



Itaúsa Headquarters | Paulista Avenue – São Paulo

# ITAÚSA

## 1H20 Results Conference Call

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The accounting information included herein is under IFRS.

# Conference Call Agenda

Results | 1H20

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**Commitment**  
to society

2

**Highlights**  
of Itaúsa's portfolio

3

**Itaúsa**  
1H20 Results

4

**Q&A Session**

# COVID-19: actions and reactions in the operations



## Customers

increase in renegotiations and flexibilities for individuals and very small and small companies.

## Loans

increase in credit supply to all segments, including payroll financing and Pronampe.

## Provision for losses

increase in expected losses with customers (+R\$ 8.9 billion).

## Dividends

temporary restriction imposed by Central Bank for distribution.



## Factories

expenses with shutdowns and readjustment of factories.

## Customers

term extension for clients.

## Provision for losses

deterioration in customer risk management with a consequent increase in the provision for losses (+R\$ 28.5 million).

## Liquidity

raise of R\$ 2.1 billion in the semester.



## Factories

impact of the reduction in the scale of production in the period.

## Renegotiations

term extension for clients and renegotiation of supplier payment terms.

## Provision for losses

deterioration in customer risk management with a consequent increase in the provision for losses (+R\$ 25.0 million).

## Liquidity

raise of R\$ 1.6 billion in the semester.



## Negotiations

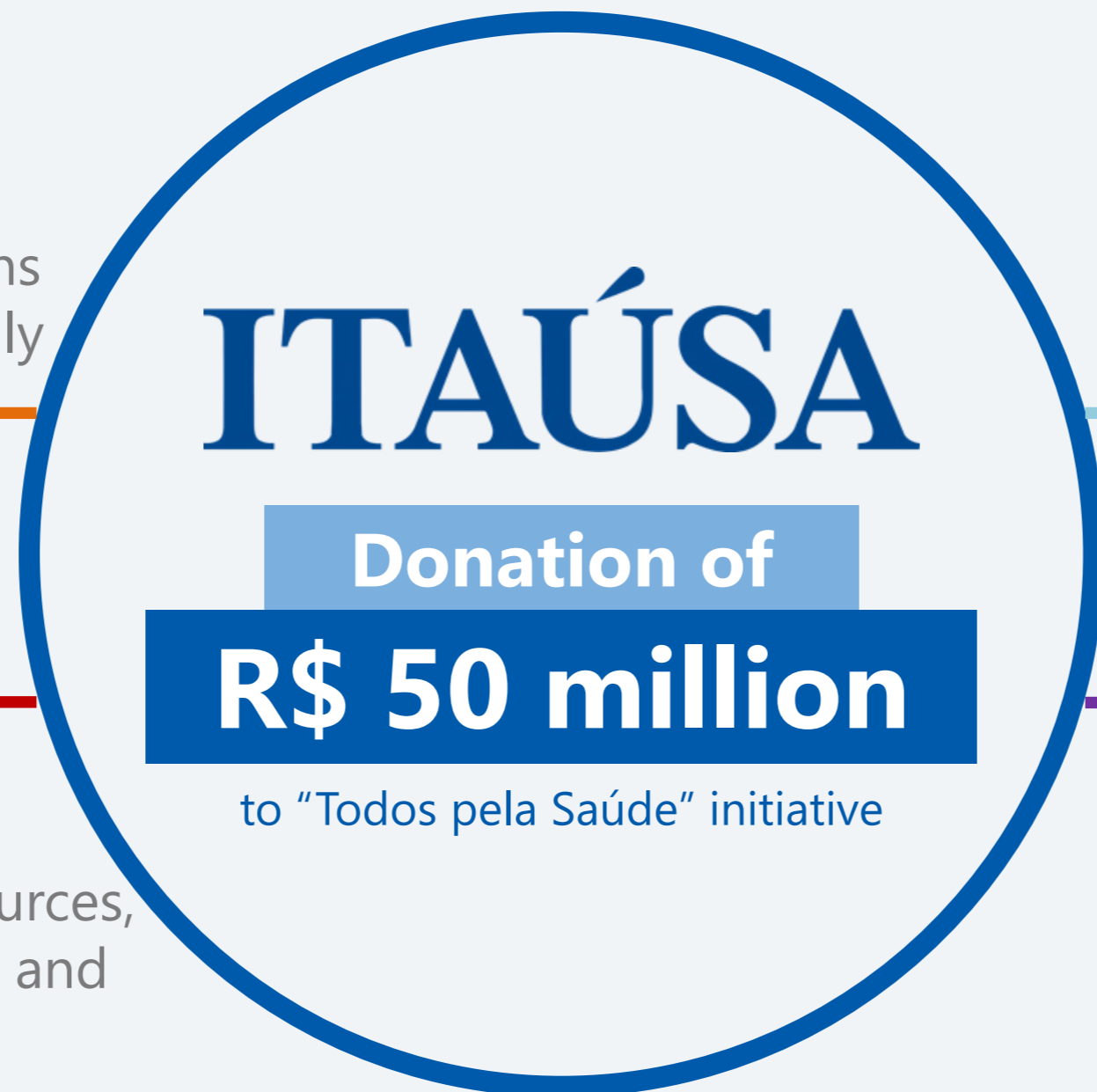
agreement between NTS and Petrobras to grant temporary deferral to Petrobras under the GTAs (payments from April, May and June/20) with settlement of the last installment of deferred receivables to be made in August 2020.

## Investments


postponement of civil works and non-urgent interventions with partial resumption of field operations in June, following established prevention protocols.

# COVID-19: Social Actions

Itaúsa and investee companies made donations to minimize the impacts of the pandemic on society.



**Donation of R\$ 1.35 billion** by the bank, foundations and Moreira Salles family

**Donation of R\$ 10 million<sup>1</sup>,**  **Duratex** including financial resources, and hygiene products items



**Donation of R\$ 16.6 million,** including financial resources, masks, serological tests and respirators

**Donation of R\$ 4.1 million** in hospital beds and equipment to hospitals



**Controlling Group Families (Setubal and Villela)**

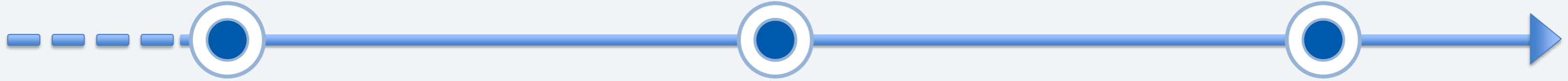
**R\$ 50 million**

to "Todos pela Saúde" initiative

<sup>1</sup> R\$ 10 million at market value (R\$ 7.2 million at cost value).

# Continuous improvement of ESG practices

Reinforcement of the commitment to long-term sustainability of business and looking for high standards.



## Disclosure of 2019 Integrated Report



Based on the guidelines of the International Integrated Reporting Council (IIRC), the document addresses the main capitals of Itaúsa, allowing a better understanding of the factors that affect the capacity to create value over time.

## Itaúsa joins FTSE4Good



## FTSE4Good

FTSE4Good index measures the performance of companies that demonstrate outstanding ESG practices. It is used as a reference for global best practices and also as a basis for so-called responsible investments.

## Corporate Governance Commission constitution



It was created to strengthen and enhance the discussions related to Corporate Governance theme at Itaúsa and its scope will be to assist the Management in targeting and identifying opportunities to improve Itaúsa's Governance System.



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## Conference Call

### Agenda

Results | 1H20

Highlights of  
Itaúsa's portfolio

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# Highlights of Itaú's portfolio

Results | 1H20 - Itaú Unibanco



**Loan portfolio<sup>1</sup>** grew 20.1%, with emphasis on Very Small, Small and Medium-sized companies (+28.9%) and Large Companies (+27.9%).

Excluding non-recurring effects, General and Administrative Expenses would have decreased 4.9%.

**123% increase in expected loss**, due to the change in the macroeconomic scenario.

## Highlights of 1H20

### Evolution in digital transformation

22.9 million digital customers, an increase of 17.1% compared to June 2019.

Approximately 1 million accounts opened by the app in 1H20.

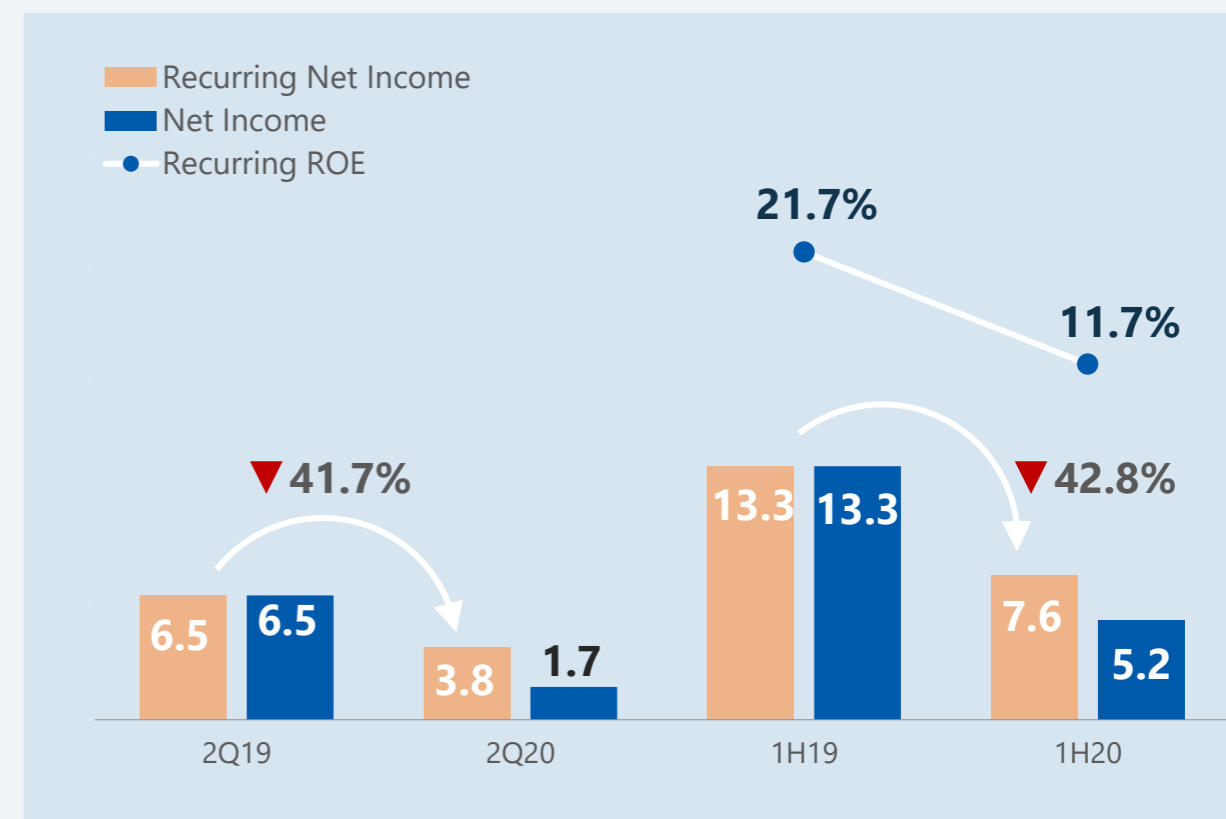
### Solutions to better serve its customers

The bank has operated through programs and credit lines, such as the "Crossing Programs", the payroll credit line and Pronampe.



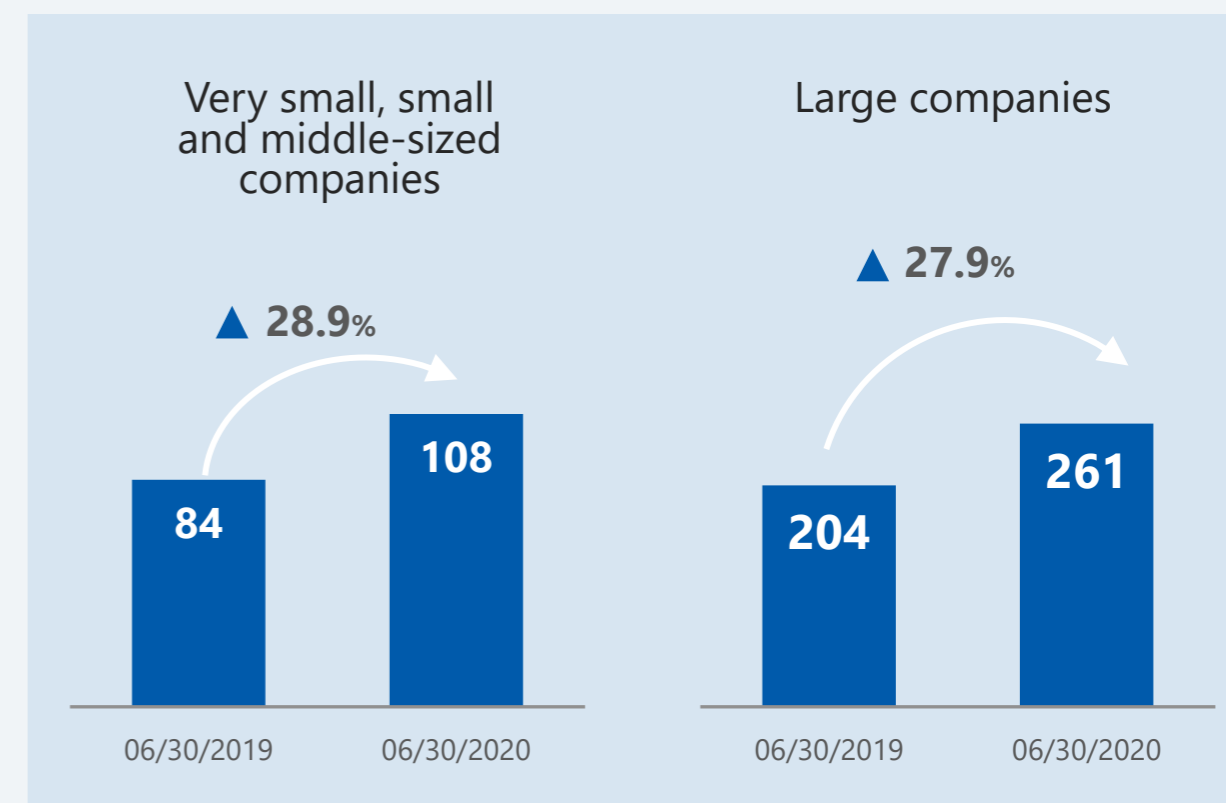
### Net Income and ROE

R\$ billion - IFRS  
Attributed to controlling stockholders



### Loan Portfolio<sup>1</sup>:

R\$ billion - IFRS



<sup>1</sup> Loan Portfolio with financial guarantees provided and private securities.



# Highlights of Itaúsa's portfolio

Results | 1H20 - Alpargatas



**93% growth in online sales in 1H20 in all regions and better cost and expense management** minimized the effects of physical store closures and factory idleness caused by COVID-19 on **Recurring EBITDA, which retracted 42.7%.**

## Highlights of 1H20

### Digital

Alpargatas held, among other actions, the **first 100% online sales convention**, with a **record number of impacted people.**

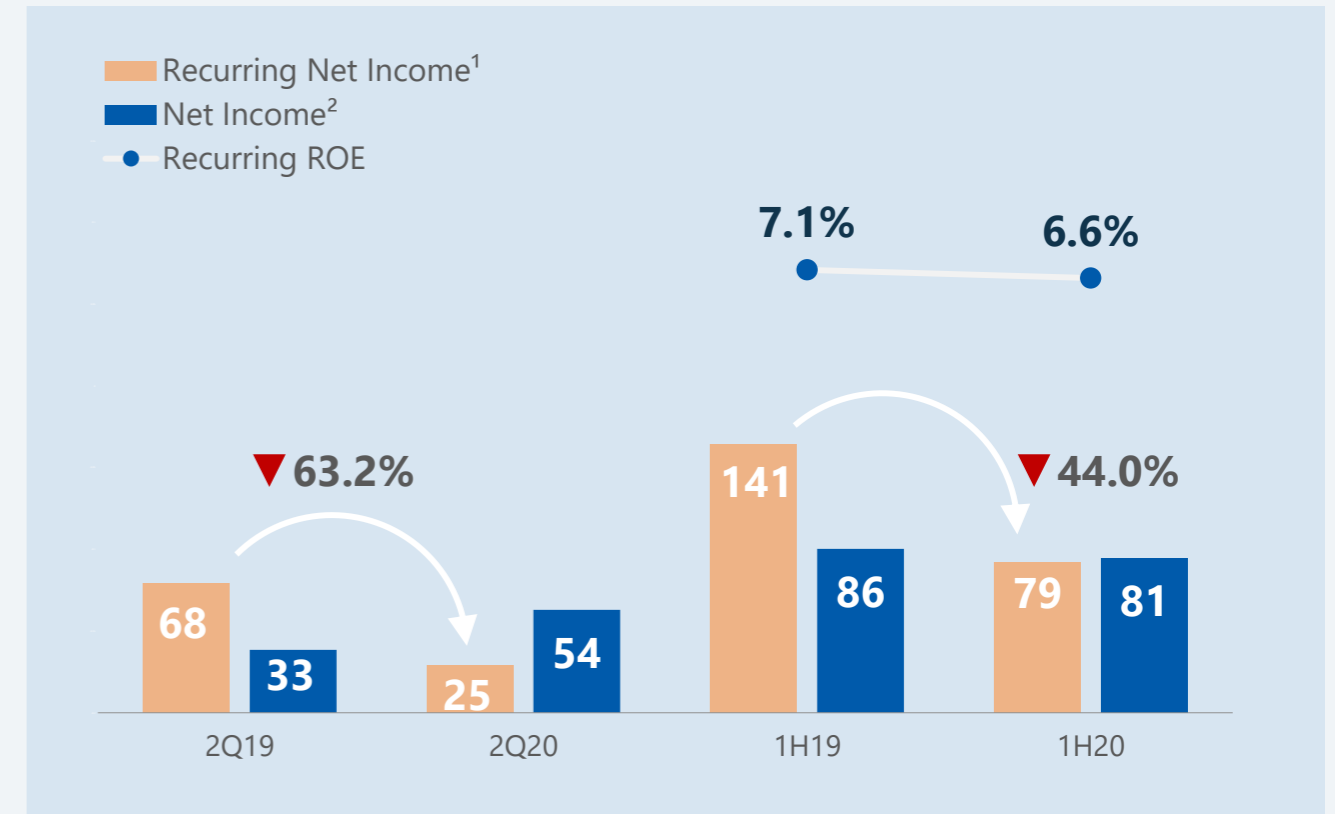
### Capital Management

Alpargatas made the **definitive write-off of the investment held in Argentina**, concluding the process of **discontinuing operations** in that country.



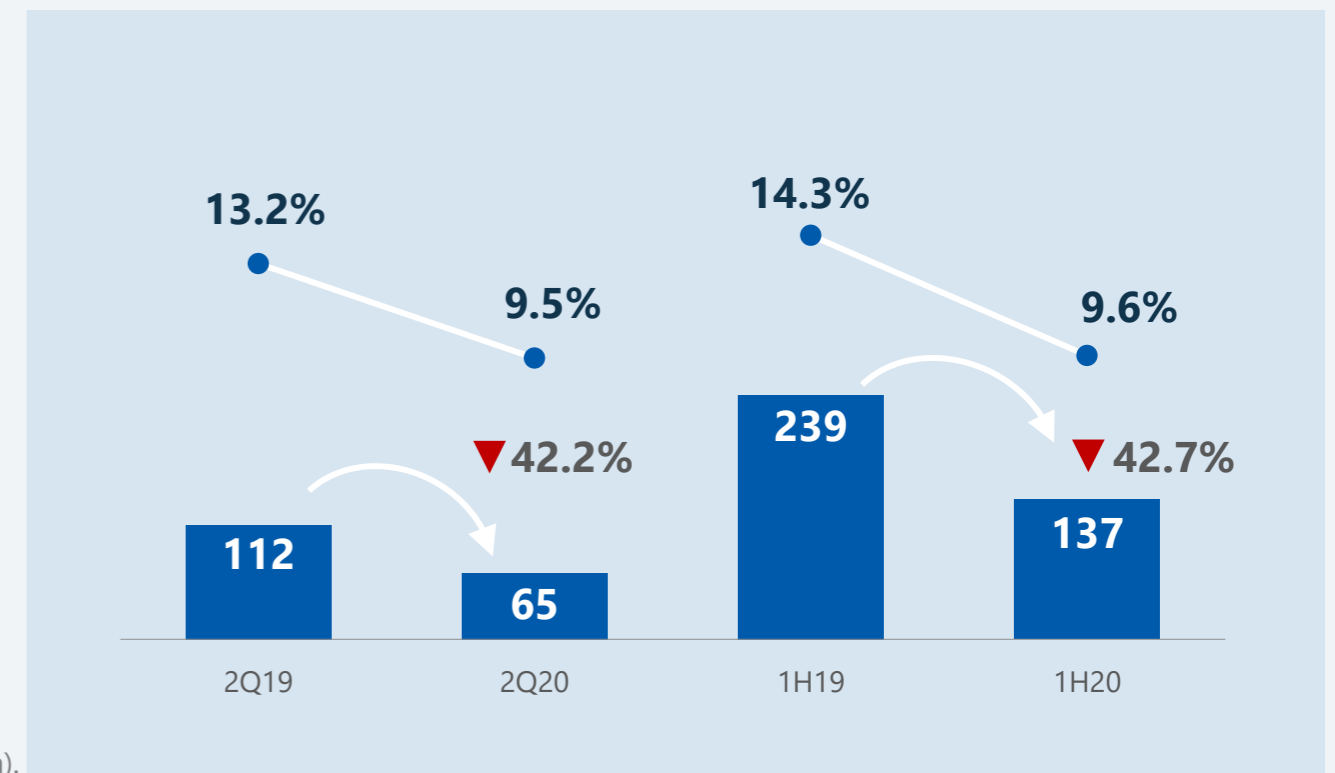
### Net Income and ROE

R\$ million



### Recurring EBITDA

R\$ million  
Recurring EBITDA margin



<sup>1</sup> Attributed to controlling stockholders (proforma).

<sup>2</sup> Attributed to controlling stockholders.

# Highlights of Itaúsa's portfolio

Results | 1H20 - Duratex

**Duratex** Full consolidation of Cecrisa's results, and better management of costs and expenses partially mitigated the effects of the pandemic on **Recurring EBITDA, which shrank 13.8% in the period.**

## Highlights of 1H20

**Effective crisis management and agile process of resuming activities during COVID-19 crisis**

Process resulted in **market share gain**, higher than expected operating cash flow (ex-investment projects) and preservation of the leverage level.

**Progress in the project of construction of a dissolving pulp mill**

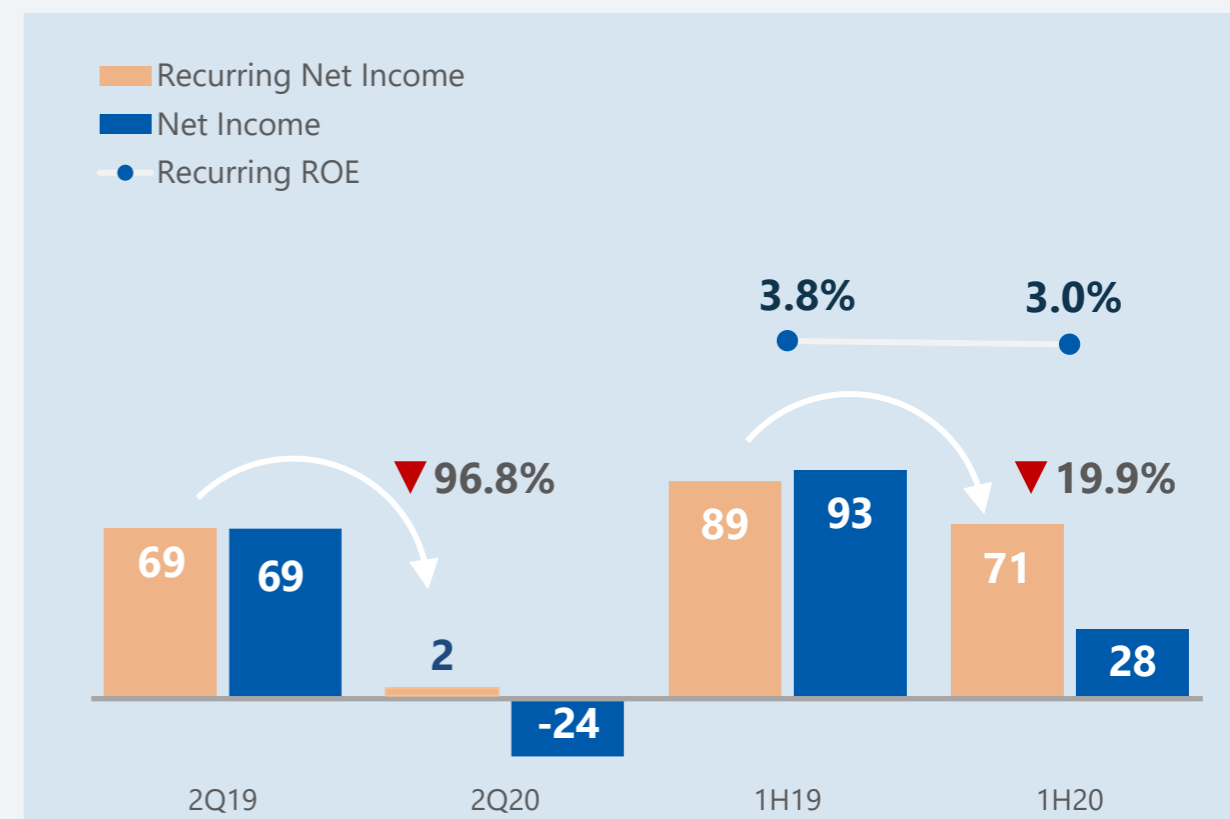
In June, Duratex and Lenzing AG, through the LD Celulose joint venture, announced the **project's financing structure.**

**Release of 1<sup>st</sup> Integrated Report**

The Integrated Report reinforces Duratex's **long-term strategic vision.** It is an evolution of the Annual Report and in line with IIRC<sup>2</sup> guidelines.

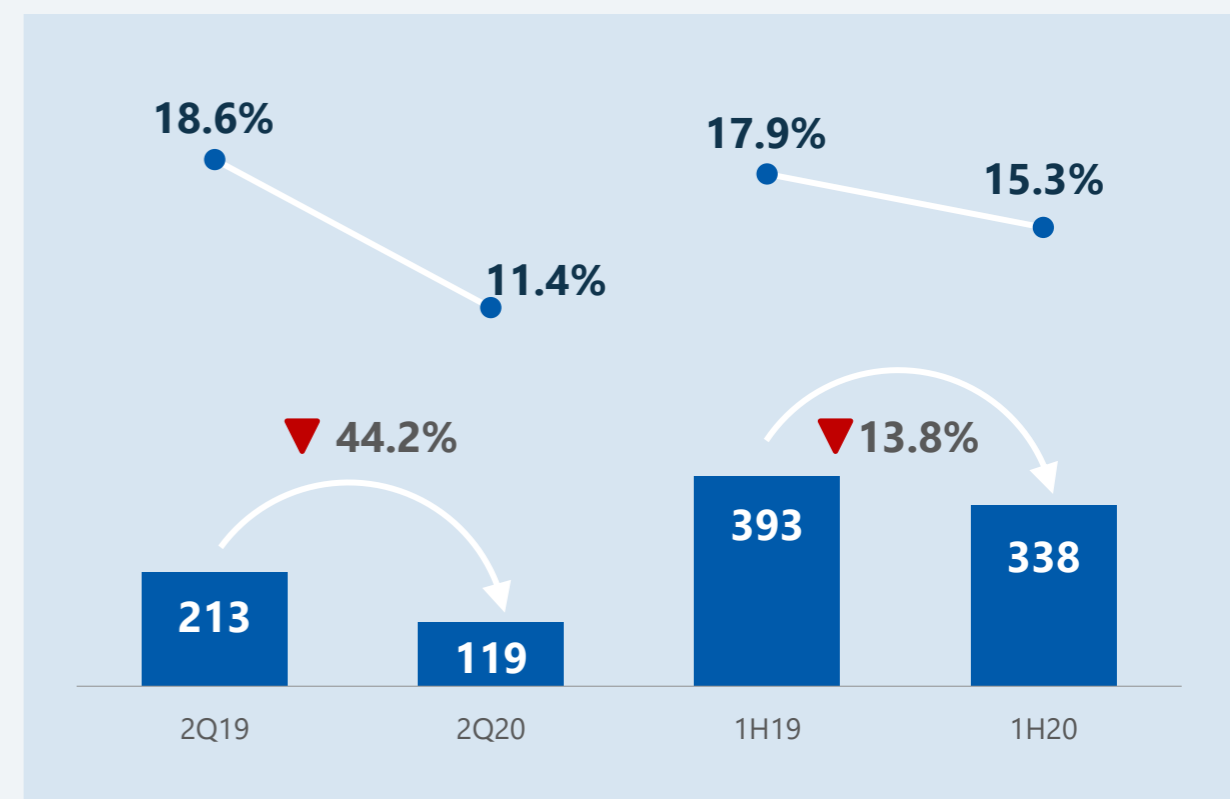
### Net income and ROE<sup>1</sup>

R\$ million



### Recurring EBITDA


R\$ million  
Recurring EBITDA margin



<sup>1</sup> Attributed to controlling stockholders.  
<sup>2</sup> IIRC: International Integrated Reporting Council.

# Highlights of Itaúsa's portfolio

Results | 1H20 - NTS



Net revenue increased **5.2% in 1H20**, as a result of contractual adjustments; **profit increases 9.4%** also due to better financial results.

## Highlights of 1H20

Earnings of **R\$ 95 million** in 1H20.

**Petrobrás** moves forward in the **process of divesting** its stake in **NTS**, which started in May.

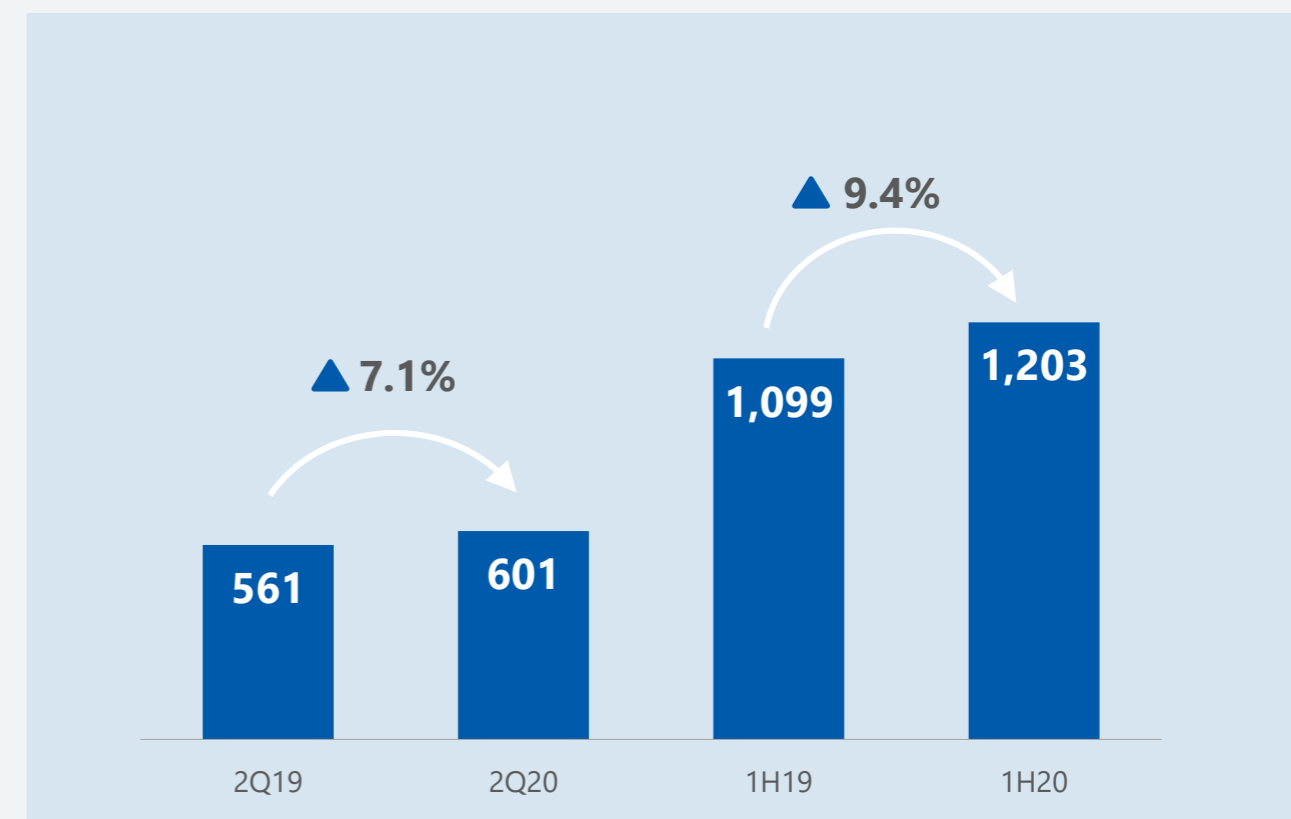
In February, **NTS acquired the Mantiqueira Compression Station**, located in Minas Gerais region, with an investment of R\$ 46.1 million.

**Reaffirmation of the credit rating** of AAA(bra)/Stable by Fitch Ratings, in January.



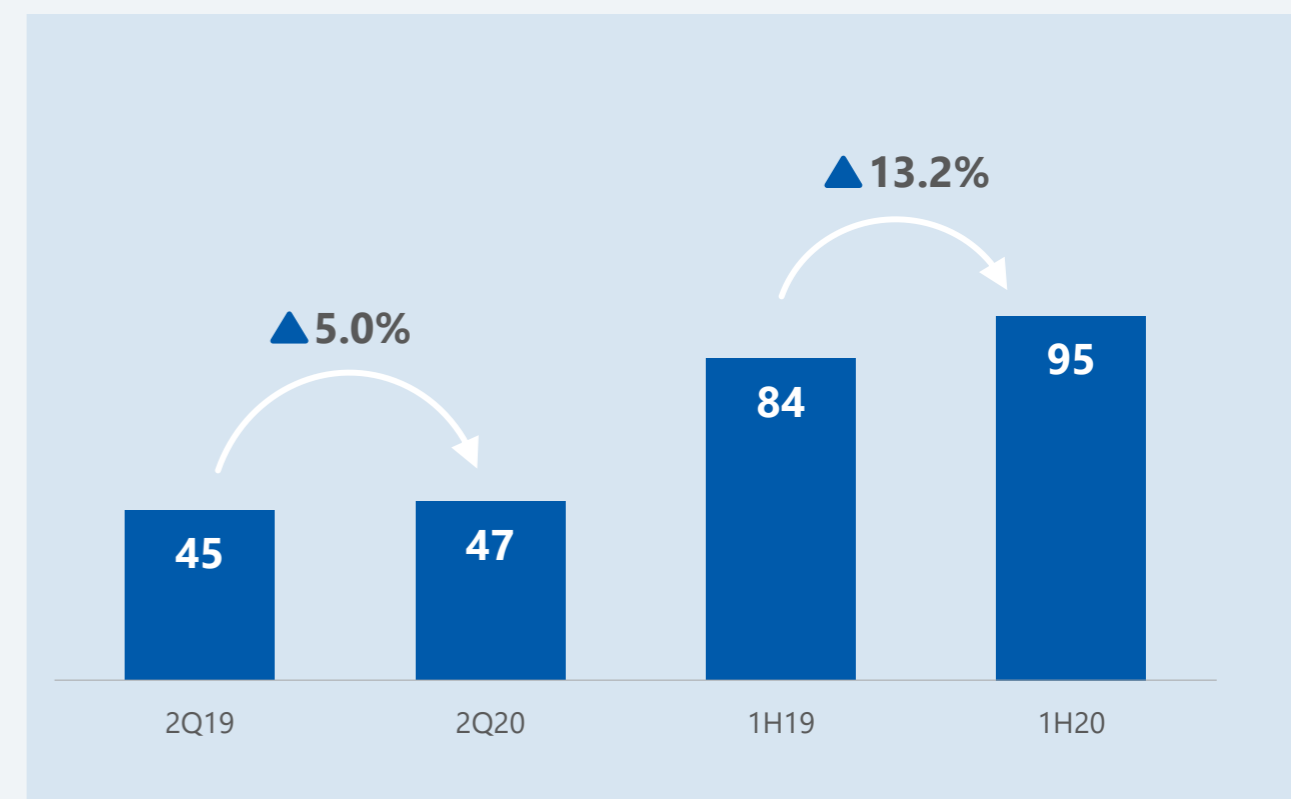
### Net Income

R\$ million




### Earnings received by Itaúsa

R\$ million





# ITAÚSA

**Results | 1H20**

# Main metrics of income and balance sheet

Parent Company, in IFRS

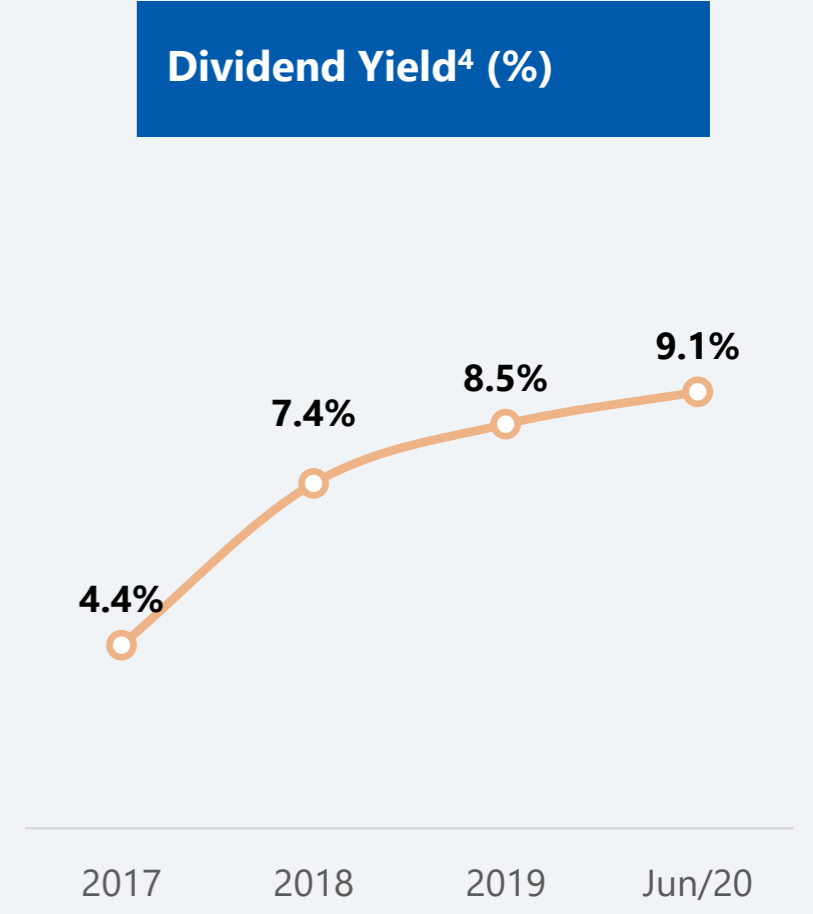
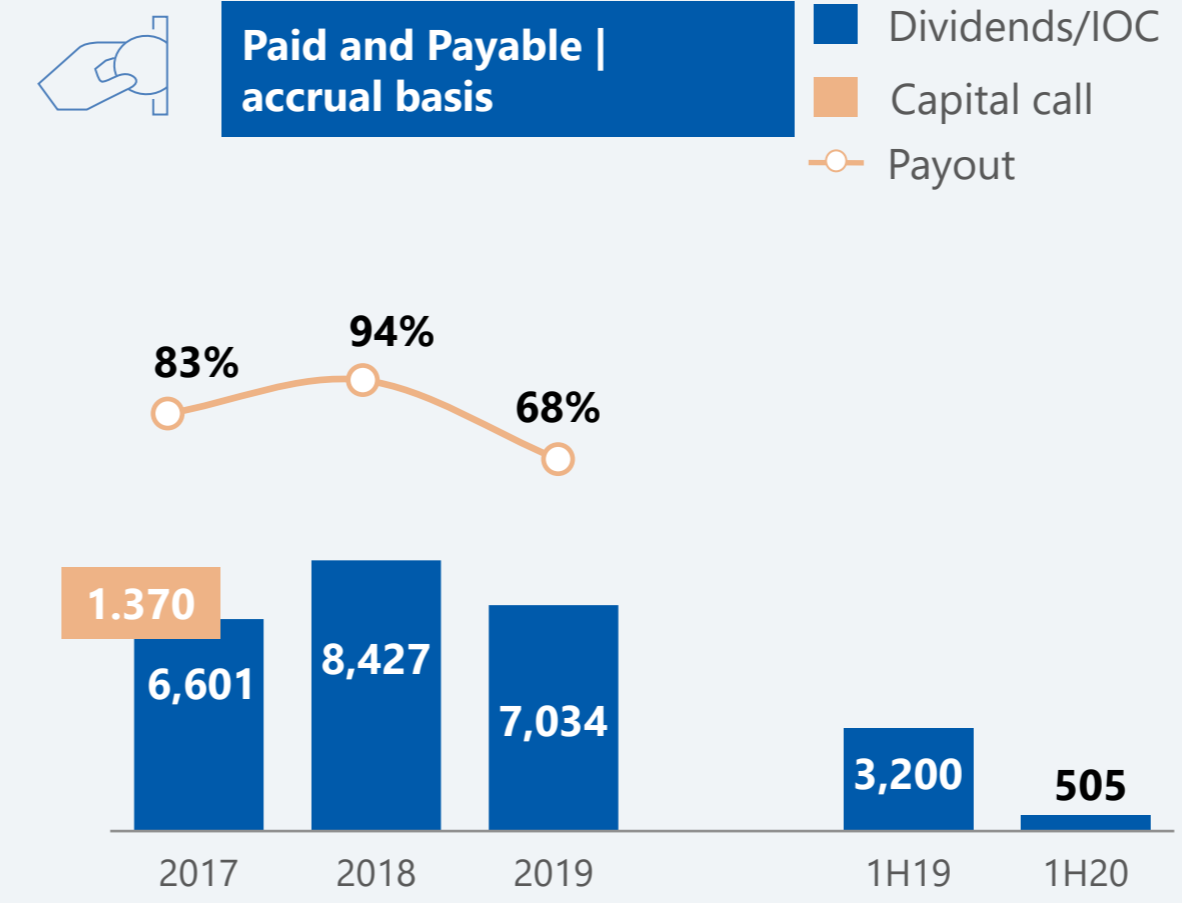
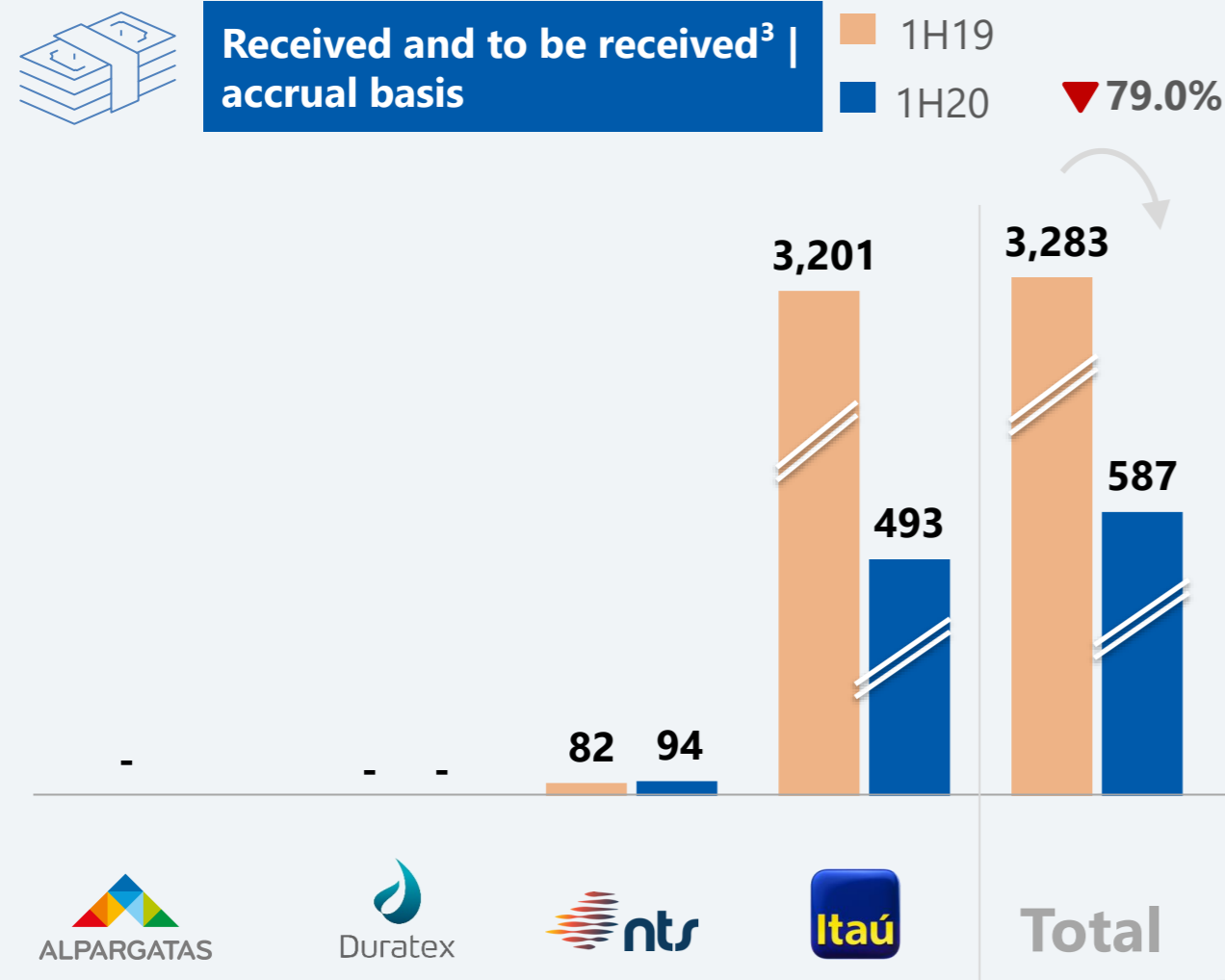
	R\$ million			R\$ per share	
<b>Profitability</b>	1H20	1H19	Change	06.30.2020	06.30.2019
Net Income	1,610	4,921	-67.3%	0.19	0.59
Recurring Net Income	2,499	4,692	-46.7%	0.30	0.56
ROE	6.0%	18.7%	-12.7bps		
Recurring ROE	9.4%	17.8%	-8.5bps		
<b>Balance Sheet</b>					
Total Assets	56,548	56,449	+0.2%		
Stockholders' Equity	52,896	52,362	+1.0%	6.29	6.23
Market Value <sup>1</sup>	80,660	108,415	-25.6%		
<b>Payout</b>					
Dividend Yield <sup>2</sup>	9.1%	8.2%	+0.9bps		

<sup>1</sup>Calculated based on the closing price of Itaúsa's preferred shares (ITSA4) on the last day of the period.

<sup>2</sup>Dividend Yield includes dividends/interest on capital, gross, paid in the last 12 months, divided by the closing price of Itaúsa's preferred shares. Source: Economática.

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

in R\$ million



Brazilian Central Bank, through **Resolution 4,820/20**, imposed a temporary restriction on dividend distribution above statutory minimum on financial institutions.

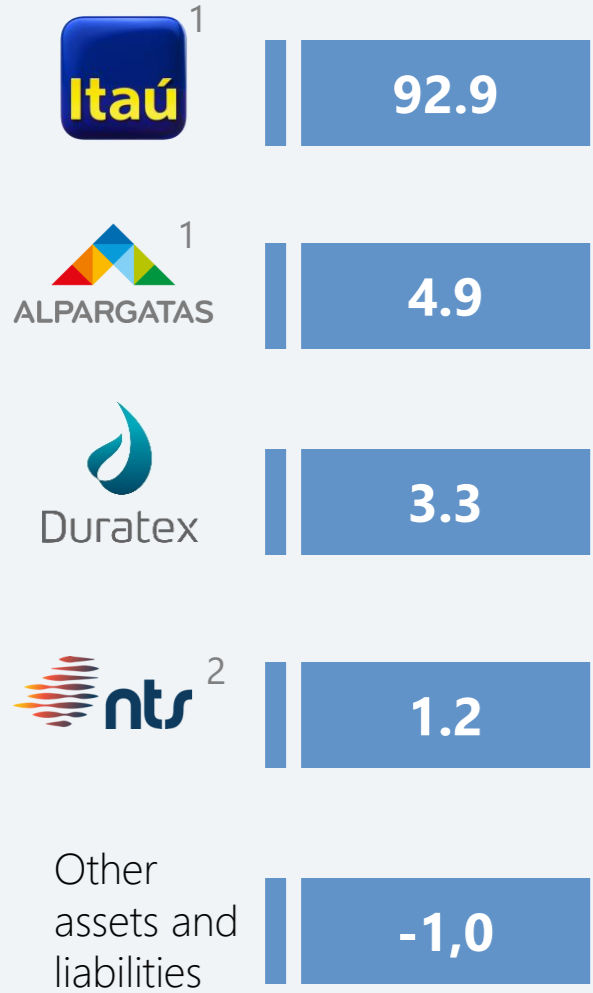
<sup>1</sup> Refers to Individual Balance Sheet.  
<sup>2</sup> Interest on capital, net of withholding income tax. Includes refund of capital arising from decrease in NTS's capital. Includes dividends reported in the profit reserve.  
<sup>3</sup> Considered as "receivable" the Interest on Equity declared by Itaú Unibanco on 08.03.2020 and which will be paid on 08.26.2020.  
<sup>4</sup> Dividend Yield includes dividends/interest on capital, gross, paid in the last 12 months, divided by the closing price. Source: Economática.



# Capital markets

Itaúsa's portfolio – market value<sup>1</sup>  
R\$ billion - on 06.30.2020

### Market value of Itaúsa's portfolio



### Sum of the parts (a)

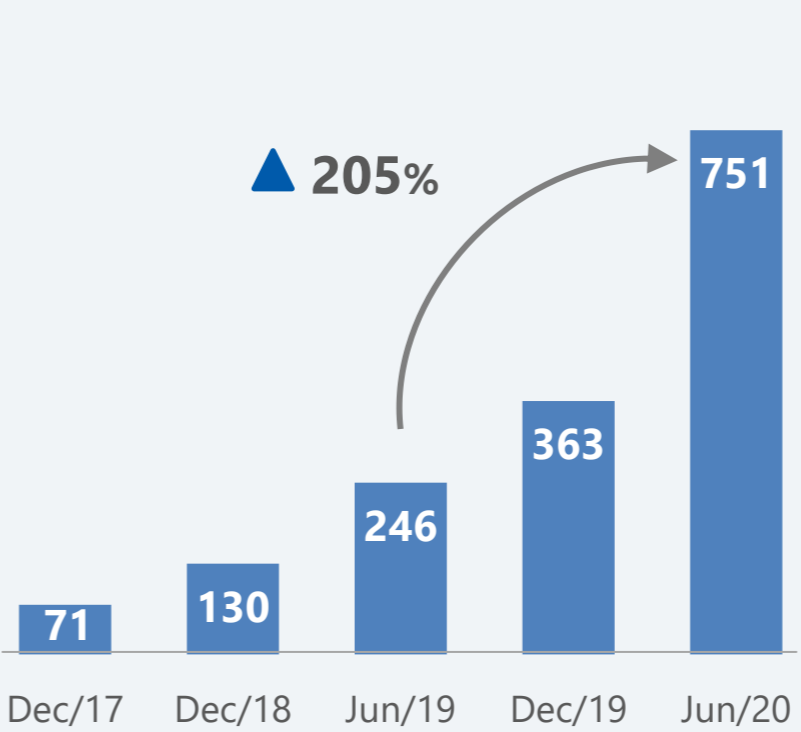


### Market Value<sup>1</sup> of Itaúsa (b)



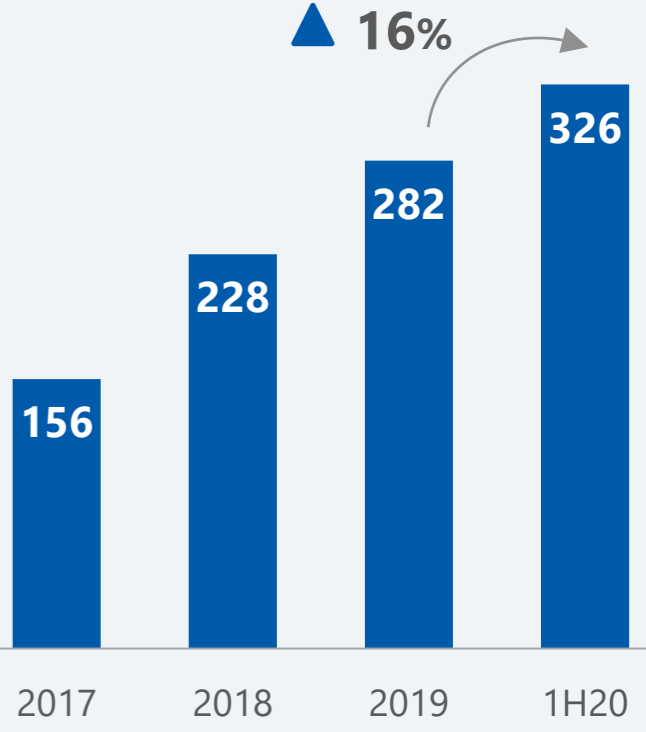
### Evolution of individual stockholders' base

thousands of stockholders

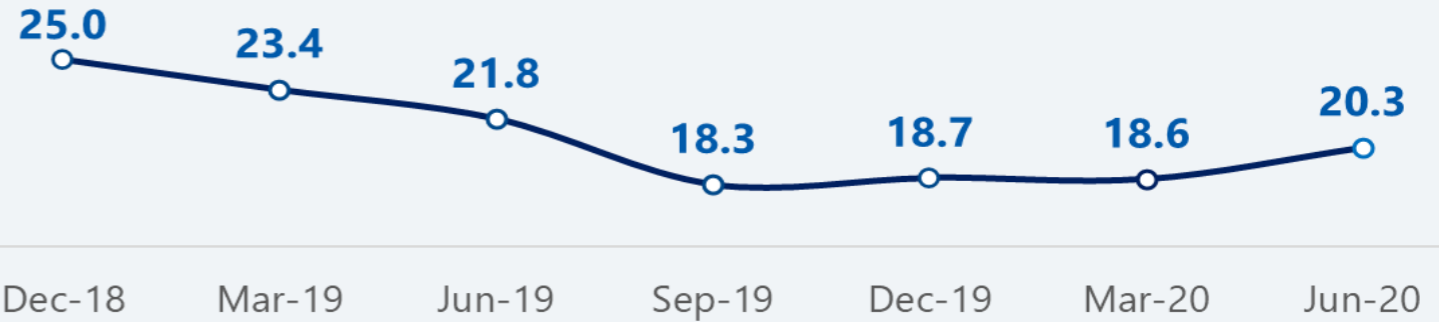


### Average daily traded volume

ITSA4 – R\$ million



### Historical holding discount (%)



<sup>1</sup> Calculated based on Itaúsa's preferred shares price.  
<sup>2</sup> Investment amount recorded in the Balance Sheet on 06.30.2020.

# Itaúsa in the capital markets



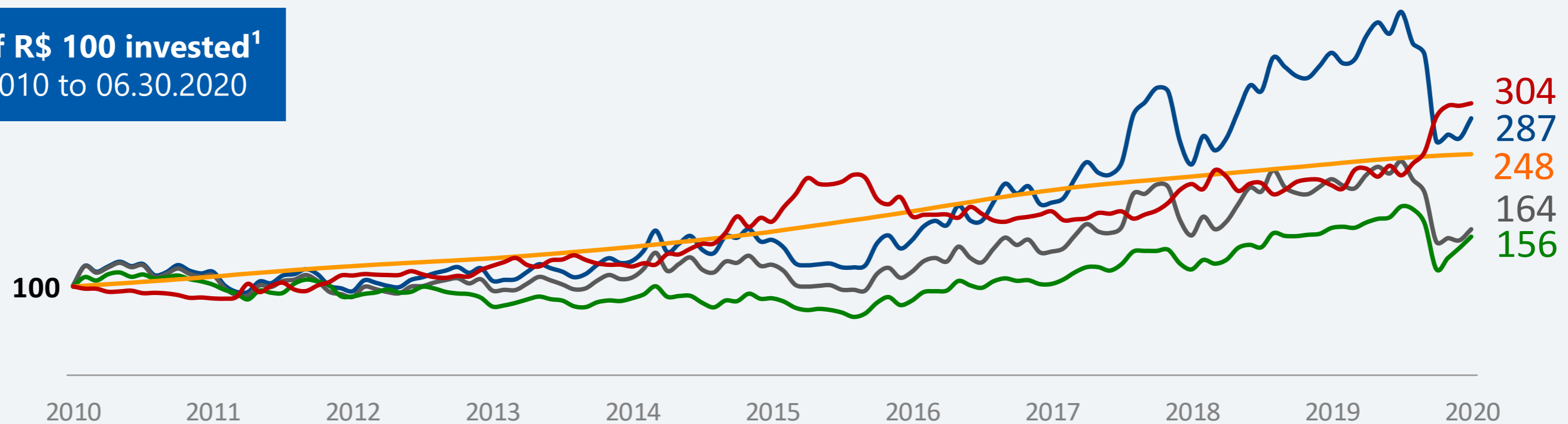
## CAGR (in Reais)

	Itaúsa total return <sup>1</sup>	Itaúsa without reinvestment	Ibovespa	CDI	US dollar
<b>10 years</b>	11.1%	5.1%	4.5%	9.5%	11.8%
<b>5 years</b>	13.7%	5.8%	12.4%	9.0%	12.0%
<b>12 months</b>	-20.3%	-25.6%	-5.9%	4.6%	42.9%

<sup>1</sup> With dividends/interest on capital reinvested



## Evolution of R\$ 100 invested<sup>1</sup> from 06.30.2010 to 06.30.2020



<sup>1</sup>With dividends/interest on capital reinvested

# Q&A Session

# ITAÚSA

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Chairman of the Board of Directors

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