effects.

(2) Itaúsa Conglomerate includes: the consolidation of 100% of controlled companies; and the consolidation, proportional to the interest held, of jointly-controlled companies.

(3) Consolidated/Conglomerate data is net of consolidation elimination and unrealized results of intercompany transactions. The amounts of Itaú Unibanco were consolidated proportionally to the interest held by Itaúsa of 36.57% (35.46% in 2009).

(4) Operating revenue by area of operations was obtained as follows:

- Itaú Unibanco : interest and similar income, net gains (loss) on financial assets and liabilities, dividends income, income from financial services, income from premiums of insurance and private pension operations, and other operating income.
- Duratex S.A., Itautec S.A. and Elekeiroz S.A.: Sales of products and services, and income from financial services.

(5) Represents the ratio of net income for the period to the average equity ((Dec + Mar + Jun + Sep + Dec)/5)

(6) Refers to funds arising from operations, according to the Statement of Cash Flows.

The main changes arising from the IFRS adoption are described below and shown in the following charts:

### **A - Loan operations**

CPC 38 determines that an entity shall assess at each base date whether there is objective evidence that a loan or group of loans is impaired.

### **B – Recognition of total deferred tax assets**

CPC 32 determines that deferred tax assets should be measured using substantively enacted tax rates, and recognized when the generation of future taxable income is probable, allowing the offset of asset.

### **C - Pension and health care plans**

In accordance with CPC 33: for plans in which the actuarial calculations resulted in a positive net position, an asset was recognized; for those in which the actuarial calculations resulted in a negative net position, an liability was recognized.

### **D - Business combinations**

CPC 15 requires that the acquirer for accounting purposes be identified in a business combination. Adjustments arising from the merger transaction between Duratex and Satipel; and the alliance between Itaú Unibanco and Porto Seguro.

### **E - Negative goodwill, net**

Also in accordance with CPC 15, if the acquisition cost is lower than the fair value of net assets of the acquiree, the difference is directly recognized in the statement of income.

### **F - Biological assets**

This adjustment refers to the recognition of the fair value of forest reserves of Duratex, as required by CPC 29.

### **G - Additional dividends**

This adjustment refers to the fact that the proposed dividend, above the mandatory minimum, is only recognized as liability when approved by the stockholders at a Stockholders' Meeting, CPC - "Provisions, Contingent Liabilities and Contingent Assets".

## I) Reconciliation of stockholders' equity

	References	12/31/2010	12/31/2009	1/1/2009
<b>Stockholders' equity before IFRS adjustments</b>		<b>23,743</b>	<b>19,785</b>	<b>16,592</b>
<b>Stockholders' equity of non-controlling interests</b>		<b>2,340</b>	<b>2,126</b>	<b>1,410</b>
<b>Adjustments that affect stockholders' equity between BR GAAP and IFRS</b>		<b>3,095</b>	<b>3,929</b>	<b>2,897</b>
Loan operations	A	679	1,159	964
Recognition of total deferred tax assets	B	595	827	947
Pension and health care plans	C	44	573	441
Business combinations	D	717	1,029	481
Reversal of goodwill, net	E	483	483	482
Biological assets	F	219	203	284
Additional dividends	G	445	380	-
Income tax and social contribution		(532)	(1,003)	(916)
Other		445	278	214
<b>Stockholders' equity under IFRS adjustments</b>		<b>29,178</b>	<b>25,840</b>	<b>20,899</b>
<b>Stockholders' equity attributable to non-controlling interests</b>		<b>2,876</b>	<b>2,650</b>	<b>1,539</b>
<b>Stockholders' equity attributable to controlling interests</b>		<b>26,302</b>	<b>23,190</b>	<b>19,360</b>

## II) Reconciliation of consolidated net income:

	References	2010	2009
<b>Net income before IFRS adjustments</b>		<b>4,953</b>	<b>3,930</b>
Net income of non-controlling interests		586	387
<b>Adjustments that affect net income between BR GAAP and IFRS</b>		<b>(526)</b>	<b>431</b>
Loan operations	A	(513)	196
Recognition of total deferred tax assets	B	(239)	(83)
Pension and health care plans	C	76	169
Business combinations	D	(303)	148
Biological assets	F	34	(4)
Income tax and social contribution		330	(153)
Other		89	157
<b>Net income under IFRS</b>		<b>5,013</b>	<b>4,748</b>
Profit attributable to non-controlling interests		595	386
<b>Net income attributable to controlling interests</b>		<b>4,417</b>	<b>4,362</b>

The full description of adjustments made is included in Note 2b.

**Proportionate Consolidation Itaú Unibanco Holding**

CPC 19, paragraphs 30 and 40, determines that jointly-controlled investments shall be recognized using the proportionate consolidation method. Accordingly, the financial statements of Itaú Unibanco were proportionally consolidated in the financial statements of Itaúsa. We show below the main impacts on the Consolidated Balance Sheet:

**I) Consolidated balance sheet at December 31, 2009:***(In millions of Reais)*

	BEFORE IFRS ADJUSTMENTS	ADJUSTMENTS OF UNCONSOLIDATION	IFRS ADJUSTMENTS	IFRS
<b>TOTAL ASSETS</b>	<b>615,961</b>	<b>(398,487)</b>	<b>(3,970)</b>	<b>213,504</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>558,005</b>	<b>(362,434)</b>	<b>(7,906)</b>	<b>187,665</b>
<b>TOTAL EQUITY OF OWNERS OF THE PARENT COMPANY</b>	<b>19,786</b>	<b>(401)</b>	<b>3,805</b>	<b>23,190</b>
Non-controlling interests	38,170	(35,652)	131	2,649
<b>STOCKHOLDERS' EQUITY</b>	<b>57,956</b>	<b>(36,053)</b>	<b>3,936</b>	<b>25,839</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>615,961</b>	<b>(398,487)</b>	<b>(3,970)</b>	<b>213,504</b>

The detailed impact on Financial Statements is included in Note 35.

**II) Consolidated balance sheet at December 31, 2010:***(In millions of Reais)*

	BEFORE IFRS ADJUSTMENTS	PORTION NOT CONSOLIDATED	IFRS ADJUSTMENTS	IFRS
<b>TOTAL ASSETS</b>	<b>764,211</b>	<b>(483,988)</b>	<b>(4,587)</b>	<b>275,635</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>696,044</b>	<b>(441,074)</b>	<b>(8,514)</b>	<b>246,456</b>
<b>TOTAL EQUITY OF OWNERS OF THE PARENT COMPANY</b>	<b>23,743</b>	<b>(1,799)</b>	<b>4,358</b>	<b>26,302</b>
Non-controlling interests	44,424	(41,116)	(431)	2,877
<b>STOCKHOLDERS' EQUITY</b>	<b>68,167</b>	<b>(42,915)</b>	<b>3,927</b>	<b>29,179</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>764,211</b>	<b>(483,989)</b>	<b>(4,587)</b>	<b>275,635</b>

The detailed impact on Financial Statements is included in Note 35.

## Proforma Statement of Income of Parent Company – in millions of Reais

	4th quarter 2010		3rd quarter 2010		4th quarter 2009		Change		
							4th quarter 2010 / 3rd quarter 2010	4th quarter 2010/ 4th quarter 2009	
<b>B E F O R E  I F R S  A D J U S T M E N T S</b>	FINANCIAL SERVICES AREA	1,243	97.4%	1,155	96.3%	1,055	94.8%	7.7%	17.8%
	INDUSTRIAL AREA	33	2.6%	43	3.6%	58	5.2%	-24.9%	-43.8%
	DURATEX	38	3.0%	42	3.5%	31	2.8%	-9.5%	22.6%
	ELEKEIROZ	15	1.2%	11	1.0%	5	0.4%	31.6%	200.0%
	ITAUTEC	(20)	-1.6%	(10)	-0.8%	22	2.0%	104.0%	-192.7%
	Other areas - Itaúsa Empreendimentos	1	0.1%	1	0.1%	-	0.0%	0.0%	0.0%
	<b>SHARE OF INCOME (1)</b>	<b>1,277</b>	<b>100.0%</b>	<b>1,199</b>	<b>100.0%</b>	<b>1,113</b>	<b>100.0%</b>	<b>6.5%</b>	<b>14.7%</b>
	FINANCIAL INCOME	141		10		34		1305.0%	313.2%
	ADMINISTRATIVE / EQUITY EXPENSES	(20)		(4)		(1)		410.0%	1940.0%
	TAX EXPENSES	(92)		(40)		(27)		131.0%	242.2%
PROFIT SHARING - MANAGEMENT MEMBERS	(7)		(3)		(2)		146.7%	270.0%	
OTHER OPERATING REVENUES (EXPENSES)	(9)		(14)		(6)		-32.9%	56.7%	
<b>RESULTS OF ITAÚSA (2)</b>	<b>11</b>		<b>(51)</b>		<b>(2)</b>		<b>-121.4%</b>	<b>-645.0%</b>	
<b>NET INCOME BEFORE INCOME TAX/SOCIAL CONTRIBUTION</b>	<b>1,288</b>		<b>1,148</b>		<b>1,111</b>		<b>12.2%</b>	<b>15.9%</b>	
INCOME TAX/SOCIAL CONTRIBUTION	77		(24)		(46)		-420.8%	-267.4%	
<b>RECURRING NET INCOME</b>	<b>1,365</b>		<b>1,124</b>		<b>1,065</b>		<b>21.4%</b>	<b>28.1%</b>	
<b>EXTRAORDINARY RESULT (3)</b>	<b>214</b>		<b>(13)</b>		<b>102</b>				
ITAÚSA ONLY	37		32		(3)				
FINANCIAL SERVICES AREA	168		(45)		100				
INDUSTRIAL AREA	9		-		5				
DURATEX	9		-		5				
ELEKEIROZ	-		-		-				
ITAUTEC	-		-		-				
<b>NET INCOME OF PARENT COMPANY BEFORE IFRS ADJUSTMENTS</b>	<b>1,578</b>		<b>1,111</b>		<b>1,166</b>		<b>42.0%</b>	<b>35.4%</b>	
<b>IFRS ADJUSTMENTS THAT AFFECT NET INCOME</b>	<b>(284)</b>		<b>(163)</b>		<b>112</b>		<b>74.0%</b>	<b>-354.1%</b>	
ITAÚSA ONLY	26		(7)		3				
FINANCIAL SERVICES AREA	(307)		(171)		100				
INDUSTRIAL AREA	(3)		14		9				
DURATEX	4		12		9				
ELEKEIROZ	1		(0)		-				
ITAUTEC	(8)		3		-				
<b>NET INCOME OF PARENT COMPANY AFTER IFRS ADJUSTMENTS</b>	<b>1,294</b>		<b>948</b>		<b>1,278</b>		<b>36.5%</b>	<b>1.3%</b>	

## 1) Share of Income

As a holding, Itaúsa's results are basically composed of Share of Income, determined based on the results of its subsidiaries. The calculation of the Share of Income by company is shown below.

In the quarter, the recurring Share of Income amounted to R\$ 1,277 million, a 6.5% increase in relation to the third quarter of 2010, mainly affected by the performance of the Financial Services Area, which increased 7.7%.

Determination of Share of Income – 4<sup>th</sup> Quarter/2010 - in millions of Reais

	ITAÚ UNIBANCO	DURATEX	ITAUTEC	ELEKEIROZ	TOTAL	
<b>BEFORE IFRS ADJUSTMENTS</b>	<b>Recurring net income before IFRS adjustments</b>	<b>3.400</b>	<b>107</b>	<b>(14)</b>	<b>15</b>	<b>3.508</b>
	(x) Direct/Indirect interest	36,57%	35,32%	94,01%	96,49%	
	<b>(=) Share of income arising from net income</b>	<b>1.244</b>	<b>38</b>	<b>(13)</b>	<b>14</b>	<b>1.284</b>
	<b>(+/-) Share of income not arising from net income (*)</b>	<b>-</b>	<b>0</b>	<b>(7)</b>	<b>1</b>	<b>(7)</b>
	<b>Result of recurring share of income</b>	<b>1.244</b>	<b>38</b>	<b>(20)</b>	<b>15</b>	<b>1.277</b>
	<b>Extraordinary result</b>	<b>191</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>200</b>
	Change in treasury stock	23	-	-	-	23
	Recognition of provision for contingencies – economic plans	(48)	-	-	-	(48)
	Partial reversal of additional allowance for loan losses	380	-	-	-	380
	Other	(164)	9	-	-	(155)
	<b>Consolidated share of income before IFRS adjustments</b>	<b>1.435</b>	<b>47</b>	<b>(20)</b>	<b>15</b>	<b>1.477</b>
	<b>IFRS adjustments that affect share of income</b>	<b>(307)</b>	<b>4</b>	<b>(8)</b>	<b>1</b>	<b>(310)</b>
	FINANCIAL SERVICES AREA	(307)	-	-	-	(307)
	INDUSTRIAL AREA	-	4	(8)	1	(3)
	DURATEX	-	4	-	-	4
ELEKEIROZ	-	-	-	1	1	
ITAUTEC	-	-	(8)	-	(8)	
<b>Consolidated share of income after IFRS adjustments</b>	<b>1.128</b>	<b>51</b>	<b>(29)</b>	<b>16</b>	<b>1.166</b>	

(\*) Elimination of unrealized income (Itautec).

## 2) Results of Itaúsa only

In the quarter, the results of Itaúsa only felt basically the impact of the reversal of the provision for investment devaluation, amounting to R\$ 150 million, presented in financial income, once the balance of price variation, arising from the agreement for the sale of interest abroad, was settled in December 2010. This income was partially annulled by the expense of R\$ 92 million for PIC/COFINS levied on the receipt of Interest on Capital.

## 3) Extraordinary result

- Itaúsa only – Effect of movement in treasury shares on Itaú Unibanco Holding.
- Financial Services Area – Basically arises from the partial reversal of the additional allowance for loan losses and the effect of the setting up a provision for contingencies related to economic plans, among other.

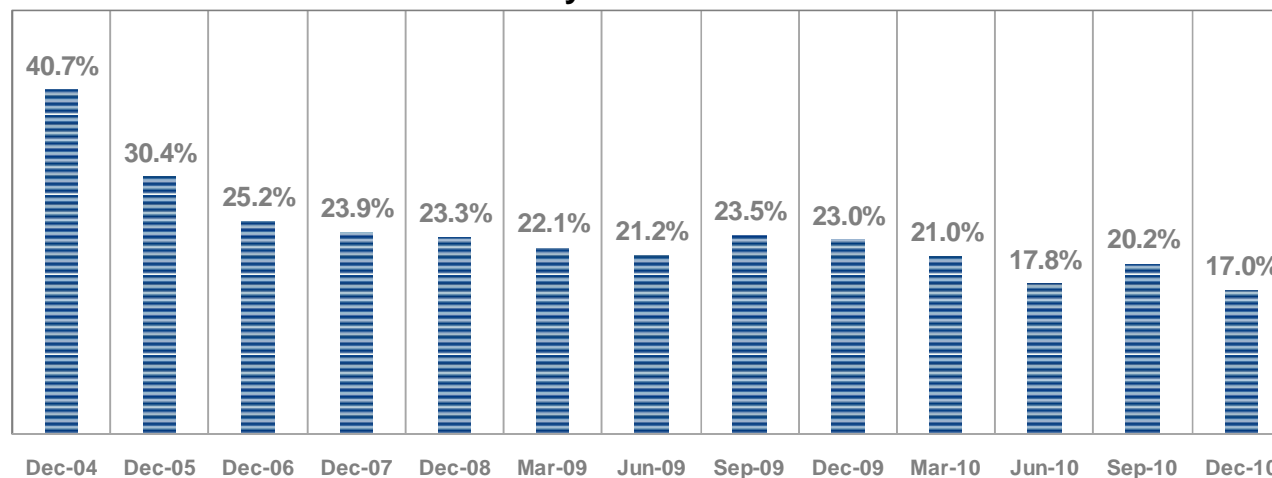


**Market Value of the Subsidiaries x Discount in the Price of Itaúsa**

On December 30, 2010

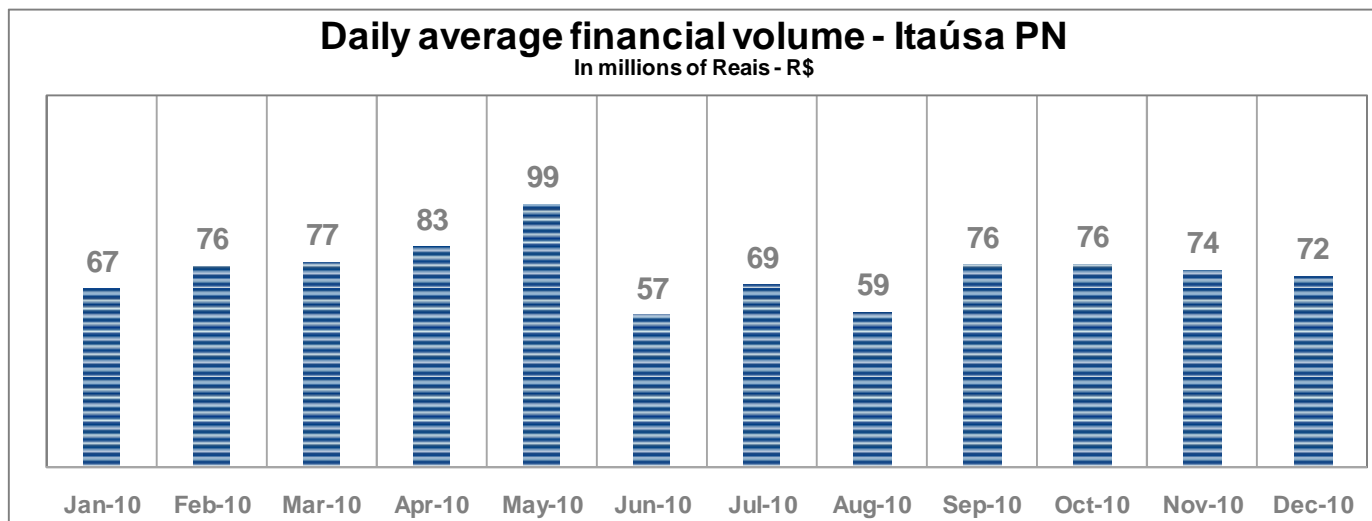
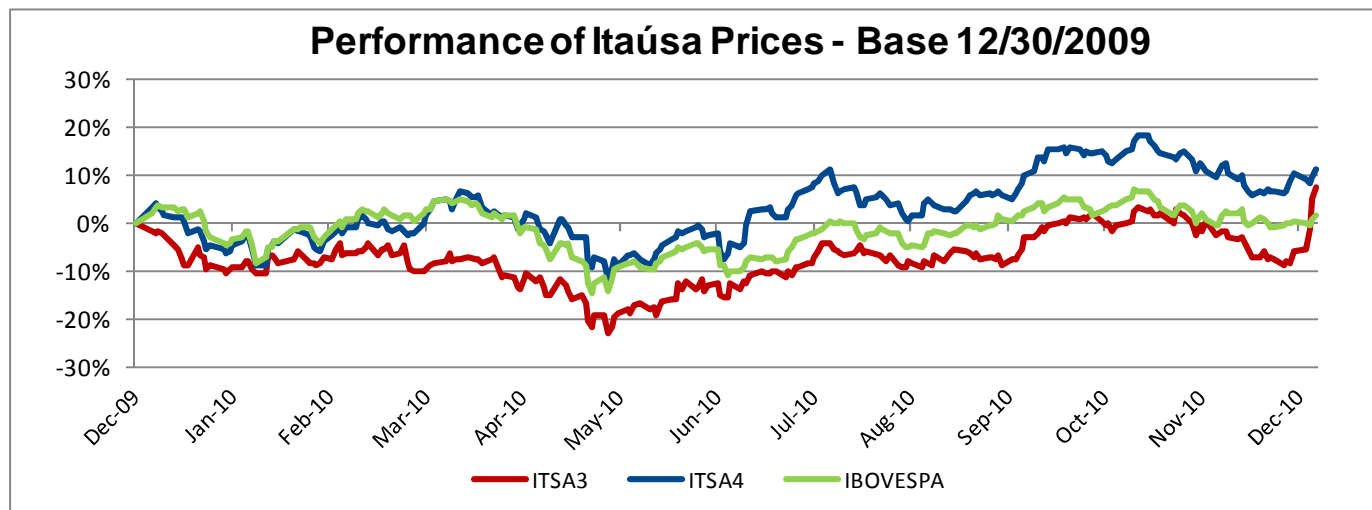
Public companies	Total shares (thousand)	Average quotation* of the most liquid share (R\$)	Market value of companies (in millions of Reais)	Interest of Itaúsa in companies (%)	Market value of interests (in millions of Reais)
	(A)	(B)	(C) = (A) x (B)	(D)	(E) = (C) x (D)
Itaú Unibanco Holding S.A.	4,544,368	39.53	179,639	36.57%	65,699
Duratex S.A.	457,838	17.75	8,127	35.32%	2,871
Itautec S.A.	11,651	44.52	519	94.01%	488
Elekeiroz S.A.	31,485	12.83	404	96.60%	390
Other Liquid Assets and Liabilities (F)					-162
Market Value of the Itaúsa Interests (G)					69,286
Market Value of Itaúsa (H)	4,374,282	13.14	57,478	-	57,478
<b>Discount (%) (I) = (H)/(G)-1</b>					<b>-17.04%</b>

**History of Discount**



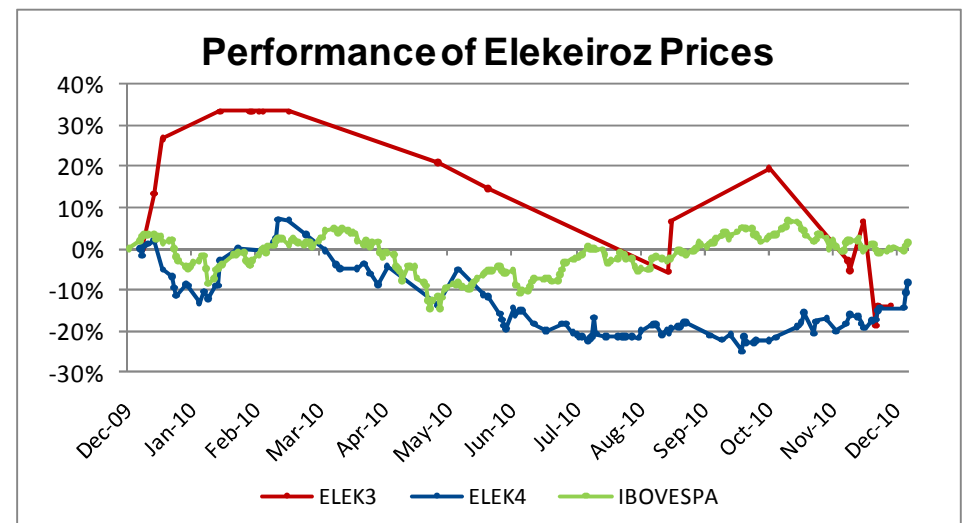
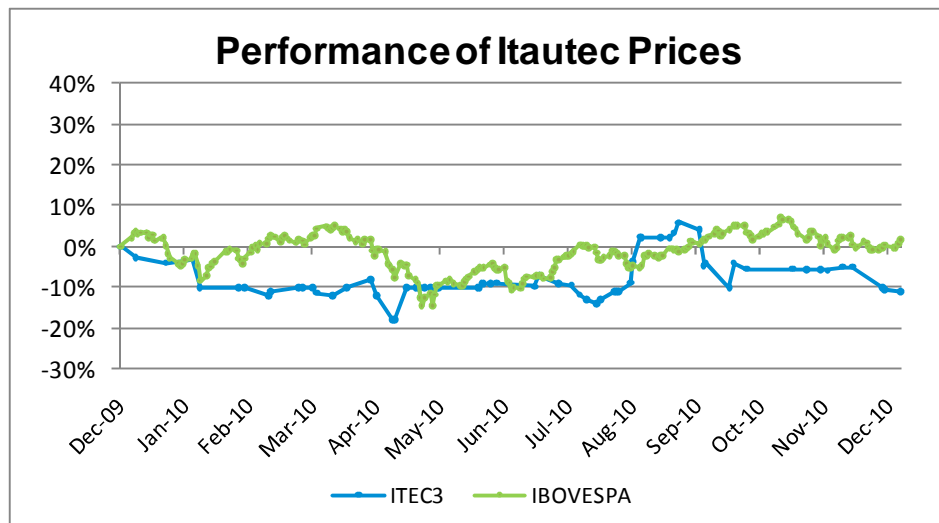
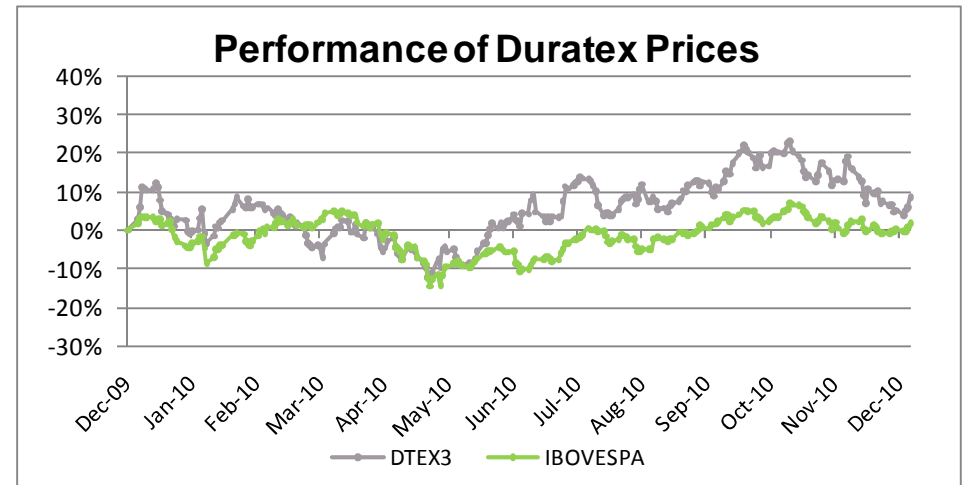
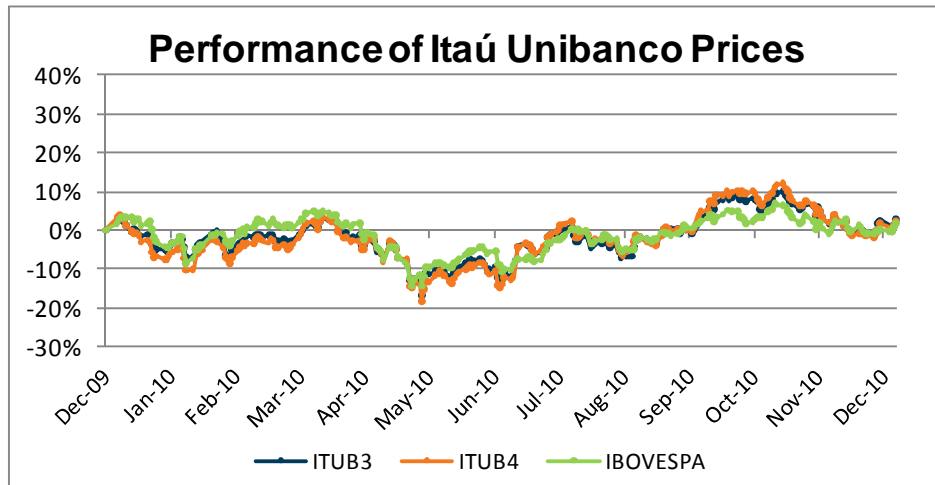
(\*) Average quotation of the most liquid share on the last day of the period.  
 (F) Net value of other assets and liabilities (individual balance sheet)

Performance of Share Prices at BM&FBOVESPA - Itaúsa



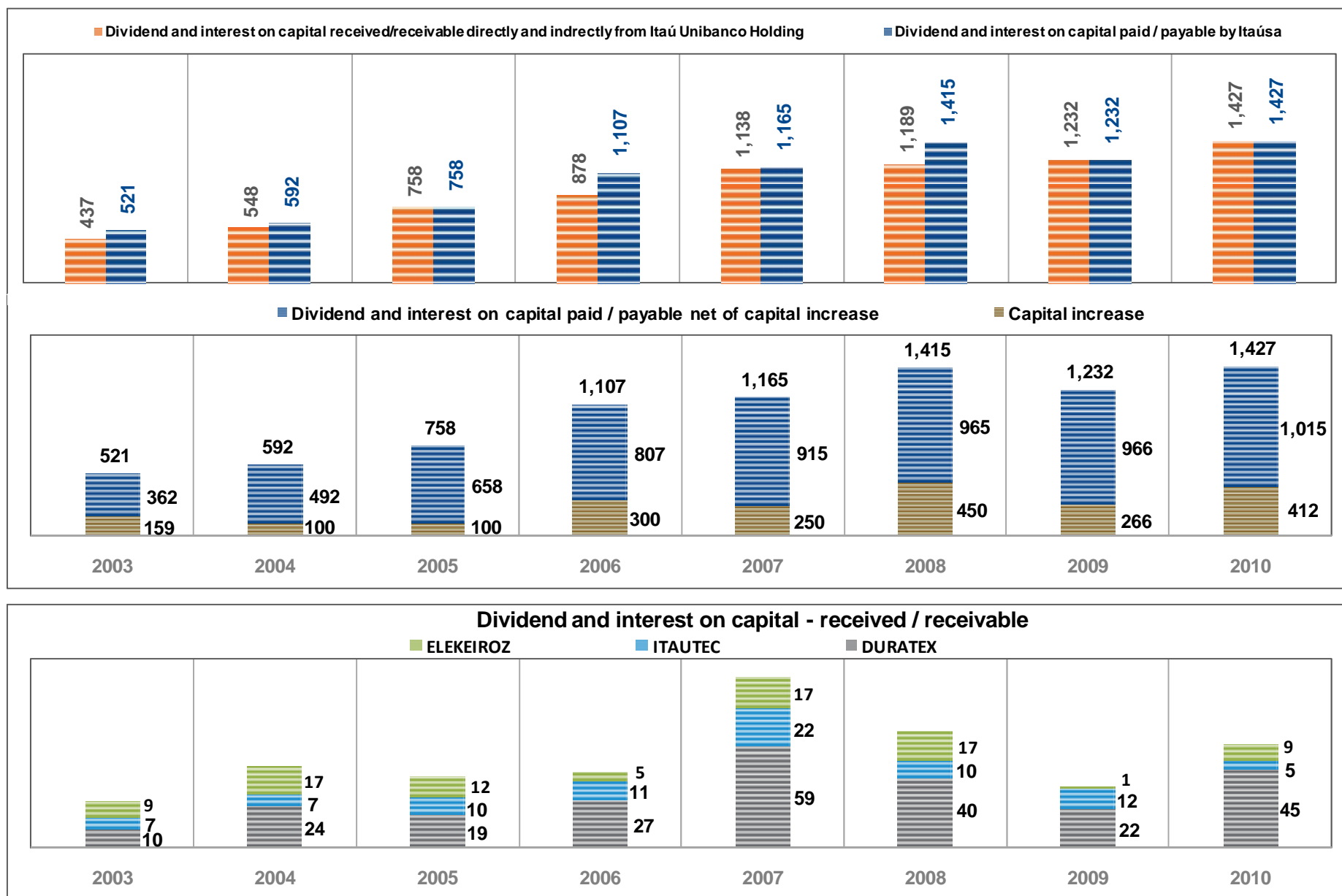
Source: Economática  
 Period: 12/30/2009 to 12/30/2010  
 Quotation adjusted by events such as reverse split, split and bonus of shares.

Performance of Share Prices at BM&FBOVESPA – Base 12/30/2009



Source: Economática  
 Period: 12/30/2009 to 12/30/2010  
 Quotation adjusted by events such as reverse split, split and bonus of shares.

# Flow of Dividends / Interest on Capital (\*) – in millions of Reais



(\*) Interest on capital net of withholding income tax

ITAÚSA - INVESTIMENTOS ITAÚ S.A.  
BALANCE SHEET AT DECEMBER 31, 2010 AND 2009

(In millions of Reais)

## INDIVIDUAL - BRGAAP

ASSETS	12/31/2010	12/31/2009	LIABILITIES	12/31/2010	12/31/2009
<b>Current assets</b>	<b>1,914</b>	<b>2,104</b>	<b>Current liabilities</b>	<b>2,401</b>	<b>1,133</b>
Cash and deposits on demand	-	-	Dividends/ interest on capital payable	1,157	1,047
Securities	518	981	Tax and social security contributions	158	83
Other receivables	1,397	1,123	Other liabilities	22	3
Dividends / Interest on Capital	960	858	Profit sharing and management fees	6	2
Deferred tax assets	250	85	Sundry creditors	16	1
Taxes and contributions for offset	131	71	Debentures	1,064	-
Adjustments BPI	-	73			
Other assets	56	36			
<b>Permanent assets</b>	<b>27,854</b>	<b>23,536</b>	<b>Stockholders' equity</b>	<b>27,368</b>	<b>24,506</b>
Investments	25,397	21,930	Capital	13,266	13,000
Investments in subsidiaries	25,384	21,917	Capital reserves	161	174
Other investments	13	13	Revaluation reserves	11	27
Fixed assets	7	7	Revenue reserves	13,923	11,252
Intangible assets	2,450	1,598	Adjustment to market value – Securities	7	69
Itaú Holding	1,146	336	(-) Treasury stock	-	(15)
IUPAR	1,254	1,254			
Duratex	50	8			
<b>TOTAL ASSETS</b>	<b>29,769</b>	<b>25,640</b>	<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>29,769</b>	<b>25,640</b>

**ITAÚSA - INVESTIMENTOS ITAÚ S.A.**

**BALANCE SHEET**

(In millions of Reais)

## INDIVIDUAL - IFRS

ASSETS	12/31/2010	12/31/2009	Opening balance 01/01/2009	LIABILITIES	12/31/2010	12/31/2009	Opening balance 01/01/2009
<b>Current assets</b>	<b>1,597</b>	<b>2,238</b>	<b>2,093</b>	<b>Current liabilities</b>	<b>1,916</b>	<b>754</b>	<b>1,348</b>
Cash and deposits on demand	-	136	-	Debentures	1,064	-	-
Financial assets at fair value through profit or loss	489	845	769	Current tax liabilities	104	47	31
Available-for-sale financial assets	29	-	9	Legal liabilities – tax and social security	14	36	10
Deferred tax assets	382	219	233	Dividends/Interest on capital payable	712	667	1,303
Other sundry receivables	698	1,038	1,081	Profit sharing and management fees	6	2	3
Pledged as collateral	51	36	33	Sundry creditors	16	2	1
Taxes and contributions for offset	136	72	96				
Dividends and interest on capital	510	858	952				
Other sundry receivables	1	-	-				
Adjustments BPI	-	73	-				
<b>Non-current</b>	<b>26,621</b>	<b>21,705</b>	<b>18,616</b>	<b>Non-current</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investments</b>	<b>25,781</b>	<b>21,675</b>	<b>18,609</b>	<b>Stockholders' equity</b>	<b>26,302</b>	<b>23,189</b>	<b>19,361</b>
Investments in subsidiaries	25,768	21,662	18,605	Capital	13,266	13,000	10,000
Other investments	13	13	4	(-) Treasury stock	-	(15)	(46)
<b>Fixed assets</b>	<b>7</b>	<b>7</b>	<b>7</b>	Revenue reserves	12,858	9,965	9,344
<b>Intangible assets</b>	<b>832</b>	<b>22</b>	<b>-</b>	Capital reserves	161	174	155
				Revaluation reserves	11	27	29
				Asset valuation adjustment	7	38	(122)
<b>TOTAL ASSETS</b>	<b>28,218</b>	<b>23,943</b>	<b>20,709</b>	<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>28,218</b>	<b>23,943</b>	<b>20,709</b>

**ITAÚSA - INVESTIMENTOS ITAÚ S.A.**  
**STATEMENT OF INCOME AT DECEMBER 31, 2010 AND 2009**

*(In millions of Reais, except per share information)*

**INDIVIDUAL - BRGAAP**

	01/01 to 12/31/2010	01/01 to 12/31/2009
<b>OPERATING REVENUES</b>	<b>4,131</b>	<b>3,117</b>
Securities	41	141
Share of profit of subsidiaries	3,934	2,901
Other operating revenues	157	75
<b>OPERATING EXPENSES</b>	<b>(456)</b>	<b>(172)</b>
Administrative	(33)	(26)
Management fees	(10)	(10)
Other operating expenses	(414)	(137)
Tax	(189)	(135)
Financial	(63)	(2)
Other expenses	(161)	(0)
<b>OPERATING INCOME</b>	<b>3,674</b>	<b>2,944</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>3,674</b>	<b>2,944</b>
<b>STATUTORY PARTICIPATION</b>	<b>(8)</b>	<b>(7)</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>191</b>	<b>(35)</b>
Due on operations for the period	1	(4)
Related to temporary differences	190	(31)
<b>NET INCOME FOR THE PERIOD</b>	<b>3,857</b>	<b>2,902</b>
NUMBER OF OUTSTANDING SHARES	437,428,159	4,345,832,640
NET INCOME PER SHARE (R\$)	0.00	0.00
BOOK VALUE PER SHARE (R\$)	6.25	5.64

ITAÚSA - INVESTIMENTOS ITAÚ S.A.  
STATEMENT OF INCOME  
(In millions of Reais)

INDIVIDUAL  
IFRS

	01/01 to 12/31/2010	01/01 to 12/31/2009
<b>OPERATING REVENUES</b>	<b>4,663</b>	<b>4,585</b>
Securities	41	141
Share of profit of subsidiaries	4,465	4,369
Other operating revenues	157	75
<b>OPERATING EXPENSES</b>	<b>(360)</b>	<b>(177)</b>
Administrative	(33)	(26)
Management fees	(18)	(16)
Other operating expenses	(309)	(135)
<b>OPERATING INCOME</b>	<b>4,302</b>	<b>4,408</b>
<b>FINANCIAL INCOME (LOSS)</b>	<b>(63)</b>	<b>(2)</b>
Financial income	0	0
Financial expense	(63)	(2)
<b>INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING</b>	<b>4,239</b>	<b>4,406</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>178</b>	<b>(43)</b>
Current income tax and social contribution	1	(4)
Deferred income tax and social contribution	177	(39)
<b>NET INCOME</b>	<b>4,417</b>	<b>4,362</b>
<b>ATTRIBUTABLE TO:</b>		
Interest of controlling interests	4,417	4,362
Non-controlling interests	-	-
	<b>4,417</b>	<b>4,362</b>
<b>NUMBER OF OUTSTANDING SHARES – In millions</b>	<b>4,362,427,860</b>	<b>4,217,734,911</b>
Basic profit/ diluted per share – common and preferred	<b>1.01</b>	<b>1.03</b>