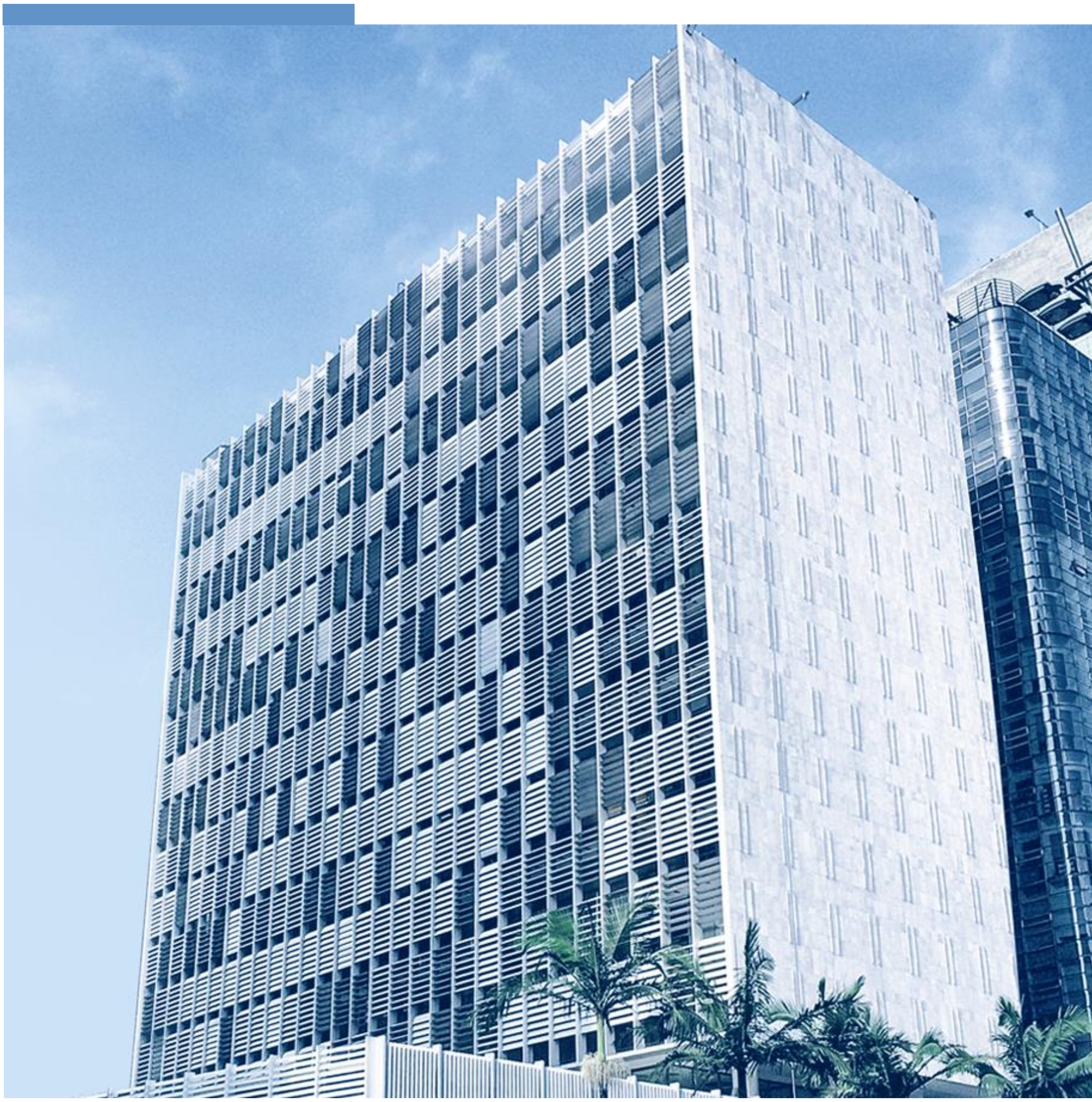
ITAÚSA



Itaúsa Headquarters | Paulista Avenue - São Paulo/Brazil

Interim Financial Statements

March 31, 2021

Management Report

We present the Management Report and the Individual and Consolidated Financial Statements of Itaúsa S.A. (Itaúsa) for the first quarter of 2021 (1Q21). These Financial Statements have been prepared in accordance with the standards established by the Accounting Pronouncement Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM), as well as the International Financial Reporting Standards (IFRS).

Independent auditor's report

The Financial Statements were audited by PricewaterhouseCoopers Auditores Independentes (PwC) and received an unqualified opinion from the external auditor. The Financial Statements have been approved by the Fiscal Council. The Financial Statements were made available to the market on the websites of Itaúsa, B3 S.A. – Brasil, Bolsa, Balcão ("B3"), and the CVM.

1. Message from Management

The first months of 2021 were marked by the progress in the rollout of the Covid-19 vaccination program and the fiscal and monetary stimulus packages launched by the world's developed economies, which has led to expectations that these economies will fare better. In Brazil, the vaccine rollout for a greater number of people moving forward into the second quarter, coupled with the reduction in government emergency aid, has reduced market expectation for the Brazilian economy in 2021.

Our portfolio companies have once again proved their resilience through the operating results. In the financial sector, the performance of the financial margin has been improved, and noteworthy were the Financial Margin with the Market and the lower volume of expected loan losses, in addition to the efficient management of general and administrative expenses, which favored a significant rise in profit. In consumer goods and materials for civil construction materials segments, Alpargatas and Duratex recorded increases in the volume of sales, as well as in net revenue and EBITDA, despite the pressure on cost of certain raw materials. It is worth mentioning that this has been the best first quarter ever in Duratex's history. In the gas distribution and transportation segments, NTS and Copagaz also recorded higher revenues. These companies and Itaúsa continue to operate with all security protocols, including remote work in administrative areas, measures in operational units and stores, and strengthening hygiene and security procedures in areas with common access.

The ongoing efforts to improve the Company's governance has seen the latest Stockholders' Meeting electing three new independent members to the Board of Directors, bringing in new expertise and more diversity to the board. Now with 33% of independent members, the new composition of the Board of Directors is aligned with the best Governance practice guidelines recommended by local and foreign ESG institutes and agencies, such as the Brazilian Institute of Corporate Governance (IBGC) in Brazil and the FTSE4Good and Dow Jones Sustainability Index abroad.

Regarding portfolio management, at the end of April 2021 Itaúsa announced the execution of an Investment Agreement for the purchase an 10.20% of voting capital and 8.53% of total capital of Aegea, the leading company of Brazil's private basic sanitation sector, and the increase in its equity interest in NTS to 8.50% from 7.65%.

In addition, regarding the spin-off of Itaú Unibanco involving participation in XP Inc. and the consequent creation of XPart, we highlight that the conclusion of the transaction is still awaiting approval from the Federal Reserve (FED, the American central bank). Once the transaction is completed, XPart and XP Inc. will be able to submit the merger of XPart by XP Inc. for resolution at their respective Shareholders' Meetings.

These transactions are aligned with Itaúsa's efficient capital allocation strategy and our commitment to creating value to stockholders and society.

2. Itaúsa Highlights

Efficient capital allocation

Corporate restructuring involving Itaú Unibanco's equity interest in XP Inc.

Regarding the spin-off of Itaú Unibanco's equity interest held in XP Inc. and consequent creation of XPart, to be controlled by Itaúsa and IUPAR - Itaú Unibanco Participações S.A., we continue to await the transaction approval by the FED. Once the authorization has been obtained, the parties involved in the possible incorporation of XPart by XP Inc. (Itaúsa, IUPAR, XPart, XP Inc. and XP Inc.'s controllers) may proceed with the measures for submitting the incorporation proposal to their corresponding competent corporate bodies.

When the transaction is completed, Itaúsa will directly or indirectly hold approximately 15% of XP Inc.'s total capital. Therefore, this will become the portfolio's second largest investment in market value.

Subsequent events

Acquisition of equity interest in Aegea Saneamento

On April 26, 2021, Itaúsa announced to the general market that it had executed investment agreements with Aegea Saneamento e Participações S.A. Upon completion of operation, Itaúsa's equity interest will total 10.20% of voting capital and 8.53% of total capital. The investment will be worth R$1.3 billion, subject to price adjustments provided for in the Investment Agreement. The funds for this investment will be raised through local debt bonds.

Itaúsa will be entitled to nominate members to the governance bodies and believes that, in addition to contributing to good management and corporate governance practices, the investment will help Aegea leverage its growth plan implementation by supporting new opportunities to optimize its business value creation.

Additionally, this investment provides Itaúsa with the opportunity to add to its portfolio an asset that combines attractive rate of return, high potential of growth of this sector in Brazil and positive impact on society, in addition to being aligned with its capital allocation strategy by gathering together strategic partners with long-term vision and proven experience in the sector of operation.

Increase of equity interest in NTS

On April 30, 2021, the sale of Petrobras' remaining 10% interest in Nova Transportadora do Sudeste S.A. (NTS) to Nova Infraestrutura Gasodutos Participações S.A., a company incorporated by Nova Infraestrutura Fundo de Investimentos em Participações (FIP), the investment fund managed by Brookfield Brasil Asset Management Investimentos Ltda. and Itaúsa, was completed. As a result, Itaúsa's interest in this investment raised to 8.50% from 7.65% (directly and indirectly held). This increased equity interest strengthens the trust in the value creation brought by this investment into Itaúsa's portfolio.

For further information on XP Inc., Aegea and NTS transactions, please access the Material Facts and Notices at www.itausa.com.br/material-facts-and-notices.

Environmental, Social and Governance (ESG)

2020 Integrated Report

In March 2021 Itaúsa published its 2020 Integrated Report, based on the International Integrated Reporting Council (IIRC) guidelines. This document, structured to address the Company's main Capitals, summarizes the Itaúsa's major highlights, business model, changes in investment portfolio, vision of the future, and its individual economic-financial results and environmental, social and governance (ESG) aspects and those of its investees as well.

Prepared with the active engagement of Itaúsa's Senior Management, the Integrated Report strengthens the Company's commitments to long-term value creation guided by strategic pillars "Efficient Capital Allocation", "Business Continuity", and "Shared Culture".

Please access the Integrated Report by clicking on www.itausa.com.br/integrated-report-and-annual-report.

Independent members elected to Itaúsa's Board of Directors

As part of the ongoing governance improvement in Itaúsa, at the latest Stockholders' Meeting held on April 30, 2021, three independent members were elected to the Board of Directors, as follows:

(i) Fernando Marques Oliveira, a business administrator, and partner of H.I.G. Capital;
(ii) Patrícia de Moraes, an economist, former associate and officer at JP Morgan Brazil for over two decades; and
(iii) Vicente Furletti de Assis, a civil engineer and senior partner of McKinsey.

These professionals have just strengthened the Senior Management team by bringing in new expertise and more diversity to the Company's highest governance body, which now counts on one-third of independent members, in line with the best market practices.

For further information on the current composition of the Board of Directors, and to see the summarized résumés of members, please click on www.itausa.com.br/management-and-committees.

3. Itaúsa's economic performance

As a holding company, Itaúsa's results are basically derived from its Equity in the Earnings of Investees, determined based on the net income of its subsidiaries and revenues from investments in financial assets. The main indicators of individual results are shown in the table below:

	R$ million			R$ per share		
	1Q21	1Q20	Change	03.31.2021	03.31.2020	Change
PROFITABILITY (1)						
Net income	**2,207**	1,012	118.1%	**0.26**	0.12	118.1%
Recurring net income	**2,408**	1,078	123.4%	**0.29**	0.13	123.4%
Return on Equity (annualized)	**15.2%**	7.6%	7.7 p.p.			
Recurring Return on Equity (annualized)	**16.6%**	8.0%	8.6 p.p.			
BALANCE SHEET (1)						
Total assets	**63,886**	55,598	14.9%			
Net indebtedness	**1,303**	162	704.3%			
Stockholders' equity	**58,696**	51,962	13.0%	**6.98**	6.18	13.0%
CAPITAL MARKET						
Market Value (2)	**86,800**	73,763	17.7%	**10.32**	8.77	17.7%
Average Daily Traded Volume (ADTV) on B3 (3)	**346**	341	1.6%			

(1) Attributable to controlling stockholders.
(2) Calculated based on the closing price of preferred shares in the last day of the period.
(3) It considers Itaúsa's preferred shares (ITSA4).

Pro Forma Individual Result of Itaúsa(1)

The equity in the earnings of investees and the individual result of Itaúsa are presented in the pro-forma table below, including recurring events (non-recurring events are presented in detail in table Reconciliation of Recurring Net Income).

R$ million	1Q21		1Q20		Δ%
INVESTEES' RESULTS IN ITAÚSA	**2,501**	100%	**1,280**	100%	***95%***
FINANCIAL SECTOR	2,419	97%	1,415	111%	*71%*
NON-FINANCIAL SECTOR	113	5%	(46)	-4%	*346%*
ALPARGATAS	40		23		*74%*
DURATEX	81		26		*212%*
COPAGAZ	(6)		-		*0%*
NTS (3)	(2)		(95)		*98%*
OTHER COMPANIES	(2)	0%	(1)	0%	*-100%*
Other Results (4)	(29)	-1%	(88)	-7%	*67%*
RESULTS OF ITAÚSA	**(100)**		**(219)**		***54%***
FINANCIAL INCOME / EXPENSES	(17)		(11)		*-55%*
ADMINISTRATIVE EXPENSES	(33)		(38)		*13%*
TAX EXPENSES	(51)		(171)		*70%*
OTHER OPERATING REVENUES	1		1		*0%*
INCOME BEFORE INCOME TAX/SOCIAL CONTRIBUTION	**2,401**		**1,061**		***126%***
INCOME TAX / SOCIAL CONTRIBUTION (5)	7		17		*-59%*
RECURRING INDIVIDUAL NET INCOME	**2,408**		**1,078**		***123%***
NON-RECURRING RESULTS	**(201)**		**(66)**		***-209%***
ITAÚSA'S RESULTS	3		-		*0%*
FINANCIAL SECTOR	(180)		8		*-2350%*
NON FINANCIAL SECTOR	(24)		(74)		*68%*
NET INCOME	**2,207**		**1,012**		***118%***

(1) Attributable to controlling stockholders. | (2) It includes dividends/interest on capital received, adjustment to fair value of shares, and expenses on time installment of the US dollar-denominated invested amount and corresponding foreign exchange variation. | (3) It refers to PPA (purchase price allocation) of goodwill on the investment in Alpargatas and IUPAR's results | (4) The Company does not recognize deferred tax assets on tax loss carryforwards and temporary difference.

Results of Investees, as recorded by Itaúsa

Recurring equity in the earnings of investees, recorded in Itaúsa in 1Q21, totaled R$2,501 million, up 95% on a year-on-year basis, and was mainly driven by the better performance of **Itaú Unibanco**, a result of the improved financial margin with the market and lower Expected Loan Losses, in addition to the efficient management of General and Administrative Expenses, which, excluding the effects of exchange variation in consolidated operations in Latin America, fell on a year-on-year basis.

With a trend similar to the one in the second half of 2020, **consumer goods and civil construction material segments** remain strong, which has boosted the performance of investees in these segments, with consistent results, despite the challenging scenario yet in place with restrictions on physical sales due to the pandemic. **Alpargatas** recorded a 32.7% increase in revenue, as a result of the better performance in Havaianas driven by the combination of price/mix of channels and countries, making up for the rise in production costs and certain raw materials. **Duratex** also recorded a significant rise in sales in all Divisions, productivity gains and greater efficiency in plants, which have led to the best first quarter ever of the Company's history.

Regarding the natural gas **transportation and distribution segment**, the results recorded at Itaúsa derived from the investment in **NTS** were positively impacted by the higher amount of dividends received and partially offset by the variation resulting from the periodic review of the fair value of the asset. Now an integral part of Itaúsa's portfolio since the end of December 2020, **Copagaz** featured margins under pressure by successive rises in LPG cost, the main reason why the company posted losses in the period, in addition to the impact of the increased leverage in connection with the purchase of Liquigás.

Further information on the operations of each investee is available in Section 5 (Comments on the Performance of Investees).

Itaúsa's Results

Administrative expenses totaled R$33 million in 1Q21, down 13% on a year-on-year basis, mainly driven by lower expenses on consulting services to support M&A projects in the 1Q21 compared to 1Q20, in view of the phasing of projects under analysis in these periods.

Tax expenses totaled R$51 million in 1Q21, down 70% on a year-on-year basis, mainly driven by lower PIS/COFINS expenses due to lower interest on capital received from Itaú Unibanco in the period.

Finance Result totaled R$17 million 1Q21, up 55% on a year-on-year basis, mainly driven by higher expenses on interest on debentures in view of the 3rd issuance of debentures worth R$1.3 billion issued in the end of 2020.

Profit totaled R$2.2 billion in 1Q21, up 118% on a year-on-year basis, mainly driven by higher equity in the earnings of investees, lower tax expenses, as explained above, and the non-recurring effects highlighted below. Recurring net income was R$2.4 billion, up 123% from 1Q20.

Reconciliation of Recurring Net Income

Equity in the Earnings of Investees was affected by non-recurring events, which totaled a negative result of R$201 million in 1Q21. At **Itaú Unibanco**, the highlight goes to expenses on provision for structural adjustment. At **Alpargatas**, the main effect is related to the discontinuation of Mizuno operations. The main non-recurring event at **Duratex** was related to expenses on the dissolving wood pulp (DWP) plant construction project. At last, at **Copagaz**, expenses on the synergy capture process (staffing and consulting services) were the main non-recurring items in the period.

	1Q21	1Q20
Recurring net income	**2,408**	**1,078**
Inclusion/(Exclusion) of non-recurring effects D = (A + B + C)	**(201)**	**(66)**
Arising from equity interest in the financial sector (B)	**(180)**	**8**
Treasury shares	115	129
Provision for structural adjustment	(275)	-
Proportional write-off of tax losses | Spin-off Itaú vs Holding company	(8)	-
Mark to market of collateralized securities	-	(115)
Other	(12)	(6)
Arising from equity interest in the non-financial sector (C)	**(24)**	**(74)**
Alpargatas	(2)	(67)
Duratex	(18)	(7)
Copagaz	(4)	-
Profit	**2,207**	**1,012**

Main Indicators of Itaúsa Conglomerate Companies

We present below the main indicators of Itaúsa Conglomerate companies, based on the Consolidated Financial Statements under IFRS:

In R$ million	January to March	Itaú	Alpargatas	Duratex
Operating revenues (1)	**2021**	**43,607**	**901**	**1,768**
	2020	43,716	679	1,162
Net income (2)	**2021**	**5,684**	**132**	**173**
	2020	3,459	26	52
Recurring Net Income (4)	**2021**	**6,473**	**140**	**222**
	2020	3,784	81	69
Stockholders' equity (2)	**2021**	**147,254**	**3,074**	**5,024**
	2020	129,808	2,783	4,777
Annualized return on average equity (%) (2) (3)	**2021**	**15.7%**	**17.5%**	**13.5%**
	2020	10.8%	3.8%	4.3%
Annualized recurring return on average equity (%) (3) (4)	**2021**	**17.8%**	**18.6%**	**17.4%**
	2020	11.8%	11.9%	5.7%
Interest of Itaúsa in companies (5) (6)	**2021**	**37.3%**	**29.2%**	**36.8%**
	2020	37.4%	29.1%	36.6%

(1) Operating revenues by area of operations was composed as follow:
Itaú Unibanco Holding: Income from interest, yield and dividends, adjustments to fair value of financial assets and liabilities, income from foreign exchange operations and foreign exchange variations on transactions abroad, service revenue, income from insurance and pension plan operations. Alpargatas and Duratex: Sales of products and services.
(2) Profit, Stockholders' Equity and ROE correspond to the amounts attributable to controlling stockholders.
(3) It represents the ratio of profit for the period to average equity ((Mar/21+ Dec/20)/2).
(4) It includes the amounts attributable to controlling stockholders (pro forma).
(5) It represents Itaúsa's direct/indirect interest in the capital of Companies.
(6) The interest presented include total shares issued excluding treasury shares.

4. Capital Markets

Share performance

Itaúsa's preferred shares (traded on B3 under ticker ITSA4) closed the first quarter of 2021 at R$10.32, down 11.4% in the period, when adjusted by dividends and interest on capital, whereas Ibovespa, B3's main index, fell 2.0% in the same period. In the last 12 months, Itaúsa's shares adjusted by earnings and the Ibovespa index appreciated by 20.6% and 59.7%, respectively.

The daily average trading volume of Itaúsa's preferred shares in 1Q21 was R$346 million, with 37,600 daily trades on average, up 1.7% and down 12.6%, respectively, on a year-on-year basis.

A broader stockholder base

On March 31, 2021 Itaúsa had 953,700 stockholders (99.5% individual stockholders), up 59.7% in relation to the 596,900 stockholders on a year-on-year basis, being the national private company with the largest active base of investors on B3.

Return to stockholders

In the last 12 months ended on March 31, 2021, Itaúsa declared gross earnings of R$2.2 billion. Therefore, investors who remain as stockholders during this period will be entitled to receive R$0.2570 per share as dividends and interest on capital paid/declared (gross) which, divided by the preferred share quoted on March 31, 2021, resulted in a 2.5% dividend yield.

Base Year	Earnings declared	Stockholding position	Payment date	Gross amount declared	Gross amount per share[2]
2020	Quarterly dividends	05.29.2020	07.01.2020	R$ 168,2 million	R$ 0.020000
2020	Dividends	08.17.2020	08.26.2020	R$ 168.2 million	R$ 0.020000
2020	Quarterly dividends	08.31.2020	10.01.2020	R$ 168.2 million	R$ 0.020000
2020	Quarterly dividends	11.30.2020	01.04.2021	R$ 168.2 million	R$ 0.020000
2020	Interest on capital[1]	12.10.2020	03.12.2021	R$ 855.0 million	R$ 0.101650
2020	Interest on capital[1]	01.22.2021	03.12.2021	R$ 174.9 million	R$ 0.020800
2020	Quarterly dividends	02.26.2021	04.01.2021	R$ 168.2 million	R$ 0.020000
2021	Interest on capital[1]	03.09.2021	up to 09.30.2021	R$ 130.0 million	R$ 0.015456
2021	Interest on capital[1]	03.25.2021	up to 09.30.2021	R$ 160.5 million	R$ 0.019080
			Total earnings in the last 12 months	**R$ 2,161.5 million**	**R$ 0.256986**
			Preferred share (ITSA4) value on 03.31.2021		R$ 10.32
			Dividend Yield		**2.5%**

[1] Interest on capital are subject to tax rate of 15% of withholding income tax according to legislation in force.
[2] Itaúsa's capital is represented by 8,410,814,930 shares (no treasury shares).

In view of the slowdown in investee's activities, market conditions and regulatory measures (such as temporary restriction on dividend distribution imposed by the Central Bank of Brazil on financial institutions in 2020), the cash inflow received by Itaúsa decreased and led to a temporary reduction in dividends paid out by the Company in the period.

For the complete list of earnings already disclosed, please click on www.itausa.com.br/dividends-and-ioc.

Value of Assets and Discount

Market capitalization on March 31, 2021, based on the price of the most liquid share (ITSA4), was R$86.8 billion, whereas the sum of interests in investees totaled R$113.3 billion, resulting in a 23.4% discount, up 70 bps in relation to December 31, 2020.

Discount is an indicator resulting from the difference between the market price ascertained for Itaúsa's shares and the theoretical value obtained through the sum of the market, fair or investment values of the parts that compose the holding company's investments ("sum of the parts").

Part of this discount can be justified in view of the holding company's maintenance expenses, taxes levied on a fraction of the earnings received (tax inefficiency), and risk assessment, among other factors. Itaúsa's management believes that the current level does not reflect the proper indicator level.

The Investor Relations department discloses information about the discount on a monthly basis, which is available on www.itausa.com.br/net-asset-value.

Share buybacks

On February 22, 2021, the Board of Directors approved the Share Buyback Program proposed by the Board of Officers, up to the limit of 250 million shares (50 million common shares and 200 million preferred shares), which represent 4.5% of outstanding shares.

In the first quarter of 2021, no share buyback was carried out. Responsible for the buyback program management, Itaúsa's Board of Officers responsible for managing the program, will continue to monitor possible buyback opportunities via capital markets for efficient capital allocation purposes, always having in mind market conditions and the Company's equity and liquidity positions.

5. Comments on the Performance of Investees

Itaú Unibanco Holding S.A.

Highlights of Operations

Customer centricity and digitalization

In the customer centricity and digitalization front, the strong growth of the opening of new relationships through digital means noteworthy, with the opening of more than 3.7 million new relationships in 1Q21 and another 1.5 million in April. In addition, there is a growing engagement through digital channels, since, in March, 54% of the bank's products were acquired digitally, an increase of 70% compared to the same month of 2020. It is important to note that these figures are accompanied by customer feedback, which shows excellent levels of satisfaction, such as the NPS of the super app, which reached 78 points. It is noteworthy that a large part of this growth is due to iti, a platform that evolved from a digital portfolio to a complete digital bank, and which reached 6 million clients, half of whom were incorporated into the customer base in 2021. In this context, the bank has as a goal to reach 15 million customers by the end of 2021.

Loan portfolio is the business highlight

The bank's new positioning in the agribusiness and real estate sectors, combined with the low interest rate scenario and the subsequent increase in demand, boosted the growth of these portfolios.

With an integrated strategy to meet the different profiles of the segment, agribusiness has a dedicated platform, specific products and socio-environmental credit analysis. The portfolio grew 11.2% in the quarter and 20.5% in the last 12 months, reaching R$46.5 billion. Agribusiness will be an important growth driver for the bank in 2021, with the goal for the year to quintuple its customer base of 2019.

In addition, real estate credit is one of the main fronts to increase lifetime value. With origination more than tripling, the portfolio reached a record mark of R$10.3 billion and increased by 12.1% the granting of credit to individuals in 1Q21.

Results

Net income totaled R$5.7 billion in 1Q21, up 64.3% on a year-on-year basis, mainly driven by the rise of 8% in Operating Revenues and fall of 80% in expected losses on financial assets and claims. Main factors leading to this result are as follows:

R$ million (except where indicated)	1Q21	1Q20	Δ%
Operating Revenues[1]	30,667	28,400	8.0%
Net Income[2]	5,684	3,459	64.3%
Recurring Net Income[2]	6,473	3,783	71.1%
ROE	15.7%	10.8%	4.9 p.p.
Recurring ROE	17.8%	11.8%	6.0 p.p.
Loan Portfolio[3]	910,587	790,666	15.2%

I. A 14.8% increase in **Net Finance Income**, driven by lower expenses on deposits received under securities repurchase agreements and interbank markets; and

II. A 2.8% decrease **in Commissions and Fees and Result of Insurance Operations**, mainly driven by the 5.0% drop in income from credit and debit cards and lower revenue from asset management fees.

Expected Loss on Financial Assets and Claims decreased by R$8.0 billion on a year-on-year basis, mainly driven by decrease in expected loan losses. Considering the provisions for operations without credit characteristics, the expected losses on financial assets and claims decreased by 53.8%, or R$5.9 billion, in the annual comparison.

General and Administrative Expenses increased 27.5% in 1Q21. Excluding the effects of extraordinary items or unrelated to the cost of the period, G&A expenses would increase by 8.0% as a result of the collective bargaining agreement, merger of ZUP and tariff adjustment to the employees' health plans.

Capital management and liquidity

Capital management is vital, since it is a key element through which the bank seeks to optimize the application of funds and ensure business soundness. At the end of March 2021, Tier I capital ratio was at 13.0%, above the minimum required by the Central Bank of Brazil (8.25%).

For further information on Itaú Unibanco's results, please access: www.itau.com.br/relacoes-com-investidores

[1] For better comparability, tax effects of hedge on foreign investments were reclassified.
[2] Attributable to controlling stockholders.
[3] Loan portfolio with financial guarantees provided and corporate securities.

ALPARGATAS

Highlights of Operations

Alpargatas posted consistent results in 1Q21, with increase in revenue, gross margin and EBITDA. The company's strategy, focused on the global expansion of brand Havaianas and making headway in digital channels, added to operational leverage and productivity gain, was essential to support its increase in volume of sales and profitability growth.

Results

Net revenue was up 32.7% in 1Q21, mainly driven by the increased net revenue of Havaianas Brazil and the higher volume of sales and net revenue of Havaianas International in all regions, and worth mentioning was the impact of the Revenue Growth Management (RGM) program rollout in the EMEA (Europe, Middle East and Africa) region.

R$ million (except where indicated)	1Q21	1Q20	Δ%
Net Revenue	901.3	679.2	32.7%
EBITDA	175.3	(1.3)	n.a.
Net Income[4]	131.7	26.4	398.3%
Recurring Net Income[5]	140.2	80.8	73.6%
ROE[4]	17.5%	3.8%	13.7 p.p.
Recurring ROE[5]	18.6%	7.1%	11.5 p.p.

EBITDA in 1Q21 totaled R$175.3 million, basically driven by increased net revenue, expansion of the international gross margin and decrease of operating expenses, partially offset by the rise in cost of raw materials in Brazil.

Net income[4] totaled R$131.7 million in 1Q21, up 398% on a year-on-year basis. The major non-recurring item in the quarter is related to expenses on the discontinuation of Mizuno's operations.

It closed the quarter with net financial position of R$698 million (up R$237 million vs. 4Q20).

For further information on Alpargatas' results, please access: https://ri.alpargatas.com.br

[4] Attributable to controlling stockholder.
[5] Attributable to controlling stockholder (pro forma).

Highlights of Operations

Like in the second half of 2020, the sector in which Duratex operates has gathered pace in the first three months of the year. Despite a more adverse macroeconomic scenario, the civil construction segment keeps on its favorable performance, which, coupled with the growth in the self-build and renovation segment, has boosted Duratex's results and leading the company to its best first quarter ever, even when considering the rise in prices of its main production inputs.

Results

Consolidated net revenue in 1Q21 increased 52.2% on a year-on-year basis, totaling R$1,768.1 million, as a result of the ongoing high levels of demand at all Divisions, notably the Wood Division, combined with the strategic management of the product and price mix.

R$ million (except where indicated)	1Q21	1Q20	Δ%
Net Revenue	1,768.1	1,161.6	52.2%
EBITDA	464.6	266.3	74.4%
Net Income	172.7	51.9	232.7%
Recurring Net Income	222.4	68.8	223.1%
ROE	13.5%	4.3%	9.2 p.p.
Recurring ROE	17.4%	5.7%	11.7 p.p.

The **Wood Division** recorded the best quarter ever in its history, with net revenue totaling R$1.092.0 million in 1Q21, up 68.6% on a year-on-year basis, driven by the higher volume of products sold combined with the successful strategic management of price and mix of products sold.

The **Deca Division**'s net revenue totaled R$461.3 million, up 38.5% on a year-on-year basis, also driven by the successful strategic management of price and mix of products sold.

The **Ceramic Tiles Division**'s net revenue totaled R$214.1 million, up 18.6% on a year-on-year basis, as a result of the successful sales policy and improved mix of products sold.

EBITDA in 1Q21 was mainly impacted by expenses on the new dissolving wood pulp unit (LD Celulose), which is scheduled to start operations in 2Q22. Excluding these effects, recurring adjusted EBITDA would be R$495.9 million (+126.1% vs. 1Q20), the highest level for a first quarter historically, as a result of greater efficiency of plants and the successful implementation of price rises, in spite of the pressure on costs of major inputs caused by the rise in commodities prices. Recurring net income for the quarter totaled R$222.4 million (+223.1% vs. 1Q20).

The continuity of record operating income has led the company to generate R$187.2 million in free cash lows, excluding non-recurring events, and close 1Q21 with a leverage ratio of 1.19 times (Net Debt / recurring adjusted EBITDA in the last 12 months).

For further information on Duratex's results, please access: www.duratex.com.br/ri

Highlights of Operations

The completion of the purchase of Liquigás at the end of December 2020 gave way to the process to integrate and address the issues included in the Concentration Control Agreement (CCA). Over the first months of 2021, Copagaz has worked in the implementation of the plan designed to integrate business and its commercial strategies, to capture synergies and implement the new brand strategy.

Results

R$ million	1Q21	1Q20	Δ%
Net Revenue	2,173	1,814	19.8%
Net Income (Loss)	(21)	20	n.a.

Unaudited figures. 1Q20 pro forma (sum of the consolidated results of Copagaz and Liquigás for comparability purposes).

Net revenue increased by close to 20% on a year-on-year basis. It is worth mentioning that the first quarter of 2020 was not so badly hit by the pandemic comparing to the subsequent months in the year. The increase in net revenue is a result of the steady sales volume on a year-on-year basis, but with rise in average price, trying to make up for the higher cost of LPG driven by price adjustments made by Petrobras. In the year, Petrobras carried out four price adjustments, totaling a 22.7% rise in the period, which put pressure on company's 1Q21 margins.

Some factors impacting the result for the period were (i) costs with the implementation of the synergies program, mainly in the personnel area, (ii) extraordinary expenses with consulting firms to support the M&A transaction (focused on capturing synergies, integrating systems, and spin-off units), and, mainly, (iii) the rise in finance costs, driven by the leverage to purchase Liquigás, negatively impacting company's results in the quarter.

For further information on Copagaz's results, please access: https://copagaz.com.br

Highlights of Operations

The "New Gas Law", approved in March and sanctioned in early April, brings about some innovations in the activities carried out by NTS, such as rules of operation, independence and self-governance of natural gas carriers, in addition to ensuring rights in service provision agreements. NTS believes that the changes brought by this new legal framework has the potential to foster investments and competitiveness in the gas natural industry, proving a favorable scenario for the market in which it operates. Additionally, in January Fitch Ratings reaffirmed NTS's highest credit rating in national scale, kept at AAA(bra) with stable outlook.

Results

R$ million	1Q21	1Q20	Δ%
Net Revenue	1,408	1,148	22.6%
Net Income	758	602	25.9%

In 1Q21, net revenue totaled R$1.408 million, up 22.6% on a year-on-year basis, mainly driven by the annual inflation adjustment of gas ship-or-pay agreements. Net income totaled R$758 million, up 25.9% on a year-on-year basis, also favored by the fall in finance costs driven by the lower basic interest rate on debentures.

Dividends and interest on capital

In the first quarter of 2021, Itaúsa received gross dividends/interest on capital in the amount of R$63.2 million. Dividends refer to the balance available from net income earned in 2020 and interim dividends for January to February 2021.

For further information on NTS's results, please access: https://ri.ntsbrasil.com

6. People management

Itaúsa Conglomerate had the support of approximately 128 thousand employees on March 31, 2021, including 13 thousand employees in foreign units. Its dedicated structure, intended to carry out the holding company's activities, had 94 professionals on that same date.

7. Independent Auditors – CVM Instruction No. 381

Procedures adopted by the Company

The policy adopted by Itaúsa, its subsidiaries and parent company, to engage non-audit services from our independent auditors is based on the applicable regulations and internationally accepted principles that preserve the auditors' independence. These principles include the following: (a) an auditor cannot audit their work; (b) an auditor cannot hold managerial positions at their client's; and (c) an auditor cannot promote the interests of their client.

In the January-March 2021 period, the independent auditors PricewaterhouseCoopers Auditores Independentes provided the following non-audit service, equivalent to 4.85% of total external audit fees due to the same auditors, as set forth in CVM Instruction No. 381:

Itaúsa: assurance of the price adjustment in the purchase of Copagaz, contracted out on January 20, 2021.

Independent Auditors' Justification - PwC

The provision of the aforementioned non-audit services does not affect the independence or the objectivity of the external auditor of Itaúsa and its subsidiaries. The policy adopted for providing non-audit services to Itaúsa is based on principles that preserve the independence of the Independent Auditors, all of which were considered in the provision of the referred services.

8. Acknowledgements

We thank our stockholders for their trust, which we always try to repay by obtaining results differentiated from those of the market, and our employees, for their talent and dedication, which have enabled the sustainable growth of business.

ITAÚSA S.A.

BOARD OF DIRECTORS

Chairman
Henri Penchas

Vice-Chairman
Ana Lúcia de Mattos Barretto Villela
Roberto Egydio Setubal

Members
Alfredo Egydio Setubal
Edson Carlos De Marchi
Fernando Marques Oliveira (**)
Patrícia de Moraes (**)
Rodolfo Villela Marino
Vicente Furletti de Assis (**)

Alternative members
Ricardo Egydio Setubal
Ricardo Villela Marino
Victório Carlos De Marchi

FISCAL COUNCIL

President
Tereza Cristina Grossi Togni

Members
Eduardo Rogatto Luque
Guilherme Tadeu Pereira Júnior
Isaac Berensztejn
Marco Tulio Leite Rodrigues

Alternative members
Carlos Eduardo De Mori Luporini
Felício Cintra do Prado Junior
João Costa
Patrícia Valente Stierli
Rodolfo Latini Neto

EXECUTIVE BOARD

Chief Executive Officer
Alfredo Egydio Setubal (*)

Executive Vice-Presidents
Alfredo Egydio Arruda Villela Filho
Roberto Egydio Setubal
Rodolfo Villela Marino

Managing Officers
Frederico de Souza Queiroz Pascowitch
Maria Fernanda Ribas Caramuru
Priscila Grecco Toledo

(*) *Investor Relations Officer*
(**) *Independent Board Members*

Accountant

Sandra Oliveira Ramos Medeiros
CRC 1SP 220.957/O-9

ITAÚSA S.A.
BALANCE SHEET – ASSETS
(In millions of Reais)

		Parent company		Consolidated	
	Note	03/31/2021	12/31/2020	03/31/2021	12/31/2020
ASSETS					
Current assets					
Cash and cash equivalents	4	1,213	1,092	2,541	2,887
Marketable securities	5	1,453	1,473	1,453	1,473
Trade accounts receivable	6	-	-	1,246	1,239
Inventories	7	-	-	1,119	925
Dividends and interest on capital	8	382	985	382	951
Income tax and social contribution for offset		167	169	244	274
Other taxes for offset		2	2	77	78
Other assets	9	41	38	246	196
Total current assets		**3,258**	**3,759**	**7,308**	**8,023**
Non-current assets					
Long-term receivables		778	768	2,821	2,851
Marketable securities	5	20	20	20	20
Biological assets	10	-	-	1,129	1,143
Judicial deposits		30	30	101	100
Employee benefits		11	10	117	106
Deferred income tax and social contribution	11	680	673	935	958
Income tax and social contribution for offset		8	8	8	8
Other taxes for offset		-	-	17	18
Right-of-use assets	12	9	10	349	348
Other assets	9	20	17	145	150
Investments	13	59,740	58,347	58,873	57,371
Property, plant and equipment	14	103	103	3,561	3,616
Intangible assets	15	7	8	739	739
Total non-current assets		**60,628**	**59,226**	**65,994**	**64,577**
TOTAL ASSETS		**63,886**	**62,985**	**73,302**	**72,600**

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
BALANCE SHEET – LIABILITIES AND EQUITY
(In millions of Reais)

	Note	Parent company 03/31/2021	Parent company 12/31/2020	Consolidated 03/31/2021	Consolidated 12/31/2020
LIABILITIES AND EQUITY					
Current liabilities					
Trade accounts payable	16	15	27	1,169	1,119
Personnel expenses		21	47	194	254
Debts	17	-	-	511	571
Debentures	18	23	2	31	5
Income tax and social contribution payable		-	-	41	19
Other taxes payable		53	29	129	108
Dividends and interest on capital	20.4.2	715	1,232	717	1,325
Leases	12	3	3	26	25
Other liabilities	9	10	2	384	302
Total current liabilities		**840**	**1,342**	**3,202**	**3,728**
Non-current liabilities					
Trade accounts payable	16	7	7	7	7
Debts	17	-	-	1,414	1,434
Debentures	18	2,493	2,492	3,691	3,691
Leases	12	7	8	347	345
Provisions	19	1,353	1,349	1,843	1,813
Deferred income tax and social contribution	11	-	-	135	144
Deferred other taxes		20	19	20	19
Other taxes payable		-	-	83	87
Employee benefits		-	-	51	50
Other liabilities	9	470	425	636	649
Total non-current liabilities		**4,350**	**4,300**	**8,227**	**8,239**
TOTAL LIABILITIES		**5,190**	**5,642**	**11,429**	**11,967**
EQUITY					
Capital	20.1	43,515	43,515	43,515	43,515
Capital reserves		389	586	389	586
Revenue reserves	20.2	16,253	14,545	16,253	14,545
Carrying value adjustments	20.3	(1,461)	(1,303)	(1,461)	(1,303)
Total equity attributable to controlling stockholders		**58,696**	**57,343**	**58,696**	**57,343**
Non-controlling interests		-	-	3,177	3,290
Total equity		**58,696**	**57,343**	**61,873**	**60,633**
TOTAL LIABILITIES AND EQUITY		**63,886**	**62,985**	**73,302**	**72,600**

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF INCOME
(In millions of Reais, unless otherwise indicated)

	Note	Parent company		Consolidated	
		01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Net revenue	21	-	-	1,768	1,162
Cost of products and services	22	-	-	(1,162)	(773)
Gross profit		**-**	**-**	**606**	**389**
Operating income and expenses					
Selling expenses	22	-	-	(206)	(182)
General and administrative expenses	22	(33)	(38)	(106)	(101)
Equity in the earnings of investees	13	2,299	1,309	2,194	1,274
Other income and expenses	23	65	48	66	45
Total Operating income and expenses		**2,331**	**1,319**	**1,948**	**1,036**
Profit before finance result and income tax and social contribution		**2,331**	**1,319**	**2,554**	**1,425**
Finance result					
Finance income	24	9	15	46	82
Finance costs	24	(140)	(339)	(194)	(448)
Total Financial Result		**(131)**	**(324)**	**(148)**	**(366)**
Profit before income tax and social contribution		**2,200**	**995**	**2,406**	**1,059**
Income tax and social contribution					
Current income tax and social contribution	25	-	-	(75)	(19)
Deferred income tax and social contribution	25	7	17	(15)	5
Total Income tax and social contribution		**7**	**17**	**(90)**	**(14)**
Profit for the period		**2,207**	**1,012**	**2,316**	**1,045**
Profit attributable to controlling stockholders		2,207	1,012	2,207	1,012
Profit attributable to non-controlling interests		-	-	109	33
Basic and diluted earnings per share (in Brazilian reais)					
Common	26	0.26240	0.12032	0.26240	0.12032
Preferred	26	0.26240	0.12032	0.26240	0.12032

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF COMPREHENSIVE INCOME
(In millions of Reais)

	Parent company		Consolidated	
	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Profit for the year	**2,207**	**1,012**	**2,316**	**1,045**
Other comprehensive income				
Items that will be reclassified to profit or loss (net of taxes)				
Equity in other comprehensive income	(159)	(165)	-	-
Adjustment to the fair value of financial assets	-	-	(558)	(515)
Hedge	-	-	(127)	(1,079)
Foreign exchange variation on foreign investments	-	-	599	1,385
Items that will not be reclassified to profit or loss (net of taxes)				
Equity in other comprehensive income	1	4	-	-
Remeasurement of post-employment benefits	-	-	1	4
Total Other comprehensive income	**(158)**	**(161)**	**(85)**	**(205)**
Total comprehensive income	**2,049**	**851**	**2,231**	**840**
Attributable to controlling stockholders	2,049	851	2,049	851
Attributable to non-controlling interests	-	-	182	(11)

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF CHANGES IN EQUITY
(In millions of Reais)

	Attributable to controlling stockholders							
	Capital	Capital reserves	Revenue reserves	Carrying value adjustments	Retained earnings	Total Parent Company	Non-controlling interests	Total Consolidated
Balance on December 31, 2019	**43,515**	**529**	**12,950**	**(1,762)**	**-**	**55,232**	**3,125**	**58,357**
Transactions with stockholders								
Reversal of expired dividends	-	-	2	-	-	2	-	2
Dividends and interest on capital from previous year	-	-	(3,729)	-	-	(3,729)	(90)	(3,819)
Transactions with subsidiaries and jointly-controlled companies	-	(191)	37	-	-	(154)	4	(150)
Total comprehensive income								
Other comprehensive income	-	-	-	(161)	-	(161)	(44)	(205)
Profit for the period	-	-	-	-	1,012	1,012	33	1,045
Appropriation								
Legal reserve	-	-	51	-	(51)	-	-	-
Dividends and interest on capital for the year	-	-	-	-	(240)	(240)	-	(240)
Statutory reserves	-	-	721	-	(721)	-	-	-
Balance on March 31, 2020	**43,515**	**338**	**10,032**	**(1,923)**	**-**	**51,962**	**3,028**	**54,990**
Balance on December 31, 2020	**43,515**	**586**	**14,545**	**(1,303)**	**-**	**57,343**	**3,290**	**60,633**
Transactions with stockholders								
Reversal of expired dividends	-	-	3	-	-	3	-	3
Dividends and interest on capital from previous year	-	-	(48)	-	-	(48)	(57)	(105)
Transactions with subsidiaries and jointly-controlled companies	-	(197)	114	-	-	(83)	(48)	(131)
Total comprehensive income								
Other comprehensive income	-	-	-	(158)	-	(158)	73	(85)
Profit for the period	-	-	-	-	2,207	2,207	109	2,316
Appropriation								
Legal reserve	-	-	110	-	(110)	-	-	-
Dividends and interest on capital for the year	-	-	-	-	(568)	(568)	(190)	(758)
Statutory reserves	-	-	1,529	-	(1,529)	-	-	-
Balance on March 31, 2021	**43,515**	**389**	**16,253**	**(1,461)**	**-**	**58,696**	**3,177**	**61,873**

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF CASH FLOWS
(In millions of Reais)

	Note	Parent company		Consolidated	
		01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Cash flows from operating activities					
Adjustments for reconciliation of profit					
Profit before income tax and social contribution		2,200	995	2,406	1,059
Equity in the earnings of investees		(2,299)	(1,309)	(2,194)	(1,274)
Provisions		-	103	7	119
Interest and foreign exchange and monetary variations, net		23	163	47	224
Depreciation, amortization and depletion		2	2	178	142
Changes in the fair value of biological assets		-	-	(18)	(69)
Allowance for estimated losses on doubtful accounts		-	-	3	3
Other		20	-	21	(13)
		(54)	**(46)**	**450**	**191**
Changes in assets and liabilities					
(Increase) decrease in trade accounts receivable		-	-	(7)	59
(Increase) decrease in inventories		-	-	(179)	(107)
(Increase) decrease in other taxes for offset		82	(47)	87	(53)
(Increase) decrease in other assets		(66)	226	(48)	223
Increase (decrease) in other taxes payable		(32)	58	(23)	36
Increase (decrease) in trade accounts payable		(12)	(4)	58	12
Increase (decrease) in personnel expenses		(26)	(5)	(44)	(9)
Increase (decrease) in other liabilities		54	(224)	47	(284)
		-	**4**	**(109)**	**(123)**
Cash from operations		**(54)**	**(42)**	**341**	**68**
Payment of income tax and social contribution		-	-	(51)	(63)
Interest paid on debts and debentures		-	-	(7)	(13)
Net cash (used in) provided by operating activities		**(54)**	**(42)**	**283**	**(8)**
Cash flows from investing activities					
Acquisition of investments		-	(31)	-	(31)
Acquisition of property, plant and equipment and intangible and biological assets		(1)	(3)	(134)	(98)
Disposal of property, plant and equipment and intangible and biological assets		-	-	10	2
Interest on capital and dividends received		1,249	3,761	1,072	3,680
Net cash provided by investing activities		**1,248**	**3,727**	**948**	**3,553**
Cash flows from financing activities					
(Acquisition) disposal of treasury shares		-	-	(62)	5
Interest on capital and dividends paid	20.4.2	(1,072)	(3,718)	(1,412)	(3,894)
Proceeds from debts and debentures	17.2 and 18.2	-	-	2	637
Amortization of debts and debentures	17.2 and 18.2	-	-	(90)	(226)
Amortization of lease liabilities	12.2	(1)	(1)	(17)	(16)
Net cash used in financing activities		**(1,073)**	**(3,719)**	**(1,579)**	**(3,494)**
Foreign exchange variation on cash and cash equivalents		-	-	2	4
Net increase (decrease) in cash and cash equivalents		**121**	**(34)**	**(346)**	**55**
Cash and cash equivalents at the beginning of the period		1,092	1,091	2,887	2,369
Cash and cash equivalents at the end of the period		1,213	1,057	2,541	2,424
		121	**(34)**	**(346)**	**55**

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF VALUE ADDED
(In millions of Reais)

	Parent company		Consolidated	
	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Revenue	**-**	**-**	**2,200**	**1,452**
Sales of products and services	-	-	2,193	1,448
Allowance for estimated losses on doubtful accounts	-	-	(3)	(3)
Other revenue	-	-	10	7
Inputs acquired from third parties	**(14)**	**(20)**	**(1,315)**	**(877)**
Cost of products and services	-	-	(1,121)	(698)
Materials, electric energy, outsourced services and other	(14)	(20)	(194)	(179)
Gross value added	**(14)**	**(20)**	**885**	**575**
Depreciation, amortization and depletion	(2)	(2)	(178)	(142)
Value added generated, net	**(16)**	**(22)**	**707**	**433**
Value added received through transfer	**2,375**	**1,374**	**2,307**	**1,405**
Equity in the earnings of investees	2,299	1,309	2,194	1,274
Finance income	9	15	46	82
Other revenue	67	50	67	49
Total undistributed value added	**2,359**	**1,352**	**3,014**	**1,838**
Distribution of value added	**2,359**	**1,352**	**3,014**	**1,838**
Personnel	**15**	**16**	**263**	**223**
Direct compensation	14	15	212	181
Benefits	1	1	37	30
Government Severance Pay Fund (FGTS)	-	-	13	11
Other	-	-	1	1
Taxes, fees and contributions	**46**	**155**	**289**	**293**
Federal	46	155	274	276
State	-	-	10	11
Municipal	-	-	5	6
Return on third parties' capital	**91**	**169**	**146**	**277**
Interest	91	169	146	277
Return on capital	**2,207**	**1,012**	**2,316**	**1,045**
Dividends and interest on capital	568	240	568	240
Retained earnings	1,639	772	1,639	772
Non-controlling interests in retained earnings	-	-	109	33

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
NOTES TO THE INTERIM FINANCIAL STATEMENTS
At March 31, 2021
(In millions of reais, unless otherwise stated)

1. OPERATIONS

Itaúsa S.A. ("ITAÚSA") is a publicly-held company, organized and existing under the laws of Brazil, and it is located at Av. Paulista, 1.938, 5th floor, Bela Vista, in the city of São Paulo, State of São Paulo (SP), Brazil.

The Annual and Extraordinary Stockholders' Meeting held on June 17, 2020 approved the change of the company's name to Itaúsa S.A. from Itaúsa – Investimentos Itaú S.A.

The shares of ITAÚSA are recorded at Level 1 of Corporate Governance of B3 S.A. – Brasil, Bolsa, Balcão, under the ticker symbols "ITSA3" for the common shares and "ITSA4" for the preferred shares.In addition to the Bovespa Index, Ibovespa, ITAÚSA shares are part of some segment portfolios at B3, including the Corporate Governance Index (IGC), the Brazil Special Tag-Along Index (ITAG), the Corporate Sustainability Index (ISE) and the Carbon Efficient Index (ICO2). Furthermore, in view of our recognized corporate sustainability, ITAÚSA also makes up other global indices, such as the FTSE4Good (London Stock Exchange) and the Dow Jones Sustainability World Index (DJSI), in addition to joining initiatives such as the Carbon Disclosure Project (CDP) and the Sustainalitycs.

The corporate purpose of ITAÚSA is to hold equity interests in other companies, in Brazil or abroad, for investment in any sectors of the economy, including through investment funds, disseminating among its investees its principles of appreciation of human capital, governance, and ethics in business, and creation of value for its stockholders on a sustainable basis. ITAÚSA is a holding company controlled by the Egydio de Souza Aranha family, which holds 63.27% of the common shares and 18.13% of the preferred shares, making up 33.64% of total capital.

Through its controlled and jointly-controlled companies and other investments, ITAÚSA participates in the markets of financial services ("Itaú Unibanco Holding"), wood panels, bathroom fixtures and fittings, ceramic tiles and electric showers ("Duratex"), footwear, apparel and sports products ("Alpargatas"), transportation of natural gas through pipelines ("NTS") and in distribution market of the liquid petroleum gas (LPG) ("Copagaz").

The investment portfolio of ITAÚSA is composed of the following entities:

	Country of incorporation	Activity	Holding % (Direct and Indirect)	
			03/31/2021	12/31/2020
Joint ventures				
Itaú Unibanco Holding S.A. ("Itaú Unibanco")	Brazil	Holding company/Financial institution	37.32%	37.39%
IUPAR - Itaú Unibanco Participações S.A. ("IUPAR")	Brazil	Holding company	66.53%	66.53%
Alpargatas S.A. ("Alpargatas")	Brazil	Footwear, apparel and sports products	29.19%	29.19%
Controlled companies				
Duratex S.A. ("Duratex")	Brazil	Wood panels and bathroom fixtures and fittings	36.79%	36.61%
Itautec S.A. ("Itautec")	Brazil	Holding company	100.00%	100.00%
ITH Zux Cayman Ltd. ("ITH Zux Cayman")	Cayman Islands	Holding company	100.00%	100.00%
Associates				
Copagaz – Distribuidora de Gás S.A. ("Copagaz")	Brazil	LPG distribution	48.50%	48.50%
Financial assets				
Nova Transportadora do Sudeste S.A. – NTS ("NTS")	Brazil	Transportation of natural gas	7.65%	7.65%

These parent company and consolidated interim financial statements were approved by the Board of Directors on May 10, 2021.

2. BASIS OF PREPARATION AND PRESENTATION

2.1. Statement of compliance

The Individual and Consolidated Financial Statements of ITAÚSA have been prepared in accordance with the accounting pronouncement CPC 21 (R1) – Interim Financial Statements, issued by the Comitê de Pronunciamentos Contábeis – CPC, and the international accounting standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board – IASB and presented in conformity with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Quarterly Information Report (ITR).

The presentation of the parent company and consolidated statements of value added is required by Brazilian Corporate Law and by the accounting practices adopted in Brazil that are applicable to publicly-held companies. The Statement of Value Added was prepared in accordance with the criteria defined in the Accounting Pronouncement CPC 09 – Statement of Value Added, however, the International Financial Reporting Standards - IFRS do not require the presentation of this statement. As a consequence, according to the IFRS, this statement is presented as additional information, without prejudice to the Financial Statements as a whole.

Management has assessed ITAÚSA's and its investees' capacity to keep on operating as a going concern and is convinced that, despite the impacts and uncertainties of the length of time and scope of the COVID-19 pandemic, these companies are able to remain in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainty that might give rise to significant questions on its capacity to continue operating. Accordingly, these Interim Financial Statements have been prepared based on the business continuity assumption.

All the relevant information to these Interim Financial Statements, and only this information, is evidenced and is consistent with the information used by ITAÚSA in its activities.

These Interim Financial Statements have been prepared based on principles, methods and criteria consistent with those adopted in the previous fiscal year ended December 31, 2020.

In order to avoid repeating information already disclosed in the Financial Statements as of December 31, 2020, certain notes are not being presented or are presented in less detail. As a result, these Interim Financial Statements should be read jointly with the Financial Statements approved by Management and disclosed to CVM on February 22, 2021. Please see below the list of notes to these financial statements as of December 31, 2020 under this scope:

Note	Description	Situation
2.6	Adoption of the new and revised accounting standards	(a)
3	Summary of significant accounting policies	(a)
10	Other taxes for offset and payable	(b)
15.4	Impairment test (investment)	(a)
16.5	Revision of the useful life of assets	(a)
17.4	Impairment test (intangible assets)	(a)
22.2.1	Capital reserves	(b)
22.2.2	Revenue reserves	(c)
29	Share-based payment	(b)
30	Employee benefits	(b)

(a) Note to the financial statements not disclosed, since it is identical to that presented in the Financial Statements as of December 31, 2020.
(b) Note to the financial statements not disclosed, since the change in the period was deemed immaterial by ITAÚSA's Management.
(c) Note to the financial statements presented with reduced contents when compared to the Financial Statements as of December 31, 2020.

2.2. Measurement basis

The parent company and consolidated financial statements have been prepared under the historical cost convention, except for: (i) certain financial assets and liabilities that were measured at fair value, as stated in note 3.1.1; (ii) liabilities of the defined benefit that are recognized at fair value limited to the recognized assets; and (iii) biological assets measured at fair value through profit or loss, as stated in note 10.

2.3. Functional currency and translation of balances and transactions in foreign currency

The parent company and consolidated financial statements have been prepared and are being presented in Brazilian reais (R$), which is functional and presentation currency, and all balances are rounded to millions of reais, unless otherwise stated.

The definition of the functional currency reflects the main economic environment where ITAÚSA and its controlled companies operate.

The assets and liabilities of subsidiaries with a functional currency that is different from the Brazilian real, when applicable, are translated as follows:

- Assets and liabilities are translated at the foreign exchange rate of the balance sheet date;
- Income and expenses are translated at the monthly average foreign exchange rate;
- Foreign currency translation gains and losses are recorded in the "Other comprehensive income" account.

Foreign currency transactions are translated into the functional currency using the foreign exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end foreign exchange rates are recognized in Finance result.

2.4. Use of estimates and judgments

In the preparation of the financial statements, the management of ITAÚSA and its controlled companies are required to use judgments, estimates and assumptions that affect the balances of assets, liabilities, income and expenses in the year-end presented and in subsequent year-end.

The judgments, estimates and assumptions are based on information available on the date of the preparation of the financial statements, in addition to the experience from past and/or current events, and also taking into consideration assumptions related to future events. Additionally, when necessary, the judgments and estimates are supported by opinions prepared by experts. These estimates are periodically reviewed and their results may differ from the originally estimated amounts.

The estimates and assumptions that have a significant risk that is likely to cause a material adjustment to the amounts in the interim financial statements within the coming years are as follows:

- Recognition of deferred taxes (Notes 11 and 25);
- Determination of the fair value of financial instruments, including derivatives (Note 3.1.2);
- Provisions, Contingent assets and liabilities (Note 19);
- Determination of the fair value of biological assets (Note 10);
- Recognition of assets and liabilities related to pension plans; and
- Analysis of impairment of assets.

2.5. Consolidation of the financial statements

The consolidated financial statements have been prepared in accordance with the standards established by CPC 36 (R3)/ IFRS 10 – Consolidated Financial Statements.

ITAÚSA consolidates its controlled companies from the moment it obtains the control over them. The financial statements of the controlled companies are prepared on the same base date as those of ITAÚSA using consistent accounting policies and practices. When necessary, adjustments are made to the financial statements of the controlled companies to adapt their accounting practices and policies to ITAÚSA's accounting policies.

Minority interests amounts, arising from subsidiaries whose ownership interest held by ITAÚSA does not correspond to total capital stock, are stated separately in the Balance Sheet under "Minority Interests", in the Statement of Income under "Net income attributable to non-controlling stockholders" and in the Statements of Comprehensive Income under "Total comprehensive income Attributable to non-controlling interests".

Intercompany transactions, balances and unrealized gains and losses on transactions between consolidated companies were eliminated.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

3.1. Financial instruments

ITAÚSA and its controlled companies maintain operations with financial instruments. These instruments are managed by means of operational and internal control strategies aimed at ensuring credit, liquidity, security and profitability.

3.1.1. Classification of financial instruments

We present below the classification and measurement of financial assets and liabilities:

			Parent company				Consolidated			
			03/31/2021		12/31/2020		03/31/2021		12/31/2020	
	Note	Levels	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets										
Fair value through profit or loss										
Upon initial or subsequent recognition										
Cash and cash equivalents	4									
Financial investments		2	1,212	1,212	1,092	1,092	2,286	2,286	2,620	2,620
Marketable securities	5	3	1,453	1,453	1,473	1,473	1,453	1,453	1,473	1,473
			2,665	**2,665**	**2,565**	**2,565**	**3,739**	**3,739**	**4,093**	**4,093**
Amortized cost										
Cash and cash equivalents	4									
Cash in kind and bank deposits		2	1	1	-	-	255	255	267	267
Marketable securities	5	2	27	20	28	20	27	20	28	20
Customers	6	2	-	-	-	-	1,246	1,246	1,239	1,239
Dividends and interest on capital	8	2	382	382	985	985	382	382	951	951
Judicial deposits		2	30	30	30	30	101	101	100	100
Other assets	9	2	61	61	55	55	391	391	346	346
			501	**494**	**1,098**	**1,090**	**2,402**	**2,395**	**2,931**	**2,923**
Total of Financial assets			**3,166**	**3,159**	**3,663**	**3,655**	**6,141**	**6,134**	**7,024**	**7,016**

	Note	Levels	Parent company 03/31/2021 Fair value	Parent company 03/31/2021 Carrying amount	Parent company 12/31/2020 Fair value	Parent company 12/31/2020 Carrying amount	Consolidated 03/31/2021 Fair value	Consolidated 03/31/2021 Carrying amount	Consolidated 12/31/2020 Fair value	Consolidated 12/31/2020 Carrying amount
Financial liabilities										
Fair value through profit or loss										
Upon initial or subsequent recognition										
Debts	17	2	-	-	-	-	80	80	83	83
			-	**-**	**-**	**-**	**80**	**80**	**83**	**83**
Amortized cost										
Trade accounts payable	16	2	22	22	34	34	1,176	1,176	1,126	1,126
Personnel expenses		2	21	21	47	47	194	194	254	254
Debts	17	2	-	-	-	-	1,845	1,845	1,922	1,922
Debentures	18	2	2,725	2,516	2,731	2,494	3,931	3,722	3,933	3,696
Leases	12	2	10	10	11	11	373	373	370	370
Dividends and interest on capital	20.4.2	2	715	715	1,232	1,232	717	717	1,325	1,325
Other debts	9	2	485	480	441	427	1,025	1,020	965	951
			3,978	**3,764**	**4,496**	**4,245**	**9,261**	**9,047**	**9,895**	**9,644**
Total of Financial liabilities			**3,978**	**3,764**	**4,496**	**4,245**	**9,341**	**9,127**	**9,978**	**9,727**

3.1.2. Fair value of financial instruments

For determining fair value, ITAÚSA and its controlled companies project the discounted cash flows of the financial instruments until the termination of the operations according to contractual rules, also taking into consideration their own credit risk in accordance with CPC 46 / IFRS 13 – Fair Value Measurement. This procedure may result in a carrying amount that is different from its fair value mainly because the period for the settlement of the instruments is long and their costs are different with respect to the interest rates that are currently adopted for similar contracts, as well as the daily change in interest rates of futures traded in on B3.

The operations with financial instruments that present a carrying amount that is equivalent to the fair value arise from the fact that these financial instruments have characteristics that are substantially similar to those that would be obtained if they were traded in the market.

Management decided to record certain loans and financing as liabilities at fair value through profit or loss. The adoption of fair value is justified by the need for preventing the accounting mismatch between the debt instrument and the hedging instrument contracted, which is also measured at fair value through profit or loss.

The additional information on the assumptions used in the determination of the fair value of relevant financial instruments, which differ from the carrying amount or that are subsequently measured at fair value, are disclosed below taking into consideration the terms and the relevance of each financial instrument:

- Securities (hierarchical level 2): are measured taking into account future flows of receipts, based on contract terms and conditions, discounted to present value at interest rates based on market interest rate curves.

- Derivatives: (i) the fair value of the interest rate swap is calculated at the present value of the estimated future cash flows based on the yield curves adopted by the market; and (ii) the fair value of the swap and Non-Deliverable Forward (NDF) related to future foreign exchange contracts are determined based on the foreign exchange rates discounted at present value.

- Debts and debentures: they are measured by means of a pricing model that is individually applied to each transaction, taking into consideration the future flows of payment, based on contractual conditions, discounted to present value at rates obtained by means of market interest rate curves. Accordingly, the market value of a security corresponds to its payment amount (redemption amount) carried to present value by the discount fator.

- Other debts (NTS acquisition): they are measured by means of a pricing model, taking into consideration the future flows of payment, based on contractual conditions, discounted to present value at rates obtained by means of future market interest rate curves.

Additionally, the 7.65% interest in NTS (Note 5.1) is recorded in the "Marketable securities" account, measured at fair value through profit or loss and whose hierarchy level is three. The fair value of the investment is calculated based on the cash flows related to ITAÚSA discounted to present value at a rate that corresponds to the cost of equity that, on March 31, 2021, is 12.1% (12.1% on December 31, 2020). The assumptions considered for the calculation of the cost of equity take into consideration: (i) country risk; (ii) US treasury bill risk-free rate (maturing in 10 years); (iii) market risk premium; (iv) leverage beta including companies with similar business models; and (v) inflation differences between foreign (US) and domestic markets.

3.1.3. Derivatives

In operations with derivatives, there are no checks, monthly settlements or margin calls, and all contracts are settled upon their maturities and measured at fair value through profit or loss, taking into consideration market conditions regarding terms and interest rates. On Match 31, 2021 and December 31, 2020 only Duratex recorded derivative operations.

We present below the types of the contracts in effect:

- Broad Consumer Price Index (IPCA) swap + Fixed rate x CDI rate: contracts whose purpose is to turn debts indexed to the IPCA + fixed interest rates into debts indexed to the CDI rate and maturing in December, 2028; and

- NDF (Non Deliverable Forward): contract whose purpose is to Mitigate the foreign exchange exposure and maturing in December, 2021. In this operation, the contract is settled upon its respective maturity date, taking into consideration the difference between the forward foreign exchange rate (NDF) and the foreign exchange rate at the year-end (Ptax).

We present below a table containing the main information regarding the derivatives:

		Consolidated					
		Notional (R$)		Fair value		Profit or loss	
Derivatives	**Position**	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**	**01/01 to 03/31/2021**	**01/01 to 03/31/2020**
Swaps							
Fixed rate	Asset	-	-	-	-	-	5
IPCA + Fixed rate	Asset	81	84	87	94	5	5
CDI	Liability	(81)	(84)	(81)	(84)	-	-
NDF							
R$ x US$	-	222	174	220	173	(4)	(2)

3.2. Risk Management

Because the results of ITAÚSA are directly related to the operations, the activities and the results of its investees, ITAÚSA is exposed mainly to the risks of the companies in its portfolio.

Through its senior management, ITAÚSA participate on board of directors and supporting committees of the investees, in addition to the presence of independent members with experience in the respective markets in which they work, good risk management and compliance practices are stimulated, including integrity. Examples of this work are the participation of ITAÚSA's management members: (i) on the Risk and Capital Management Committee of Itaú Unibanco; (ii) on the Audit and Risk Management Committee of Duratex; and (iii) on the Statutory Audit Committee of Alpargatas.

ITAÚSA follows the guidelines contained in the Risk Management Policy approved by the Board of Directors where the following is defined: (i) the main management and risk control guidelines, in line with the risk appetite established by the Board of Directors; (ii) the methodology of the risk management process; (iii) the guidelines and guidance to the Compliance and Corporate Risks Department in the implementation of the integrity program; and (iv) the reviews of ITAÚSA's rules, forwarding them, when necessary, for the analysis and approval of the Board of Directors.

ITAÚSA has a Sustainability and Risks Committee aimed at assessing instruments to hedge/mitigate identified risks, such as possible insurance policies taken out.

3.2.1. Market risks

Market risks involve mainly the possibility of variations in interest and foreign exchange rates. These risks may result in the reduction of the value of assets and in the increase of their liabilities due to the rates negotiated in the market.

With respect to foreign exchange rate risks, the controlled company Duratex has an Indebtedness Policy that establishes the maximum foreign currency-denominated amount that may be exposed to variations in the foreign exchange rate. Due to the risk management procedures, management carries out periodical assessments of foreign exchange exposures for the purpose of mitigating them, in addition to maintaining economic hedge mechanisms aimed at protecting most of its foreign exchange exposure.

With respect to interest rate risks, they are those that can cause ITAÚSA and controlled companies to undergo economic losses due to adverse changes in these rates. This risk is continuously monitored by management for the purpose of assessing any need to contract derivative operations to protect ITAÚSA against the volatility in interest rates. With respect to financial investments, the earnings are indexed to the variation in the CDI rate and redemption assured by issuing banks, based on contractually agreed rates agreed for investments in CDBs, or on the value of the quota on the redemption date for investment funds.

3.2.1.1. Sensitivity analysis

The purpose of the sensitivity analysis is to measure how companies may be impacted by changes in market variables to each representative financial instrument. However, the settlement of these transactions may result in amounts that differ from those estimated given the subjectivity inherent in the preparation of these analyses.

The information in the table below measures, based on the exposure of the accounting balances as of March 31, 2021, possible impacts on the results of ITAÚSA and subsidiaries due to the changes in each risk until the end of the accounting period or until the maturity date these operations. The projected rates were defined based on assumptions available in the market (B3 and Focus Market Readout – Central Bank of Brazil).

	Parent company			
	Index/ Currency	Risk	Projected rates	Probable scenario
Assets				
Marketable securities (Debentures)	CDI	Reduction of CDI	10.25% p.y.	2
Liabilities				
Other debts (Acquisition of NTS)	US$	Increase of the U.S. dollar	R$5.33	30
Total				**32**

	Consolidated			
	Index/ Currency	Risk	Projected rates	Probable scenario
Assets				
Marketable securities (Debentures)	CDI	Reduction of CDI	10.25% p.y.	2
Liabilities				
Other debts (Acquisition of NTS)	US$	Increase of the U.S. dollar	R$5.33	30
Loans IPCA + Fixed	CDI	Increase of CDI	9.45% p.y.	(7)
Swap - IPCA + Fixed x CDI				7
Loans US$	US$	Increase of the U.S. dollar	R$5.70	(1)
NDF - US$ x BRL	US$	Reduction of the U.S. dollar	R$5.70	-
Total				**31**

3.2.2. Credit risk

Credit risk is the possibility of ITAÚSA and its controlled companies not exercising their rights. This description is related mainly to the accounts below and the maximum exposure to credit risk is reflected by their accounting balances:

(a) Customers

The controlled company Duratex has a formalized credit granting policy for the purpose of establishing the procedures to be followed upon the granting of credit in commercial operations of sale of products and service in both domestic and foreign markets. For the granting of credit, customers are classified taking into consideration the length of time of registration and their payment histories and, among other matters, their Financial Statements are assessed for the purpose of identifying their payment ability associated with a default probability.

The credit limit may be defined based on a percentage of net revenue, equity or a combination of both, also taking into consideration the average volume of the monthly purchases, but always supported by the assessment of the economic and financial, documental, restrictive and behavioral situation of the customer. In accordance with the credit limit, financial guarantees are established and the credit limits are periodically assessed in order to maintain the diversification of its portfolio and reduce its risk exposure. There is no significant risk of concentration of customer credit.

(b) Cash and cash equivalents

ITAÚSA and its controlled companies have formalized policies for the management of funds with financial institutions that are aimed at ensuring liquidity, security and profitability for the funds. Internal policies determine that the financial investments must be made with fist-class financial institutions and with no concentration of funds in specific investments, in order to maintain a balanced proportion that is less subject to losses. Management understands that the financial investment operations contracted do not expose ITAÚSA and its controlled companies to significant credit risks that may generate material losses in the future.

3.2.3. Liquidity risk

This is the risk that ITAÚSA and its controlled companies will not have sufficient liquid funds to honor their financial commitments due to the mismatch of terms or volumes of expected receipts and payments.

The controlled company Duratex has an indebtedness policy whose purpose is to define the limits and parameters of indebtedness and the minimum available funds, which is the highest of the following two amounts: (i) sum equivalent to 60 days of consolidated net revenue for the past quarter; or (ii) debt service plus dividends and/or interest on capital expected for the following six months.

Additionally, management monitors the continuous expectations of liquidity requirements to ensure that it has sufficient cash to meet the operational needs, particularly the payment of dividends, interest on capital and other obligations assumed.

ITAÚSA and its controlled companies invest the cash surplus by choosing instruments with appropriate maturities or adequate liquidity to provide sufficient margin with respect to the expectations of the outflow of funds.

For the purpose of maintaining the investments at acceptable risk levels, new investments or increases in interests are discussed in joint meetings of the Executive Board and the Board of Directors of ITAÚSA.

The table below shows the maturities of financial liabilities in accordance with the undiscounted cash flows:

	Parent company				
	Less than one year	Between one and two years	Between three and five years	Over five years	Total
Debentures	23	798	398	1,297	2,516
Trade accounts payable	15	7	-	-	22
Personnel expenses	21	-	-	-	21
Leases	3	6	1	-	10
Dividends and interest on capital	715	-	-	-	715
Other debts	10	470	-	-	480
	787	**1,281**	**399**	**1,297**	**3,764**

	Consolidated				
	Less than one year	Between one and two years	Between three and five years	Over five years	Total
Debts	511	1,350	24	40	1,925
Debentures	31	798	997	1,896	3,722
Trade accounts payable	1,169	7	-	-	1,176
Personnel expenses	194	-	-	-	194
Leases	26	38	29	280	373
Dividends and interest on capital	717	-	-	-	717
Other debts	384	636	-	-	1,020
	3,032	**2,829**	**1,050**	**2,216**	**9,127**

The forecast budget, which was approved by management, shows the ability and cash generation for meeting obligations.

3.2.3.1. Covenants

The controlled company Duratex has some Debt and debenture contracts that are subject to some covenants in accordance with the usual market practices and which, when they are not complied with, may result in an immediate disbursement or early maturity of an obligation with defined flow and frequency. We present below a description of the financial covenants of the controlled company:

(a) Debts

Contracts with BNDES

- EBITDA (*) / Net finance cost: equal to or higher than 3.00;
- EBITDA (*) / Net operating income: equal to or higher than 0.20;
- Equity / Total assets: equal to or higher than 0.45.

Agreement with Caixa Econômica Federal (Export Credit Note)

- Net debt / EBITDA (*): below or equal to 6.5 up to June 30, 2021 and lower or equal to 4.0 after such period

(b) Debentures

- Net debt / EBITDA (*) lower than or equal to 4.0

(*) EBITDA (Earning Before Interest, Taxes, Depreciation and Amortization).

The maintenance of the covenants is based on the financial statements of the controlled company Duratex and, should the above mentioned contractual obligations be not complied with, Duratex must offers additional guarantees.

On March 31, 2021 and December 31, 2020 all aforementioned contractual obligations were fully met.

3.3. Capital management

ITAÚSA and its controlled companies manage their capital so as to ensure the continuity of their operations, as well as to offer a return to their stockholders, including by optimizing the cost of capital and controlling the indebtedness level, and by monitoring the financial gearing ratio, which corresponds to the net debt-equity ratio.

		Parent company		Consolidated	
	Note	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Debts	17	-	-	1,925	2,005
Debentures	18	2,516	2,494	3,722	3,696
(-) Cash and cash equivalents	4	(1,213)	(1,092)	(2,541)	(2,887)
Net debt		**1,303**	**1,402**	**3,106**	**2,814**
Equity	20	58,696	57,343	61,873	60,633
Gearing ratio		**2.2%**	**2.4%**	**5.0%**	**4.6%**

4. CASH AND CASH EQUIVALENTS

	Parent company		Consolidated	
	03/31/2021	**12/31/2020**	**03/31/2021**	**12/31/2020**
Cash and banks	**1**	**-**	**255**	**267**
Financial investments	**1,212**	**1,092**	**2,286**	**2,620**
Fixed income	-	-	51	80
Bank Deposit Certificate - CDB	-	-	959	1,384
Investment funds	1,212	1,092	1,276	1,156
Total	**1,213**	**1,092**	**2,541**	**2,887**

5. MARKETABLE SECURITIES

		Parent Company and Consolidated			
		Current		Non-Current	
	Notes	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Investments in shares – NTS	5.1	1,453	1,473	-	-
Investments in debentures	5.2	-	-	20	20
Total		**1,453**	**1,473**	**20**	**20**

5.1 Investments in Shares – NTS

	Note	Parent company and Consolidated
Balance on 12/31/2019		**1,213**
Fair value		310
Reduction of share capital		(50)
Balance on 12/31/2020		**1,473**
Fair value	24	(20)
Balance on 03/31/2021		**1,453**

This refers to the 7.65% interest of ITAÚSA in the capital of NTS acquired on April 4, 2017. Since ITAÚSA does not have a significant influence over the decisions on the financial and operational policies of NTS, the investment is classified as a financial asset in accordance with CPC 48 / IFRS 9 – Financial instruments, and measured at fair value through profit or loss in Finance result. For further information on the assumptions used in fair value calculation, please see Note 3.1.2.

In 2021, ITAÚSA recorded dividends and interest on capital from NTS, in contra-entry to income under “Other income and expenses” in the amount of R$63 (R$48 in 2020) (Note 23).

Management periodically monitors any risks of impairment of Marketable securities. Taking into consideration the nature of these assets and the history of loss, ITAÚSA did not recognize any impairment losses on the above mentioned assets.

5.2 Investments in Debentures

These refer to simple, non-convertible debentures issued by associate Copagaz, acquired by ITAÚSA on December 23, 2020 and maturing on December 23, 2030. Interest paid is CDI + 5%, payable at the maturity date and it is measured by using amortized cost.

6. TRADE ACCOUNTS RECEIVABLE

	Consolidated							
	03/31/2021							
		Overdue						
	To fall due	Within 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	Over 180 days	(-) Allowance for estimated losses on doubtful accounts	Net balance
Local customers	976	46	6	4	8	61	(77)	1,024
Foreign customers	140	52	13	7	3	7	(6)	216
Related parties	5	1	-	-	-	-	-	6
Total	**1,121**	**99**	**19**	**11**	**11**	**68**	**(83)**	**1,246**

	12/31/2020							
		Overdue						
	To fall due	Within 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	Over 180 days	(-) Allowance for estimated losses on doubtful accounts	Net balance
Local customers	1,011	30	5	5	7	69	(78)	1,049
Foreign customers	109	54	9	3	5	7	(6)	181
Related parties	8	1	-	-	-	-	-	9
Total	**1,128**	**85**	**14**	**8**	**12**	**76**	**(84)**	**1,239**

There are no real encumbrances, guarantees offered and/or restrictions to the trade accounts receivable amounts. No customer individually represents more than 10% of trade accounts receivable or revenue.

The exposure of ITAÚSA and its controlled companies to credit risks related to trade accounts receivable are disclosed in Note 3.2.2.

6.1. Allowance for estimated losses on doubtful accounts

As required by CPC 48 / IFRS 9 – Financial instruments, a detailed analysis of the balance of trade accounts receivable must be made and, in accordance with the simplified approach, an allowance for estimated losses on doubtful accounts is recognized to cover any losses on the realization of these assets.

Risks are rated based on external credit bureau models, both for domestic and foreign markets, being rated between "A" and "D", where "A" means low-risk clients and "D", high-risk clients. Clients recorded in allowance for estimated losses on doubtful accounts (PECLD) are rated separately.

Rating	03/31/2021	12/31/2020
A	34%	20%
B	17%	16%
C	43%	58%
D	1%	1%
Customers in PECLD	5%	5%

We present below the changes in the allowance for estimated losses on doubtful accounts:

	Consolidated	
	03/31/2021	12/31/2020
Opening balance	**(84)**	**(83)**
Recognitions	(3)	(25)
Write-offs	4	24
Closing balance	**(83)**	**(84)**

7. INVENTORIES

	Consolidated	
	03/31/2021	12/31/2020
Finished products	387	324
Raw materials	463	366
Work in progress	180	165
General storeroom	131	118
Advance to suppliers	12	10
(-) Estimated loss on the realization of inventories	(54)	(58)
Total	**1,119**	**925**

On March 31, 2021 and December 31, 2020 the controlled companies had no inventories offered in guarantee.

The changes in the allowance for estimated losses on doubtful accounts on the realization of inventories are presented below:

	Consolidated	
	03/31/2021	12/31/2020
Opening balance	**(58)**	**(107)**
Recognitions	(4)	(53)
Reversals	7	44
Write-offs	1	60
Foreign exchange	-	(2)
Closing balance	**(54)**	**(58)**

8. DIVIDENDS AND INTEREST ON CAPITAL RECEIVABLE

	Parent company						
	Investments					Marketable securities	
	Subsidiaries		Jointly-controlled entities				
	Duratex	Itautec	Itaú Unibanco	IUPAR	Alpargatas	NTS	Total
Balance on 12/31/2019	**29**	**1**	**91**	**50**	**-**	**-**	**171**
Dividends	-	2	1,608	1,373	9	173	3,165
Interest on capital	86	-	1,156	920	-	7	2,169
Receipts	(81)	(3)	(2,304)	(1,943)	(9)	(180)	(4,520)
Balance on 12/31/2020	**34**	**-**	**551**	**400**	**-**	**-**	**985**
Dividends	110	-	54	33	-	62	259
Interest on capital	33	-	153	200	-	1	387
Receipts	(177)	-	(547)	(462)	-	(63)	(1,249)
Balance on 03/31/2021	**-**	**-**	**211**	**171**	**-**	**-**	**382**

	Consolidated				
	Investments			Marketable securities	
	Jointly-controlled entities				
	Itaú Unibanco	IUPAR	Alpargatas	NTS	Total
Balance on 12/31/2019	**91**	**50**	**-**	**-**	**141**
Dividends	1,608	1,373	9	173	3,163
Interest on capital	1,156	920	-	7	2,083
Receipts	(2,304)	(1,943)	(9)	(180)	(4,436)
Balance on 12/31/2020	**551**	**400**	**-**	**-**	**951**
Dividends	54	33	-	62	149
Interest on capital	153	200	-	1	354
Receipts	(547)	(462)	-	(63)	(1,072)
Balance on 03/31/2021	**211**	**171**	**-**	**-**	**382**

9. OTHER ASSETS AND LIABILITIES

		Parent company				Consolidated			
		Current		Non-current		Current		Non-current	
	Note	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Other assets									
Prepaid expenses		16	10	12	12	44	26	12	12
Pension plan assets (DB Plan)		1	1	1	1	12	11	7	15
Disposal of PPE		-	-	-	-	42	49	27	29
Disposal of investments		-	-	-	-	-	-	18	18
Disposal of investment property		-	-	-	-	-	2	-	-
Development of forest operations		-	-	-	-	-	-	10	10
Advance to employees		-	7	-	-	7	15	-	-
Indemnifiable assets		-	-	-	-	-	-	17	17
Amounts withheld in acquisitions of companies		-	-	-	-	2	2	34	34
Sale of electricity		-	-	-	-	2	4	-	-
Held-for-sale assets		-	-	-	-	98	48	-	-
Other assets		24	20	7	4	39	39	20	15
Total		**41**	**38**	**20**	**17**	**246**	**196**	**145**	**150**
Other liabilities									
Advances from customers		-	-	-	-	85	83	8	8
Profits to be distributed to stockholders in special partnerships		-	-	-	-	-	7	-	-
Acquisition of reforestation areas		-	-	-	-	23	21	-	-
Trade accounts payable to stockholders in special partnerships		-	-	-	-	63	-	27	89
Acquisitions of companies		-	-	-	-	28	28	32	32
Freight and insurance payable		-	-	-	-	48	42	-	-
Commissions payable		-	-	-	-	15	17	-	-
Warranties, technical assistance and maintenance		-	-	-	-	57	45	5	6
Joint operation liabilities		-	-	-	-	-	-	51	50
Provision for restructuring costs		-	-	-	-	3	3	-	-
Payroll loans		-	-	-	-	2	2	-	-
Sales for future delivery		-	-	-	-	20	17	-	-
Acquisition - NTS	9.1	-	-	470	425	-	-	470	425
Acquisitions of farms		-	-	-	-	-	-	35	33
Other liabilities		10	2	-	-	40	37	8	6
Total		**10**	**2**	**470**	**425**	**384**	**302**	**636**	**649**

9.1. Acquisition of NTS

Refers to payment obligation due to "Nova Infraestrutura Fundo de Investimento em Participações e Multiestratégia", arising from the acquisition of a 7.65% interest in the capital of NTS, originally amounting to US$72 million, adjusted based on a fixed interest rate of 3.35% a year, capitalized on an annual basis in the principal amount, to be paid in a single installment in April 2022. The change in the March 31, 2021 balance compared to December 31, 2020 was mainly driven by the foreign exchange variation in the period.

10. BIOLOGICAL ASSETS

The indirectly-controlled companies Duratex S.A. (Colombia), Duratex Florestal Ltda. and Caetex Florestal S.A. have eucalyptus and pine tree forest reserves that are used, primarily, as raw material in the production of wood panels, floorings and, secondarily, for sale to third parties.

The forest reserves serve as a guarantee of supply to the factories, as well as a protection against risks regarding future increases in the price of wood. This is a sustainable operation that is integrated with its industrial complexes, which, together with a supply network, provides a high level of self-sufficiency in the supply of wood.

On March 31, 2021 the companies had, approximately, 101.1 thousands hectares in effectively planted areas (101.9 thousands hectares on December 31, 2020) that are cultivated in the states of São Paulo, Minas Gerais, Rio Grande do Sul, Alagoas and in Colombia.

The forests are free of any encumbrances or guarantees to third parties, including financial institutions. Additionally, there are no forests for which the ownership is restricted.

The balance of the biological assets is composed of the cost of formation of the forests and the fair value difference over the cost of formation, as presented below:

	Consolidated	
	03/31/2021	12/31/2020
Cost of formation of biological assets	821	1,117
Difference between cost of formation and fair value	308	512
Capital increase - indirect investee LD Celulose	-	(486)
Total	**1,129**	**1,143**

The changes in the year are as follows:

		Consolidated	
	Note	03/31/2021	12/31/2020
Opening balance		**1,143**	**1,544**
Changes in fair value			
Price/Volume	22	18	117
Depletion		(27)	(104)
Changes in the cost of formation			
Planting costs		45	199
Depletion		(50)	(127)
Capital increase - indirect investee LD Celulose	13.2.3	-	(486)
Closing balance		**1,129**	**1,143**

10.1. Fair value and sensitivity analysis

Fair value is determined based on the estimate of volume of wood that is ready to be harvested, at the current prices of standing wood, except for the eucalyptus forests that are up to one year old and the pine forests that are up to four year old, which are maintained at cost, due to the belief that these amounts approximate their fair value.

Fair value was determined by the valuation of the expected volumes that are ready to be harvested at current market prices based on estimates of volumes. The main assumptions used were:

- Discounted cash flows expected wood volume that is ready to be harvested, taking into consideration current market prices, net of the unrealized planting costs and the costs of capital of the land used in the plantation, measured at present value at the discount rate of March 31, 2021 of 7.05% p.y. (7.05% p.y. on December 31, 2020), which corresponds to the average weighted cost of capital of the controlled company Duratex, which is reviewed on an annual basis by its management.

- Wood prices: they are obtained in R$/cubic meter by means of surveys on market prices disclosed by specialized companies for regions and products that are similar to those of the controlled company Duratex, in addition to the prices adopted in transactions with third parties, also in active markets.

- Difference: the volumes of harvests that were separated and valued according to the species: pine and eucalyptus; (ii) region; and (iii) destination (sawmill and process).

- Volumes: estimate of the volumes to be harvested (6th year for eucalyptus and 12th year for pine) based on the projected average productivity for each region and species. The average productivity may vary according to age, rotation, climate conditions, quality of seedlings, fire and other natural risks. For the forests that have already been formed, the current volumes of wood are used. The volume estimates are supported by cycle counts made by specialized technicians as from the second year of the forests and their effects are incorporated into the financial statements.

11. DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

The balance of and changes in deferred income tax and social contribution are presented below:

	Parent company					
	12/31/2019	Recognition	Realization/ Reversal	12/31/2020	Realization/ Reversal	03/31/2021
Assets						
Recognized in profit or loss						
Income tax and social contribution loss carryforwards	**382**	**-**	**-**	**382**	**-**	**382**
Temporary differences	**534**	**-**	**-**	**534**	**-**	**534**
Contingencies	505	-	-	505	-	505
Other	29	-	-	29	-	29
Total (*)	**916**	**-**	**-**	**916**	**-**	**916**
Liabilities						
Recognized in profit or loss						
Temporary differences	**(139)**	**(106)**	**2**	**(243)**	**7**	**(236)**
Fair value of financial instruments	(130)	(106)	-	(236)	7	(229)
Other	(9)	-	2	(7)	-	(7)
Total (*)	**(139)**	**(106)**	**2**	**(243)**	**7**	**(236)**

(*) *Deferred income tax and social contribution assets and liabilities are recorded in the Balance Sheet, as offset by the taxable entity, totaling in the deferred assets on March 31,2021 the amount of R$680 (R$673 on December 31, 2020) .*

	Consolidated						
	12/31/2019	Recognition	Realization/ Reversal	12/31/2020	Recognition	Realization/ Reversal	03/31/2021
Assets							
Recognized in profit or loss							
Income tax and social contribution loss carryforwards	**569**	**-**	**(14)**	**555**	**-**	**(22)**	**533**
Temporary differences	**857**	**65**	**(46)**	**876**	**4**	**(10)**	**870**
Provision for impairment of trade accounts receivable	**10**	-	(3)	**7**	-	-	**7**
Contingencies	**613**	37	-	**650**	-	(5)	**645**
Inventory losses	**32**	-	(16)	**16**	-	(1)	**15**
Profit abroad	**35**	9	-	**44**	-	-	**44**
Impairment of property, plant and equipment	**71**	-	(21)	**50**	-	(1)	**49**
Post-employment benefit	**11**	-	(4)	**7**	-	-	**7**
Other	**85**	19	(2)	**102**	4	(3)	**103**
Reconhecidos no Patrimônio líquido							
Post-employment benefit	**13**	-	(4)	**9**	-	-	**9**
Total (*)	**1,439**	**65**	**(64)**	**1,440**	**4**	**(32)**	**1,412**
Liabilities							
Recognized in profit or loss							
Temporary differences	**(539)**	**(108)**	**32**	**(615)**	**(4)**	**18**	**(601)**
Revaluation reserve	**(66)**	-	3	**(63)**	-	-	**(63)**
Fair value of financial instruments and derivatives	**(130)**	(106)	-	**(236)**	-	7	**(229)**
Depreciation	**(28)**	-	2	**(26)**	(1)	-	**(27)**
Sale of property, plant and equipment	**(1)**	-	-	**(1)**	-	-	**(1)**
Biological assets	**(172)**	-	4	**(168)**	-	4	**(164)**
Client Portfolio	**(39)**	-	7	**(32)**	-	2	**(30)**
Pension plans	**(41)**	-	5	**(36)**	(1)	-	**(37)**
Pension Plans	**(24)**	(1)	-	**(25)**	-	-	**(25)**
Other	**(38)**	(1)	11	**(28)**	(2)	5	**(25)**
Recognized in equity							
Exchange variation on translation of balance sheet from foreign companies	**(5)**	(5)	-	**(10)**	-	-	**(10)**
Revaluation reserve	**-**	(1)	-	**(1)**	-	-	**(1)**
Total (*)	**(544)**	**(114)**	**32**	**(626)**	**(4)**	**18**	**(612)**

(*) *Deferred income tax and social contribution assets and liabilities are recorded in the Balance Sheet, as offset by the taxable entities, totaling in the deferred assets the amount of R$935 on March 31, 2021 (R$958 on December 31, 2020) and in the deferred liabilities the amount of R$135 on March 31, 2021 (R$144 on December 31, 2020).*

11.1. Deferred assets

11.1.1. Expectation of realization

Deferred tax assets are recognized taking into consideration the probable realization of these credits, based on projections of future results, prepared based on internal assumptions and economic scenarios approved by management that may change. We present below the expectation of realization of deferred assets:

	Parent company	Consolidated
2021	-	123
2022	14	104
2023	252	345
2024	130	190
2025	504	566
2026 - 2028	16	84
Total	**916**	**1,412**

11.1.2. Unrecognized tax credits

ITAÚSA and its controlled companies have tax credits related to income tax and social contribution loss carryforwards and temporary differences that are not recognized in the financial statements due to uncertainties of their realization.

On March 31, 2021, the unrecognized credits of ITAÚSA correspond to R$406 (R$376 on December 31, 2020) and in the consolidated financial statements, they correspond to R$549 (R$519 on December 31, 2020). The above mentioned credits may be recognized in the future in accordance with the annual review of the projection of taxable profit generation and the term for their use is indefinite.

12. RIGHT-OF-USE AND LEASES

For the lease contract of ITAÚSA, Management did not consider the possibility of a contract renewal (total 48 months), as it believes that renewal conditions at the maturity date may be significantly different from the current ones, which may be construed as a new contract. Meanwhile, due to the long-term nature of contracts, controlled company Duratex has opted not to renew the land lease contracts too. For the other contracts, when applicable, a renewal was considered.

With respect to payments, these basically refer to fixed amounts agreed in agreements annually adjusted based on an inflation-linked index.

12.1. Right-of-use assets

	Parent company	Consolidated					
	IT equipment	Land	Buildings	Vehicles	IT equipment	Other	Total
Balance on 12/31/2019	**12**	**536**	**10**	**1**	**12**	**8**	**567**
New contracts / adjustments	-	24	11	3	-	17	55
Depreciation for the period (profit or loss)	(2)	(1)	(6)	(2)	(2)	(4)	(15)
Depreciation for the period (*)	-	(21)	-	-	-	-	(21)
Foreign exchange variation	-	2	-	-	-	1	3
Write-off of contracts	-	(240)	(1)	-	-	-	(241)
Balance on 12/31/2020	**10**	**300**	**14**	**2**	**10**	**22**	**348**
New contracts / adjustments	-	3	5	-	-	2	10
Depreciation for the period (profit or loss)	(1)	-	(2)	-	(1)	(1)	(4)
Depreciation for the period (*)	-	(5)	-	-	-	-	(5)
Balance on 03/31/2021	**9**	**298**	**17**	**2**	**9**	**23**	**349**

(*) Stated at cost of formation of forest reserves in "Biological Asset" line.

12.2. Lease liabilities

	Parent company	Consolidated					
	IT equipment	Land	Buildings	Vehicles	IT equipment	Other	Total
Balance on 12/31/2019	**12**	**551**	**12**	**1**	**12**	**8**	**584**
New contracts / adjustments	-	24	11	3	-	17	55
Interest allocated in the period (profit or loss)	1	2	1	-	1	1	5
Interest allocated in the period (*)	-	30	-	-	-	-	30
Payments	(2)	(43)	(7)	(2)	(3)	(5)	(60)
Write-off of contracts	-	(246)	(1)	-	-	-	(247)
Foreign exchange variation	-	2	-	-	-	1	3
Balance on 12/31/2020	**11**	**320**	**16**	**2**	**10**	**22**	**370**
New contracts / adjustments	-	3	5	-	-	2	10
Interest allocated in the period (profit or loss)	-	1	-	-	-	1	2
Interest allocated in the period (*)	-	8	-	-	-	-	8
Payments	(1)	(11)	(2)	-	(1)	(3)	(17)
Balance on 03/31/2021	**10**	**321**	**19**	**2**	**9**	**22**	**373**
Current							**26**
Non-current							**347**

(*) Stated at cost of formation of forest reserves in "Biological Asset" line.

Discount rates are as follows:

	Parent company	Consolidated
Contractual terms		
Up to 5 years	5.85% p.y.	From 5.85% to 7.37% p.y.
From 6 to 10 years	-	10.72% p.y.
Longer than 10 years	-	11.94% p.y.

The maturities of the lease liabilities take into consideration the following future flow of payments:

	Parent company	Consolidated
	03/31/2021	03/31/2021
Current		
2021 to 03/2022	3	26
Total	**3**	**26**
Non-current		
2022	3	19
2023	3	19
2024	1	16
2025	-	13
2026	-	12
2027 - 2031	-	44
2032 - 2036	-	27
2037 - 2046	-	79
2047 onwards	-	118
Total	**7**	**347**

12.3. Inflation effects

Please find below the inflation effects on balances, compared to the balances in the financial statements:

	Parent company			
	03/31/2021		12/31/2020	
	Accounting scenario	Inflation scenario	Accounting scenario	Inflation scenario
Right-of-use assets	10	12	11	12
Depreciation	(1)	(2)	(1)	(1)
Total	**9**	**10**	**10**	**11**
Leases	11	11	12	11
Interest to be appropriated	(1)	(1)	(1)	(1)
Total	**10**	**10**	**11**	**10**

	Consolidated			
	03/31/2021		12/31/2020	
	Accounting scenario	Inflation scenario	Accounting scenario	Inflation scenario
Right-of-use assets	422	891	413	1,005
Depreciation	(73)	(116)	(65)	(108)
Total	**349**	**775**	**348**	**897**
Leases	1,008	2,098	1,011	2,323
Interest to be appropriated	(635)	(1,262)	(641)	(1,364)
Total	**373**	**836**	**370**	**959**

13. INVESTMENTS

13.1. Investment balance

	Note	Parent company 03/31/2021	Parent company 12/31/2020	Consolidated 03/31/2021	Consolidated 12/31/2020
Jointly-controlled companies					
Jointly-controlled companies		56,640	55,183	56,640	55,183
Indirect Jointly-controlled company		-	-	107	107
Controlled companies					
Controlled companies		1,886	1,940	-	-
Indirect controlled company		-	-	-	1
Associates					
Associates		1,209	1,219	1,209	1,219
Indirect associates		-	-	908	852
	13.2	**59,735**	**58,342**	**58,864**	**57,362**
Other investments		5	5	9	9
Total investments		**59,740**	**58,347**	**58,873**	**57,371**

13.2. Changes in investments

Parent company

	Jointly-controlled companies: Itaú Unibanco	Jointly-controlled companies: IUPAR	Jointly-controlled companies: Alpargatas (Note 13.2.1)	Controlled companies: Duratex (Note 13.2.3)	Controlled companies: Itautec	Controlled companies: ITH Zux Cayman	Associates: Copagaz (Note 13.2.4)	Total
Balance on 12/31/2019	**27,812**	**23,185**	**1,921**	**1,807**	**39**	**2**	**-**	**54,766**
Equity in the earnings of investees	3,830	3,253	(36)	166	-	1	-	7,214
Dividends and interest on capital	(2,951)	(2,442)	(9)	(97)	(1)	-	-	(5,500)
Acquisition of shares	-	-	41	-	-	-	1,219	1,260
Other comprehensive income	205	180	52	22	-	-	-	459
Other	75	65	2	1	-	-	-	143
Balance on 12/31/2020	**28,971**	**24,241**	**1,971**	**1,899**	**38**	**3**	**1,219**	**58,342**
Equity in the earnings of investees	1,193	1,022	33	63	(2)	-	(10)	2,299
Dividends and interest on capital	(254)	(268)	-	(143)	-	-	-	(665)
Other comprehensive income	(105)	(92)	(3)	42	-	-	-	(158)
Other	(36)	(34)	1	(14)	-	-	-	(83)
Balance on 03/31/2021	**29,769**	**24,869**	**2,002**	**1,847**	**36**	**3**	**1,209**	**59,735**
Market value on 12/31/2020 (*)	**115,450**	**-**	**7,097**	**4,839**	**-**	**-**	**-**	
Market value on 03/31/2021 (*)	**102,091**	**-**	**6,225**	**4,725**	**-**	**-**	**-**	

Consolidated

	Jointly-controlled companies: Itaú Unibanco	Jointly-controlled companies: IUPAR	Jointly-controlled companies: Alpargatas (Note 13.2.1)	Indirect controlled company: Viva Decora (Note 13.2.2)	Indirect associates: LD Celulose	Indirect Jointly-controlled company: LD Florestal	Associates: Copagaz (Note 13.2.4)	Total
Balance on 12/31/2019	**27,812**	**23,185**	**1,921**	**14**	**-**	**108**	**-**	**53,040**
Equity in the earnings of investees	3,830	3,253	(36)	(2)	(65)	-	-	6,980
Dividends and interest on capital	(2,951)	(2,442)	(9)	-	-	-	-	(5,402)
Acquisition of shares	-	-	41	-	1,018	-	1,219	2,278
Other comprehensive income	205	180	52	-	(102)	-	-	335
Other	75	65	2	(11)	1	(1)	-	131
Balance on 12/31/2020	**28,971**	**24,241**	**1,971**	**1**	**852**	**107**	**1,219**	**57,362**
Equity in the earnings of investees	1,193	1,022	33	-	(44)	-	(10)	2,194
Dividends and interest on capital	(254)	(268)	-	-	80	-	-	(442)
Other comprehensive income	(105)	(92)	(3)	-	20	-	-	(180)
Other	(36)	(34)	1	(1)	-	-	-	(70)
Balance on 03/31/2021	**29,769**	**24,869**	**2,002**	**-**	**908**	**107**	**1,209**	**58,864**
Market value on 12/31/2020 (*)	**115,450**	**-**	**7,097**	**-**	**-**	**-**	**-**	
Market value on 03/31/2021 (*)	**102,091**	**-**	**6,225**	**-**	**-**	**-**	**-**	

13.2.1 Acquisition of additional equity interest in Alpargatas

Between the months of March and April 2020, ITAÚSA once again purchased on B3 over 1,789,900 preferred shares from Alpargatas for a total amount of R$41. These purchased shares account for 0.31% of the total shares of Alpargatas, with ITAÚSA now holding a total 29.19% stake (excluding treasury shares).

ITAÚSA started the process for the allocation of the purchase price, taking into consideration the interest in the net assets and liabilities measured at fair value, the consideration paid by ITAÚSA and the goodwill from the expectation of future profitability.

13.2.2. Full acquisition of Viva Decora by subsidiary Duratex

At the Notice to the Market published on August 5, 2020, subsidiary Duratex announced that on July 31, 2020 it entered into an agreement for the full acquisition of the then affiliate Viva Decora Internet Ltda. ("Viva Decora"), in which it already held a 44.16% ownership interest.

No financial disbursement was required by Duratex for such acquisition, as the payment to other stockholders was made by using the cash available at Viva Decora.

13.2.3. Corporate operations in investee Duratex

In January 2020, investee Duratex completed the partial spin-off of its wholly-owned subsidiary Duratex Florestal Ltda., thus incorporating the following amounts:

Description	Amount
Inventories	2
PPE	6
Biological asset	486
Personnel liabilities	(1)
Deferred taxes	(65)
Total	**428**

After the takeover, between January and February 2020, investee Duratex contributed capital in its affiliate LD Celulose S.A., in the following amounts:

Description	Note	Amount
Inventories		2
PPE	14.2	9
Biological asset	10	486
Personnel liabilities		(1)
Total		**496**

In addition to the contributions above, investee Duratex has also made capital contributions, in the amount of R$522, totaling R$1,018 in contributions to its affiliate LD Celulose S.A.

13.2.4. Investment in Copagaz completed with acquisition of Liquigás

On December 23, 2020, ITAÚSA informed the market through a Material Fact that, as of that date, the acquisition of total shares of Liquigás Distribuidora S.A. ("Liquigás") was completed by the group composed of ITAÚSA, Copagaz, and Nacional Gás Butano Distribuidora Ltda. ("Nacional Gás"). Also at that date ITAÚSA's contribution to Copagaz was completed, thus making ITAÚSA a material minority stockholder (associate).

ITAÚSA'S investment in this transaction was carried out by subscribing 48.5% of voting and total capital, in the amount of R$1,212, and also by acquiring the debentures issued by Copagaz in the amount of R$20. The remaining capital will be held by current stockholder of Copagaz, the holding company of the Ueze Zahran family, which, in turn, will retain the control of the company.

To finance this transaction, on December 15, 2020 ITAÚSA issued non-convertible debentures in the amount of R$1,300, maturing in 10 years and interest paid based on Interbank Deposit Certificate (CDI) rate plus 2.4% per year.

Nacional Gás was acquired a minority stake in Liquigás and it became the holder of assets in certain locations. The consolidation of Liquigás operations will enable Copagaz to capture significant synergies over the coming years and create the leading player in the LPG distribution segment in Brazil.

As the acquisition of Copagaz was completed late December 2020, the purchase price allocation (segregating the fair value of assets and liabilities and goodwill) is presented earlier and represents the Management's best estimate by the end of these Financial Statements. Therefore, it will be completed over the fiscal year 2021 after the independent evaluator's appraisal report is issued.

13.3. Reconciliation of investments

	Parent company						
	03/31/2021						
	Jointly-controlled companies			Controlled companies			Associates
	Itaú Unibanco	IUPAR	Alpargatas	Duratex	Itautec	ITH Zux Cayman	Copagaz
Equity of the investee	147,255	37,499	3,074	5,024	35	3	1,470
Holding %	19.88%	66.53%	29.19%	36.79%	100.00%	100.00%	48.50%
Interest in the investment	**29,272**	**24,948**	**897**	**1,847**	**36**	**3**	**713**
Unrealized profit or loss	(10)	-	-	-	-	-	-
Other	-	(79)	-	-	-	-	-
Adjustments arising from business combinations							
Surplus value	47	-	412	-	-	-	-
Goodwill	460	-	693	-	-	-	496
Accounting balance of the investment in the parent company	**29,769**	**24,869**	**2,002**	**1,847**	**36**	**3**	**1,209**

	Parent company						
	12/31/2020						
	Jointly-controlled companies			Controlled companies			Associates
	Itaú Unibanco	IUPAR	Alpargatas	Duratex	Itautec	ITH Zux Cayman	Copagaz
Equity of the investee	142,993	36,910	2,949	5,187	38	3	1,537
Holding %	19.91%	66.53%	29.19%	36.61%	100.00%	100.00%	48.50%
Interest in the investment	**28,474**	**24,557**	**860**	**1,899**	**38**	**3**	**745**
Unrealized profit or loss	(10)	-	-	-	-	-	-
Other	-	(316)	-	-	-	-	-
Adjustments arising from business combinations							
Surplus value	47	-	418	-	-	-	-
Goodwill	460	-	693	-	-	-	474
Accounting balance of the investment in the parent company	**28,971**	**24,241**	**1,971**	**1,899**	**38**	**3**	**1,219**

13.4. Summarized consolidated information of the relevant investes

	Jointly-controlled companies			
	Itaú Unibanco		IUPAR	
Non-financial segment	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Number of outstanding shares of investees	**9,779,659,439**	**9,762,456,896**	**1,061,396,457**	**1,061,396,457**
Common	4,958,290,359	4,958,290,359	710,454,184	710,454,184
Preferred	4,821,369,080	4,804,166,537	350,942,273	350,942,273
Number of shares owned by ITAÚSA	**1,944,075,900**	**1,944,075,803**	**706,169,365**	**706,169,365**
Common	1,943,906,577	1,943,906,480	355,227,092	355,227,092
Preferred	169,323	169,323	350,942,273	350,942,273
Holding % (1)	**19.88%**	**19.91%**	**66.53%**	**66.53%**
Holding % in voting capital (2)	**39.21%**	**39.21%**	**50.00%**	**50.00%**

Information on the balance sheet	**03/31/2021**	**12/31/2020**	**03/31/2021**	**12/31/2020**
Cash and cash equivalents	39,369	46,224	-	-
Financial assets	1,859,873	1,851,322	279	727
Non-financial assets	123,975	121,705	38,641	37,565
Financial liabilities	1,572,584	1,579,686	138	126
Non-financial liabilities	290,859	285,040	1,283	1,256
Equity attributable to controlling stockholders	147,255	142,993	37,499	36,910

Information on the statement of income	**01/01 to 03/31/2021**	**01/01 to 03/31/2020**	**01/01 to 03/31/2021**	**01/01 to 03/31/2020**
Profit from banking products	28,273	13,972	-	-
Income tax and social contribution	(2,318)	12,965	-	-
Profit attributable to controlling stockholders	5,684	3,459	1,536	875
Other comprehensive income	(529)	(473)	(139)	(124)

Information on the statement of cash flows	**01/01 to 03/31/2021**	**01/01 to 03/31/2020**	**01/01 to 03/31/2021**	**01/01 to 03/31/2020**
Increase (decrease) in cash and cash equivalents	(8,442)	23,163	-	57

(1) ITAÚSA has a direct interest in Itaú Unibanco of 19.88% and an indirect interest of 17.44%, by means of the investment in IUPAR, which holds a 26.22% direct interest in Itaú Unibanco, totaling a 37.32% interest in total capital.

(2) The direct interest in the common shares of Itaú Unibanco is 39.21% and the indirect interest is 25.86%, by means of the investment in IUPAR, which holds a 51.71% direct interest in the common shares of Itaú Unibanco, totaling a 65.06% interest in total capital.

	Controlled company		Jointly-controlled company	
	Duratex		Alpargatas	
Non-financial segment	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Number of outstanding shares of investees	**687,133,573**	**690,560,802**	**578,944,781**	**578,937,992**
Common	687,133,573	690,560,802	302,010,657	302,010,657
Preferred	-	-	276,934,124	276,927,335
Number of shares owned by ITAÚSA	**252,807,715**	**252,807,715**	**168,972,496**	**168,972,496**
Common	252,807,715	252,807,715	129,528,793	129,528,793
Preferred	-	-	39,443,703	39,443,703
Holding %	**36.79%**	**36.61%**	**29.19%**	**29.19%**
Holding % in voting capital	**36.79%**	**36.61%**	**42.89%**	**42.89%**

Information on the balance sheet	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Current assets	3,980	4,220	2,714	2,680
Non-current assets	7,244	7,278	2,133	2,135
Current liabilities	2,361	2,412	1,238	1,277
Non-current liabilities	3,838	3,898	472	519
Equity attributable to controlling stockholders	5,023	5,187	3,074	2,949
Cash and cash equivalents	1,262	1,728	924	693
Debts and debentures	3,132	3,206	244	244

Information on the statement of income	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Net revenue	1,768	1,162	901	679
Finance income	34	64	48	71
Finance costs	(53)	(107)	(17)	(40)
Income tax and social contribution	(97)	(30)	(33)	37
Profit attributable to controlling stockholders	173	52	132	26
Other comprehensive income	115	(70)	(11)	134

Information on the statement of cash flows	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Increase (decrease) in cash and cash equivalents	(466)	86	231	849

14. PROPERTY, PLANT AND EQUIPMENT (PPE)

14.1. Breakdown

	Parent company							
	03/31/2021				12/31/2020			
	Depreciation rates (% p.a.)	Cost	Accumulated depreciation	Net balance	Depreciation rates (% p.a.)	Cost	Accumulated depreciation	Net balance
Property, plant and equipment in use								
Land	-	18	-	18	-	18	-	18
Buildings and improvements	2.5%	83	(16)	67	2.5%	89	(21)	68
Machinery, installations and equipment	10.0% at 20.0%	18	(4)	14	10.0% at 20.0%	20	(6)	14
Furniture and fixtures	10.0%	4	(2)	2	10.0%	4	(2)	2
Subtotal		**123**	**(22)**	**101**		**131**	**(29)**	**102**
Construction in progress		**2**	**-**	**2**		**1**	**-**	**1**
Total		**125**	**(22)**	**103**		**132**	**(29)**	**103**

	Consolidated							
	03/31/2021				12/31/2020			
	Depreciation rates (% p.a.)	Cost	Accumulated depreciation	Net balance	Depreciation rates (% p.a.)	Cost	Accumulated depreciation	Net balance
Property, plant and equipment in use								
Land	-	704	-	704	-	738	-	738
Buildings and improvements	2.5% at 4.0%	1,370	(587)	783	2.5% at 4.0%	1,386	(583)	803
Machinery, installations and equipment	6.4% at 20.0%	5,240	(3,447)	1,793	6.5% at 20.0%	5,208	(3,383)	1,825
Furniture and fixtures	10.0%	76	(55)	21	10.0%	77	(54)	23
Vehicles	20.0% at 25.0%	73	(61)	12	20.0% at 25.0%	73	(61)	12
Other	10.0% at 20.0%	307	(230)	77	10.0% at 20.0%	304	(225)	79
Subtotal		**7,770**	**(4,380)**	**3,390**		**7,786**	**(4,306)**	**3,480**
Construction in progress		**171**	**-**	**171**		**136**	**-**	**136**
Total		**7,941**	**(4,380)**	**3,561**		**7,922**	**(4,306)**	**3,616**

14.2. Changes

	Parent company							
	Land	Buildings and improvements	Machinery, installations and equipment	Furniture and fixtures	Vehicles	Others	Construction in progress	Total
Balance on 12/31/2019	**18**	**69**	**13**	**3**	**-**	**-**	**-**	**103**
Acquisitions	-	3	1	-	-	-	1	5
Depreciation	-	(2)	(1)	-	-	-	-	(3)
Transfers	-	(2)	1	(1)	-	-	-	(2)
Balance on 12/31/2020	**18**	**68**	**14**	**2**	**-**	**-**	**1**	**103**
Acquisitions	-	-	-	-	-	-	1	1
Depreciation	-	(1)	-	-	-	-	-	(1)
Balance on 03/31/2021	**18**	**67**	**14**	**2**	**-**	**-**	**2**	**103**

	Consolidated							
	Land	Buildings and improvements	Machinery, installations and equipment	Furniture and fixtures	Vehicles	Others	Construction in progress	Total
Balance on 12/31/2019	**704**	**832**	**1,828**	**21**	**13**	**79**	**192**	**3,669**
Acquisitions	53	4	38	3	-	12	176	286
Write-offs	(24)	(11)	(5)	-	-	(1)	(10)	(51)
Depreciation	-	(36)	(270)	(4)	(3)	(20)	-	(333)
Transfers	-	10	199	3	3	10	(224)	1
Capital increase - indirect investee LD Celulose	(3)	(2)	(2)	-	(1)	(1)	-	(9)
Others	8	6	37	-	-	-	2	53
Balance on 12/31/2020	**738**	**803**	**1,825**	**23**	**12**	**79**	**136**	**3,616**
Acquisitions	-	-	7	-	1	-	71	79
Write-offs	-	-	-	-	-	-	(2)	(2)
Depreciation	-	(10)	(73)	(2)	(1)	(2)	-	(88)
Transfers	-	3	31	-	-	-	(34)	-
Transfer to held-for-sale assets	(35)	(14)	(1)	-	-	-	-	(50)
Others	1	1	4	-	-	-	-	6
Balance on 03/31/2021	**704**	**783**	**1,793**	**21**	**12**	**77**	**171**	**3,561**

14.3. Property, plant and equipment in guarantee

On March 31, 2021, the property, plant and equipment of the controlled company Duratex included land, machines and vehicles offered in guarantee in lawsuits totaling R$2 (R$2 on December 31, 2020).

14.4. Assessment of the recoverable amount

For the year ended March 31, 2021 there was no indication, whether by means of external sources or internal sources of information that any asset had been impaired. Accordingly, management believes that the carrying amount of assets recorded is recoverable and, therefore, the recognition of a provision for impairment losses was not necessary.

15. INTANGIBLE ASSETS

15.1. Breakdown

	Parent company							
	03/31/2021				12/31/2020			
	Amortization rates (% p.y.)	Cost	Accumulated amortization	Net balance	Amortization rates (% p.y.)	Cost	Accumulated amortization	Net balance
Software	20.0%	10	(3)	7	20.0%	6	(2)	4
Subtotal		**10**	**(3)**	**7**		**6**	**(2)**	**4**
Intangible assets in progress		-	-	**-**		**4**	**-**	**4**
Total		**10**	**(3)**	**7**		**10**	**(2)**	**8**

	Consolidated							
	03/31/2021				12/31/2020			
	Amortization rates (% p.y.)	Cost	Accumulated amortization	Net balance	Amortization rates (% p.y.)	Cost	Accumulated amortization	Net balance
Software	20.0%	157	(53)	104	20.0%	162	(69)	93
Trademarks and patents	-	209	-	209	-	209	-	209
Goodwill from the expectation of future profitability	-	324	-	324	-	324	-	324
Customer portfolio	6.7%	406	(304)	102	6.7%	406	(298)	108
Subtotal		**1,096**	**(357)**	**739**		**1,101**	**(367)**	**734**
Intangible assets in progress		**-**	**-**	**-**		**5**	**-**	**5**
Total		**1,096**	**(357)**	**739**		**1,106**	**(367)**	**739**

15.2. Changes

	Parent company					
	Software	Trademarks and patents	Goodwill from the expectation of future profitability	Customer portfolio	Intangible assets in progress	Total
Balance on 12/31/2019	**4**	**-**	**-**	**-**	**-**	**4**
Acquisitions	1	-	-	-	4	5
Amortization	(1)	-	-	-	-	(1)
Balance on 12/31/2020	**4**	**-**	**-**	**-**	**4**	**8**
Amortization	(1)	-	-	-	-	(1)
Transfers	4	-	-	-	(4)	-
Balance on 03/31/2021	**7**	**-**	**-**	**-**	**-**	**7**

	Consolidated					
	Software	Trademarks and patents	Goodwill from the expectation of future profitability	Customer portfolio	Intangible assets in progress	Total
Balance on 12/31/2019	**64**	**209**	**319**	**131**	**-**	**723**
Acquisitions	55	-	-	-	4	59
Write-offs	(13)	-	-	-	-	(13)
Amortization	(13)	-	-	(26)	-	(39)
Impairment	-	-	(13)	-	-	(13)
Acquisition of companies	-	-	18	-	-	18
Other	-	-	-	4	-	4
Balance on 12/31/2020	**93**	**209**	**324**	**109**	**4**	**739**
Acquisitions	10	-	-	-	-	10
Amortization	(3)	-	-	(7)	-	(10)
Transfers	4	-	-	-	(4)	-
Balance on 03/31/2021	**104**	**209**	**324**	**102**	**-**	**739**

15.3. Goodwill from the expectation of future profitability

The controlled company Duratex recognized goodwill from the expectation of future profitability in the process of acquisition of the following investments:

	Consolidated	
	03/31/2021	12/31/2020
Satipel	46	46
Metalúrgica Jacareí	2	2
Caetex Florestal	9	9
Ceusa e Massima	99	99
Cecrisa	168	168
Total	**324**	**324**

16. TRADE ACCOUNTS PAYABLE

	Parent company				Consolidated			
	Current		Non-current		Current		Non-current	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Local	15	27	7	7	1,065	1,032	7	7
Foreign	-	-	-	-	98	74	-	-
Related parties	-	-	-	-	6	13	-	-
Total	**15**	**27**	**7**	**7**	**1,169**	**1,119**	**7**	**7**

17. DEBTS

17.1. Breakdown

Type	Charges	Form of amortization	Guarantees	Consolidated 03/31/2021 Current	03/31/2021 Non-current	12/31/2020 Current	12/31/2020 Non-current
Local currency							
BNDES (with swap)	103.89% of CDI	Monthly	Endorsement (70% Itaúsa / 30% Individuals)	10	67	10	70
BNDES (with swap)	117.51% of CDI	Monthly	Endorsement (70% Itaúsa / 30% Individuals)	-	3	-	3
Agribusiness receivables certificates (CRA)	98.0% of CDI	Semi-annually	Surety Duratex S.A	4	696	-	695
Export credit	104.8% of CDI	Until January 2021	--	-	-	28	-
FINAME	Long-term interest rate +2.3% p.y./ fixed 6.0%p.y.	Monthly	Secured fiduciary sale	3	3	3	4
Constitutional Fund for the Northeastern Region Financing (FNE)	7.53% p.y.	Annually	Surety Duratex Florestal Ltda + land mortgage	1	13	1	11
Export credit note	104.9% of CDI	Until January 2021	Endorsement - Duratex S.A.	-	-	36	-
Export credit	CDI + 1.45% p.y.	March 2023	--	-	520	-	515
Export financing - FINEX - Law n. 4.131	CDI + 0.39% p.y.	December 2021	--	135	-	138	-
Export Credit Note	CDI + 1.81% p.y.	May 2023	30% assignment of credit rights on financial investments	96	111	96	135
Bank Credit Note	CDI + 2.80% p.y.	April 2021	--	262	-	258	-
Total in local currency				**511**	**1,413**	**570**	**1,433**
Foreign currency							
Leasing	DTF + 2% p.y.	Mensal	Promissory Note	-	1	1	1
Total in foreign currency				**-**	**1**	**1**	**1**
Total debts				**511**	**1,414**	**571**	**1,434**

Debts identified in the table above as "with swap" are measured at fair value through profit or loss so as to avoid the accounting mismatch between the debt instrument and the contracted hedging instrument.

The covenants related to Debt contracts are presented in Note 3.2.3.1.

17.2. Changes

	Consolidated
Balance on 12/31/2019	**1,685**
Inflows	1,641
Interest and monetary adjustment	96
Repayment - Principal amount	(1,345)
Amortization - Interest and monetary adjustment	(72)
Balance on 12/31/2020	**2,005**
Inflows	2
Interest and monetary adjustment	15
Repayment - Principal amount	(90)
Amortization - Interest and monetary adjustment	(7)
Balance on 03/31/2021	**1,925**
Current	**511**
Non-current	**1,414**

17.3. Maturity

	Consolidated		
	03/31/2021		
	Local currency	Foreign currency	Total
Current			
2021 to March 2022	511	-	511
Total	**511**	**-**	**511**
Non-current			
2022	778	1	779
2023	571	-	571
2024	12	-	12
2025	12	-	12
2026 - 2030	39	-	39
2030 onwards	1	-	1
Total	**1,413**	**1**	**1,414**

18. DEBENTURES

18.1. Breakdown

									Parent company			
									03/31/2021		12/31/2020	
Issuance	Issuer	Type of issuance	Effectiveness	Number of debentures	Unit value (R$)	Issuance amount (R$ milhões)	Charges	Form of amortization	Current	Non-current	Current	Non-current
2nd	ITAÚSA	Single series ICVM No. 476/09	05/2017 to 05/2024	12,000	100,000	1,200	106.9% of CDI	Semiannual interest and principal amount in three annual and successive installments (05/2022, 05/2023 and 05/2024)	9	1,200	2	1,200
3rd	ITAÚSA	Single series - CVM Instruction No. 476/09	12/2020 to 12/2030	1,300,000	1,000	1,300	CDI + 2.40%	Semiannual interest and principal amounts in three annual consecutive installments (12/2028, 12/2029 and 12/2030)	15	1,300	1	1,300
3rd	ITAÚSA	Transaction cost	12/2020 to 12/2030	-	-	(9)	-	Monthly amortization	(1)	(7)	(1)	(8)
Total									**23**	**2,493**	**2**	**2,492**

									Consolidated			
									03/31/2021		12/31/2020	
Issuance	Issuer	Type of issuance	Effectiveness	Number of debentures	Unit value (R$)	Issuance amount (R$ milhões)	Charges	Form of amortization	Current	Non-current	Current	Non-current
2nd	ITAÚSA	Single series ICVM No. 476/09	05/2017 to 05/2024	12,000	100,000	1,200	106.9% of CDI	Semiannual interest and principal amount in three annual and successive installments (05/2022, 05/2023 and 05/2024)	9	1,200	2	1,200
3rd	ITAÚSA	Single series - CVM Instruction No. 476/09	12/2020 to 12/2030	1,300,000	1,000	1,300	CDI + 2.40%	Semiannual interest and principal amounts in three annual consecutive installments (12/2028, 12/2029 and 12/2030)	15	1,300	1	1,300
3rd	ITAÚSA	Transaction cost	12/2020 to 12/2030	-	-	(9)	-	Monthly amortization	(1)	(7)	(1)	(8)
2nd	Duratex	Single series ICVM No. 476/09	05/2019 to 05/2026	120,000	10,000	1,200	108.0% of CDI	Semiannual interest and principal amount in two annual installments (05/2024 and 05/2026)	8	1,198	3	1,199
Total									**31**	**3,691**	**5**	**3,691**

Debentures do not have guarantees and are not convertible into shares.

The covenants related to the Debentures are presented in Note 3.2.3.1.

18.2. Changes

	Parent company	Consolidated
Balance on 12/31/2019	**1,206**	**2,470**
Inflows	1,300	1,300
Acquisition of companies	(9)	(9)
Interest and monetary adjustment	37	73
Repayment - Principal amount	-	(60)
Amortization - Interest and monetary adjustment	(40)	(78)
Balance on 12/31/2020	**2,494**	**3,696**
Interest and monetary adjustment	22	26
Balance on 03/31/2021	**2,516**	**3,722**
Current	**23**	**31**
Non-current	**2,493**	**3,691**

18.3. Maturity

	Parent company	Consolidated
Current		
2021 to March 2022	23	31
Total	**23**	**31**
Non-current		
2022	399	399
2023	399	399
2024	399	998
2025	(1)	(1)
2026	(1)	598
2027 - 2029	1,298	1,298
Total	**2,493**	**3,691**

19. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES

ITAÚSA and its controlled companies are parties to lawsuits and administrative proceedings involving labor, civil, tax and social security claims arising from the ordinary course of their business.

Based on the opinion of its legal advisors, management believes that the provisions are sufficient to cover any losses arising from the lawsuits and administrative proceedings.

19.1. Provisions

We present below the changes in provisions for the years:

	Parent company	Consolidated			
	Tax	Tax	Labor	Civil	Total
Balance on 12/31/2019	**1,746**	**1,926**	**133**	**110**	**2,169**
Contingencies					
Recognition	1	120	24	6	150
Monetary adjustment	37	49	23	4	76
Reversal	-	(52)	(18)	(4)	(74)
Payments	-	-	(20)	(32)	(52)
Acquisition of companies	-	2	(2)	66	66
Subtotal	**1,784**	**2,045**	**140**	**150**	**2,335**
(-) Judicial deposits (*)	**(435)**	**(444)**	**(30)**	**(48)**	**(522)**
Balance on 12/31/2020 after the offset of judicial deposits	**1,349**	**1,601**	**110**	**102**	**1,813**

	Parent	Consolidated			
	Tax	Tax	Labor	Civil	Total
Balance on 12/31/2020	**1,784**	**2,045**	**140**	**150**	**2,335**
Contingencies					
Recognition	-	38	4	1	43
Monetary adjustment	5	6	7	2	15
Reversal	-	(12)	(8)	(1)	(21)
Payments	-	-	(4)	-	(4)
Subtotal	**1,789**	**2,077**	**139**	**152**	**2,368**
(-) Judicial deposits (*)	**(436)**	**(445)**	**(30)**	**(50)**	**(525)**
Balance on 03/31/2021 after the offset of judicial deposits	**1,353**	**1,632**	**109**	**102**	**1,843**

(*) These correspond to the deposits linked to the above mentioned provisions. The deposits related to the proceedings that are not recognized in a provision, assessed as possible or remote, are presented in the balance sheet in the "Judicial deposits" amount.

19.1.1 Tax

The provisions are equivalent to the principal amount of the taxes involved in administrative or judicial disputes that are the subject matter of self-assessment or official assessment, plus interest and, when applicable, fines and charges.

Parent Company and Consolidated

Noteworthy is the lawsuit filed by ITAÚSA claiming the right to adopt the PIS and COFINS cumulative tax system at 3.65%, in view of the illegality and unconstitutionality of including holding companies in the non-cumulative tax system (9.25%). The challenged and unpaid 5.60% difference, for the April 2011 to October 2017 period, is being demanded through a Tax Enclosure pledged by a performance bond. The difference for the November 2017 to February 2020 period was deposited with the court and, as from March 2020 ITAÚSA has been paying the full PIS and COFINS amounts while it waits for the appeals it has filed to be tried by higher courts. The Company recognized a contingency as it is an issue involving a legal obligation, even though the chance of loss is possible.

On March 31, 2021, the amount provided for totals R$1,763 (R$1,758 on December 31, 2020), of which R$414 (R$412 on December 31, 2020) corresponds to judicial deposits.

19.1.2. Labor

These refer to lawsuits that claim, substantially, alleged labor rights related to overtime, occupational disease, equal pay and joint liability.

19.1.3. Civil

These refer mainly to lawsuits for property damage and pain and suffering.

19.2. Contingent liabilities

ITAÚSA and its controlled companies are parties to labor, civil and tax claims that are in dispute and the losses arising from which were considered possible, not requiring the recognition of a provision, and they are presented below:

	Parent company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Tax	488	486	1,219	1,255
Labor	-	-	44	47
Civil	20	19	98	79
Total	**508**	**505**	**1,361**	**1,381**

19.2.1. Tax

Among the main disputes in tax proceedings for which the probability of loss is considered possible are the following proceedings:

- Income Tax Withheld at Source, Corporate Income Tax, Social Contribution on Profit, PIS and COFINS (rejection of the request to offset): Cases in which liquidity and the certainty of offsetting credit are considered whose adjusted balance on March 31, 2021 amounts to R$343 (R$343 on December 31, 2020) in ITAÚSA and its controlled companies.

- Taxation on the revaluation reserve of the controlled company Duratex: Dispute related to the taxation of the Revaluation reserve in corporate spin-off operations carried out in 2006 and 2009 whose adjusted balance on March 31, 2021 amounts to R$300 (R$302 on December 31, 2020) in the controlled company Duratex.

- Loss of lawsuit fees (PIS and COFINS tax foreclosure): This refers to the portion of the legal fees related to the tax foreclosure described in note 21.1.1 whose adjusted balance onMarch 31, 2021 amounts to R$270 (R$269 on December 31, 2020) in ITAÚSA.

- PIS and COFINS (Disallowance of credits): Dispute over the restriction of the right to credit from certain inputs related to these taxes whose adjusted balance on March 31, 2021 amounts to R$70 (R$70 on December 31, 2020) in the controlled company Itautec.

19.3. Contingent assets

ITAÚSA and its controlled companies are parties to a legal dispute for the reimbursement of taxes and contributions, as well as to civil lawsuits in which they have rights to receive or expectations of rights to receive.

The table below presents the main proceedings for which, in accordance with the assessment of the legal advisors, the chances of success are considered probable. As these are contingent assets, the amounts corresponding to these lawsuits and the recording will be carried out in the manner and to the extent of the favorable judgment when this becomes final and unappealable. Accordingly, these lawsuits are not recognized in the Financial Statements.

		Consolidated	
	Note	03/31/2021	12/31/2020
Tax and Civil			
IPI credit premium (1980 to 1985)		133	129
INSS – Social security contributions		33	44
PIS and COFINS	19.3.1	41	41
Collection/payment of extra judicially enforceable instruments		2	7
Monetary adjustment of credits with Eletrobras		17	17
Profits abroad (withdrawal of the deposit)		12	11
Others		20	19
Total		**258**	**268**

ITAÚSA has no contingent assets assessed as probable.

19.3.1. PIS/COFINS – ICMS excluded from calculation basis

In 2020, the investee Itautec calculated PIS and COFINS credits judicially recognized by way of a Writ of Mandamus, in which it claimed the right to exclude ICMS from the calculation basis of these contributions. This decision became final and unappealable after the Brazilian Federal Supreme Court (STF), on a general repercussion basis, awarded a favorable judgment of the thesis to taxpayers, in the records of Extraordinary Appeal No. 574.706. Part of the credit was calculated based on COSIT Internal Consultation Solution No. 13/2018, which determined the exclusion of the ICMS portion effectively paid only, totaling R$31. The total credit amount is still pending review of proper documentation to ascertain the credit right eligibility so as to commence the execution of judgment and the issue of the certificate of judgment debt of the government.

19.3.2. Brazilian Treasury Bonds – (“BTN”)

In 2020, the ITAÚSA and investee Itautec were awarded a final and unappealable decision for the lawsuit claiming the recognition of credit due to the incorrect monetary adjustment applied by the Government for the redemption of the BTN, purchased under the scope of Law No. 7,777/89, which had set forth the adjustment based on either the Consumer Price Index (IPC) or foreign exchange variation, at the plaintiff’s discretion. However, with the introduction of the Collor Plan and Law No. 8,088/1990, the BTN adjustment index was changed to the Tax Adjustment Index (IRVF) and the exchange variation of the U.S. dollar, thus leading to an understated amount being redeemed. The credit amount is to be discussed upon execution of the judgment, which, after a final and unappealable decision is issued, will be paid through the issue of the certificate of judgment debt of the government.

20. EQUITY

20.1. Capital

On March 31, 2021 and December 31, 2020, fully subscribed and paid-up capital amounts to R$43.515 and it comprises book-entry shares with no par value, as presented below:

	03/31/2021					
	Common	%	Preferred	%	Total	%
Controlling group (Egydio de Souza Aranha family)	1,828,486,350	63.27	1,001,070,944	18.13	2,829,557,294	33.64
Other shareholders	1,061,351,420	36.73	4,519,906,216	81.87	5,581,257,636	66.36
Total	**2,889,837,770**	**100.00**	**5,520,977,160**	**100.00**	**8,410,814,930**	**100.00**
Residents in Brazil	2,886,800,482	99.89	3,819,962,296	69.19	6,706,762,778	79.74
Residents abroad	3,037,288	0.11	1,701,014,864	30.81	1,704,052,152	20.26

	12/31/2020					
	Common	%	Preferred	%	Total	%
Controlling group (Egydio de Souza Aranha family)	1,828,486,350	63.27	1,001,079,469	18.13	2,829,565,819	33.64
Other shareholders	1,061,351,420	36.73	4,519,897,691	81.87	5,581,249,111	66.36
Total	**2,889,837,770**	**100.00**	**5,520,977,160**	**100.00**	**8,410,814,930**	**100.00**
Residents in Brazil	2,886,568,858	99.89	3,779,660,755	68.46	6,666,229,613	79.26
Residents abroad	3,268,912	0.11	1,741,316,405	31.54	1,744,585,317	20.74

Preferred shares do not entitle their holders to vote, however, they provide the following advantages to their holders:

- Priority in the receipt of a non-cumulative annual minimum dividend of R$0.01 per share;

- The right, in a possible disposal of control, to be included in a public offering of shares so as to entitle them to a price equal to 80% of the amount paid for a share with voting rights, which is part of the controlling group, and dividends equal to those of the common shares.

By resolution of the Board of Directors the Capital may be increased by up to 12,000,000,000 shares, of which up to 4,000,000,000 are common shares and up to 8,000,000,000 are preferred shares.

20.2. Reserves

	Parent company					
		Statutory reserves				
	Legal reserve	Dividend equalization	Increase in working capital	Increase in the capital of investees	Additional proposed dividends	Amount
Balance on 12/31/2019	**2,262**	**3,149**	**1,690**	**2,120**	**3,729**	**12,950**
Recognition	353	2,416	966	1,450	-	5,185
Dividends and interest on capital	-	-	-	-	(3,729)	(3,729)
Proposed dividends and interest on capital	-	-	-	-	48	48
Expired dividends	-	3	-	-	-	3
Equity in the earnings of investees	-	88	-	-	-	88
Balance on 12/31/2020	**2,615**	**5,656**	**2,656**	**3,570**	**48**	**14,545**
Recognition	110	764	306	459	-	1,639
Dividends and interest on capital	-	-	-	-	(48)	(48)
Expired dividends	-	3	-	-	-	3
Equity in the earnings of investees	-	114	-	-	-	114
Balance on 03/31/2021	**2,725**	**6,537**	**2,962**	**4,029**	**-**	**16,253**

20.3. Carrying value adjustment

	Parent company	
	03/31/2021	12/31/2020
Post-employment benefit	(573)	(574)
Fair value of financial assets	(178)	380
Translation/hyperinflation adjustment	2,931	2,392
Hedge accounting	(3,641)	(3,501)
Total	**(1,461)**	**(1,303)**

The balances refer, in its totality, to the equity method on the carrying value adjustments of associates and jointly-controlled companies.

20.4. Distribution of profit, Dividends and Interest on capital

20.4.1. Distribution of profit

	Parent company	
	01/01 to 03/31/2021	01/01 to 03/31/2020
Profit	2,207	1,012
(-) Legal reserve	(110)	(51)
Calculation basis of dividends/interest on capital	**2,097**	**961**
Mandatory minimum dividend (25%)	**524**	**240**
Appropriation:		
Distribution to stockholders		
Dividends	277	240
Interest on capital (gross)	291	-
	568	**240**
Revenue reserves	**1,529**	**721**
	2,097	**961**
Gross % belonging to stockholders	**27.08%**	**25.00%**

Shares of both types are included in profits distributed in equal conditions, after common shares are assured dividends equal to the annual minimum mandatory of R$0.01 per share to be paid to preferred shares.

The amount per share of dividends and interest on income in 2021 is as follows:

	Date of payment (made and expected)	Amount per share		Amount distributed	
		Gross	Net	Gross	Net
Paid/Recognized in a provision					
Quarterly dividend payments	07/01/2021	0.02000	0.02000	168	168
Interest on capital	09/30/2021	0.01546	0.01314	130	110
Interest on capital	09/30/2021	0.01908	0.01622	161	137
Additional dividend payments		0.01298	0.01298	109	109
		0.06751	**0.06233**	**568**	**524**
Total		**0.06751**	**0.06233**	**568**	**524**

20.4.2. Dividends and interest on income payable

Changes in dividends and interest on income is as follows:

	Parent company			Consolidated		
	Dividends	Interest on capital	Total	Dividends	Interest on capital	Total
Balance on 12/31/2019	**347**	**50**	**397**	**348**	**137**	**485**
Dividends and Interest on capital from previous years	1,901	1,608	3,509	1,901	1,698	3,599
Dividends for the year	841	-	841	841	-	841
Interest on capital	-	879	879	-	972	972
Expired dividends	-	(3)	(3)	-	(3)	(3)
Payments	(2,740)	(1,651)	(4,391)	(2,740)	(1,829)	(4,569)
Balance on 12/31/2020	**349**	**883**	**1,232**	**350**	**975**	**1,325**
Dividends and Interest on capital from previous years	-	27	27	-	84	84
Dividends for the year	277	-	277	469	-	469
Interest on capital	-	254	254	-	254	254
Expired dividends	-	(3)	(3)	-	(3)	(3)
Payments	(168)	(904)	(1,072)	(358)	(1,054)	(1,412)
Balance on 03/31/2021	**458**	**257**	**715**	**461**	**256**	**717**

21. NET REVENUE

	Consolidated	
	01/01 to 03/31/2021	01/01 to 03/31/2020
Service and sales revenue		
Domestic market	1,804	1,208
Foreign market	388	240
	2,192	**1,448**
Deductions from revenue		
Taxes and contributions on sales	(424)	(286)
	(424)	**(286)**
Total	**1,768**	**1,162**

22. RESULT BY NATURE

		Parent company		Consolidated	
	Note	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Personnel compensation and charges		(18)	(18)	(310)	(268)
Raw and consumption materials		-	-	(978)	(558)
Changes in inventories of finished products and work in process		-	-	279	107
Change in the fair value of biological assets	10	-	-	18	69
Depreciation and amortization		(2)	(2)	(170)	(133)
Estimated losses on allowance for doubtful accounts		-	-	(3)	(3)
Transportation expenses		-	-	(99)	(84)
Advertising expenses		-	-	(17)	(25)
Insurance		(4)	(2)	(6)	(3)
Other expenses	22.1	(9)	(16)	(188)	(158)
Total		**(33)**	**(38)**	**(1,474)**	**(1,056)**
Reconciliation with Statement of Income					
Cost of products and services		-	-	(1,162)	(773)
Selling expenses		-	-	(206)	(182)
General and administrative expenses		(33)	(38)	(106)	(101)
Total		**(33)**	**(38)**	**(1,474)**	**(1,056)**

22.1. Other expenses (Parent Company)

Of the amount of R$9 in 2021 (R$16 in 2020), R$7 (R$12 in 2020) refers to third-party services, such as consulting services and legal fees.

23. OTHER INCOME AND EXPENSES

	Parent company		Consolidated	
	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Dividends and Interest on capital	63	48	63	48
Amortization of customer portfolio	-	-	(7)	(6)
Income from sale of PPE	-	-	1	1
Employee benefits	-	-	3	(3)
Rental revenue	1	1	2	1
Impairment – Property, plant and equipment and Intangible assets	-	-	(2)	-
Others	1	(1)	6	4
	65	**48**	**66**	**45**

24. FINANCE RESULT

		Parent company		Consolidated	
	Note	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Finance income					
Interest income from financial investments		5	7	13	15
Foreign exchange variation – assets	24.2	-	-	22	48
Interest and discounts obtained		-	-	-	4
Adjustment to judicial deposits		2	4	2	5
Other monetary adjustments		2	-	9	6
Other finance income		-	4	-	4
		9	**15**	**46**	**82**
Finance costs					
Debt charges		(24)	(16)	(55)	(60)
Fair value of marketable securities	5	(20)	(47)	(20)	(47)
PIS/COFINS on financial income	24.1	(50)	(170)	(50)	(171)
Interest on lease liability		-	-	(2)	(1)
Foreign exchange variation – liabilities	24.2	(41)	(93)	(52)	(115)
Adjustment to provisions for contingencies		(5)	-	(6)	-
Other monetary adjustments		-	(1)	-	(3)
Transactions with derivatives		-	-	(5)	(31)
Other finance costs		-	(12)	(4)	(20)
		(140)	**(339)**	**(194)**	**(448)**
		(131)	**(324)**	**(148)**	**(366)**

24.1. PIS/COFINS on financial income

This refers mainly to PIS/COFINS levied on the interest on capital received.

24.2. Foreign exchange variation – assets and liabilities (Parent company)

All lines relate to the amount payable to "Nova Infraestrutura Fundo de Investimento em Participações e Multiestratégia", a multi-strategy equity investment fund, driven by the acquisition of 7.65% of NTS (Note 9.1).

25. INCOME TAX AND SOCIAL CONTRIBUTION

The amounts recorded as income tax and social contribution expenses in the financial statements are reconciled with the nominal rates provided for in legislation, as stated below:

	Parent company		Consolidated	
	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Income before income taxes	**2,200**	**995**	**2,406**	**1,059**
Income tax and social contribution calculated at nominal rates (34%)	**(748)**	**(338)**	**(818)**	**(360)**
(Addition)/Reduction for calculation of effective income tax and social contribution				
Equity in the earnings of subsidiaries	782	445	745	433
Dividends on investments classified as financial assets	21	16	21	16
Interest on Capital	(21)	-	(21)	-
Deferred tax assets not recognized	(24)	(104)	(25)	(104)
Difference in taxation of controlled company	-	-	2	3
Non-deductible expenses	(3)	(2)	6	(2)
Income tax and social contribution calculated	**7**	**17**	**(90)**	**(14)**
Current	-	-	(75)	(19)
Deferred	7	17	(15)	5
Effective rate	**-0.3%**	**-1.7%**	**3.7%**	**1.3%**

26. EARNINGS PER SHARE

	Parent company and Consolidated	
	01/01 to 03/31/2021	01/01 to 03/31/2020
Numerator		
Profit attributable to controlling stockholders		
Preferred	1,449	664
Common	758	348
	2,207	**1,012**
Denominator		
Weighted average number of outstanding shares		
Preferred	5,520,977,160	5,520,977,160
Common	2,889,837,770	2,889,837,770
	8,410,814,930	**8,410,814,930**
Basic and diluted earnings per share (in Brazilian Reais)		
Preferred	0.26240	0.12032
Common	0.26240	0.12032

27. SEGMENT INFORMATION

The disclosed operating segments reflect, in a consistent manner, the management of decision-making processes and the monitoring of results by the Executive Committee, the main operational decision-maker at ITAÚSA.

Companies in which ITAÚSA invests are independent to define different and specific standards in management and segmentation of their respective business.

The accounting policies for each segment are in compliance with used by ITAÚSA. Segments have a diversified customer portfolio, with no concentration on revenue.

ITAÚSA's operating segments were defined in accordance with the reports presented to the Executive Committee. Segments included in the consolidated financial statements of ITAÚSA are as follows:

- **Duratex:** It has 3 business segments: (i) Deca – manufactures and sells bathroom porcelains and metals, showers and electric taps, sold under Deca and Hydra brands, distinguished for a wide line of products, bold design and high quality; (ii) Ceramic tiles – manufactures and sells floor and wall coatings under Ceusa, Cecrisa, and Portinari brands, distinguished in the domestic market for its innovation, quality and cutting-edge technology; (iii) Wood – manufactures and sells wood panels from pine and eucalyptus from certified reforestation forests, largely used in the manufacture of furniture, mainly fiberboard, chipboard and medium, high and super-density fiberboards, better known as MDF, HDF and SDF, from which laminate and vinyl flooring, under Durafloor brand, and ceiling and wall coatings are manufactured.

- **Outros:** These refer to the information on Itautec and ITH Zux Cayman.

	Duratex	ITAÚSA	Other	(-) Elimination	Consolidated	Duratex	ITAÚSA	Other	(-) Elimination	Consolidated
Balance sheet			03/31/2021					12/31/2020		
Total assets	11,223	63,886	80	(1,887)	73,302	11,498	62,985	91	(1,974)	72,600
Total liabilities	6,198	5,190	42	(1)	11,429	6,310	5,642	50	(35)	11,967
Total stockholders' equity	5,024	58,696	37	(5,061)	58,696	5,187	57,343	39	(5,226)	57,343
Statement of income			01/01 to 03/31/2021					01/01 to 03/31/2020		
Net revenue	1,768	-	-	-	1,768	1,162	-	-	-	1,162
Domestic market	1,415	-	-	-	1,415	942	-	-	-	942
Foreign market	353	-	-	-	353	220	-	-	-	220
Equity in the earnings of subsidiaries	(44)	2,299	-	(61)	2,194	(17)	1,309	-	(18)	1,274
Finance result	(19)	(131)	2	-	(148)	(43)	(324)	1	-	(366)
Depreciation and amortization	(168)	(2)	-	-	(170)	(131)	(2)	-	-	(133)
Income tax and social contribution	(97)	7	-	-	(90)	(30)	17	(1)	-	(14)
Profit	173	2,207	(3)	(61)	2,316	52	1,012	(2)	(17)	1,045
Performance analysis										
ROE (1)	13.5%	15.2%	-	-	-	4.3%	7.6%	-	-	-

(1) *Represents the ratio of net income to average stockholders' equity, both attributable to controlling stockholders.*

Even though Itaú Unibanco, Alpargatas and NTS are not controlled companies and, therefore, are not included in the consolidated financial statements, Management reviews their information and consider them as a segment, as they are part of ITAÚSA's investment portfolio. Their activities are detailed as follows:

- **Itaú Unibanco**: it is a banking institution that offers, directly or by means of its subsidiaries, a broad range of credit products and other financial services to a diversified individual and corporate client base in Brazil and abroad.

- **Alpargatas:** its activities include the manufacturing and sale of footwear and its respective components, apparel, textile items and respective components, leather, resin and natural or artificial articles, and sports articles.

- **NTS:** a natural gas transporter, by means of gas pipelines, that operates in the states of Rio de Janeiro, Minas Gerais and São Paulo, which correspond to approximately 50% of the consumption of gas in Brazil. This system has connections with the Brazil-Bolivia gas pipeline, with liquefied natural gas (LNG) terminals and with gas processing units.

	Itaú (1)	Alpargatas	NTS	Itaú (1)	Alpargatas	NTS
Balance Sheet		**03/31/2021**			**12/31/2020**	
Total assets	2,023,217	4,847	9,906	2,019,251	4,815	10,200
Total liabilities	1,863,443	1,709	7,825	1,864,726	1,796	8,056
Total stockholders' equity	147,255	3,074	2,081	142,993	2,949	2,144
Statement of Income		**01/01 to 03/31/2021**			**01/01 to 03/31/2020**	
Net revenue (2)	43,332	901	1,408	43,509	679	1,148
Domestic market	31,557	583	1,408	32,904	482	1,148
Foreign market	11,775	318	-	10,605	197	-
Equity in the earnings of subsidiaries	437	-	-	290	-	-
Finance result (3)	-	31	(26)	-	31	(49)
Depreciation and amortization	(1,307)	(38)	(103)	(1,211)	(38)	(86)
Income tax and social contribution	(2,318)	(33)	(384)	12,965	37	(298)
Net income	5,684	132	758	3,459	26	602
Performance analysis						
ROE	15.7%	17.5%	-	10.8%	3.8%	-

(1) This corresponds to the direct and indirect interest by means of IUPAR (please see Note 13.4)

(2) For Itaú Unibanco, this corresponds to: (i) Income from interest, yield and dividends; (ii) Adjustment to fair value of financial assets and liabilities; (iii) Income from foreign exchange operations and foreign exchange variations on transactions abroad; (iv) Service revenue; and (v) Income from insurance and pension plan operations.

(3) Since Itaú Unibanco is part of the "Financial segment", finance income and costs are included in "Net revenue".

28. RELATED PARTIES

Transactions between related parties arise from the ordinary course of business and are carried out based at amounts and usual market rates prevailing on the respective dates, as well as under reciprocal conditions.

ITAÚSA has a "Policy for Transactions with Related Parties" approved by the Board of Directors that is aimed at establishing rules and procedures to assure that the decisions involving transactions with related parties and other situations with potential conflicts of interest are made so as to ensure reciprocity and transparency, thus guaranteeing to stockholders, investors and other stakeholders that the transactions were based on the best corporate governance practices.

In addition to the amounts of dividends receivable (Note 8), the other balances and transactions between related parties are presented below:

	Nature	Relationship	Parent company 03/31/2021	Parent company 12/31/2020	Consolidated 03/31/2021	Consolidated 12/31/2020
Assets						
Cash and cash equivalents			**1**	**-**	**17**	**49**
Itaú Unibanco	Financial investments	Jointly-controlled company	1	-	17	49
Marketable Securities			**20**	**20**	**20**	**20**
Copagaz	Debentures	Associated	20	20	20	20
Customers			**1**	**1**	**7**	**9**
Duratex	Rent	Controlled company	1	1	-	-
Leo Madeiras Máquinas & Ferramentas Ltda.	Sales of goods	Non-controlling stockholder of controlled company Duratex	-	-	7	9
Ativo Biológico			**-**	**-**	**6**	**31**
LD Celulose		Indirect associated	-	-	6	31
Total			**22**	**21**	**50**	**109**
Liabilities						
Debts			**-**	**-**	**(520)**	**(515)**
Itaú Unibanco	Debts	Jointly-controlled company	-	-	(520)	(515)
Leases			**-**	**-**	**(30)**	**(30)**
Ligna Florestal Ltda.	Lease liabilities	Non-controlling stockholder of controlled company Duratex	-	-	(30)	(30)
Debentures			**(751)**	**(742)**	**(751)**	**(742)**
Itaú Unibanco	Debentures	Jointly-controlled company	(759)	(751)	(759)	(751)
Itaú BBA	Debenture issue costs	Jointly-controlled company	8	9	8	9
Other liabilities			**(1)**	**(1)**	**(3)**	**(4)**
Itaú Unibanco	Provision of services	Jointly-controlled company	-	-	(2)	(3)
Itaú Corretora	Provision of services	Jointly-controlled company	(1)	(1)	(1)	(1)
Total			**(752)**	**(743)**	**(1,304)**	**(1,291)**

Profit or loss	Nature	Relationship	Parent company 01/01 to 03/31/2021	Parent company 01/01 to 03/31/2020	Consolidated 01/01 to 03/31/2021	Consolidated 01/01 to 03/31/2020
Net revenue			**-**	**-**	**40**	**21**
Leo Madeiras Máquinas & Ferramentas Ltda.	Sales of goods	Non-controlling stockholder of controlled company Duratex	-	-	40	21
Cost of products and services			**-**	**-**	**(2)**	**(3)**
Ligna Florestal Ltda.	Agricultural lease contracts	Non-controlling stockholder of controlled company	-	-	(1)	(1)
LD Florestal	Agricultural lease contracts	Indirect jointly-controlled company	-	-	-	(2)
LD Celulose	Product supply	Indirect associated	-	-	(1)	-
General and administrative expenses			**(2)**	**(2)**	**(2)**	**(2)**
Itaú Corretora	Provision of services	Jointly-controlled company	(2)	(2)	(2)	(2)
Other income and expenses			**1**	**1**	**-**	**-**
Duratex	Revenue from rental	Controlled company	1	1	-	-
Finance result			**(8)**	**-**	**(12)**	**-**
Itaú Unibanco	Financial investments	Jointly-controlled company	-	-	-	1
Itaú Unibanco	Finance costs	Jointly-controlled company	(8)	-	(12)	(1)
Total			**(9)**	**(1)**	**24**	**16**

28.1. Guarantees offerd

ITAÚSA is a guarantor of the following transactions:

Related party	Relationship	Type	Subject matter	Parent company 03/31/2021	Parent company 12/31/2020
Duratex	Controlled company	Surety	Loan	24	24
Duratex Florestal Ltda.	Indirectly-controlled company	Surety	Loan	33	34
Itautec	Controlled company	Surety	Surety - Collateral in lawsuits	36	36
Total				**93**	**94**

With the purpose of improving its liquidity and indebtedness profile, in March 2021 subsidiary Duratex entered into a financing agreement with the National Bank for Economic and Social Development (BNDES) worth R$697, with term of use (disbursement) of up to two years, with possible renewal for another year, and maturing in up to 16 years. Costs will be based on IPCA + variable spread according to the maturity of each disbursement. One Duratex's manufacturing plant has been pledged as collateral for this operation, with 100% endorsed by the controlling stockholders of Duratex, of which 67% by ITAÚSA. Duratex has made no disbursements related to this financing by March 31, 2021.

28.2. Management compensation

	Parent company		Consolidated	
	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Compensation	10	10	20	18
Payroll charges	1	1	2	2
Short-term benefits [(1)]	1	-	1	1
Share-based compensation plan	-	-	2	-
Total	**12**	**11**	**25**	**21**

[(1)] *Include: Medical and dental assistance, meal subsidy, and life insurance.*

29. NON-CASH TRANSACTIONS

In conformity with CPC 03 (R2) / IAS 7 – Statement of Cash Flows, any investment and financing transactions not involving the use of cash or cash equivalents should not be included in the statement of cash flows.

All investment and financing activities not involving changes in cash and therefore are not recorded in any account in the Statement of Cash Flows, are shown as follows:

	Parent company		Consolidated	
	01/01 to 03/31/2021	01/01 to 03/31/2020	01/01 to 03/31/2021	01/01 to 03/31/2020
Dividends/Interest on capital resolved upon and not received	382	33	382	31
Dividends/Interest on capital resolved upon and not paid	701	366	701	366
Total	**1,083**	**399**	**1,083**	**397**

30. ADDITIONAL INFORMATION

COVID-19 impacts

Together with its investees, ITAÚSA has undertaken efforts to minimize the impacts of the current Covid-19 pandemic on its operations and society, in addition to adopting a number of measures to protect the employees' health, wellbeing and safety.

ITAÚSA's Management has been constantly monitoring the economic and financial impacts of this pandemic that adversely impact its results and those of its investees.

There were no significant impacts on the interim financial statements of ITAÚSA and subsidiaries for the first quarter of 2021. We highlight below some effects recorded by ITAÚSA and main investees:

- **ITAÚSA:** foreign exchange variation on the US-dollar denominated time installment in connection with equity interest acquired in NTS' capital, in the negative amount of R$41.

- **Itaú Unibanco:** (i) increase in loans and financing in 2020, notably for very small, small and middle-market companies in the amount of R$23,921 on March 31, 2021; (ii) extension of grace periods, terms and lower interest rates to individuals and very small and small companies; (iii) a 272% rise in requests for renegotiation and extension of terms for loan operations; (iv) provision for loan losses of R$47,401 mainly driven by the risk and default levels caused by changes in the clients' financial prospects and significant worsening of macroeconomic variables. In March 2021, the coverage level of provisions for loan losses was at 238% from 255% in December 2020. Specifically for expected loss from loans with no indication of worsening so far (client default or rating downgrade), the provisioning fell by 1.9% in the period; (v) mark to market component of the securities portfolio fell to -1.3% in 1Q20, partially driven by rate fluctuations and high volatility in market prices; (vi) instability in the variable income market leading to migration to liquid fixed-income securities giving rise to an increase in the Bank Deposit Certificate (CDB) portfolio; (vii) increase in funding, with operations taken out in the total amount of R$30,547; (viii) increase in the recognition of deferred taxes driven by a higher volume of deductible temporary differences recorded in the period; (ix) increase in Covid-19 related claim expenses in the amount of R$67, mainly related to life and credit insurance. Furthermore, in 2020 Itaú Unibanco set up the "Todos pela Saúde" (All for Health) initiative, with the donation of R$1 billion to fight the novel Coronavirus and its effects on Brazilian society. The "Todos pela Saúde" initiative is operated by way of four action axes: Informing, Protecting, Caring, and Resuming. In February 2021, the "Todos pela Saúde" initiative was formalized into an Institute, with all actions in progress being maintained.

- **Alpargatas:** Alpargatas has been reviewing the impact of the crisis on its receivables, given the rise in the credit risk involved. Based on the risk assessment, the company did not supplement the provision for expected losses. However, it did extend the maturities of bonds to ensure the sustainability of the chain and support its network of customers and franchisees.

- **Duratex:** During the first quarter of 2021 all industrial units operating capacity was above the one recorded in the pre-Covid 19 period. Terms for trade receivables and payables to suppliers are back to normal levels and there were no extended tax payment terms.

It is noteworthy mentioning that ITAÚSA and investees keep on monitoring and assessing the impacts of the pandemic on their results, as well as the effects on estimates and critical judgments involving their Financial Statements.

31. SUBSEQUENT EVENTS

31.1. Payment of interest on capital – Jointly-controlled company Itaú Unibanco

Through the Material Fact of April 16, 2021, jointly-controlled company Itaú Unibanco announced the payment of interest on capital, based on the final stockholding position of January 27, 2021, in the amount of R$0,05648 per share, with 15% withholding income tax, resulting in net interest of R$0.048008 per share. The financial settlement will be carried out by December 31, 2021.

31.2. Payment of interest on capital – ITAÚSA

Through the Material Fact of April 19, 2021, ITAÚSA announced the payment of interest on capital, based on the final stockholding position of April 27, 2021, in the amount of R$0.02131 per share, with 15% withholding income tax, resulting in net interest of R$0.0181135 per share. The financial settlement will be carried out by September 30, 2021.

31.3. Investment in Aegea Saneamento

Through the Material Fact of April 27, 2021, ITAÚSA announced that it had executed investment agreements with Aegea Saneamento e Participações S.A. ("Aegea"). After this operation is completed, ITAÚSA's equity interest in Aegea will be 10.20% of voting capital and 8.53% of total capital, as set forth in the Investment Agreement ("Agreement"). Remaining capital will continue to be held by current controlling stockholders of Aegea and Singapore's Sovereign Fund GIC.

This investment is worth R$1.3 billion, subject to price adjustments set forth in the Agreement, and the completion of this deal is conditioned on the fulfillment of certain conditions precedent usual for this kind of operation. The funds for this investment should be raised through long-term debt bonds.

This investment will be accounted for under the equity method and should be completed in the second quarter of 2021. No material effects arising from this operation on ITAÚSA's results are expected for this fiscal year.

As set forth in the Stockholder Agreement negotiated with Aegea's current stockholders, ITAÚSA will be entitled to nominate one member for each of the following bodies: Board of Directors, Audit Committee, and Finance Committee. Moreover, it will be entitled to other rights assigned to material stockholders.

Founded in 2010, Aegea is the administrator of water sanitation concessions operating in all processes that comprise the full water cycle: supply, collection and treatment of wastewater under concessions, sub concessions and public-private partnerships (PPP). Aegea is the leading private basic sanitation company in Brazil, serving over 11 million people in 126 municipalities of 12 Brazilian states.

With this investment, ITAÚSA adds to its portfolio an asset that combines attractive return rate, high potential of growth and positive impact on society. The acquisition of this equity interest is in line with the capital allocation strategy, as it gathers together strategic partners with long-term vision and proven experience in their sectors of operation.

31.4. Equity interest in NTS increased

Through the Notice to the Market of April 28, 2021, ITAÚSA announced that it had teamed up with Nova Infraestrutura Fundo de Investimento em Participações Multiestratégia, managed by Brookfield Brasil Asset Management Investimentos Ltda. ("FIP"), and Petróleo Brasileiro S.A. – Petrobras ("Petrobras") and complete negotiations for the Petrobras' sale of its full 10% equity interest in NTS's capital ("Operation").

The Operation was subject to certain conditions precedent, which were met and finalized on April 30, 2021, according to the Notice to the Market disclosed by ITAÚSA as of that date.

Said equity interest was acquired on an exclusive basis by Nova Infraestrutura Gasodutos Participações S.A. ("NISA"), a company fully owned by FIP and ITAÚSA, controlling stockholders of NTS, in the proportion of 91.5% and 8.5% interest in its capital, respectively.

With the completion of this Operation, ITAÚSA's total interest, either direct or indirect, in NTS rose to 8.5% from 7.65%. The Operation will not result in any change to ITAÚSA's rights set forth in NTS's Stockholder Agreement. No material effects arising from this Operation on ITAÚSA's results are expected for this fiscal year.

The Operation value was worth R$1.8 billion and, including the adjustments set forth in the agreement, NISA paid to Petrobras the total amount of R$1.5 billion with funds fully raised through NISA'S issuance of long-term debt bonds.

31.5. Acquisition of Ioasys by jointly-controlled company Alpargatas

On May 3, 2021, jointly-controlled company Alpargatas entered into a binding Memorandum of Understanding with Messrs. Gilson Almeida Villela Junior and Walter Galvão Neto, partners at Ioasys Desenvolvimento de Software Ltda. and Innovation Oasys Desenvolvimento de Sistemas Ltda. (jointly referred to as "Ioasys") for the acquisition of 100% of Ioasys's capital.

The purchase was completed on May 7, 2021, and the first installment, in the amount of R$90 was paid and deducted from the estimated net debt. The remaining amount of roughly R$ R$110, totaling R$200, will be repayable over 5 years, part in cash and part in Alpargatas shares, with one installment of this amount being linked to the achievement of certain targets.

This operation is in line with Alpargatas' digital transformation strategy.

Report on review of parent company and consolidated interim financial statements

To the Board of Directors and Stockholders
Itaúsa S.A.

Introduction

We have reviewed the accompanying balance sheet of Itaúsa S.A. ("Company") as at March 31, 2021 and the related statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended, as well as the accompanying consolidated balance sheet of Itaúsa S.A. and its subsidiaries ("Consolidated") as at March 31, 2021 and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these parent company and consolidated interim financial statements in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - Interim Financial Reporting, of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements referred to above are not prepared, in all material respects, in accordance with CPC 21 and IAS 34.

Other matters

Statements of value added

The interim financial statements referred to above include the parent company and consolidated statements of value added for the three-month period ended March 31, 2021. These statements are the responsibility of the Company's management and are presented as supplementary information. These statements have been subjected to review procedures performed together with the review of the interim financial statements for the purpose of concluding whether they are reconciled with the interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim financial statements taken as a whole.

São Paulo, May 10, 2021

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Emerson Laerte da Silva
Contador CRC 1SP171089/O-3

ITAÚSA
CNPJ 61.532.644/0001-15
A Publicly Listed Company

OPINION OF THE FISCAL COUNCIL

The members of Fiscal Council of ITAÚSA S.A. ("Company") examined the management report and the individual and consolidated financial statements for the quarter ending March 31, 2021, which were reviewed by the independent auditor, PricewaterhouseCoopers Auditors Independents ("PwC").

The Fiscal Councilors have verified the exactness of the elements examined and considering the unqualified report issued by PwC, understand that these documents adequately reflect the equity situation, the financial position and the activities of Company in the period. São Paulo (SP), May 10, 2021. (signed) Tereza Cristina Grossi Togni – President; Eduardo Rogatto Luque, Guilherme Tadeu Pereira Júnior, Isaac Berensztejn and Marco Túlio Leite Rodrigues – Councilors.

ALFREDO EGYDIO SETUBAL
Investor Relations Officer

ITAÚSA
CNPJ 61.532.644/0001-15
A Publicly Listed Company

SUMMARIZED MINUTES OF THE MEETING OF THE BOARD OF OFFICERS HELD ON MAY 10, 2021

DATE, TIME AND PLACE: on May 10, 2021 at 1:00 p.m., held at the registered office the ITAÚSA S.A., located at Avenida Paulista, 1938, 5th floor, in the city and state of São Paulo.

CHAIR: Alfredo Egydio Setubal, CEO.

QUORUM: all members of the Executive Committee, with the presence of Managing Officers invited to participate in the meeting.

RESOLUTIONS ADOPTED: following due examination of the interim individual and consolidated account statements for the first quarter of 2021, which were favorably recommended by the Finance Commission, the Board of Officers unanimously resolved and pursuant to the provisions in sub-section V and VI of Article 25 of CVM Instruction 480/09, amended, declare that:

(i) it has reviewed, discussed and agrees with the opinions expressed in the review report issued by PricewaterhouseCoopers Auditores Independentes, as independent auditors; and

(ii) it has reviewed, discussed and agrees with the interim individual and consolidated account statements for the quarter ended on March 31, 2021.

CONCLUSION: there being no further matters to discuss, these minutes were read and approved by the Executive Committee, by e-mail. São Paulo (SP), May 10, 2021. (signed) Alfredo Egydio Setubal - CEO; Alfredo Egydio Arruda Villela Filho, Roberto Egydio Setubal and Rodolfo Villela Marino - Vice Presidents.

ALFREDO EGYDIO SETUBAL
Investor Relations Officer