

Complete Financial Statements
September 30th, 2009



ITAÚSA

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

MANAGEMENT REPORT – January to September 2009

To our Stockholders:

We present the Management Report and the financial statements of Itaúsa - Investimentos Itaú S.A. (Itaúsa) and its subsidiaries for the period from January to September 2009, in accordance with the regulations established by the Brazilian Corporate Law and the Brazilian Securities and Exchange Commission (CVM). These financial statements have been approved by the Fiscal Council.

INTRODUCTION

The most significant figures in this report were achieved as a result of the mergers between two companies that are outstanding in their respective markets. The first one, which has just completed one year, created Itaú Unibanco, the largest private bank in Latin America. An organization that was born as a leader, but backed by 85 years of contributions to the development of the Brazilian financial system - founded on September 27, 1924, Casa Moreira Salles would give rise to Unibanco; Banco Central de Crédito, embryo of Itaú, was created on January 2, 1945.

The second merger is more recent. By merging in June, Duratex and Satipel created the largest producer of manufactured wood panels of the Southern Hemisphere, the eighth largest company in its sector in the world and the first one in the Brazilian market. Duratex, the resulting company, includes operations of Deca, a leading brand in the domestic market of sanitary metal fixtures, and vice-leader in sanitary porcelain fixtures, ranked among the ten largest players in these segments.

Both mergers involve efforts to achieve gains with the synergy between the companies. At Itaú Unibanco, the migration of the Unibanco branches to the Itaú platform will bring benefits both in the operating and customer service aspects. Duratex, in turn, created 14 committees to analyze aspects from the forest planting to industrial processes, covering the market supply, individual competences and infrastructure. The purpose, in both cases, is to apply the best practices and to create value, thus helping to perpetuate the economic recovery we live in the country.

MAIN PERFORMANCE INDICATORS

The main results for the period are as follows:

MAIN INDICATORS OF RESULTS OF ITAÚSA CONSOLIDATED

	<i>R\$ Million</i>					
	Parent company		Minority interest		Group	
	Jan to Sep/09	Jan to Sep/08	Jan to Sep/09	Jan to Sep/08	Jan to Sep/09	Jan to Sep/08
Net income	2,765	2,475	5,415	3,476	8,181	5,951
Recurring net income (Note 21d)	2,878	3,011	5,665	3,536	8,543	6,547
Stockholders' equity	19,094	17,214	36,823	19,708	55,916	36,921
Annualized return on average equity (%)	20.6%	20.2%	21.1%	24.7%	20.9%	22.6%
Annualized recurring return on average equity (%)	21.5%	24.6%	22.1%	25.1%	21.9%	24.9%

MAIN FINANCIAL INDICATORS

	Jan to Sep/09	Jan to Sep/08	Change %
Results per share - R\$			
Net income of parent company	0.64	0.64	(0.7)
Recurring net income of parent company	0.66	0.78	(14.6)
Recurring net income of parent company (without considering the bonus of shares in 2008)	0.73	0.78	(6.3)
Book value of parent company	4.39	4.43	(1.0)
Interest on capital and dividends	0.20	0.19	3.4
Price per common share (1)	10.71	14.58	(26.5)
Price per preferred share (1)	9.95	9.15	8.7
Market capitalization (2) – in millions of R\$	44,518	43,609	2.1

(1) Based on the average quotation of September of each year.

(2) Calculated on the basis of the average quotation of shares during September of each year.

MAIN INDICATORS OF THE COMPANIES CONTROLLED BY ITAÚSA

R\$ Million

	January to September	FINANCIAL SERVICES AREA	INDUSTRIAL AREA			CONSOLIDATED/ GROUP (1)
		Itaú Unibanco Holding S.A. (*)	Duratex S.A.	Itautec S.A.	Elekeiroz S.A.	
Total assets	2009	612,399	4,354	1,128	585	619,861
	2008	398,646	3,353	1,135	662	404,166
Operating revenue (2)	2009	83,921	1,387	1,315	416	86,120
	2008	50,074	1,418	1,224	710	52,652
Net income	2009	6,854	92	33	(8)	8,181
	2008	5,932	246	33	68	5,951
Stockholders' equity	2009	48,862	2,315	485	433	55,916
	2008	31,591	1,705	451	446	36,921
Annualized return on average equity (%) (3)	2009	19.8%	6.6%	9.4%	-2.4%	20.9%
	2008	26.3%	20.5%	10.0%	21.5%	22.6%
Internal fund generation (4)	2009	26,008	181	14	(14)	26,986
	2008	12,864	431	66	99	14,070

(*) New company name of Itaú Unibanco Banco Múltiplo S.A. Includes the result of Unibanco for the period from January to September 2009.

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

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

- Itaú Unibanco: Income from financial operations, income from services rendered, income from insurance, pension plan and capitalization premiums, and other operating income; and
- Duratex S.A., Itautec S.A. and Elekeiroz S.A.: Net revenue from sales of products and/or services.

(3) Represents the ratio of net income for the period and the average equity ((Sep+Jun+Mar+Dec)/4).

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

FINANCIAL SERVICES AREA

The integration of Unibanco branches into Itaú's platform started in August 2009. After the pilot project, which involved four branches and one service center, the expectation is that this process will continue until the end of 2010. In the third quarter, the employees training program aimed at integrating Itaú and Unibanco operations focused on the Companies, Individuals, Wealth Management Services, Operational Risk and Efficiency, and Audit areas. 65,590 training hours were provided to the 3,705 employees who attended it.

As one of the integration benefits, the customers of Itaú Unibanco started to count on an even more intricate service structure all over the country, and with new options of easier access to credit and financial services. Behind the expansion of the service structure, there are also deep changes in progress, with the adoption of the best management and business practices and the integration of talents from both institutions.

We highlight the following major results of Itaú Unibanco for the period from January to September 2009.

Consolidated assets totaled R\$ 612,399 million at September 30, 2009, the highest among the financial private groups of Latin America.

Consolidated net income for the first nine months of the year totaled R\$ 6,854 million, with annualized return of 19.8% on average equity. Recurring net income amounted to R\$ 7,677 million, with annualized return of 22.2%. Consolidated stockholders' equity totaled R\$ 48,862 million at the end of September.

Loan portfolio, including endorsements and sureties, reached R\$ 268.693 million. In Brazil, the portfolio of non-mandatory loans to the individuals segment reached R\$ 98,383 million. The large company segment reached R\$ 90,299 million, and the very small, small and middle-market company segment reached R\$ 56,709 million. Free, raised and managed own assets totaled R\$ 832,641 million. Basel ratio stood at 16.3% at the end of September, based on the economic-financial consolidated.

In the investment banking area, Itaú BBA took part in operations of debentures and promissory notes that totaled R\$ 13,3 billion and securitization operations that totaled R\$ 780 million in the period from January to September 2009. These operations assured the leadership in the Anbid ranking regarding the distribution of fixed income in the period from January to September 2009. In capital markets, it coordinated public offerings of shares that totaled R\$ 5,3 billion. In the Anbid ranking regarding origination of capital markets, it was ranked fourth in the period from January to September 2009, with a market share of 12.1%.

Awards and recognition

Itaú Unibanco's operation was recognized by renowned communication vehicles and institutions: The Bank was considered the best in Brazil for the 11th time, as assessed by Euromoney magazine, which also chose Itaú BBA as the best investment bank in the Brazilian capital market. According to *Guia Exame de Investimentos Pessoais*, Itaú Unibanco is the best bank in investment fund management.

In the Latin American scenario, increasing recognition was earned. The Private Banker International (PBI) magazine, which offers the most important global award in the wealth management segment, recognized Itaú Unibanco as the Outstanding Private Bank – Latin America for the second time in a row. The Bank is considered by the British magazine *The Banker*, a benchmark for financial managers in the whole world, as the leader in its sector in Brazil and Latin America. Itaú Unibanco was also ranked first for the fifth consecutive time in the "40 largest banks in Latin America in Sustainability" prepared by the Management & Excellence consulting company and Latin Finance magazine.

Itaú Unibanco's Chief Executive Officer, Mr. Roberto Setubal, was bestowed honor for being considered one of the most successful businessmen in 2009 by *Banco Hoje* magazine, and the vice-president in charge of the Wealth Management Services area, Mr. Alfredo Setubal, was acknowledged as a distinguished administrator by the Regional Administration Council of São Paulo (CRA-SP).

INDUSTRIAL AREA

Duratex

With the approval of the merger of Duratex and Satipel at the Shareholders' Meetings held on each of the companies, the largest manufacturer of wood panels in the Southern Hemisphere, ranked eighth in the global market and undisputed leader in the domestic market, was created. Duratex, the company resulting from this transaction, is a Brazilian publicly-held company, with shares traded at BM&FBovespa and listed in the segment known as Novo Mercado. The synergies identified during the merger process are estimated at R\$ 95.8 million per year (based on Ebitda).

Duratex's net income for the third quarter of 2009 amounted to R\$ 614 thousand, impacted by the adjustments arising from the merger, which were basically criteria equalization, new operational structure and transaction costs, corresponding to the net effect of an expense of R\$ 67 million, which reflected in Itaúsa in the amount of R\$ 24 million.

The Wood Division posted a 14.7% increase in the volume shipped in the third quarter of 2009 as compared to the previous quarter, reflecting the gradual improvement in the demand for panels over the year. We highlight the growth of 6.9% in net revenue for the period in relation to the previous quarter, which reached R\$ 380.0 million, and 7.5% in recurring Ebitda, totaling R\$ 100.6 million. These conditions enabled a slight improvement in the Ebitda margin to 26.5%. The operating result, although benefited by the cost reduction in two inputs, resin and electric energy, showed a decrease as compared to 2008. It occurred because of a higher level of industrial idleness as a result of the substantial expansion in the production capacity of MDP and MDF panels in the industry, which caused prices to go down over the period, despite the increase in demand for the quarter contributed to stabilize prices.

At Deca Division, the volume of shipped products increased 11.2% in the third quarter of 2009, as compared to the previous quarter, and 7.8% in relation to the same period of 2008. Expansion for the year was 11.7% when compared to 2008. In the nine-month period of 2009, there was an increase of 5.1% in net revenue as compared to the same period of 2008. Noteworthy are the 28.0% increase in recurring Ebitda in the third quarter as compared to the previous one, to R\$ 54.0 million, and the 4.7% increase over the same period of 2008. This performance reflects a number of operational and market measures focused on increasing the market share and strengthening the brand in different consumer segments.

Itautec

Accumulated gross revenue from sales and services until September reached R\$ 1,464.7 million, a growth of 7.6% in relation to the same period of 2008, whereas in the third quarter revenue amounted to R\$ 536.2 million, 17.5% higher than in the prior quarter, which shows the recovery of the IT segment in domestic market. Gross profit reached R\$ 249.4 million, an increase of 9.0% in relation to the first nine months of 2008, resulting in a gross margin of 19.0%. EBITDA for the period reached R\$ 65.9 million, and operating cash generation amounted to R\$ 74.5 million, 264.1% above that recorded for the same period of 2008. Net income for the period amounted to R\$ 32.7 million, thus representing a return on average equity of 9.4%. Total assets at the end of September amounted to R\$ 1,127.6 million, and net debt reached R\$ 147.7 million, a decrease of 8.0% in relation to the end of September 2008.

The gross revenue from the Automation area reached R\$ 527.4 million, 9.0% higher than that in the first nine months of 2008. Revenue from the sale of banking automation and commercial equipment in Brazil, added to the operations of Itautec subsidiaries abroad, reached R\$ 212.5 million, 12.7% above that obtained in the same period of 2008, in view of the increase in the banking automation equipment sales. Shipment of ATMs totaled 4.0 thousand, a volume 43.5% higher than that in the same period of 2008, whereas in the third quarter 2.4 thousand pieces of equipment were delivered.

The Services segment recorded revenue of R\$ 314.8 million for the period from January to September 2009, 6.7% above that recorded for the same period of the prior year.

The gross revenue from the IT area reached R\$ 543.2 million, 5.8% higher than that in the first nine months of 2008. 296.8 thousand microcomputers were sold, a volume 5.4% smaller than that of the same period of 2008. This fall resulted from stronger competition in the period, especially in the segment of desktops. Notebook sales reached 151.2 thousand units, a growth of 17.0% in relation to the same period of the prior year, whereas in the third quarter sales totaled 61.5 thousand units, 38.8% higher than that in the same quarter of 2008.

In relation to the Tallard subsidiaries, the accumulated consolidated revenue up to September amounted to R\$ 394.1 million, presenting 12.5% reduction in US dollars, as compared to that recorded for the same period in the prior year, although such amount in reais represented a growth of 8.3%, as a result of an average monthly US dollar between January and September 2009.

Elekeiroz

The gradual recovery in the demand for intermediate chemical products has not resulted in the recovery in prices and profit margins yet. The effects of the crisis in developed markets are still observed, accordingly, there is idle capacity, even temporary, in the offer of products in the global market.

In the third quarter of 2009, even though the shipped volume (114.0 thousand ton) was 7% below that in the same period of 2008, it represented a significant recovery, as in the nine-month period ended in September (312.8 thousand ton) the drop was 16%. The domestic market was responsible for the recovery of these shipped volumes. While in the first nine months of 2009 this market accounted for 89% of total shipment (or 279.9 thousand ton), in the third quarter its share alone increased to 93% (or 105.8 thousand ton), whereas exports amounted to 11% and 7%, respectively. Organic products accounted for 49% whereas inorganic ones amounted to 51% of shipments in the third quarter.

Revenue for the third quarter, as well as for the nine-month period ended September 2009, was 42% below that for the same periods of 2008. In the third quarter, these were as follows: R\$ 179.2 million in gross revenue (R\$ 315.2 million in 2008) and R\$ 143.3 million in net revenue (R\$ 248.3 million in 2008); whereas in the nine-month period these amounted to R\$ 520.0 million (R\$ 891.5 million in 2008) and R\$ 416.3 million (R\$ 710.3 million in 2008), respectively. Net revenue from organic product reached in the quarter R\$ 134.6 million, a reduction of 34% in relation to 2008 (R\$ 203.3 million). Inorganic products fell 81%, amounting to R\$ 8.6 million (R\$ 45.0 million in 2008). Net income for the quarter totaled R\$ 3.7 million, but in the nine-month period the company reported losses of R\$ 7.7 million in view of the decrease in the value of sulfur inventory, recorded in the result for the first quarter, as compared to a net income of R\$ 59.3 million for the first nine months of 2008.

Investments amounted to R\$ 13.4 million until September. These funds were spent in the completion of the implementation of the third line of plasticizers in the Várzea Paulista unit, in addition to other small investments aimed at guaranteeing the operating continuity, safety of assets and employees, and environmental preservation.

PEOPLE MANAGEMENT

Itaúsa and its subsidiaries had approximately 118 thousand employees at the end of September 2009. In the period, they invested R\$ 81 million in education, training and development programs. Fixed compensation of personnel, plus charges and benefits, totaled R\$ 6,446 million. Welfare benefits granted to employees and their dependants totaled R\$ 1,080 million.

SUSTAINABILITY AND CORPORATE RESPONSIBILITY

Itaúsa was selected for the third consecutive year to make up the Dow Jones Sustainability World Index (DJSI) as a company leader in Financial Services. Out of the seven Brazilian companies selected for the 2009/2010 edition, three are of the Group: Itaúsa, Itaú Unibanco, and Redecard. Itaú Unibanco is the only financial institution in Latin America to be included in this index since it was created in 1999.

The first investment fund in the country linked to carbon credits index was launched in September by Itaú Unibanco under the name Fundo Itaú Índice de Carbono (carbon index fund). The Bank entered into a partnership with the MIT Sloan School of Management to hold discussions on sustainability in Brazil and Latin America and invest in the research and development of projects related to this theme. For the second consecutive year, Itaú Unibanco was conferred honor as "Leading Company" at the Prêmio Época de Mudanças Climáticas (Época climate changes award).

In the period from January to September 2009, social and cultural investments of Itaú Unibanco totaled R\$ 130 million. Among the initiatives of Itaú Social, we highlight the launch of the Sábado Voluntário (volunteering Saturday) event, which involves employees in activities that benefit the community, and Semana Voluntária (volunteering week), held in the CEIC, CAT, CTO and CAU administrative centers, with the objective of encouraging volunteering by employees. Instituto Unibanco mobilized 35 thousand students, parents and teachers to carry out improvements in 42 schools in São Paulo. In 2009, in addition to the 48 schools already benefited in Belo Horizonte, Porto Alegre, and São Paulo, funds were provided to improve the quality of education in 45 new public schools, thus benefiting 50 thousand students. Instituto Itaú Cultural carried out 314

events in Brazil and 101 in a number of countries between January and September 2009. The institution distributed 27 thousand products, among books, catalogs, CDs and DVDs. It was chosen as one of the 100 best companies to work by the Great Place to Work Institute and Época magazine. Instituto Itaú Cultural undertakes its activities in partnership with the Ministry of Culture, and some of its funds come from incentives provided by the Rouanet Law.

Duratex invested R\$ 3.9 million in actions focused on the environment, among which we highlight the treatment of effluents, collection of residues and maintenance of forest areas.

Itautec held the First Meeting of Suppliers, with the objective of cementing the relationship and engaging in dialogues on sustainable practices, strengthening the corporate responsibility in the production chain. The company attended several technical events, in which it gave talks and presented studies on the “Environmental Disposal of Residues of Electrical and Electronic Equipment”. In the third quarter, 146 students from universities and vocational courses participated in the Program of Visit to the Itautec Plant, when they could get to know the production process and the Environmental Management area.

Elekeiroz participated actively in the Mostra Fiesp/Ciesp de Responsabilidade Socioambiental (Fiesp/Ciesp social and environmental responsibility show) held in August, when it presented in public its project that won the 2009 edition of the Prêmio Fiesp de Mérito Ambiental (Fiest environment merit award).

INDEPENDENT AUDITORS – CVM Instruction No. 381

. Procedures adopted by the Company

The policy adopted by Itaúsa and its subsidiaries to engage non-audit related services from our independent auditors is based on the applicable regulations and internationally accepted principles that preserve the auditor's independence. These principles include the following: (a) an auditor cannot audit his or her own work, (b) an auditor cannot function in the role of management in companies where he or she provides external audit services; and (c) an auditor cannot promote the interests of its client.

During the period from January to September 2009, the independent auditors and related parties did not provide non-audit related services in excess of 5% of total external audit fees.

According to CVM Instruction No. 381, we list below the engaged services and related dates:

- February 17, 2009 – Agreement for using an electronic library of international accounting standards – (Comperio) - Itaú Unibanco – Brazil (PWC);
- February 26, 2009 – Consulting and advisory services agreement in order to resolve specific issues involving tax, accounting and corporate law – Itaú Unibanco S.A. – Brazil (PWC); and
- July 14, 2009 – Participation in the salary compensation survey named “Encuestas de remuneraciones y Beneficios adicionales” (additional compensation and benefits surveys) – Oca S.A. – Uruguay (PWC).

. Summary of the Independent Auditors' justification

The provision of the above described non-audit related professional services does not affect the independence or the objectivity of the external audit of Itaúsa, and its subsidiary/affiliated companies. The policy adopted for providing non-audit related services to Itaúsa is based on principles that preserve the independence of Independent Auditors, all of which were considered in the provision of the referred services.

ACKNOWLEDGEMENTS

We thank our stockholders and clients for their trust, which we always try to pay back by obtaining results differentiated from those of the market, and making available quality products and services, and our employees for their talent, which has enabled the sustainable growth of our business.

(Approved at the Board of Directors' Meeting of November 9, 2009).

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

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ITAÚSA - INVESTIMENTOS ITAÚ S.A.

Consolidated Balance Sheet

(In thousands of Reais)

ASSETS	09/30/2009	09/30/2008
CURRENT ASSETS	463,159,161	314,711,608
CASH AND CASH EQUIVALENTS	10,406,613	6,114,097
INTERBANK INVESTMENTS (Notes 4b and 6)	134,079,047	84,592,614
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (Notes 4c, 4d and 7)	96,639,541	70,386,390
Securities	48,053,385	38,988,747
Derivative financial instruments	6,580,106	5,873,427
Assets guaranteeing technical provisions – PGBL/VGBL fund quotas (Note 12b)	36,403,697	21,893,675
Assets guaranteeing technical provisions – other securities (Note 12b)	5,602,353	3,630,541
INTERBANK ACCOUNTS OF SUBSIDIARIES	17,006,659	20,259,855
LOAN, LEASE AND OTHER CREDIT OPERATIONS (Note 8)	137,107,382	91,435,500
Operations with credit granting characteristics (Note 4e)	151,663,580	96,584,151
(Allowance for loan losses) (Note 4f)	(14,556,198)	(5,148,651)
INVENTORIES (Notes 4g and 9)	666,337	772,249
Products	666,061	766,925
Real estate	276	5,324
OTHER RECEIVABLES	64,170,061	38,601,175
Foreign exchange portfolio (Note 10)	33,368,298	22,469,187
Deferred tax assets (Note 15b I)	8,385,396	4,024,259
Transactions with credit card issuers (Note 4e)	7,918,689	1,774,225
Receivables from insurance and reinsurance operations	3,317,135	1,373,576
Sundry (Note 14a)	11,273,931	9,066,908
(Allowance for loan losses)	(93,388)	(106,980)
OTHER ASSETS (Notes 4h and 14b)	947,449	276,221
PREPAID EXPENSES (Notes 4i and 14c)	2,136,072	2,273,507
NON-CURRENT ASSETS	156,701,664	89,454,205
LONG-TERM RECEIVABLES	142,968,709	80,650,276
INTERBANK INVESTMENTS (Notes 4b and 6)	4,108,710	1,898,786
SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (Notes 4c, 4d and 7)	26,646,714	12,062,516
Securities	22,075,989	10,192,100
Derivative financial instruments	1,904,502	1,141,918
Assets guaranteeing technical provisions – other securities (Note 12b)	2,666,223	728,498
INTERBANK ACCOUNTS OF SUBSIDIARIES	474,568	568,560
LOAN, LEASE AND OTHER CREDIT OPERATIONS (Note 8)	75,923,665	50,790,327
Operations with credit granting characteristics (Note 4e)	85,435,740	54,430,674
(Allowance for loan losses) (Note 4f)	(9,512,075)	(3,640,347)
OTHER RECEIVABLES	34,258,416	15,037,830
Foreign exchange portfolio (Note 10)	2,354,347	1,798,989
Deferred tax assets (Note 15b I)	19,395,737	5,675,993
Sundry (Note 14a)	12,508,332	7,562,848
OTHER ASSETS (Notes 4h and 14b)	9,657	220,791
PREPAID EXPENSES (Notes 4i and 14c)	1,546,979	71,466
INVESTMENTS (Notes 4j and 16a II)	2,306,085	1,448,439
Investments in affiliates	1,364,672	1,168,343
Other investments	941,413	280,096
FIXED ASSETS (Notes 4k and 15b)	7,249,266	4,502,887
Fixed assets for own use	15,179,309	9,686,500
Leased properties	32,794	82,038
Forest reserves	345,700	167,714
(Accumulated depreciation)	(8,308,537)	(5,433,365)
INTANGIBLE ASSETS (Note 16b)	4,177,604	2,852,603
TOTAL ASSETS	619,860,825	404,165,813

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

Consolidated Balance Sheet

(In thousands of Reais)

LIABILITIES	09/30/2009	09/30/2008
CURRENT LIABILITIES	332,428,780	229,877,158
FUNDS RAISED BY SUBSIDIARIES (Notes 4b and 11)	226,014,125	168,746,607
Foreign currency	10,544,411	11,883,326
Local currency	129,594,149	84,286,656
Money market	85,875,565	72,576,625
SUBORDINATED DEBT (Note 11)	1,174,634	35,006
DERIVATIVE FINANCIAL INSTRUMENTS (Notes 4d and 7b)	5,612,892	4,072,735
BORROWINGS (Note 4b)	748,011	1,222,053
Foreign currency	280,353	572,421
Local currency	467,658	649,632
STATUTORY AND SOCIAL CONTRIBUTIONS	2,848,257	1,932,815
TAX AND SOCIAL SECURITY CONTRIBUTIONS (Notes 4o, 4p and 15c)	7,211,029	2,816,023
OTHER LIABILITIES	72,967,842	42,701,167
Foreign exchange portfolio (Note 10)	34,376,024	22,124,699
Credit card operations	21,045,977	9,318,978
Securitization of foreign payment orders (Note 11)	-	188,185
Sundry (Note 14d)	17,545,841	11,069,305
INTERBANK ACCOUNTS OF SUBSIDIARIES	7,048,836	4,836,281
TECHNICAL PROVISIONS FOR INSURANCE, PENSION PLAN AND CAPITALIZATION (Notes 4n and 12a)	8,803,154	3,514,471
NON-CURRENT LIABILITIES	231,515,783	137,367,180
LONG-TERM LIABILITIES	231,515,783	137,367,180
FUNDS RAISED BY SUBSIDIARIES (Notes 4b and 11)	140,523,136	81,205,999
Foreign currency	7,607,954	7,228,177
Local currency	92,430,190	41,012,836
Money market	40,484,992	32,964,986
SUBORDINATED DEBT (Note 11)	21,597,977	12,472,515
DERIVATIVE FINANCIAL INSTRUMENTS (Notes 4d and 7b)	1,896,269	1,032,958
BORROWINGS (Note 4b)	829,010	156,521
Foreign currency	61,426	1,744
Local currency	767,584	154,777
TAX AND SOCIAL SECURITY CONTRIBUTIONS (Notes 4o, 4p and 15c)	16,705,235	11,616,024
OTHER LIABILITIES	8,789,656	6,269,412
Foreign exchange portfolio (Note 10)	2,345,964	1,824,311
Credit card operations	12,345	-
Securitization of foreign payment orders (Note 11)	-	1,265,132
Sundry (Note 14d)	6,431,347	3,179,969
TECHNICAL PROVISIONS FOR INSURANCE, PENSION PLAN AND CAPITALIZATION (Notes 4n and 12a)	41,174,500	24,613,751
MINORITY INTEREST IN SUBSIDIARIES (Note 21c)	36,822,670	19,707,577
STOCKHOLDERS' EQUITY OF THE PARENT COMPANY (Note 17)	19,093,592	17,213,898
Capital	13,000,000	10,000,000
Capital reserves	193,787	28,125
Revaluation reserves	26,862	29,559
Revenue reserves	5,778,900	7,259,266
Asset valuation adjustment - (Notes 4c, 4d and 7a)	94,043	(57,548)
(Treasury shares)	-	(45,504)
STOCKHOLDERS' EQUITY OF THE ITAÚSA GROUP	55,916,262	36,921,475
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	619,860,825	404,165,813

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Consolidated Statement of Income
(In thousands of Reais)

	01/01 to 09/30/2009	01/01 to 09/30/2008
OPERATING REVENUES	86,119,902	52,651,515
Sales of products and services	13,864,250	10,651,644
Insurance, pension plan and capitalization (Note 12c)	12,479,242	7,532,264
Financial	35,893,930	23,849,373
Financial income from insurance, pension plan and capitalization operations (Note 12c)	3,549,287	1,586,682
Securities	19,062,963	8,354,469
Equity in earnings of subsidiaries (Note 16a II)	194,375	(343,329)
Other operating revenues (Note 14e)	1,075,855	1,020,412
OPERATING EXPENSES	(70,489,061)	(44,584,525)
Cost of products and services	(2,329,262)	(2,390,711)
Insurance, pension plan and capitalization (Note 12c)	(10,757,912)	(6,521,435)
Equity (Note 8c)	(11,920,141)	(5,486,108)
Administrative	(14,327,439)	(8,821,652)
Management fees	(364,235)	(202,086)
Financial	(20,164,135)	(15,765,127)
Financial expenses on technical provisions for pension plan and capitalization (Note 12c)	(3,089,433)	(1,284,920)
Other operating expenses (Note 14f)	(7,536,504)	(4,112,486)
OPERATING INCOME	15,630,841	8,066,990
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING	15,630,841	8,066,990
INCOME TAX AND SOCIAL CONTRIBUTION (Notes 4p and 15a I)	(6,187,142)	(1,434,022)
Due on operations for the period	(6,829,122)	(2,031,539)
Related to temporary differences	641,980	597,517
PROFIT SHARING	(1,263,056)	(681,658)
Employees – Law No. 10,101 of 12/19/2000	(1,084,088)	(516,651)
Officers – Statutory – Law No. 6,404 of 12/15/1976	(178,968)	(165,007)
NET INCOME OF THE GROUP	8,180,643	5,951,310
MINORITY INTEREST IN SUBSIDIARIES (Note 21c)	(5,415,284)	(3,476,479)
NET INCOME OF PARENT COMPANY	2,765,359	2,474,831
NUMBER OF OUTSTANDING SHARES – in thousands (Note 17a)	4,347,215	3,881,480
NET INCOME OF PARENT COMPANY PER THOUSAND SHARES – R\$	0.64	0.64
BOOK VALUE OF PARENT COMPANY PER THOUSAND SHARES – R\$	4.39	4.43
EXCLUSION OF NONRECURRING EFFECTS (Note 21d)	112,813	535,705
NET INCOME OF PARENT COMPANY WITHOUT NONRECURRING EFFECTS	2,878,172	3,010,536
NET INCOME OF PARENT COMPANY PER THOUSAND SHARES – R\$	0.66	0.78
NET INCOME OF PARENT COMPANY PER THOUSAND SHARES (WITHOUT BONUS EFFECT IN 2008) – R\$	0.73	0.78

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Consolidated Statement of Cash Flows
(In thousands of Reais)

	01/01 to 09/30/2009	01/01 to 09/30/2008
ADJUSTED NET INCOME	26,985,716	14,070,075
Net income	2,765,359	2,474,831
Adjustments to net income:	24,220,357	11,595,244
Adjustment to market value of securities and derivative financial instruments (assets/liabilities)	(2,850,387)	559,992
Allowance for loan losses	12,382,541	5,939,019
Results from operations with subordinated debt	833,532	1,155,404
Results from securitization of foreign payment orders	(309,741)	125,513
Change in technical provisions for insurance, pension plan and capitalization	3,089,433	1,284,920
Depreciation and amortization	1,726,045	909,540
Adjustment to legal liabilities – tax and social security	1,813,979	555,584
Adjustment to provision for contingent liabilities	(273,553)	603,891
Deferred taxes	(641,980)	(597,517)
Equity in earnings of affiliates	(194,375)	343,329
Income from available-for-sale securities	2,589,593	(1,833,495)
Income from held-to-maturity securities	508,736	(180,443)
(Income) loss from sale of investments	(360,633)	(291,586)
Minority interest	5,415,284	3,476,479
Other	491,883	(455,386)
CHANGE IN ASSETS AND LIABILITIES	(5,802,606)	(4,011,291)
(Increase) decrease in interbank investments	9,517,380	(31,185,787)
(Increase) decrease in securities and derivative financial instruments (assets/liabilities)	7,435,130	(12,486,098)
(Increase) Decrease in interbank accounts of subsidiaries	827,155	(120,781)
(Increase) decrease in loan, lease and other credit operations	(4,395,469)	(40,542,559)
(Increase) decrease in inventories	91,567	(102,959)
(Increase) decrease in other receivables and other assets	115,260	(4,251,758)
(Increase) decrease in foreign exchange operations	2,066,859	(466,919)
(Increase) decrease in prepaid expenses	553,334	(428,536)
Increase (decrease) in funds obtained by subsidiaries – foreign currency	(13,134,353)	4,585,188
Increase (Decrease) in funds obtained by subsidiaries – local currency	(14,845,674)	33,119,305
Increase (decrease) in funds obtained by subsidiaries – money market	2,066,063	40,852,024
Increase (decrease) in borrowings – foreign currency	(284,687)	153,801
Increase (decrease) in borrowings – local currency	468,520	262,426
Increase (decrease) in credit card operations	(871,608)	(1,161,049)
Increase (decrease) in securitization of foreign payment orders	(3,518,992)	218,229
Increase (decrease) in taxes and social contributions payable and other liabilities	7,223,538	7,341,646
Increase (decrease) in technical provisions for insurance, pension plan and capitalization	3,890,507	1,637,627
Payment of income tax and social contribution	(3,007,136)	(1,435,091)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	21,183,110	10,058,784
Interest on capital / dividends received from affiliated companies	63,152	88,880
Funds received from sale of available-for-sale securities	11,310,223	6,211,524
Funds received from redemption of held-to-maturity securities	47,471	421,792
Disposal of investments	397,789	300,517
Payment of income tax and social contribution from sale of investments	(122,615)	(99,139)
Sale of fixed assets	66,703	49,213
Purchase of available-for-sale securities	(9,727,049)	(11,546,267)
Cash and cash equivalents of assets and liabilities arising from the acquisition of Redecard	(485,994)	-
Purchase of investments	(110,835)	(227,640)
Purchase of fixed assets and forest reserves	(1,076,737)	(946,883)
Investment in intangible assets	(343,669)	(402,873)
NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES	18,439	(6,150,876)
Increase (decrease) in subordinated debt	(488,143)	25,585
Change in minority interest	351,391	(927,327)
Subscription of shares	450,000	250,000
Premium on subscription of shares	604	471
Capital reserve arising from the sale of fractional shares	-	78
Purchase of own shares	-	(280,545)
Interest on capital paid to minority stockholders	(2,271,894)	(1,607,929)
Interest on capital paid	(1,602,753)	(1,295,803)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(3,560,795)	(3,835,470)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	17,640,754	72,438
Cash and cash equivalents at the beginning of the period (Notes 4a and 5)	37,259,962	22,800,989
Cash and cash equivalents at the end of the period	54,900,716	22,873,427

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Consolidate Statements of Added Value
(In thousands of Reais)

	01/01 to 09/30/2009	01/01 to 09/30/2008
INCOME	37,952,808	22,535,392
Sale of goods, products and services	13,864,250	10,651,644
Financial income from securities	34,792,758	16,438,715
Allowance for loan losses – (Increase)	(12,382,541)	(5,939,019)
Insurance, pension plan and capitalization operations	1,721,330	1,010,829
Other revenues and expenses	(42,989)	373,223
INPUTS PURCHASED FROM THIRD PARTIES	(9,242,465)	(6,458,939)
Costs of products, goods and services sold	(2,329,262)	(2,390,711)
Materials, energy, services and others	(211,440)	(168,029)
Third-party services	(2,143,094)	(961,106)
Other	(4,558,669)	(2,939,093)
Data processing and telecommunications	(1,656,814)	(1,135,489)
Advertising, promotions and publications	(643,291)	(396,492)
Conservation and maintenance	(438,988)	(222,550)
Transportation	(280,381)	(204,352)
Security	(287,433)	(184,315)
Travel expenses	(87,280)	(66,357)
Legal	(27,411)	(24,346)
Other	(1,137,071)	(705,192)
GROSS ADDED VALUE	28,710,343	16,076,453
DEPRECIATION, AMORTIZATION AND DEPLETION	(1,494,763)	(436,779)
NET ADDED VALUE PRODUCED BY THE COMPANY	27,215,580	15,639,674
ADDED VALUE RECEIVED AS A TRANSFER	194,375	(343,329)
Equity in earnings	194,375	(343,329)
TOTAL ADDED VALUE TO BE DISTRIBUTED	27,409,955	15,296,345
ADDED VALUE DISTRIBUTION	27,409,955	15,296,345
Personnel	8,397,107	5,284,646
Compensation	6,910,680	4,336,307
Benefits	1,107,924	725,712
FGTS – severance pay fund	378,503	222,627
Taxes, fees and contributions	10,187,403	3,766,675
Federal	9,452,439	3,130,263
State	310,064	343,417
Municipal	424,900	292,995
Return on managed assets - Rent	644,802	293,714
Return on own assets	8,180,643	5,951,310
Dividends and interest on capital paid/provided for	983,606	814,905
Retained earnings/loss for the period	1,781,753	1,659,926
Minority interest in retained earnings	5,415,284	3,476,479

ITAÚSA - INVESTIMENTOS ITAÚ S.A.**Balance Sheet***(In thousands of Reais)*

ASSETS	09/30/2009	09/30/2008
CURRENT ASSETS	1,729,120	1,026,310
Cash and cash equivalents	25	19
Securities (Notes 4c and 7a)	977,195	281,293
Deferred tax assets (Note 15b I)	139,877	103,840
Other sundry receivables (Note 14a)	612,023	641,158
NON-CURRENT ASSETS	23,229,569	18,338,289
LONG-TERM RECEIVABLES	35,230	36,837
Securities (Notes 4c and 7a)	34	34
Deferred tax assets (Note 15b I)	3,603	6,961
Other sundry receivables (Note 14a)	31,593	29,842
INVESTMENTS	21,588,614	18,048,740
Investments in subsidiaries (Note 16a I)	21,575,410	18,044,624
Other investments	13,204	4,116
FIXED ASSETS (Note 16b)	7,442	7,609
INTANGIBLE ASSETS	1,598,283	245,103
TOTAL ASSETS	24,958,689	19,364,599
LIABILITIES		
CURRENT LIABILITIES	747,693	699,362
Loans and financing	-	100,000
Dividends/Interest on capital payable	704,701	595,688
Tax and social security contributions (Notes 4o and 4p)	38,787	610
Other liabilities	4,205	3,064
NON-CURRENT LIABILITIES	38,110	13,884
LONG-TERM LIABILITIES – Tax and social security contributions (Notes 4o and 4p)	38,110	13,884
STOCKHOLDERS' EQUITY (Note 17)	24,172,886	18,651,353
Capital	13,000,000	10,000,000
Capital reserves	193,787	28,125
Revaluation reserves	26,862	29,559
Revenue reserves	10,858,194	8,696,721
Asset valuation adjustment - (Notes 4c, 4d and 7a)	94,043	(57,548)
(Treasury shares)	-	(45,504)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	24,958,689	19,364,599

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.**Statement of Income***(In thousands of Reais)*

	01/01 to 09/30/2009	01/01 to 09/30/2008
OPERATING REVENUES	2,228,967	2,379,548
Securities	106,961	(49,636)
Equity in earnings of subsidiaries (Note 16a I)	2,041,156	2,424,707
Other operating revenues	80,850	4,477
OPERATING EXPENSES	(138,087)	(113,595)
Equity	(627)	(642)
Administrative	(21,411)	(19,551)
Management fees	(8,002)	(5,857)
Other operating expenses (Note 14f)	(108,047)	(87,545)
OPERATING INCOME	2,090,880	2,265,953
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING	2,090,880	2,265,953
INCOME TAX AND SOCIAL CONTRIBUTION (Note 4p)	11,338	89,206
Due on operations for the period	(14,043)	(3,696)
Related to temporary differences	25,381	92,902
PROFIT SHARING - Officers – Statutory – Law No. 6,404 of 12/15/1976	(6,090)	(5,305)
NET INCOME	2,096,128	2,349,854
NUMBER OF OUTSTANDING SHARES – in thousands (Note 17a)	4,347,215	3,881,480
NET INCOME PER THOUSAND SHARES – R\$	0.48	0.61
BOOK VALUE PER THOUSAND SHARES – R\$	5.56	4.81
EXCLUSION OF NONRECURRING EFFECTS (Note 21d)	112,813	450,154
NET INCOME OF PARENT COMPANY WITHOUT NONRECURRING EFFECTS	2,208,941	2,800,008
NET INCOME OF PARENT COMPANY PER THOUSAND SHARES – R\$	0.51	0.72
NET INCOME OF PARENT COMPANY PER THOUSAND SHARES (WITHOUT BONUS EFFECT IN 2008) – R\$	0.56	0.72

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Statement of Changes in Stockholders' Equity (Note 17)
(In thousands of Reals)

	Capital reserves				Revenue reserves			Total					
	Capital	Capital reserves		Revaluation reserve	Revenue reserves		Retained earnings						
		Monetary adjustment Law No. 8,200	Premium on subscription of shares		Other capital reserves	Options for tax incentives			Legal	Unrealized profits	Statutory	Asset valuation adjustment	Treasury shares
BALANCES AT 01/01/2008	7,500,000	25,013	934	-	1,629	30,720	1,066,628	-	8,606,502	37,317	(30,502)	-	17,238,241
Change in adjustment to market value	-	-	-	-	-	-	-	-	-	(94,865)	-	-	(94,865)
Subscription of shares	250,000	-	-	-	-	-	-	-	-	-	-	-	250,000
Premium on issuance of shares	-	-	471	-	-	-	-	-	-	-	-	-	471
Increase in capital with reserves	2,250,000	-	-	-	-	-	-	-	(2,250,000)	-	-	-	-
Cancellation of treasury shares	-	-	-	-	-	-	-	-	(265,543)	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	265,543	-	-
Reversal/Realization of reserves	-	-	-	-	-	(1,161)	-	-	-	-	(280,545)	-	(280,545)
Reversal of interest on capital – prior year	-	-	-	-	-	-	-	-	3,024	-	-	1,161	-
Capital reserve arising from the sale of fractional shares	-	-	-	78	-	-	-	-	-	-	-	-	3,024
Net income for the period	-	-	-	-	-	-	-	-	-	-	-	2,349,854	2,349,854
Appropriations:													
Legal	-	-	-	-	-	-	117,493	-	-	-	-	(117,493)	-
Statutory	-	-	-	-	-	-	-	-	1,418,617	-	-	(1,418,617)	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	(331,867)	(331,867)
Interest on capital	-	-	-	-	-	-	-	-	-	-	-	(483,038)	(483,038)
BALANCES AT 09/30/2008	10,000,000	25,013	1,405	78	1,629	29,559	1,184,121	-	7,512,600	(57,548)	(45,504)	-	18,651,353
CHANGES IN THE PERIOD	2,500,000	-	471	78	-	(1,161)	117,493	-	(1,093,902)	(94,865)	(15,002)	-	1,413,112
BALANCES AT 01/01/2009	10,000,000	25,013	1,405	126,621	1,629	29,358	1,410,917	220,125	10,725,528	(154,622)	(45,504)	-	22,340,470
Change in adjustment to market value	-	-	-	-	-	-	-	-	-	250,550	-	-	250,550
Accumulated conversion adjustments	-	-	-	-	-	-	-	-	-	(1,885)	-	-	(1,885)
Granting of options recognized	-	-	-	38,515	-	-	-	-	(17,891)	-	-	-	20,624
Realization of reserves	-	-	-	-	-	(2,496)	-	-	-	-	-	2,496	-
Subscription of shares	450,000	-	604	-	-	-	-	-	-	-	-	-	450,604
Increase in capital with reserves	2,550,000	-	-	-	-	-	-	-	(2,550,000)	-	-	-	-
Cancellation of treasury shares	-	-	-	-	-	-	-	-	(45,504)	-	45,504	-	-
Net income for the period	-	-	-	-	-	-	-	-	-	-	-	2,096,128	2,096,128
Appropriations:													
Legal	-	-	-	-	-	-	104,806	-	-	-	-	(104,806)	-
Statutory	-	-	-	-	-	-	-	-	1,010,213	-	-	(1,010,213)	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	(182,583)	(182,583)
Interest on capital	-	-	-	-	-	-	-	-	-	-	-	(801,022)	(801,022)
BALANCES AT 09/30/2009	13,000,000	25,013	2,009	165,136	1,629	26,862	1,515,723	220,125	9,122,346	94,043	-	-	24,172,886
CHANGES IN THE PERIOD	3,000,000	-	604	38,515	-	(2,496)	104,806	-	(1,603,182)	248,665	45,504	-	1,832,416

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.**Statement of Cash Flows***(In thousands of Reais)*

	01/01 to 09/30/2009	01/01 to 09/30/2008
ADJUSTED NET INCOME (LOSS)	30,218	(151,751)
Net income	2,096,128	2,349,854
Adjustments to net income:	(2,065,910)	(2,501,605)
Amortization of goodwill	-	15,357
Equity in earnings of subsidiaries and affiliated companies	(2,041,156)	(2,424,707)
Deferred taxes	(25,381)	(92,902)
(Reversal) provision for losses	-	5
Depreciation and amortization	627	642
CHANGE IN ASSETS AND LIABILITIES	(26,818)	119,069
(Increase) decrease in sundry receivables and other assets	(56,122)	42,945
(Increase) decrease in prepaid expenses	-	(1)
(Decrease) increase in provisions and accounts payable and other liabilities	29,304	76,125
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	3,400	(32,682)
Securities	(207,849)	31,920
Disposal of investments	3	140,258
Purchase of investments	(51,173)	(173,657)
Goodwill on purchase of investments	(22,338)	-
Purchase of fixed assets	(584)	(346)
Interest on capital/dividends received	1,430,695	1,360,183
NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES	1,148,754	1,358,358
Premium on subscription of shares	604	471
Subscription of shares	450,000	250,000
Purchase of treasury shares	-	(280,545)
Interest on capital and dividends paid	(1,602,753)	(1,295,803)
Reserve arising from the sale of fractional shares	-	78
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(1,152,149)	(1,325,799)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5	(123)
CASH AND CASH EQUIVALENTS (Notes 4a and 5)		
At the beginning of the period	20	142
At the end of the period	25	19

ITAÚSA - INVESTIMENTOS ITAÚ S.A.**Statement of Added Value***(In thousands of Reais)*

	01/01 to 09/30/2009	01/01 to 09/30/2008
INCOME	238,534	35,594
Financial income	106,961	(49,636)
Other revenues (expenses)	131,573	85,230
INPUTS PURCHASED FROM THIRD PARTIES	(16,396)	(14,198)
Materials, energy, services and others	(107)	(95)
Third-party services	(4,570)	(382)
Other	(11,719)	(13,721)
Security	(7,391)	(6,918)
Advertising, promotions and publications	(1,588)	(1,011)
Other	(2,740)	(5,792)
GROSS ADDED VALUE	222,138	21,396
DEPRECIATION, AMORTIZATION AND DEPLETION	(627)	(642)
NET ADDED VALUE PRODUCED BY THE COMPANY	221,511	20,754
ADDED VALUE RECEIVED AS A TRANSFER	2,041,156	2,424,707
Equity in earnings	2,041,156	2,424,707
TOTAL ADDED VALUE TO BE DISTRIBUTED	2,262,667	2,445,461
ADDED VALUE DISTRIBUTION	2,262,667	2,441,961
Personnel	16,640	13,037
Compensation	15,383	11,931
Benefits	566	413
FGTS – severance pay fund	691	693
Taxes, fees and contributions	149,655	78,815
Federal	149,648	78,808
State	2	2
Municipal	5	5
Return on managed assets	244	255
Rent	244	255
Return on own assets	2,096,128	2,349,854
Dividends and interest on capital	983,606	814,905
Retained earnings for the year	1,112,522	1,534,949

ITAÚSA - INVESTIMENTOS ITAÚ S.A.**NOTES TO THE FINANCIAL STATEMENTS****FROM JANUARY 1 TO SEPTEMBER 30, 2009 AND 2008**

(In thousands of Reais)

NOTE 1 - OPERATIONS

ITAÚSA - Investimentos Itaú S.A. (ITAÚSA) has as its main objective supporting the companies in which it holds an equity interest, through studies, analyses and suggestions on the operating policy and projects for the expansion of the mentioned companies, obtaining resources to meet the related additional needs of risk capital through subscription or acquisition of securities issued, to strengthen their position in the capital market and related activities or subsidiaries of interest of the mentioned companies, except for those restricted to financial institutions.

NOTE 2 – PRESENTATION OF THE FINANCIAL STATEMENTS

The financial statements of ITAÚSA and of its subsidiaries (ITAÚSA CONSOLIDATED) have been prepared in accordance with accounting principles established by the Brazilian Corporate Law, including the amendments introduced by Laws No. 11.638, of December 28, 2007 and No. 11.941 of May 27, 2009 (Note 21f), in conformity, when applicable, with instructions issued by the Brazilian Securities and Exchange Commission (CVM), the Central Bank of Brazil (BACEN), the National Monetary Council (CMN), the Superintendency of Private Insurance (SUSEP), and the National Council of Private Insurance (CNSP), which include the use of estimates necessary to calculate accounting provisions.

On February 18, 2009, BACEN approved the merger of the financial operations of ITAÚ UNIBANCO S.A. (ITAÚ UNIBANCO) and Unibanco – União de Bancos Brasileiros S.A. (UNIBANCO). These operations were integrated according to the respective business segment, through splits and mergers occurred on February 28, 2009; therefore, the Consolidated Financial Statements for the period from January 1 to September 30, 2009, and the corresponding notes to these financial statements are not presented with data “Without UNIBANCO”, as disclosed at December 31, 2008.

On March 30, 2009, ITAÚ UNIBANCO purchased 24,082,760 nominative common shares of Redecard S.A. for R\$ 590,028, giving rise to a goodwill amounting to R\$ 556,575. In view of this transaction, ITAÚ UNIBANCO started to have the stockholding control over Redecard S.A., fully consolidated in the Financial Statements of ITAÚSA from the first quarter of 2009.

On June 22, 2009, ITAÚSA and Companhia Ligna de Investimentos (Ligna), parent companies of Duratex S.A. (Duratex) and Satipel Industrial (Satipel) respectively, signed an irrevocable and irreversible agreement for the merger of the companies, aiming at unifying their operations. The operation was implemented through a corporate reorganization in which Duratex was merged into Satipel on August 31, 2009, and Duratex shareholders received common shares issued by Satipel. In view of this reorganization, Satipel’s company name was changed to Duratex S.A.

In order to enable the proper analysis of the net income, the heading “Net income without nonrecurring effects” is presented below the Consolidated Statement of Income, and this effect is highlighted in a heading called “Exclusion of nonrecurring effects” (Note 21d).

As set forth in the sole paragraph of article 7 of BACEN Circular Letter No. 3,068, of November 8, 2001, securities classified as trading securities (Note 4c) are presented in the Balance Sheet under Current Assets, regardless of their maturity dates.

Lease Operations are presented at present value in the Balance Sheet, and the related income and expenses, which represent the financial result of these operations, are presented grouped together under Financial Income in the Statement of Income. Advances on exchange contracts are reclassified from Other Liabilities – Foreign Exchange Portfolio. The foreign exchange result is presented on an adjusted basis, with the reclassification of expenses and income, in order to represent exclusively the impact of variations and differences of rates on the balance sheet accounts denominated in foreign currencies.

NOTE 3 – CONSOLIDATED FINANCIAL STATEMENTS

Intercompany transactions and balances and results have been eliminated on consolidation. The investments held by consolidated companies in Exclusive Investment Funds are consolidated. The investments in these fund portfolios are classified by type of transaction and were distributed by type of security, in the same categories in which these securities had been originally allocated. The effects of the Foreign Exchange Variation on investments abroad are classified in the heading Operating Revenues - Securities and Derivative Financial Instruments in the Statement of Income from March 31, 2009, including for comparability effects.

The difference in Net Income and Stockholders' Equity between ITAÚSA and ITAÚSA CONSOLIDATED (Note 17d) results from the adoption of different criteria for the amortization of goodwill originated on purchase of investments and recognition of deferred tax assets.

In ITAÚSA and its subsidiaries, the goodwill mainly originated from the ITAÚ UNIBANCO merger was amortized until December 31, 2008 based on the expected future profitability (10 years) or upon realization of investments, according to the rules and guidance of CVM, CMN and BACEN. The goodwill computed after January 1, 2009 is no longer systematically amortized in the financial statements of ITAÚSA and its non-financial subsidiaries, as provided for by CVM Resolutions No. 553, of November 12, 2008, and No. 565, of December 17, 2008, and started to be recorded in the Balance Sheet under the heading Intangible Assets, including for comparability purposes. For financial subsidiaries and equivalent companies, the criterion for amortization of goodwill was not changed.

In ITAÚSA CONSOLIDATED, the goodwill calculated up to December 31, 2008 was fully amortized in the years when these investments occurred in order to: a) permit better comparability with previous periods' consolidated financial statements; and b) permit measuring Net Income and Stockholders' Equity based on conservative criteria. The goodwill computed from January 1, 2009 follows the above described rules in the preparation of individual balance sheets. Accordingly, the amount of R\$ 578,915 was not amortized, which, net of tax effects and minority interest, totals R\$ 200,300, basically originated from the purchase of shares of Redecard S.A. (Note 2a).

The negative goodwill computed on the purchase of investment is amortized only upon realization of investments. The negative goodwill not absorbed in the consolidation process is recorded in the Balance Sheet under Other Sundry Liabilities.

The consolidated financial statements comprise ITAÚSA and its direct and indirect subsidiaries, among which we highlight:

		Incorporation country	Interest (%)	
			09/30/2009	09/30/2008
FINANCIAL SERVICES AREA				
Afinco Américas Madeira, SGPS, Sociedade Unipessoal, Ltda.		Portugal	35.49%	45.34%
Banco Fiat S.A.		Brazil	35.49%	45.34%
Banco Itaú Argentina S.A.		Argentina	35.49%	45.32%
Banco Itaú BBA S.A.		Brazil	35.49%	43.41%
Banco Itaú Chile S.A.		Chile	35.49%	45.34%
Banco Itaú Europa Luxembourg S.A.	(1)	Luxembourg	35.49%	89.31%
Banco Itaú Europa, S.A.	(1)	Portugal	35.49%	89.32%
Banco Itaú Uruguay S.A.		Uruguay	35.49%	45.34%
Banco ItauBank S.A.		Brazil	35.49%	45.34%
Banco Itaucard S.A.		Brazil	35.49%	45.34%
Banco Itaured Financiamentos S.A.		Brazil	35.49%	45.34%
Banco Itauleasing S.A.		Brazil	35.49%	45.34%
BIU Participações S.A.	(2)(3)	Brazil	23.48%	18.89%
Cia. Itaú de Capitalização		Brazil	35.49%	45.34%
Dibens Leasing S.A. - Arrendamento Mercantil	(4)(5)	Brazil	35.49%	45.34%
FAI - Financeira Americanas Itaú S.A. Crédito, Financiamento e Investimento	(6)	Brazil	17.75%	22.67%
Fiat Administradora de Consórcios Ltda.		Brazil	35.49%	45.34%
Financeira Itaú CBD S.A. Crédito, Financiamento e Investimento	(7)	Brazil	17.75%	22.67%
Hipercard Banco Múltiplo S.A.	(4)	Brazil	35.49%	-
Itaú Administradora de Consórcios Ltda.		Brazil	35.49%	45.34%
Itaú Bank, Ltd.	(8)	Cayman Island	35.49%	45.34%
Itaú Corretora de Valores S.A.		Brazil	35.49%	45.34%
Itaú Seguros S.A.		Brazil	35.49%	45.34%
Itaú Unibanco Holding S.A.	(9)(10)	Brazil	35.49%	45.34%
Itaú Unibanco S.A.	(11)	Brazil	35.49%	45.34%
Itaú Vida e Previdência S.A.		Brazil	35.49%	45.34%
Itaú XL Seguros Corporativos S.A.	(7)	Brazil	17.75%	22.67%
Itaúsa Export S.A.	(1)	Brazil	35.49%	87.85%
IUPAR - Itaú Unibanco Participações S.A.	(6)	Brazil	66.53%	-
Oca Casa Financiera S.A.		Uruguay	35.49%	45.34%
Orbitall Serviços e Processamento de Informações Comerciais S.A.		Brazil	35.49%	45.34%
Redecard S.A. (Note 2)	(3)(10)	Brazil	17.01%	10.52%
Unibanco - União de Bancos Brasileiros S.A.	(4)	Brazil	35.49%	-
Unibanco Cayman Bank Ltd.	(4)	Cayman Island	35.49%	-
Unibanco Holdings S.A.	(4)	Brazil	35.49%	-
Unibanco Participações Societárias S.A.	(4)	Brazil	18.10%	-
INDUSTRIAL AREA				
Duratex S.A.	(10)(12)	Brazil	35.26	41.81
Elekeiroz S.A.	(10)	Brazil	96.45	96.46
Itaúsa Empreendimentos S.A.		Brazil	99.96	99.96
Itautec S.A.	(10)	Brazil	94.01	94.01

(1) Decrease in interest due to the purchase of shares of Itaúsa Export S.A. and Itaúsa Europa Investimentos, SGPS, Lda. by Banco Itaú S.A. in November 2008;

(2) Companies fully consolidated as from this year;

(3) Increase in interest arising from Itaú Unibanco merger;

(4) Companies included in consolidation from 12/31/2008 in view of ITAÚ UNIBANCO merger;

(5) In 2008 it represents the interest in ItauBank Leasing S.A. Arrendamento Mercantil merged in February 2009 as result of the corporate restructuring;

(6) Companies with shared control included proportionally in consolidation;

(7) Company with shared control, fully included in consolidation, as authorized by CVM, in view of business management by Itaú Unibanco Holding S.A. (ITAÚ UNIBANCO HOLDING);

(8) It does not include redeemable preferred shares (Note 11);

(9) New company name of Itaú Unibanco Banco Múltiplo S.A.;

(10) Listed company;

(11) New company name of Banco Itaú S.A.; and

(12) Change in interest due to corporate restructuring (Note 2).

NOTE 4 – SUMMARY OF THE MAIN ACCOUNTING PRACTICES

a) Cash and cash equivalents – For purposes of Consolidated Statement of Cash Flows, it includes cash and current accounts in banks (considered in the heading cash and cash equivalents), interbank deposits and securities purchased under agreements to resell – funded position that have original maturities of up to 90 days or less.

b) Interbank investments, funds raised by subsidiaries, borrowings and onlendings, subordinated debt and other receivables and payables – Transactions subject to monetary correction and foreign exchange variation and operations with fixed charges are recorded at present value, net of the transaction costs incurred, calculated pro rata die based on the effective rate of transactions, according to CVM Resolution No. 556 of November 12, 2008.

c) Securities

I - Recorded at cost of acquisition restated by the index and/or effective interest rate and presented in the Balance Sheet, according to CVM Resolution No. 566, of December 17, 2008, BACEN Circular No. 3,068, of November 8, 2001 and SUSEP Circular No. 314, of December 27, 2005. Securities are classified into the following categories:

- Trading securities – acquired to be actively and frequently traded, and adjusted to market value, with a contra-entry to the results for the period;
- Available-for-sale securities – securities that can be negotiated but are not acquired to be actively and frequently traded. They are adjusted to their market value with a contra-entry to an account disclosed in stockholders' equity; and
- Held-to-maturity securities – securities, except for non-redeemable shares, for which the bank has the financial condition and intends or is required to hold them in the portfolio up to their maturity, are recorded at cost of acquisition, or market value, whenever these are transferred from another category. The securities are adjusted up to their maturity date, not being adjusted to market value

Gains and losses on available-for-sale securities, when realized, are recognized at the trading date in the statement of income, with a contra-entry to a specific stockholders' equity account.

Decreases in the market value of available-for-sale and held-to-maturity securities below their related costs, resulting from non-temporary reasons, are recorded in results as realized losses.

II- The effects of the procedures described in item II above, in ITAÚSA's subsidiaries, recorded under stockholders' equity or the statement of income, were equally recorded in stockholders' equity or in the equity of earnings of parent company in proportion to the ownership percentage.

d) Derivative financial instruments - these are classified on the date of their acquisition, according to management's intention of using them either as a hedge or not, according to BACEN Circular No. 3,082, of January 30, 2002. Transactions involving financial instruments, carried out upon the client's request, for their own account, or which do not comply with the hedging criteria (mainly derivatives used to manage the overall risk exposure) are stated at market value, including realized and unrealized gains and losses, which are recorded directly in the statements of income.

The derivatives used for protection against risk exposure or to modify the characteristics of financial assets and liabilities, which have changes in market value highly associated with those of the items being protected at the beginning and throughout the duration of the contract, and which are found effective to reduce the risk related to the exposure being protected, are classified as hedge, in accordance with their nature:

- Market Risk Hedge – Financial assets and liabilities, as well as their related financial instruments, are accounted for at their market value plus realized and unrealized gains and losses, which are recorded directly in the statement of income;
- Cash Flow Hedge - The effective amount of the hedge of financial assets and liabilities, as well as their related financial instruments, are accounted for at their market value plus realized and unrealized gains and losses, net of tax effects, when applicable, and recorded in a specific account in stockholders' equity. The ineffective portion of *hedge* is recorded directly in the statement of income.

e) Loan, lease and other credit operations (Operations with credit granting characteristics) – these transactions are recorded at present value and calculated “pro rata die” based on the variation of the contracted index and interest rate, and are recorded on the *accrual* basis until the 60th day overdue in financial companies. After the 60th day, income is recognized upon the effective receipt of installments. Credit card operations include receivables arising from the purchases made by cardholders. The funds related to these amounts are recorded in Other Liabilities – Credit Card Operations, which also include funds arising from other credits related to transactions with credit card issuers.

f) Allowance for loan losses - The balance of the allowance for loan losses was recorded based on the credit risk analysis, at an amount considered sufficient to cover loan losses. The financial subsidiaries complied with the rules determined by CMN Resolution No. 2,682 of December 21, 1999, among which are:

- Provisions are recorded from the date loans are granted, based on the client's risk rating and on the periodic quality evaluation of clients and industries, and not only in the event of default;
- Based exclusively on delinquency, write-offs of credit operations against loss may be carried out 360 days after the due date of the credit or 540 days for operations that mature after a period of 36 months.

g) Inventories - These are valued at the average acquisition or production cost, which is lower than replacement costs or realizable values and, when applicable, decreased by the provision for obsolescence. Imports in transit are stated at the accumulated cost of each import.

h) Other assets - These assets are mainly comprised by assets held for sale relating to real estate available for sale, own real estate not in use and real estate received as payment in kind, which are adjusted to market value through the set-up of a provision, according to current regulations, and reinsurance unearned premiums (Note 4 n I).

i) Prepaid expenses – These refer to expenditures which will benefit future periods.

j) Investments - In subsidiary and affiliated companies, investments are accounted for under the equity method. The consolidated financial statements of foreign branches and subsidiaries are adapted to comply with Brazilian accounting practices and converted into Reais. Other investments are recorded at cost and adjusted to market value by setting up a provision in accordance with current standards.

k) Fixed assets - These assets are stated at cost of acquisition or construction, less accumulated depreciation, and adjusted to market value until December 31, 2007, when applicable. For insurance, pension plan and capitalization operations, property and equipment are adjusted to market value supported by appraisal reports. They correspond to rights related to tangible assets intended for maintenance of the company's operations or exercised for such purpose, including assets arising from transactions that transfer to the company their benefits, risks and control. The items acquired through Lease contracts are recorded according to CVM Resolution No. 554, of November 12, 2008, as contra-entry to Lease obligations.

In the Financial Area, with respect to operating leases, leased assets are stated at cost of acquisition less accumulated depreciation. The depreciation of leased assets is recognized under the straight-line method, based on their usual useful lives, taking into account that the useful life shall be decreased by 30% should it meet the conditions provided for by Ordinance No. 113 of February 26, 1988 issued by the Ministry of Finance. Receivables are recorded in lease receivable at the contractual amount, with contra-entry to unearned income accounts. The recognition in income will occur on the due date of the installments.

Depreciation is calculated using the straight-line method, based on monetarily restated cost, at the following annual rates:

Real estate in use	4% to 8%
Leasehold improvements	From 10%
Installations, furniture, equipment and security, transportation and communication systems	10% to 25%
EDP systems	20% to 50%

l) Intangible assets – correspond to rights acquired whose subjects are intangible assets intended for maintenance of the company or which are exercised for such purpose, according to the CMN Resolution No. 3,642, of November 26, 2008. They are composed of rights acquired to credit payrolls and partnership agreements, amortized over the agreement terms, and software and customer portfolios, amortized over a term varying from five to ten years and goodwill arising from the purchase of investments subject to annual recoverability test (Note 4m).

m) Reduction to the Recoverable Value of Assets – A loss is recognized when there are clear evidences that assets are stated at a non-recoverable value. From 2008, this procedure started to be adopted annually in the fourth quarter.

n) Insurance, pension plan and capitalization operations – Insurance premiums, acceptance coinsurance and selling expenses are accounted for in accordance with the insurance effectiveness term, through the recognition and reversal of the provision for unearned premiums and deferred selling expenses. Interest arising from fractioning of insurance premiums is accounted for as incurred. Revenues from social security contributions, gross revenue from capitalization certificates and respective technical provisions are recognized upon receipt.

I - Credits from operations and other assets related to insurance and reinsurance operations:

- Insurance premiums receivable – Refer to installments of insurance premiums receivable, current and past due, in accordance with insurance policies issued.
- Reinsurance recoverable amounts – Refer to claims paid to the insured party pending recovery from Reinsurer, installments of unsettled claims and incurred but not reported claims - Reinsurance (IBNR), classified in assets in accordance with the criteria established by CNSP Resolution No. 162, of December 26, 2006, as amended by CNSP Resolution No. 195, of December 16, 2008, and SUSEP Circular No. 379, of December 12, 2008.
- Reinsurance unearned premiums – Recognized to determine the portion of reinsurance unearned premiums, calculated pro rata die, and for risks of policies not issued, computed based on estimates, based on the actuarial technical study and in compliance with the criteria established by CNSP Resolution No. 162, of December 26, 2006, as amended by CNSP Resolution No. 195, of December 16, 2008, and SUSEP Circular No. 379, of December 12, 2008.

II- Technical provisions of insurance, pension plan and capitalization – provisions are recognized according to the technical notes approved by SUSEP and criteria established by CNSP Resolution No. 162 of December 26, 2006 and the amendments introduced by CNSP Resolution No. 181, of December 19, 2007.

II.I-Insurance

- Provision for unearned premiums – recognized to determine unearned premiums relating to the risk coverage period, calculated pro rata die, and relating to risks not yet issued, calculated based on estimates, according to an actuarial technical study.

- Provision for premium deficiency – recognized according to the Technical Actuarial Note in case of insufficient Provision for unearned premiums;
- Provision for unsettled claims – recognized based on claims of loss in an amount sufficient to cover future commitments, awaiting judicial decision, which amounts are determined by court-appointed experts and legal advisors that make assessments based on the insured amounts and technical regulations, taking into consideration the likelihood of unfavorable outcome to the insurance company.
- Provision for claims incurred but not reported (IBNR) – recognized for the estimated amount of claims occurred for risks assumed in the portfolio but not reported.

II.II - Pension Plan and Individual life with living benefits – correspond to liabilities assumed such as retirement plans, disability, pension and annuity:

- Mathematical provisions for benefits to be granted and benefits granted – correspond to commitments assumed with participants, but for which benefits are not yet due, and to those receiving the benefits;
- Provision for insufficient contribution – recognized in case of insufficient mathematical provisions;
- Provision for financial surplus – recognized at the difference between the contributions adjusted daily by the Investment Portfolio and the funds guaranteeing them, according to the plan's regulation;
- Provision for financial variation – recognized according to the methodology provided for in the Technical Actuarial Note in order to guarantee that the financial assets are sufficient to cover mathematical provisions.

II.III-Capitalization:

- Mathematical provision for redemptions – represents capitalization certificates received to be redeemed;
- Provision for raffle contingencies – recognized according to the methodology provided for in the Technical Actuarial Note to cover the Provision for raffles in the event of insufficient funds.

o) Contingent assets and liabilities and legal liabilities – tax and social security – assessed, recognized and disclosed according to the provisions set forth in CVM Resolution No. 489 of October 3, 2005.

I - Contingent assets and liabilities:

Refer to potential rights and obligations arising from past events, the occurrence of which is dependent upon future events.

- Contingent assets - not recognized, except upon evidence ensuring a high reliability level of realization, usually represented by claims awarded a final and unappealable judgment and confirmation of the recoverability of the claim through receipt of amounts or offset against another liability.
- Contingent liabilities - basically arise from administrative proceedings and lawsuits, inherent in the normal course of business, filed by third parties, former employees and governmental bodies, in connection with civil, labor, tax and social security lawsuits and other risks. These contingencies are calculated based on conservative practices, being usually recorded based on the opinion of legal advisors and considering the probability that financial resources shall be required for settling the obligation, the amount of which may be estimated with sufficient certainty. Contingencies are classified either as probable, for which provisions are recognized; possible, which are disclosed but not recognized; or remote, for which recognition or disclosure are not required. Any contingent amounts are measured through the use of models and criteria which allow their adequate measurement, in spite of the uncertainty of their term and amounts.

Escrow deposits are restated in accordance with the current legislation.

Contingencies guaranteed by indemnity clauses in privatization processes and with liquidity are only recognized upon judicial notification with simultaneous recognition of receivables, without any effect on results.

II - Legal liabilities – tax and social security

Represented by amounts payable related to tax liabilities, the legality or constitutionality of which are subject to administrative or judicial defense, recognized at the full amount under discussion.

Liabilities and related escrow deposits are adjusted in accordance with the current legislation.

p) Taxes - these provisions are calculated according to current legislation at the rates shown below, using the related calculation bases.

Income tax	15.00%
Additional income tax	10.00%
Social contribution (1)	9.00%
PIS (2)	1.65%
COFINS (2)	7.60%
ISS	up to 5.00%

(1) As from May 1, 2008, for financial subsidiaries and equivalent companies, the rate was changed from 9% to 15%, as provided for by articles 17 and 41 of Law No. 11,727 of June 24, 2008.

(2) For financial and similar companies, the PIS and COFINS rates are 0.65% and 4%, respectively.

The changes introduced by Laws No. 11,638 and No. 11,941 (articles 37 and 38), which modified the criterion for recognizing revenues, costs and expenses, computed to determine the net income for the year, did not produce effects for purposes of determining the taxable income of companies that opt for the Transition Tax Regime (RTT), so for tax purposes the rules effective on December 31, 2007 were followed. The tax effect arising from the adoption of such rules are recorded, for accounting purposes, in the corresponding deferred assets and liabilities.

NOTE 5 – CASH AND CASH EQUIVALENTS

For purposes of Statement of Cash Flows, cash and cash equivalents of ITAÚSA CONSOLIDATED are composed of the following:

	09/30/2009	09/30/2008
Cash and cash equivalents	10,406,613	6,114,097
Interbank deposits	3,387,723	7,038,298
Securities purchased under agreements to resell – Funded position	41,106,380	9,721,032
TOTAL	54,900,716	22,873,427

In ITAÚSA it is composed of the following:

	09/30/2009	09/30/2008
Cash and cash equivalents	25	19
TOTAL	25	19

NOTE 6 - INTERBANK INVESTMENTS

We present below the composition of the interbank investments of the subsidiaries of the Financial Services Area:

	09/30/2009	09/30/2008
Money market	118,767,974	74,282,795
Funded position (*)	60,698,689	23,788,899
Financed position	54,678,211	49,811,640
With free movement	5,295,928	825,796
Without free movement	49,382,283	48,985,844
Short position	3,391,074	682,256
Money market – Assets Guaranteeing Technical Provisions - SUSEP	2,823,103	804,407
Interbank deposits	16,596,680	11,404,198
TOTAL	138,187,757	86,491,400

(*) Includes R\$ 12,239,299 (R\$ 13,502,433 at 09/30/2008) related to money market with free movement, in which securities are basically restricted to guarantee transactions at the BM&F Bovespa S.A. Brazilian Mercantile and Futures Exchange (BM&F) and the Central Bank of Brazil (BACEN).

NOTE 7 - SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS/LIABILITIES)

We present the composition of the accounts "Securities and Derivative Financial Instruments", maintained in the subsidiaries of the Financial Services Area, which are in accordance with the standards of BACEN and SUSEP. They are recorded at cost and market values, and the effects of market value adjustment are directly recorded in stockholders' equity and results of subsidiaries and of ITAUSA.

a) Summary

Description	Cost	Adjustment to market value with impact on		Market value		Per maturity					Market value 09/30/2008	
		Results	Stockholders' equity	09/30/2009	09/30/2008	0 - 30	31 - 90	91 - 180	181 - 365	366 - 720		Over 720 days
Itaúsa and Industrial Area (1)												
Securities	709,940	-	(23)	709,917	709,917	78,985	6,802	14,103	17,861	26,002	566,184	899,763
Derivative financial instruments	-	26	-	26	26	-	-	-	26	-	-	1,688
Subtotal	709,940	26	(23)	709,943	709,943	78,985	6,802	14,103	17,887	26,002	566,184	901,451
Financial Services Area (2)												
Trading securities (3)	68,496,050	330,637	-	68,826,687	68,826,687	41,025,062	930,209	6,612,395	3,194,402	5,133,382	11,931,237	49,349,814
Available-for-sale securities	41,692,904	-	713,484	42,406,388	42,406,388	7,240,060	4,090,072	4,326,419	5,410,713	6,013,380	15,325,744	23,993,275
Held-to-maturity securities (4)	2,858,655	-	-	2,858,655	2,858,655	119	3,406	11,546	32,682	298,093	2,512,809	1,190,709
Derivative financial instruments	7,868,729	615,853	-	8,484,582	8,484,582	2,313,244	1,303,992	1,648,058	1,314,786	661,634	1,242,868	7,013,657
Subtotal	120,916,338	946,490	713,484	122,576,312	122,576,312	50,578,485	6,327,679	12,598,418	9,952,583	12,106,489	31,012,658	81,547,455
Adjustments of securities reclassified in prior years to the held-to-maturity category			16,604	16,604								
Deferred taxes			(170,370)	(170,370)								
Minority interests in subsidiaries			(203,325)	(203,325)								
Accounting adjustment - Hedge - Circular No. 3.082			(281,064)	(281,064)								
Adjustment of securities of unconsolidated affiliates			18,737	18,737								
Amount separately disclosed in the stockholders' equity of ITAUSA			94,043	94,043								
Total securities and derivative financial instruments (assets)	121,626,278	946,516		123,286,255	123,286,255	50,657,450	6,334,481	12,612,521	9,970,470	12,132,491	31,578,842	82,448,906
Derivative financial instruments - Itaúsa and Industrial Area	(49,220)	(1,538)	-	(50,758)	(50,758)	22,747	-	(73,505)	-	-	-	(12,023)
Derivative financial instruments - Financial Area	(6,704,725)	(753,678)	-	(7,458,403)	(7,458,403)	(2,222,490)	(1,228,773)	(1,255,194)	(855,677)	(813,505)	(1,082,764)	(5,093,670)
Total derivative financial instruments (liabilities)	(6,753,945)	(755,216)	-	(7,509,161)	(7,509,161)	(2,199,743)	(1,228,773)	(1,328,699)	(855,677)	(813,505)	(1,082,764)	(5,105,693)

(1) In ITAUSA, it included the amount of R\$ 977,230 (R\$ 281,327 at 09/30/2008) that is basically composed of Investment Fund Quotas.

(2) No reclassification among categories was performed in the period.

(3) Includes portfolio of PGBL and VGBL plan securities, in the amount of R\$ 36,403,697 (R\$ 21,893,675 at 09/30/2009), the ownership and embedded risks of which belong to clients, and recorded as marketable securities in compliance with SUSEP requirements, with contra-entry to liabilities in Technical Provision for Pension Plans.

(4) Securities classified under this category, if stated at market value, would present a positive adjustment of R\$ 403,366 (positive adjustment of R\$ 173,150 at 09/30/2008).

b) Derivative financial instruments

The globalization of the markets in recent years has resulted in a high level of sophistication in the financial products used. As a result of this process, there has been an increasing demand for derivative financial instruments to manage market risks, mainly arising from fluctuations in interest and exchange rates, commodities and other asset prices. Accordingly, ITAÚSA and its subsidiaries operate in the derivative markets for meeting the growing needs of their clients, as well as carrying out their risk management policy. Such policy is based on the use of derivative instruments to minimize the risks resulting from commercial and financial operations.

The derivative financial instruments' business with clients is carried out after the approval of credit limits. The process of limit approval takes into consideration potential stress scenarios.

Knowing the client, the sector in which it operates and its risk appetite profile, in addition to providing information on the risks involved in the transaction and the negotiated conditions, ensures transparency in the relationship between the parties and supply of a product that better meet the needs of the client in view of its operating characteristics.

The derivative transactions carried out by ITAÚSA and its subsidiaries with clients are neutralized in order to eliminate market risks.

Most derivative contracts traded by the institution with clients in Brazil are swap, forward, option and futures contracts, which are registered at the BM&F Bovespa or at the CETIP S.A. - OTC Clearinghouse. Overseas transactions are carried out with futures, forwards, options and swaps with registration mainly in the Chicago, New York and London Exchanges. It should be emphasized that there are over-the-counter operations, but their risks are low as compared to the institutions' total. Noteworthy is also the fact that there are no structured operations based on subprime assets and all operations are based on risk factors traded at stock exchanges.

The main risk factors of the derivatives, assumed at September 30, 2009, were related to the foreign exchange rate, interest rate, commodities, U.S. dollar coupon, Reference Rate coupon, Libor and variable income. The management of these and other market risk factors is supported by the infrastructure of sophisticated statistical and deterministic models. Based on this management model, the institution, with the use of transactions involving derivatives, has been able to optimize the risk-return ratios, even under highly volatile situations.

Most derivatives included in the institution's portfolio are traded at stock exchanges. The prices disclosed by stock exchanges are used for these derivatives, except in cases in which the low representativeness of price due to illiquidity of a specific contract is identified. Derivatives typically precified like this are futures contracts. Likewise, there are other instruments whose quotations (fair prices) are directly disclosed by independent institutions and which are precified based on this direct information. A great part of the Brazilian government securities, highly-liquid international (public and private) securities and shares fit into this situation.

For derivatives whose prices are not directly disclosed by stock exchanges, fair prices are obtained by pricing models which use market information, deducted based on prices disclosed for higher liquidity assets. Interest and market volatility curves which provide entry data for the models are extracted from those prices. Over-the-counter derivatives, forward contracts and securities without much liquidity are in this situation.

The total value of margins pledged in guarantee was R\$ 15,513,710 and was basically composed of government securities.

1- See below the composition of the Derivative Financial Instruments portfolio (assets and liabilities) by type of instrument, trading location, reference ratio stated at notional amount, cost and market value:

	Memorandum Account		Balance sheet		Market value	
	Notional Amount		account receivable /		market value (in	
	09/30/2009	09/30/2008	(received) (payable) /	paid	results)	09/30/2009
Futures contracts	196,897,503	98,199,446	143,099	(25,704)	117,395	358,267
Purchase commitments	94,894,623	23,272,120	(39,278)	(1,837)	(41,115)	(113,676)
Foreign currency	4,206,487	6,840,919	(2,435)	(492)	(2,927)	(103,547)
Interbank market	83,382,343	8,211,141	(6,017)	4,738	(1,279)	26,218
Indices	6,669,056	7,954,509	(30,866)	2,433	(28,433)	(34,973)
Securities	578,393	156,182	-	(3)	(3)	-
Other	58,344	109,369	40	(8,513)	(8,473)	(1,374)
Commitments to sell	102,002,880	74,927,326	182,377	(23,867)	158,510	471,943
Foreign currency	14,091,703	10,389,746	38,867	(27,883)	10,984	171,144
Interbank market	62,176,146	46,032,046	9,312	(1,776)	7,536	(67,593)
Indices	23,445,816	17,707,680	134,251	(5,110)	129,141	361,875
Securities	-	608,854	-	-	-	(212)
Other	2,289,215	189,000	(53)	10,902	10,849	6,729
Swap contracts			969,808	(44,556)	925,252	(364,204)
Asset position	81,165,208	59,835,382	2,687,936	592,703	3,280,639	1,654,452
Foreign currency	8,464,175	12,743,163	152,636	29,527	182,163	361,638
Interbank market	33,826,515	27,901,176	1,941,266	(27,919)	1,913,347	795,174
Fixed rate	19,346,183	8,488,290	179,266	179,573	358,839	140,442
Floating rate	6,757,409	-	72	517	589	-
Indices	11,999,961	9,760,684	408,018	410,524	818,542	343,582
Securities	14,131	-	5,443	358	5,801	-
Other	756,834	942,069	1,235	123	1,358	13,616
Liability position	80,195,400	60,314,657	(1,718,128)	(637,259)	(2,355,387)	(2,018,656)
Foreign currency	12,107,980	16,048,184	(265,546)	(22,848)	(288,394)	(897,925)
Interbank market	21,064,331	20,405,938	(865,683)	80,309	(785,374)	(638,469)
Fixed rate	17,617,625	11,972,903	(196,909)	(284,544)	(481,453)	(108,733)
Floating rate	13,846,479	-	(14,504)	4,338	(10,166)	-
Indices	14,703,165	10,808,049	(370,703)	(413,621)	(784,324)	(363,854)
Securities	96,255	-	(2)	2	-	(61)
Other	759,565	1,079,583	(4,781)	(895)	(5,676)	(9,614)
Option contracts	1,377,138,277	90,201,442	136,811	(121,483)	15,328	(483,205)
Purchase commitments – long position	453,889,168	21,244,566	1,257,312	(374,326)	882,986	737,334
Foreign currency	25,179,137	12,000,870	675,397	(466,035)	209,362	572,106
Interbank market	293,226,233	2,177,700	223,911	(23,603)	200,308	56,000
Floating rate	33,322	-	117	(33)	84	-
Indices	134,536,543	3,976,715	266,188	108,906	375,094	23,326
Securities	803,095	398,854	79,562	5,908	85,470	83,775
Other	110,838	2,690,427	12,137	531	12,668	2,127
Commitments to sell – long position	267,943,787	20,653,246	1,012,443	408,489	1,420,932	580,955
Foreign currency	16,541,202	3,815,186	344,839	171,316	516,155	12,951
Interbank market	154,907,306	-	167,103	(7,926)	159,177	-
Indices	94,960,017	15,482,004	105,667	234,922	340,589	150,547
Securities	1,308,084	1,190,264	380,883	(4,000)	376,883	395,777
Other	227,178	165,792	13,951	14,177	28,128	21,680
Purchase commitments – short position	341,033,653	35,334,215	(1,341,981)	417,176	(924,805)	(1,511,134)
Foreign currency	24,681,121	23,959,260	(781,412)	518,754	(262,658)	(1,343,731)
Interbank market	191,828,427	2,467,700	(184,840)	(11,748)	(196,588)	(61,112)
Indices	123,504,765	5,350,209	(347,630)	(89,394)	(437,024)	(67,324)
Securities	916,226	670,873	(16,167)	(5,665)	(21,832)	(33,039)
Other	103,114	2,886,173	(11,932)	5,229	(6,703)	(5,928)
Commitments to sell – short position	314,271,669	12,969,415	(790,963)	(572,822)	(1,363,785)	(290,360)
Foreign currency	21,162,428	3,721,886	(502,740)	(375,765)	(878,505)	(96,885)
Interbank market	189,577,854	-	(121,892)	(20,034)	(141,926)	-
Fixed rate	68,413	-	(619)	(8,516)	(9,135)	-
Indices	103,184,048	8,853,943	(149,479)	(170,824)	(320,303)	(144,805)
Securities	191,508	337,031	(4,263)	2,345	(1,918)	(38,718)
Other	87,418	56,555	(11,970)	(28)	(11,998)	(9,952)
Forward contracts	1,563,600	3,180,590	518	24	542	1,495,689
Purchase receivable	297,902	112,066	297,687	7	297,694	111,134
Fixed rate	174,691	-	174,726	-	174,726	-
Floating rate	123,006	-	122,957	-	122,957	-
Other	205	112,066	4	7	11	111,134
Purchases payable	885	7,970	(297,751)	11	(297,740)	(111,759)
Fixed rate	-	-	(174,726)	-	(174,726)	-
Floating rate	-	-	(122,957)	-	(122,957)	-
Other	885	7,970	(68)	11	(57)	(111,759)
Sales receivable	1,264,813	3,060,554	1,264,583	(128)	1,264,455	1,497,340
Fixed rate	1,190,661	-	1,190,524	(134)	1,190,390	-
Floating rate	73,546	-	73,477	-	73,477	-
Other	606	3,060,554	582	6	588	1,497,340
Sales deliverable	-	-	(1,264,001)	134	(1,263,867)	(1,026)
Fixed rate	-	-	(1,190,524)	134	(1,190,390)	-
Floating rate	-	-	(73,477)	-	(73,477)	-
Other	-	-	-	-	-	(1,026)

	Memorandum Account		Balance sheet		Market value	
	Notional Amount		account	Adjustment to		
	09/30/2009	09/30/2008	receivable / (received) (payable) / paid	market value (in results)	09/30/2009	09/30/2008
Credit derivatives	5,641,746	6,722,704	(76,550)	(24,885)	(101,435)	(22,479)
Asset position	3,185,191	6,270,516	14,852	7,930	22,782	28,541
Foreign currency	197,430	101,761	1,415	1,703	3,118	3,944
Fixed rate	2,954,838	6,168,755	13,322	4,625	17,947	24,597
Securities	10,365	-	14	609	623	-
Other	22,558	-	101	993	1,094	-
Liability position	2,456,555	452,188	(91,402)	(32,815)	(124,217)	(51,020)
Foreign currency	-	97,411	(1,388)	(1,615)	(3,003)	(2,917)
Interbank market	50,000	-	(284)	(199)	(483)	-
Fixed rate	2,406,555	354,777	(89,573)	(29,515)	(119,088)	(48,103)
Securities	-	-	(87)	(493)	(580)	-
Other	-	-	(70)	(993)	(1,063)	-
Forwards operations	12,710,194	24,210,818	(44,411)	(1,483)	(45,894)	436,225
Asset position	6,871,820	15,141,010	305,189	(16)	305,173	1,010,622
Foreign currency	6,172,672	14,148,986	272,243	-	272,243	1,006,424
Interbank market	-	4,231	-	-	-	43
Fixed rate	239,509	26,363	28,479	(16)	28,463	992
Floating rate	432,967	-	3,496	-	3,496	-
Indices	26,672	961,430	971	-	971	3,163
Liability position	5,838,374	9,069,808	(349,600)	(1,467)	(351,067)	(574,397)
Foreign currency	5,231,692	8,471,892	(333,427)	(1,467)	(334,894)	(556,103)
Interbank market	1,632	33,939	(143)	-	(143)	(2,082)
Fixed rate	112,516	168,036	(13,506)	-	(13,506)	(14,373)
Floating rate	465,862	-	(1,773)	-	(1,773)	-
Indices	26,672	395,941	(751)	-	(751)	(1,839)
Swap with target flow	2,617,829	4,815,055	10,721	(52,492)	(41,771)	35,363
Asset position	1,314,275	2,371,877	95,524	(48,314)	47,210	165,345
Foreign currency	606,589	887,713	33,288	(32,011)	1,277	86,995
Interbank market	602,491	892,630	62,236	(16,303)	45,933	35,808
Fixed rate	105,195	305,790	-	-	-	11,254
Floating rate	-	143,418	-	-	-	876
Other	-	142,326	-	-	-	30,412
Liability position	1,303,554	2,443,178	(84,803)	(4,178)	(88,981)	(129,982)
Foreign currency	983,651	1,146,615	(66,763)	7,625	(59,138)	(3,721)
Interbank market	290,990	731,728	(17,602)	(11,686)	(29,288)	(415)
Fixed rate	28,913	214,737	(438)	(117)	(555)	(94,988)
Floating rate	-	230,539	-	-	-	(852)
Other	-	119,559	-	-	-	(30,006)
Target flow of swap	3,746,618	16,224,950	(110,408)	158,997	48,589	576,450
Asset position	2,800,384	13,912,623	119,157	77,118	196,275	668,623
Foreign currency	2,795,090	12,649,185	119,157	77,118	196,275	668,623
Indices	5,294	-	-	-	-	-
Other	-	1,263,438	-	-	-	-
Liability position	946,234	2,312,327	(229,565)	81,879	(147,686)	(92,173)
Foreign currency	946,234	1,048,889	(229,565)	81,879	(147,686)	(92,173)
Other	-	1,263,438	-	-	-	-
Other derivative financial instruments	12,757,277	12,027,194	85,196	(27,755)	57,441	(122,454)
Asset position	7,580,324	2,933,629	670,947	(21,880)	649,067	202,732
Foreign currency	4,949,145	2,390,916	560,969	17,202	578,171	185,085
Interbank market	745,908	-	-	302	302	-
Fixed rate	593	130,172	(2)	169	167	1,453
Other	1,884,678	412,541	109,980	(39,553)	70,427	16,194
Liability position	5,176,953	9,093,565	(585,751)	(5,875)	(591,626)	(325,186)
Foreign currency	4,308,142	8,621,960	(501,129)	6,321	(494,808)	(302,361)
Interbank market	765,525	-	-	(268)	(268)	-
Fixed rate	100,596	442,309	(84,453)	(11,947)	(96,400)	(21,200)
Other	2,690	29,296	(169)	19	(150)	(1,625)
		ASSETS	7,868,729	615,879	8,484,608	7,015,345
		LIABILITIES	(6,753,945)	(755,216)	(7,509,161)	(5,105,693)
		TOTAL	1,114,784	(139,337)	975,447	1,909,652
Derivative contracts mature as follows (in days):						
	0 - 30	31 - 180	181 - 365	Over 365	09/30/2009	09/30/2008
Clearing						
Futures	29,006,001	95,334,860	30,656,003	41,900,639	196,897,503	98,199,446
Swaps	17,469,827	28,838,358	11,162,046	21,007,041	78,477,272	58,175,221
Options	408,879,609	532,154,775	326,047,777	110,056,116	1,377,138,277	90,201,442
Forwards	1,561,981	529	1,090	-	1,563,600	3,180,590
Credit derivatives	42,871	2,512,644	1,187,589	1,898,642	5,641,746	6,722,704
Forwards	3,332,858	5,596,939	2,116,820	1,663,577	12,710,194	24,210,818
Swaps with target flow	257,351	526,449	-	434,951	1,218,751	4,815,055
Target flow of swap	748,706	398,685	-	2,599,227	3,746,618	16,224,950
Other	3,047,712	5,121,640	1,509,918	3,078,007	12,757,277	12,027,194

At September 30, 2009, ITAÚSA had derivative operations in the swap with target flow and target flow forward with 15 clients, without total exposure for these products at an exchange rate of R\$ 1.7781 per dollar, for settlement at maturity. Of these clients, 11 have AA, A or B risk rating.

II - See below the composition of derivative financial instruments portfolio by type of instrument, stated at their notional amounts, per trading location (organized or over-the-counter market) and counterparties:

	09/30/2009								
	Futures	Swaps	Options	Forwards	Credit derivatives	Forwards	Swap with target flow	Target flow of swap	Other
BM&F/Bovespa	183,097,796	10,863,254	1,337,178,405	606	-	-	-	-	1,531,434
Over-the-counter market	13,799,707	67,614,018	39,959,872	1,562,994	5,641,746	12,710,194	1,218,751	3,746,618	11,225,843
Financial institutions	12,641,211	42,809,367	29,858,169	332,743	5,638,190	9,085,218	245,331	375,925	2,207,512
Companies	1,158,496	23,964,493	10,100,728	1,229,161	3,556	3,590,551	973,420	3,370,693	8,960,999
Individuals	-	840,158	975	1,090	-	34,425	-	-	57,332
Total	196,897,503	78,477,272	1,377,138,277	1,563,600	5,641,746	12,710,194	1,218,751	3,746,618	12,757,277
Total 09/30/2008	98,199,446	58,175,221	90,201,442	3,180,590	6,722,704	24,210,818	4,815,055	16,224,950	12,027,194

III - Credit derivatives

	Credit risk amount	
	09/30/2009	09/30/2008
Transferred	(2,331,167)	(3,318,535)
Credit swaps whose underlying assets are:		
Securities	(1,165,992)	(2,952,798)
Total return rate swaps whose underlying assets are:		
Securities	(1,165,175)	(365,737)
Received	2,686,908	1,892,558
Credit swaps whose underlying assets are:		
Securities	2,686,908	1,892,558
Total	355,741	(1,425,977)

During the period, there was no occurrence of credit event related to those set forth in agreements.

According to CMN Resolution No. 3,490, which became effective on July 1, 2008 (Note 3), the effect of the calculation of the Required Referential Equity amounts to R\$ 139,366.

V - Accounting hedge

- a) The purpose of the hedge relationship of ITAÚSA CONSOLIDATED is to protect the cash flow of payment of debt interest (CDB / Redeemable preferred shares) related to its variable interest rate risk (CDI / LIBOR), making the cash flow constant (fixed rate) and regardless of the variations of DI Cetip Over and LIBOR.

To protect the future cash flows of debt against exposure to variable interest rate (CDI), at September 30, 2009 ITAÚSA CONSOLIDATED negotiated DI Futures agreements at BM&FBOVESPA with maturity between 2009 and 2017 in the amount of R\$ 10,099,463. To protect the future cash flows of debt against exposure to variable interest rate (LIBOR), at September 30, 2009 ITAÚSA CONSOLIDATED negotiated swap contracts with maturity in 2015 in the amount of R\$ 698,921. These derivative financial instruments gave rise to adjustment to market value net of tax effects recorded in stockholders' equity of (R\$ 170,867), of which (R\$ 158,850) refers to CDB and (R\$ 12,017) refers to Redeemable preferred shares. The hedged items total R\$ 9,667,728 of CDB with maturities between 2009 and 2017 and R\$ 698,921 of swaps of redeemable preferred shares with maturity in 2015.

The gains or losses related to the accounting hedge of cash flows that we expect be reclassified from Stockholders' Equity into Results in the following 12 months amount to R\$ 116,567.

The effectiveness computed for hedge portfolio was in conformity with the provisions of BACEN Circular No. 3,082 of January 30, 2002.

- b) The swap operations contracted in a negotiation associated with the funding and/or investment in the amount of R\$ 603,612 are recorded at amounts restated in accordance with variations occurred in respective ratios ("curve") and are not valued at their market value, as permitted by BACEN Circular No. 3,150/02 do BACEN.

c) Sensitivity analysis

The risks arising from the financial instruments of ITAÚSA are mostly related to the operations of its subsidiary ITAÚ UNIBANCO – Financial Services Area, which, according to the criteria for classification of operations provided for BACEN Resolution No. 3,464/07 and Circular No. 3,354/07, and the New Capital Accord – Basel II, are separated in Trading and Banking portfolios. The exposures arising from the subsidiaries of the industrial area are shown separately and consolidated, given its lower relevance and for better presentation of values.

The sensitivity analysis shown below do not predict the dynamics of the operation of the risk and treasury areas, because once loss related to positions is found, risk mitigating measures are quickly taken, minimizing the possibility of significant losses. In addition, we point out that the presented results do not necessarily translate into accounting results, because the study's sole purpose is to disclose the exposure to risks and the respective protective actions, taking into account the fair value of financial instruments, irrespective of the accounting practices adopted by the institutions.

The considerable impact on the fixed-income factor is related to the market risks of fixed-rate financing of the banking portfolio, which are not recognized as marked to market and, therefore, are not necessarily fully subject to hedge.

Exposures		09/30/2009 (*)		
Risk Factors	Risk of variation in:	Scenarios		
		I	II	III
Fixed rate	Fixed rate in Reais	(5,688)	(1,477,939)	(2,976,692)
Foreign exchange coupons	Rates of foreign exchange coupon	1,835	(45,608)	(95,574)
Foreign currency	Exchange variation	3,188	(79,711)	(159,422)
Price indices	Rates of price indices coupons	12	(29,434)	(56,787)
Long-term interest rate	Rate of TJLP coupon	1	(30,886)	(61,925)
Reference rate	Rate of TR coupon	1,499	(132,483)	(274,729)
Variable income	Share price	13,879	(202,982)	(405,963)
Total without correlation – Financial services area		(1,999,043)		(4,031,092)
Total with correlation – Financial services area		(1,238,590)		(2,497,631)
Total without correlation – Industrial area (**)		5,785		13,016

(*) Amounts net of tax effects.

(**) Includes exposures in foreign currency, interest rates and prices

Scenario I: for exposures of the Financial Services Area, addition of 1 base point to the fixed-rate curve, currency coupon, inflation and interest rate indices, and 1 percentage point in currency and share prices, which is based on market information (BM&F BOVESPA, Andima, etc). For exposures of the Industrial area, market rates and quotations were used, with immaterial effect;

Scenario II: Shocks at approximately 25% in the portfolio of September 30, 2009, considering the largest resulting losses per risk factor; and

Scenario III: Shocks at approximately 50% in the portfolio of September 30, 2009, considering the largest resulting losses per risk factor.

All derivative financial instruments engaged by ITAÚSA CONSOLIDATED are shown in Note 7.

NOTE 8 - LOAN, LEASE AND OTHER CREDIT OPERATIONS – FINANCIAL SERVICES AREA

a) Summary

I- By type of operations

	09/30/2009	09/30/2008
Loan operations	157,378,959	95,047,802
Lease operations	48,428,264	39,841,033
Credit card operations	26,013,923	12,245,292
Advance on exchange contracts (1)	4,936,287	3,775,093
Other sundry receivables (2)	341,887	105,605
Total	237,099,320	151,014,825
Endorsements and sureties (3)	31,594,253	13,471,415
Total with endorsements and sureties	268,693,573	164,486,240

(1) Includes Advances on Exchange Contracts and Income from Advances Granted, reclassified from Other Liabilities – Foreign Exchange Portfolio/Other Receivables (Note 10);

(2) Includes Securities and Receivables, Debtors for Purchase of Assets and Endorsements and Sureties paid.

(3) Recorded in memorandum accounts.

II – By business sector

	09/30/2009	%	09/30/2008	%
Public sector	1,486,427	0.6%	688,337	0.5%
Private sector	235,612,893	99.4%	150,326,488	99.5%
Companies	128,043,290	54.0%	76,938,458	50.9%
Individuals	107,569,603	45.3%	73,388,030	48.6%
Total	237,099,320	100.0%	151,014,825	100.0%

b) Changes in allowance for loan losses

	01/01 to 09/30/2009	01/01 to 09/30/2008
Opening Balance	(19,972,155)	(7,925,660)
Net increase for the period	(12,382,541)	(5,939,019)
Minimum required by Resolution No. 2,682/99	(14,069,541)	(5,839,019)
Additional	1,687,000	(100,000)
Write-Off	8,286,423	5,075,681
Closing balance	(24,068,273)	(8,788,998)
Specific allowance (1) (3)	(12,817,853)	(3,921,595)
Generic allowance (2) (3)	(5,146,420)	(2,617,403)
Additional allowance (4)	(6,104,000)	(2,250,000)

(1) Operations with overdue installments for more than 14 days or under responsibility of bankruptcy or in process of bankruptcy companies.

(2) For operations not covered in the previous item due to the classification of the client or operation.

(3) The specific and generic allowances reflect the effects of the supplementary allowance totaling R\$ 383,300 (R\$ 365,713 at 09/30/2008) as it does not consider the option established by article 5 of the CMN Resolution No. 2,682 of 12/21/1999, amended by article 2 of CMN Resolution No. 2,697 of 02/24/2000, that the loan transactions with clients whose total liability is below R\$ 50 could be determined based on the overdue amounts.

(4) Refers to the provision in excess of the minimum required by CMN Resolution No.2,682, of December 12, 1999, recorded based on prudential criteria adopted by management in accordance with good banking practice, in order to enable the absorption of possible increases in default arising from a strong reversal of the economic cycle, quantified based on historic performance of loan portfolios in economic crisis situations.

Starting December 31, 2008, considering the economic scenario and the uncertainties associated thereto, the criteria for recognition of an additional allowance for loan risks have been revised so as to include the portion related to risks associated with a more pessimistic scenario for the 2009/2010 period, not yet fully covered by the historic scenarios noted in the recent past.

At September 30, 2009, the balance of the allowance in relation to the loan portfolio is equivalent to 10.2% (5.8% at 09/30/2008).

c) Recovery and renegotiation of credits

I – Composition of the result of allowance for loan losses

	01/01 to 09/30/2009	01/01 to 09/30/2008
Expense for allowance for loan losses	(12,382,541)	(5,939,019)
Income from recovery of credits written off as loss	1,440,205	879,780
Result of allowance for loan losses (*)	(10,942,336)	(5,059,239)

(*) Registered in Operating Expenses - Equity.

II- Renegotiated credits

	09/30/2009	09/30/2008
Renegotiated credits	7,277,785	3,092,817
Allowance for loan losses	(3,855,718)	(1,438,236)
(%)	53.0	46.5

NOTE 9 - INVENTORIES

	09/30/2009	09/30/2008
Products	666,061	766,925
Raw material	266,700	378,735
Work in process	59,551	57,516
Finished products	280,175	275,688
Storeroom	59,860	54,986
(Provision for losses) (*)	(225)	-
Real estate	276	5,324
Total	666,337	772,249

(*) In view of the worsened economic scenario triggered by the global crisis, with strong devaluation of certain products traded by the affiliate Elekeiroz S.A., an appraisal of inventories of finished products and raw materials was carried out, considering their expected realizable values, resulting in the need for recognizing a provision for losses in certain items.

NOTE 10 - FOREIGN EXCHANGE PORTFOLIO

	09/30/2009	09/30/2008
ASSETS – OTHER RECEIVABLES	35,722,645	24,268,176
Exchange purchase pending settlement – foreign currency	21,138,360	15,719,666
Bills of exchange and term documents – foreign currency	951	29,140
Exchange sale rights – local currency	14,906,180	8,757,571
(Advances received – local currency)	(322,846)	(238,201)
LIABILITIES – OTHER LIABILITIES (Note 2)	36,721,988	23,949,010
Exchange sales pending settlement – foreign currency	15,819,821	11,551,112
Liabilities from purchase of foreign currency – local currency	20,898,317	12,393,745
Other	3,850	4,153
MEMORANDUM ACCOUNTS	381,844	324,272
Outstanding import credits – foreign currency	342,561	264,459
Confirmed export credits – foreign currency	39,283	59,813

NOTE 11 – FUNDING RAISED BY SUBSIDIARIES AND BORROWINGS AND ONLENDING – FINANCIAL SERVICES AREA

	09/30/2009	09/30/2008
Foreign currency	18,152,365	19,111,503
Funds from acceptances and issuance of securities	6,474,298	5,160,562
Borrowings and onlending (1)	11,678,067	13,950,941
Local currency	222,024,339	125,299,492
Deposits	188,831,015	113,020,651
Funds from acceptances and issuance of securities	12,063,307	5,421,958
Borrowings and onlending	21,130,017	6,856,883
Securitization of foreign payment orders (2)	-	1,453,317
Deposits received under securities repurchase agreements	126,360,557	105,541,611
Own portfolio	68,829,944	55,306,310
Third-party portfolio	53,372,662	49,527,307
Free portfolio	4,157,951	707,994
Subordinated debt	22,772,611	12,507,521
CDB	20,867,529	11,574,983
Euronotes	899,943	868,210
Eurobonds	902,371	-
Bonds	128,567	68,358
(-) Transaction costs incurred (Note 4b)	(25,799)	(4,030)
Redeemable preferred shares (3)	698,957	752,563
Total	390,008,829	264,666,007

(1) *Foreign borrowings are basically represented by investments in foreign exchange transactions related to export pre-financing and import financing;*

(2) *Recorded in Other liabilities;*

(3) *Redeemable preferred shares are classified in the balance sheet in Minority Interest.*

NOTE 12 - INSURANCE, PENSION PLAN AND CAPITALIZATION OPERATIONS

a) Composition of the technical provisions

	INSURANCE		LIFE AND PENSION PLAN		CAPITALIZATION		TOTAL	
	09/30/2009	09/30/2008	09/30/2009	09/30/2008	09/30/2009	09/30/2008	09/30/2009	09/30/2008
Mathematical provision of benefits to be granted and benefits granted	33,311	6,950	40,106,721	23,502,204	-	-	40,140,032	23,509,154
Unearned premiums	2,876,662	1,131,800	382,208	333,318	-	-	3,258,870	1,465,118
Mathematical provision for redemptions	-	-	-	-	2,133,720	1,116,566	2,133,720	1,116,566
Raffle contingency	-	-	-	-	36,489	35,149	36,489	35,149
Unsettled claims	2,090,868	976,859	127,027	82,619	-	-	2,217,895	1,059,478
Financial surplus	2,214	1,976	446,323	318,818	-	-	448,537	320,794
IBNR	680,024	187,910	65,179	36,269	-	-	745,203	224,179
Financial variation	494	-	110,475	104,425	-	-	110,969	104,425
Premium deficiency	137,687	81,238	89,774	17,430	-	-	227,461	98,668
Insufficient contribution	-	-	378,765	73,115	-	-	378,765	73,115
Other	67,026	19,850	188,792	93,095	23,895	8,631	279,713	121,576
TOTAL	5,888,286	2,406,583	41,895,264	24,561,293	2,194,104	1,160,346	49,977,654	28,128,222

b) Assets Guaranteeing Technical Provisions - SUSEP

	INSURANCE		LIFE AND PENSION PLAN		CAPITALIZATION		TOTAL	
	09/30/2009	09/30/2008	09/30/2009	09/30/2008	09/30/2009	09/30/2008	09/30/2009	09/30/2008
Interbank investments – Money market	986,616	211,095	1,003,502	315,958	832,985	277,354	2,823,103	804,407
Securities and derivative financial instruments	2,678,020	1,333,405	40,593,089	24,014,946	1,401,164	904,363	44,672,273	26,252,714
PGBL/VGBL fund quotas (1)	-	-	36,403,697	21,893,675	-	-	36,403,697	21,893,675
Other	2,678,020	1,333,405	4,189,392	2,121,271	1,401,164	904,363	8,268,576	4,359,039
Government	2,004,041	714,423	3,282,754	870,504	739,727	218,302	6,026,522	1,803,229
Private	673,979	618,982	906,638	1,250,767	661,437	686,061	2,242,054	2,555,810
Receivables from insurance and reinsurance operations (2)	2,131,673	1,181,507	306,074	278,408	-	-	2,437,747	1,459,915
Credit rights	646,277	576,497	306,074	278,408	-	-	952,351	854,905
Reinsurance	1,485,396	605,010	-	-	-	-	1,485,396	605,010
Escrow deposits for loss	100,853	105,985	8,943	9,034	-	-	109,796	115,019
TOTAL	5,897,162	2,831,992	41,911,608	24,618,346	2,234,149	1,181,717	50,042,919	28,632,055

(1) The PGBL and VGBL plans securities portfolios, the ownership and embedded risks of which are the customers' responsibility, is recorded as securities, as determined by SUSEP, with a contra-entry to liabilities in the Pension Plan Technical Provisions account.

(2) Recorded under Other receivables and Other assets.

c) Results of Operations

	INSURANCE		LIFE AND PENSION PLAN		CAPITALIZATION		TOTAL	
	01/01 to 09/30/2009	01/01 to 09/30/2008	01/01 to 09/30/2009	01/01 to 09/30/2008	01/01 to 09/30/2009	01/01 to 09/30/2008	01/01 to 09/30/2009	01/01 to 09/30/2008
Income from financial operations	161,923	101,168	252,419	169,917	45,512	30,677	459,854	301,762
Financial income from insurance, pension plan and capitalization operations	245,036	114,295	3,159,018	1,382,902	145,233	89,485	3,549,287	1,586,682
Financial expenses from insurance, pension plan and capitalization operations	(83,113)	(13,127)	(2,906,599)	(1,212,985)	(99,721)	(58,808)	(3,089,433)	(1,284,920)
Results of operations from insurance, pension plan and capitalization	1,032,059	458,258	358,253	316,091	331,018	236,480	1,721,330	1,010,829
Premiums and contributions	4,290,893	1,880,467	6,907,200	4,765,187	1,201,215	776,105	12,399,308	7,421,759
Changes in technical provisions	158,320	(118,074)	(6,247,529)	(4,270,926)	(820,652)	(523,155)	(6,909,861)	(4,912,155)
Expenses for claims	(2,251,747)	(1,024,899)	(196,490)	(145,168)	-	-	(2,448,237)	(1,170,067)
Selling expenses	(962,445)	(272,121)	(35,077)	(20,996)	(22,730)	(1,144)	(1,020,252)	(294,261)
Expenses for benefits and raffles	-	-	(34,936)	(8,797)	(26,836)	(14,873)	(61,772)	(23,670)
Other revenues and expenses	(202,962)	(7,115)	(34,915)	(3,209)	21	(453)	(237,856)	(10,777)
TOTAL	1,193,982	559,426	610,672	486,008	376,530	267,157	2,181,184	1,312,591

NOTE 13 - CONTINGENT ASSETS AND LIABILITIES AND LEGAL LIABILITIES – TAX AND SOCIAL SECURITY

ITAÚSA and its subsidiaries are involved in contingencies in the ordinary course of their businesses, as follows:

a) **Contingent Assets:** there are no contingent assets recorded.

b) **Contingent Liabilities:**

- **Calculation criteria:**

Civil lawsuits: quantified upon judicial notification, and adjusted monthly:

- Collective (lawsuits related to claims considered similar and usual and the amounts of which are not considered significant): according to the statistical references per group of lawsuits, type of legal body (Small Claims Court or Regular Court) and claimant; or
- Individual (lawsuits related to claims considered unusual and the amounts of which are considered significant): at the claimed indemnity amount, based on the evidence presented and on the evaluation of legal advisors – which considers case law, legal opinions raised, evidence produced in the records and the judicial decisions to be issued – relating to the risk level of loss of lawsuits.

These are adjusted to the amounts deposited as guarantee for their execution or to the definitive execution amount (indisputable amount) when the claim is awarded a final and unappealable judgment.

Labor claims: these are calculated upon judicial notification and adjusted monthly by the moving average of payment of lawsuits closed in the last 12 months plus the average cost of fees paid for lawsuits related to claims considered similar and usual and adjusted to the amounts deposited in guarantee, to the execution amount (indisputable amount) when it is in the stage of being a final and unappealable decision, or based on the individual analysis of the potential amount of probable loss for lawsuits with significant amounts.

Tax and social security lawsuits: calculated upon judicial notification of administrative proceedings based on their monthly adjusted amounts.

Other risks: calculated mainly based on the assessment of credit risk on joint obligations.

- **Contingencies classified as probable:** are recognized in the accounting books and comprise Civil Lawsuits demanding compensation for property damage and pain and suffering, such as protest of bills, return of checks, and inclusion of information in the credit protection registry, most of these actions being filed in the Small Claims Court and therefore limited to 40 minimum monthly wages; Labor Claims seeking the recovery of alleged labor rights based on labor legislation specific to the related profession, such as overtime, salary equalization, reinstatement, transfer allowance, pension plan supplement and other; Tax and Social Security represented mainly by lawsuits and administrative proceedings involving federal and municipal taxes; and Other Risks represented basically by the joint obligation for securitized rural loans.

The table below shows the changes in the respective provisions for contingent liabilities and the respective escrow deposits balances:

Change in provision for contingent liabilities	01/01 to 09/30/2009					01/01 to 09/30/2008
	Civil	Labor	Tax and social security	Other	Total	Total
Opening Balance	2,137,508	2,901,010	2,494,539	251,235	7,784,292	3,761,514
(-) Contingencies guaranteed by indemnity clauses (Note 4n I)	(125,528)	(551,139)	(15,784)	-	(692,451)	(656,291)
Subtotal	2,011,980	2,349,871	2,478,755	251,235	7,091,841	3,105,223
Restatements/Charges	56,393	157,211	140,081	-	353,685	111,004
Changes in the period reflected in results	<u>944,454</u>	<u>461,921</u>	<u>100,316</u>	<u>5,132</u>	<u>1,511,823</u>	<u>1,165,504</u>
Increase (*)	1,168,657	551,900	109,849	5,132	1,835,538	1,328,718
Write-offs through reversal	(224,203)	(89,979)	(9,533)	-	(323,715)	(163,214)
Payments	(687,173)	(400,918)	(43,168)	-	(1,131,259)	(572,070)
Subtotal	2,325,654	2,568,085	2,675,984	256,367	7,826,090	3,809,661
(+) Contingencies guaranteed by indemnity clause (Note 4n I)	172,335	579,151	12,372	-	763,858	728,265
Closing balance (Note 14d)	2,497,989	3,147,236	2,688,356	256,367	8,589,948	4,537,926
Closing balance at 09/30/2008 (Note 14d)	1,561,881	1,921,576	936,279	118,190	4,537,926	
Escrow deposits at 09/30/2009 (Note 14a)	1,022,602	1,413,262	947,811	-	3,383,675	
Escrow deposits at 09/30/2008 (Note 14a)	673,463	895,602	291,303	-	1,860,368	

(*) Includes the provision for economic plans amounting to R\$ 250,874 (R\$ 266,524 from January 1 to September 30, 2008).

- **Contingencies classified as possible:** not recognized in the accounting books and comprise Civil Lawsuits amounting to R\$ 375,244 and Tax and Social Security Lawsuits amounting to R\$ 5,157,067. The principal characteristics of these lawsuits are described below:
- Required levy of corporate income tax (IRPJ), social contribution (CSLL), PIS and COFINS, because of the understanding that there has been unreported income due to assignment of usufruct of quotas and shares, recorded as a contra-entry to the investment account in permanent assets – R\$ 1,276,180;
 - Required levy of corporate income tax (IRPJ) and social contribution (CSLL) on operations related to transfer of shares of companies located abroad for payment of capital of other companies – R\$ 800,097;
 - ISS – Banking Institutions – R\$ 308,367: refers to tax assessments notices issued by municipalities for collection of ISS on amounts recorded in several accounts, on the grounds of being service revenue. An administrative final decision or tax foreclosure is pending;
 - Deductibility of losses in receipt of loans and discounts granted in renegotiation of loans – R\$ 284,758;
 - Dismissal of offset request – R\$ 269,271: offset requests which were not approved due to formal issues or alleged lack of evidence of credit liquidity. Issue discussed in the administrative level, in which the company stated its defense and exhibited documentation evidencing credit liquidity;
 - Levy of social security contributions on non-compensatory amounts – R\$ 218,038: administrative and court discussion on the portions that, according to the company's understanding, are not part of contribution salary for social security tax purposes;
 - Deductibility of goodwill in purchase of investments – R\$ 197,267: assessment notices that discuss the deduction of goodwill of merged companies;
 - Acquisition of Customers Portfolio - R\$ 169,367: aimed at recognizing the deduction, from the IRPJ and CSLL calculation basis, of expenses assumed by Banco Itaú with the amortization of assets related to the acquisition of the customers portfolio of the Group banks;
 - IRPJ/PDD (income tax/allowance for loan losses) – R\$ 163,512: reject the Regulatory Instruction (IN) No. 80/93, which reduced the percentage from 1.5% to 0.5% for realization of the Allowance for Loan Losses in base year 1993, calculated by adopting the IN No. 76/87 and the CMN Resolution No. 1,748, of August 31, 1990. The institution makes allegations about the impossibility of applying the rule to events occurred in the fiscal year when it was enacted (principle of anteriority). A suspension was awarded for the institution's appeal, however, the judgment by the Federal Regional Court of the 3rd Region is pending;
 - Apportionment of Net Assets by Book Value – R\$ 128,861: refers to the tax assessment notice issued due to the deduction of capital loss computed in the winding-up and liquidation of investments. Awaiting Court's decision;
 - Required the corporate income tax (IRPJ) arising from offset of losses for 2005, which, according to tax authorities, had been carried out in excess of the balance stated by the Federal Revenue Service, in view of the ex officio changes made to the Corporate Income Tax Declaration (DIPJ) submitted by the taxpayer – R\$ 97,486;
 - Differences in the completion of Declaration of Federal Contributions and Taxes (DCTF) – R\$ 82,990: Required levy of withholding income tax (IRRF) arising from the challenge, by the Federal Revenue Service authorities, concerning the completion of the DCTF and missing payments (DARF);
 - Assessment notices about the Declaration of Federal Contributions and Taxes (DCTF) – R\$ 74,201: electronic assessment notices issued by the Federal Revenue Service, which defense is stated at the administrative level, in which the submitted documentation is being analyzed;
 - Criteria for taxation of revenues made available abroad - R\$ 69,394: assessment notices in relation to which the inspection authorities discuss calculation criteria for calculation basis and taxable event;

- Offset of tax loss of companies merged without the 30% limitation – R\$ 67,784: assessment notice which discusses the application of a 30% limit when offsetting tax loss carryforwards, in case of merger of company;
- ITR (rural land tax) - R\$ 62,197: Refers to collection of ITR amounts related to farms, received as payment in kind, with arbitrage of calculation basis, due to failure to evidence that a portion of the land is a legal reserve;
- Levy of ISS on leasing operations – R\$ 50,553: Tax assessment notices and/or tax foreclosures of municipalities that allege the levy of ISS on leasing operations in their territories.

In ITAÚSA CONSOLIDATED, the following are in guarantee of voluntary resources restricted, deposited or recorded the amount below:

	09/30/2009	09/30/2008
Securities	870,416	1,313,072
Deposits in guarantee	3,516,000	2,032,097
Permanent assets (*)	785,093	953,476

(*) As per article 32 of Law No. 10,522, of July 19, 2002. On April 10, 2007, in Unconstitutionality Lawsuit No. 1,976, the Federal Supreme Court ruled unconstitutional the requirement of guarantees for considering voluntary appeals. The company is requesting the cancellation of the pledging of guarantees to the Federal Revenue Service.

The Receivables balance arising from reimbursements of contingencies totals R\$ 1,024,929 (R\$ 923,194 at 09/30/2008) (Note 14a), basically represented by the guarantee in the Banco Banerj S.A. privatization process occurred in 1997, in which the State of Rio de Janeiro created a fund to guarantee the equity recomposition from losses on Civil, Labor and Tax Contingencies.

c) Legal Liabilities – Tax and Social Security and Escrow Deposits for filing Legal Processes – recognized at the full amount being questioned and respective escrow deposits, as follows:

Change in legal liabilities	01/01 to 09/30/2009	01/01 to 09/30/2008
Opening balance	9,394,674	5,661,768
Changes in the period reflected in results	<u>2,777,745</u>	<u>1,112,809</u>
Charges on taxes	678,538	294,412
Net increase	2,233,806	897,096
Write-offs through reversal (Note 14e)	(134,599)	(78,699)
Payments	(185,666)	(71,180)
Closing balance (Note 15c)	11,986,753	6,703,397
Probability of loss		
Probable	1,595,993	1,228,889
Possible	1,169,223	348,116
Remote	9,221,537	5,126,392

Change in escrow deposits	01/01 to 09/30/2009	01/01 to 09/30/2008
Opening balance	4,478,052	3,062,934
Appropriation of income	404,464	182,662
Changes in the period	<u>187,764</u>	<u>298,490</u>
Deposits	390,841	337,925
Withdrawals	(17,205)	(34,542)
Conversion into income	(185,872)	(4,893)
Closing balance (Note 14a)	5,070,280	3,544,086

The main natures of processes are described as follows:

- PIS and COFINS X Law No. 9,718/98 – R\$ 7,315,511 – Assert the right of paying contributions to PIS and COFINS on revenue, not adopting the provisions of Article 3, paragraph 1, of Law No. 9,718/98, which established the inappropriate extension of the calculation bases of these contributions. The corresponding escrow deposit totals R\$ 1,057,938;
- IRPJ and CSLL X Profit earned Abroad – R\$ 1,162,261. Aimed at rejecting the requirement set forth by Regulatory Instruction No. 213/02, in view of its illegality, determining the inclusion of equity in earnings in the calculation of taxable income and the CSLL calculation basis, including that from disposal of investment abroad. The corresponding escrow deposit totals R\$ 569,482;
- CSL x Non Employers – R\$ 447,936 – Assert the right of paying social contribution on net income (CSLL), since it does not fit into the employers concept (article 2 of Consolidation of Labor Laws - CLT), thus recognizing the illegality and unconstitutionality of Law No. 7,689/88, which unduly increased the CSLL calculation basis, considering any company as a debtor. The escrow deposit balance totals R\$ 358,263;
- PIS X Constitutional Amendments Nos. 10/96 (January 1996 to June 1996) and 17/97 (July 1997 and February 1998) – R\$ 338,788 - Aimed at rejecting the levy of PIS based on principles of anteriority over 90 days and non-retroactivity of Constitutional Amendments Nos. 10/96 and 17/97, and nonexistence of legislation for this period. Successively, aimed at paying PIS over the mentioned period based on Supplementary Law No. 7/70. The corresponding escrow deposit totals R\$ 67,655;
- CSLL X Equality – R\$ 703,899 – Assert the right of paying CSLL at 8%, applicable to companies in general, according to the heading of Article 19 of Law No. 9,249/95, rejecting the provisions of paragraph 1 therein, which sets forth a differentiated rate (18%) for financial institutions, in view of the infraction to the principle of equality. The corresponding escrow deposit totals R\$ 350,057;
- INSS X Supplementary Law No. 84/96 and Additional rate of 2.5% – R\$ 235,874 – Aimed at rejecting the levy of social security contribution at 15%, as well as an additional rate of 2.5%, on compensation paid to service providers that are individuals and managers, set forth by Supplementary Law No. 84/96, in view of its unconstitutionality, as this contribution has the same taxable year and income tax calculation basis, going against the provisions of Articles 153, item III, 154, item I, 156, item III and 195, paragraph 4, of Federal Constitution. The corresponding escrow deposit totals R\$ 274,194.

According to the opinion of the legal advisors, ITAÚSA and its subsidiary companies are not involved in any other administrative proceedings or lawsuits that may significantly affect the results of their operations. The combined evaluation of all existing provisions for all contingent liabilities and legal obligations, which are recognized through the adoption of statistical models for claims involving small amounts and separate analysis by internal and external legal advisors of other cases, showed that the amounts provided for are sufficient, according to the CMN Resolution No. 489 of October 3, 2005.

NOTE 14 – BREAKDOWN OF ACCOUNTS**a) Other sundry receivables**

	09/30/2009	09/30/2008
Escrow deposits for provisions for contingent liabilities (Note 13b)	6,899,675	3,892,465
Contingencies classified as probable	3,383,675	1,860,368
Contingencies classified as possible:	3,516,000	2,032,097
Escrow deposits for legal liabilities – tax and social security (Note 13c)	5,070,280	3,544,086
Negotiation and intermediation of securities	2,447,821	1,783,892
Taxes and contributions for offset	3,522,671	2,041,428
Social contribution for offset – Provisional Measure No. 2,158 of August 24, 2001(Note 15b I)	955,427	895,907
Receivables from reimbursement of contingent liabilities (Note 13b)	1,024,929	923,194
Income receivable	777,532	785,683
Trade notes receivable	930,307	892,108
Escrow deposits for foreign fund raising program	455,950	583,509
Operations without credit granting characteristics	<u>346,547</u>	<u>163,029</u>
Securities and credits receivable	653,971	179,175
(Allowance for other loan losses)	(307,424)	(16,146)
Receivables – Sale of Credicard / Visa Inc. and Visa Net brands	-	248,755
Tax incentive options	848	24,085
Sundry debtors	<u>1,018,021</u>	<u>672,408</u>
Domestic	886,223	455,834
Foreign	131,798	216,574
Other	332,255	179,207
Total	23,782,263	16,629,756

At ITAÚSA, basically comprise Income Receivable related to Dividends and Interest on Capital amounting to R\$ 475,451 (R\$ 590,148 at 09/30/2008) and Taxes and Contributions for Offset of R\$ 53,035 (R\$ 48,241 at 09/30/2008).

b) Other assets

	09/30/2009	09/30/2008
Assets not for own use	541,523	341,953
(Valuation allowance)	(229,948)	(52,097)
Unearned premiums of reinsurance	645,531	207,156
Total	957,106	497,012

c) Prepaid expenses

	09/30/2009	09/30/2008
Commissions	<u>2,287,110</u>	<u>2,164,935</u>
Related to insurance and pension plan	515,968	155,481
Related to vehicle financing	1,622,283	1,986,626
Other	148,859	22,828
Fundo Garantidor de Crédito(*)	760,702	-
Advertising	384,314	45,181
Other	250,925	134,857
Total	3,683,051	2,344,973

(*) Refers to the spontaneous payment, equivalent to the prepayment of installments of the contribution to Fundo Garantidor de Crédito (Brazilian deposit guarantee fund), according to BACEN Circular No. 3,416, of 10/24/2008.

d) Other sundry liabilities

	09/30/2009	09/30/2008
Provision for contingent liabilities (Note 13b)	8,589,948	4,537,926
Collection and payment of taxes and contributions	3,377,432	3,089,022
Negotiation and intermediation of securities	1,569,978	2,068,388
Personnel provision	1,371,929	909,682
Suppliers	313,857	340,567
Sundry creditors	<u>2,698,023</u>	<u>1,859,148</u>
Domestic	2,489,735	1,729,677
Foreign	208,288	129,471
Related to insurance operations	1,109,792	248,754
Creditors of funds to be released	284,863	215,171
Liabilities for purchase of assets and rights	64,246	89,593
Provision for health insurance (1)	540,808	-
Provision for integration expenditures with ITAÚ UNIBANCO merger (2)	978,978	-
Provision to cover actuarial deficit	121,674	27,114
Expenses for lease interests	122,889	-
Liabilities for official agreements and rendering of payment services	447,230	293,746
Provision for sundry creditors	1,163,225	516,146
Sundry (3)	1,222,316	54,017
Total	23,977,188	14,249,274

(1) Provision set up to cover possible future deficits up to the total discontinuance of the portfolio, arising from the difference of adjustments to monthly installments, authorized annually by the regulatory body, and the actual variation of hospital costs that affect the compensation of claims.

(2) Provision set up at December 31, 2008 in the amount of R\$ 1,330,800 to cover expenditures on communication with customers, adequacy of systems and personnel.

(3) Basically composed of discounts in investments in subsidiaries not eliminated in Consolidation.

e) Other operating revenues

	01/01 to 09/30/2009	01/01 to 09/30/2008
Reversal of operating provisions	158,408	219,126
Legal liabilities – tax and social security (Note 13c)	134,599	78,699
Other	23,809	140,427
Recovery of charges and expenses	223,964	120,910
Income from sale of investments and other assets	583,477	591,734
Other	110,006	88,642
Total	1,075,855	1,020,412

f) Other operating expenses

	01/01 to 09/30/2009	01/01 to 09/30/2008
Tax expenses (Notes 15a II)	(3,148,799)	(1,701,534)
Provisions for contingencies (Note 13b)	(1,049,902)	(972,220)
Civil	(944,454)	(599,650)
Tax and social security	(100,316)	(351,869)
Other	(5,132)	(20,701)
Amortization of goodwill	-	(119,595)
Joint venture (*)	(550,000)	-
Operating expenses from industrial companies	(327,179)	(275,905)
Selling - credit cards	(1,083,779)	(386,535)
Claims	(413,516)	(204,229)
Refund of interbank costs (Note 21e)	(168,432)	-
Other	(794,897)	(452,468)
Total	(7,536,504)	(4,112,486)

(*) Amount paid on August 28, 2009 to Companhia Brasileira de Distribuição S.A., in order to exclude the obligation of exclusivity of ITAÚ UNIBANCO in the joint venture agreement related to Financeira Itaú CBD S.A. Crédito, Financiamento e Investimentos (Note 22).

At ITAÚSA, basically composed of Tax Expenses in the amount of R\$ 107,436 (R\$ 73,831 from 01/01 to 09/30/2008).

NOTE 15 - TAXES**a) Composition of expenses for taxes and contributions**

I - We show below the Income Tax and Social Contribution due on the operations for the period and on temporary differences arising from additions and exclusions:

Due on operations for the period	01/01 to 09/30/2009	01/01 to 09/30/2008
Income before income tax and social contribution	15,630,841	8,066,990
Charges (Income Tax and Social Contribution) at the rates in effect (Note 4p)	(6,207,100)	(3,013,955)
Increase/decrease to Income Tax and Social Contribution charges arising from:		
Permanent (additions) exclusions	(276,421)	828,867
Investments in affiliates	74,053	34,977
Foreign exchange variation on investments abroad	(1,909,004)	234,481
Interest on capital	1,176,987	563,050
Dividends, interest on external debt bonds and tax incentives	372,917	285,958
Gains (losses) on equity interests	(2,978)	(137,356)
Other	11,604	(152,243)
Temporary (additions) exclusions	484,688	1,539,698
Allowance for loan losses	(2,111,989)	(518,287)
Excess (insufficiency) of depreciation of leased assets	2,294,691	1,929,527
Adjustment to market value of trading securities and derivative financial instruments, and adjustments from operations in futures markets	165,539	74,306
Interest on capital	(71,012)	(37,319)
Legal liabilities – tax and social security, contingent liabilities and restatement of escrow deposits	(580,744)	(269,238)
Realization of goodwill on purchase of investments	1,029,825	340,099
Integration expenditures with ITAÚ UNIBANCO merger	141,536	-
Other non-deductible provisions	(383,158)	20,610
(Increase) Offset of tax losses/social contribution loss carryforwards	(830,289)	(1,386,149)
Expenses for income tax and social contribution	(6,829,122)	(2,031,539)
Related to temporary differences		
Increase (reversal) for the period	369,314	(153,070)
Prior periods increase (reversal)	272,666	750,587
Income (expenses) from deferred taxes	641,980	597,517
Total income tax and social contribution	(6,187,142)	(1,434,022)

II - Composition of tax expenses:

	01/01 to 09/30/2009			01/01 to 09/30/2008		
	On sales of products and services (1)	On other revenues (Note 14f)	Total	On sales of products and services (1)	On other revenues (Note 14f)	Total
PIS and COFINS	(254,269)	(2,526,366)	(2,780,635)	(271,209)	(1,278,321)	(1,549,530)
ISS	(13,516)	(363,813)	(377,329)	(13,281)	(249,818)	(263,099)
IPI	(119,013)	-	(119,013)	(146,633)	-	(146,633)
ICMS	(284,491)	-	(284,491)	(328,496)	-	(328,496)
Other	(35,770)	(258,620)	(294,390)	(35,701)	(173,395)	(209,096)
Total (Note 4n)	(707,059)	(3,148,799)	(3,855,858)	(795,320)	(1,701,534)	(2,496,854)

(1) These taxes have been deducted from the heading Sales of Products and Services.

At ITAÚSA tax expenses basically comprise PIS in the amount of R\$ 18,952 (R\$ 12,968 from 01/01 to 09/30/2008) and COFINS in the amount of R\$ 88,467 (R\$ 59,730 from 01/01 to 09/30/2008).

III – Tax effects on foreign exchange management of investments abroad

In order to minimize the effects on income in connection with the exposure of foreign exchange variation on investments abroad, net of respective tax effects, ITAÚSA and ITAÚ UNIBANCO carry out derivative transactions in foreign currency (hedge), as mentioned in Note 21b.

Results of these transactions are considered in the calculation basis of income tax and social contribution, according to their nature, while the foreign exchange variation on investments abroad is not included therein, pursuant to tax legislation in force.

b) Deferred tax assets

I – The deferred tax asset balance, segregated based on its origin (Income Tax and Social Contribution), is shown as follows:

	12/31/2008	Realization / Reversal	Increase	09/30/2009	09/30/2008
Reflected in income and expense accounts	25,209,166	(6,416,944)	8,901,276	27,693,498	9,658,793
Related to income tax and social contribution loss carryforwards	3,268,512	(1,207,736)	1,731,806	3,792,582	1,865,181
Temporary differences:	<u>21,940,654</u>	<u>(5,209,208)</u>	<u>7,169,470</u>	<u>23,900,916</u>	<u>7,793,602</u>
Allowance for loan losses	7,687,869	(2,434,189)	4,127,031	9,380,711	3,354,124
Provision for interest on capital	-	-	71,012	71,012	37,319
Legal liabilities – tax and social security	1,542,847	(16,343)	935,110	2,461,614	902,333
Provision for contingent liabilities	<u>2,558,664</u>	<u>(421,767)</u>	<u>591,178</u>	<u>2,728,075</u>	<u>1,236,872</u>
Civil	766,379	(321,465)	458,669	903,583	551,883
Labor	769,521	(21,985)	100,076	847,612	371,390
Tax and social security	948,506	(78,089)	926	871,343	313,599
Other	74,258	(228)	31,507	105,537	-
Adjustment to market value of securities and derivative financial instruments (assets/liabilities)	462,643	(456,239)	200,597	207,001	391,484
Allowance for real estate	89,725	(35,755)	19,585	73,555	30,979
Goodwill on purchase of investments	7,434,935	(925,511)	142,022	6,651,446	910,109
Provision for integration expenditures with ITAÚ UNIBANCO merger	452,472	(119,620)	-	332,852	-
Provision related to health insurance operations	212,254	-	4,069	216,323	-
Other	1,499,245	(799,784)	1,078,866	1,778,327	930,382
Reflected in stockholders' equity accounts – adjustment to market value of available-for-sale securities	193,744	(106,109)	-	87,635	41,469
Total deferred tax assets	25,402,910	(6,523,053)	8,901,276	27,781,133	9,700,252
Social contribution for offset arising from Option foreseen in article 8 of Provisional Measure No. 2,158-35 of 08/24/2001.	1,295,804	(340,377)	-	955,427	895,907

At ITAÚSA, Deferred Tax Assets amount to R\$ 143,480 (R\$ 110,801 at 09/30/2008) and are basically represented by interest on capital and tax losses/social contribution loss carryforwards, the expectation of realization of which is up to 1 year and 5 years, respectively.

II - Provision for Deferred Income Tax and Social Contribution balance and its changes are shown as follows:

	12/31/2008	Realization / Reversal	Increase	09/30/2009	09/30/2008
Reflected in income and expense accounts	6,422,141	(163,249)	1,933,214	8,192,106	6,654,651
Excess of depreciation of leased assets	5,604,351	-	1,567,972	7,172,323	5,489,112
Taxation of results abroad – capital gains	20,142	-	11,088	31,230	24,672
Adjustments from operations in futures market	56,552	(14,005)	47,241	89,788	313,344
Adjustment to market value of trading securities and derivative financial instruments	113,074	(39,213)	-	73,861	337,258
Restatement of escrow deposits related to legal and contingent liabilities	451,616	-	209,403	661,019	342,960
Income on sale of permanent asset items and rights	72,548	(68,690)	25,029	28,887	72,496
Other	103,858	(41,341)	72,481	134,998	74,809
Reflected in stockholders' equity accounts – adjustment to market value of available-for-sale securities	18,618	(8,324)	244,207	254,501	33,885
Total	6,440,759	(171,573)	2,177,421	8,446,607	6,688,536

At ITAÚSA, the Provision for Deferred Tax and Contributions amounts to R\$ 29,343 (R\$ 1,968 at 09/30/2008) and is represented by taxes levied on restatement of escrow deposits and Income on sale of permanent asset items and rights.

III - The estimate of realization and present value of Deferred Tax Assets and Social Contribution for Offset, arising from Provisional Measure No. 2,158-35 of August 24, 2001 and from the Provision for Deferred Income Tax and Social Contribution existing at September 30, 2009, in accordance with the expected generation of future taxable income, based on the history of profitability and technical feasibility studies, are:

Realization year	Deferred tax assets			Social contribution for offset	Provision for deferred income tax and social contribution	Net deferred taxes
	Temporary differences	Tax losses/social contribution losses carryforwards	Total			
2009	4,661,534	13,267	4,674,801	69,643	(404,810)	4,339,633
2010	4,603,207	697,794	5,301,001	301,902	(1,686,936)	3,915,968
2011	4,123,031	917,066	5,040,097	292,093	(1,914,473)	3,417,718
2012	3,422,381	638,616	4,060,997	195,582	(2,188,020)	2,068,559
2013	3,395,814	169,246	3,565,060	29,611	(1,504,806)	2,089,865
Over 2013	3,782,584	1,356,593	5,139,177	66,596	(747,563)	4,458,210
Total	23,988,551	3,792,582	27,781,133	955,427	(8,446,607)	20,289,953
Present value (*)	21,210,092	3,211,881	24,421,973	857,518	(7,427,706)	17,851,785

(*) The average funding rate was used to determine the present value.

The projections of future taxable income include estimates related to macroeconomic variables, foreign exchange rates, interest rates, volume of financial operations and sale of products and services, and others, which can vary in relation to actual data and amounts.

Net income in the financial statements is not directly related to taxable income for income tax and social contribution, due to differences existing between accounting criteria and tax legislation, besides corporate aspects. Accordingly, we recommend that the trend of the realization of deferred tax assets arising from temporary differences, income tax and social contribution loss carryforwards be not used as an indication of future net income.

IV- In view of the unconstitutionality lawsuit related to the increase in the social contribution rate, established by Articles 17 and 41 of Law No. 11,727 of June 24, 2008 (for financial subsidiaries and equivalent companies), filed on June 26, 2008 by the National Confederation of the Financial System (CONSIF), deferred tax assets were recorded not taking into consideration the surplus rate in Tax Liabilities, the surplus balance of R\$ 2,372,365 (R\$ 670,017 at 09/30/2008) was not recorded.

Unrecorded deferred tax assets amount to R\$ 2,436,928 (R\$ 875,895 at 09/30/2008) in ITAÚSA CONSOLIDATED.

At September 30, 2009, there were no unrecorded deferred tax assets at ITAÚSA.

c) Tax and social security contributions

The balance of Taxes and Social Security Contributions is composed as follows:

	09/30/2009	09/30/2008
Taxes and contributions on income payable	2,509,218	589,320
Taxes and contributions payable	973,686	450,794
Provision for deferred income tax and social contribution (Note 15b II)	8,446,607	6,688,536
Legal liabilities – tax and social security (Note 13c)	11,986,753	6,703,397
Total	23,916,264	14,432,047

At ITAÚSA, the balance of Tax and Social Security totals R\$ 76,896 (R\$ 14,495 at 09/30/2008) and is basically comprised of Taxes and Contributions on Income Payable of R\$ 29,406 (R\$ 611 at 09/30/2008), Provision for deferred income tax and social contribution of R\$ 29,343 (R\$ 1,968 at 09/30/2008) and Legal liabilities – tax and social security of R\$ 8,767 (R\$ 11,916 at 09/30/2008).

d) Taxes paid or provided for and withheld from third parties

The amount of taxes paid or provided for is basically levied on income, revenue and payroll. In relation to the amounts withheld and collected from third parties, the Company started to take into consideration the interest on capital paid and on the service provision, in addition to those levied on financial operation.

	09/30/2009	09/30/2008
Taxes paid or provided for	12,096,859	5,628,117
Taxes withheld and collected from third parties	5,694,710	3,582,435
Total	17,791,569	9,210,552

NOTE 16 – PERMANENT ASSETS

a) Investments

I - Interest in subsidiaries - ITAÚSA

Companies	Balances at 12/31/2008 (a)	Subscription/Acquisition/Sales	Dividends and interest on capital received (b)	Equity in earnings of subsidiaries	Change in adjustment to market value	Accumulated conversion adjustments	Granting of options recognized	Balances at 09/30/2009 (a)	Balances at 09/30/2008 (a)	Equity in earnings of subsidiaries from 01/01 to 09/30/2008
Itaú Unibanco Holding S.A.	10,628,035	51,161	(876,112)	1,400,299	123,085	-	14,398	11,340,866	15,374,700	2,094,727
IUPAR - Itaú Unibanco Participações S.A.	7,759,211	-	(47,200)	546,791	128,941	-	-	8,387,743	-	-
Itaucorp S.A.	798,540	-	-	30,130	20	(841)	944	828,793	814,782	96,704
Duratex S.A.	513,874	-	(10,636)	63,263	-	(1,685)	2,333	567,149	494,044	72,451
Itautec S.A.	336,285	-	(3,110)	14,914	2,142	-	-	350,231	331,421	33,731
Elektart Participações e Administração S.A.	50,761	-	-	(825)	(35)	-	-	49,901	50,062	28,562
ITH Zux Cayman Company Ltd.	43,398	-	-	(13,036)	-	-	-	30,362	33,513	4,000
Elekeiroz S.A.	13,480	-	(26)	(292)	-	(13)	-	13,149	13,420	2,242
Itaúsa Export S.A.	-	-	-	-	-	-	-	-	784,765	74,635
Itaúsa Europa - Investimentos, SGPS, Lda.	-	-	-	-	-	-	-	-	140,835	16,790
Other subsidiaries	7,303	4	-	(88)	(3)	-	-	7,216	7,082	865
GRAND TOTAL	20,150,887	51,165	(937,084)	2,041,156	254,150	(2,539)	17,675	21,575,410	18,044,624	2,424,707

Companies	Capital	Stockholders' equity	Net income for the period	Number of shares owned by ITAÚSA		Equity in voting capital (%)	Equity in Capital (%)
				Common	Preferred		
Itaú Unibanco Holding S.A.	45,000,000	62,656,290	5,471,623	828,666,681	-	77,083	18.32
IUPAR - Itaú Unibanco Participações S.A.	6,000,000	12,607,062	821,868	355,227,092	-	350,942,273	66.53
Itaucorp S.A.	403,000	842,955	30,111	12,241,504	-	3,875,153	99.96
Duratex S.A.	1,288,085	2,314,684	92,461	113,252,306	-	-	24.73
Itautec S.A.	250,000	484,696	32,688	10,366,478	-	-	88.97
Elektart Participações e Administração S.A.	220,000	415,315	(6,864)	68,680,661	-	-	12.02
ITH Zux Cayman Company Ltd.	62,233	41,426	(12)	35,000,000	-	-	100.00
Elekeiroz S.A.	220,000	432,655	(7,666)	559,180	-	631,430	3.85

(a) Includes total negative goodwill expenses of R\$ 37,123 (R\$ 204,198 at 09/30/2008 and R\$ 39,194 at 12/31/2009);

(b) Income receivable includes dividends and interest on capital receivable amounting to R\$ 475,451 (R\$ 590,148 at 09/30/2008);

(c) Investment sold to Itaú Unibanco S.A. at 11/28/2008;

(d) Includes non-operating income arising from change in interest amounting to R\$ 32,134 (R\$ 401,633 at 09/30/2008);

(e) Includes total foreign exchange expense of R\$ 13,025 (R\$ 8,094 from 01/01 to 09/30/2008).

II – Composition of investments

	09/30/2009	09/30/2008
Investment in affiliates	1,364,672	1,168,343
Domestic	438,079	271,704
Allianz Seguros S.A. (current corporate name of AGF Brasil Seguros S.A.)	151,325	137,775
Serasa S.A.	257,885	100,431
Other	28,869	33,498
Foreign	926,593	896,639
BPI	926,593	888,370
Other	-	8,269
Other investments	941,413	280,096
Investments through tax incentives	163,701	110,921
Equity securities	8,099	6,894
Shares and quotas	156,796	101,015
Interest in Instituto de Resseguros do Brasil - IRB	227,170	11,130
Other	563,113	152,083
Provision for losses	(177,466)	(101,947)
TOTAL	2,306,085	1,448,439

III – Composition of equity in earnings of affiliates

	01/01 to 09/30/2009	01/01 to 09/30/2008
Investment in affiliates - Domestic	117,694	(370,058)
Investment in affiliates - Abroad	58,204	44,442
Equity in subsidiaries, not arising from net income	18,477	(17,713)
TOTAL	194,375	(343,329)

b) Fixed assets and intangible assets

	09/30/2009		09/30/2008	
	Cost	Accumulated depreciation/amortization/depletion	Net	Net
Fixed assets	15,557,803	(8,308,537)	7,249,266	4,502,887
Own fixed assets	15,179,309	(8,290,974)	6,888,335	4,253,135
Real estate	5,599,080	(2,368,666)	3,230,414	2,214,178
Land	1,323,211	-	1,323,211	1,085,075
Buildings	2,694,658	(1,593,835)	1,100,823	732,217
Leasehold improvements	1,581,211	(774,831)	806,380	396,887
Other	9,580,229	(5,922,308)	3,657,921	2,038,957
Installations	529,952	(310,351)	219,601	124,963
Furniture and equipment	3,844,140	(1,627,902)	2,216,238	1,226,465
EDP systems	4,589,154	(3,601,159)	987,995	571,908
Other (communication, security and transportation)	616,982	(382,895)	234,087	115,621
Leased fixed assets	32,794	(17,563)	15,231	82,038
Furniture and equipment	32,794	(17,563)	15,231	82,038
Forest reserves	345,700	-	345,700	167,714
Intangible assets	5,486,468	(1,308,864)	4,177,604	2,852,603
Rights for acquisition of payrolls	2,588,114	(731,309)	1,856,805	1,971,841
Association for the promotion and offer of financial products	1,145,824	(10,034)	1,135,790	420,097
Expenditures on acquisitions of software	918,274	(508,400)	409,874	175,776
Right to manage investment funds	253,090	(51,464)	201,626	246,238
Other intangible assets (*)	581,165	(7,657)	573,509	38,651

(*) At September 30, 2009, it basically refers to goodwill on purchase of shares of Redecard S.A. (Note 2a).

At ITAÚSA, Fixed Assets are basically composed of Buildings amounting to R\$ 4,927 (R\$ 5,064 at 09/30/2008) and Intangible Assets represented by goodwill on purchase of investments.

NOTE 17 - STOCKHOLDERS' EQUITY - ITAÚSA**a) Capital**

At the Annual and Extraordinary Stockholders' Meeting held on April 30, 2009, the following proposals of the Board of Directors were approved:

- Cancellation of 4,404,840 preferred book-entry shares held in treasury without capital decrease;
- Capital increase through capitalization of Revenue Reserves in the amount of R\$ 2,550,000, with the bonus at 10% on the shares owned on April 30, 2009;
- Capital increase by R\$ 450,000 upon issuance of 77,586,207 new book-entry shares, with no par value, of which 29,805,716 are common and 47,780,491 are preferred, paid up in cash or in receivable from dividends or interest on capital.

As a result of the aforementioned events, capital was increased to R\$ 13,000,000 and comprises 4,347,214,678 book-entry shares, with no par value, of which 1,670,037,112 are common and 2,677,177,566 are preferred shares without voting rights, but with the following advantages:

- Priority in the receipt of the annual minimum dividend of R\$ 10.00 per thousand shares, non-cumulative;
- Tag-along rights, in the event of the public offer of common shares, at a price equal to 80% of the amount paid per share with voting rights in the controlling stake, as well as a dividend at least equal to that of the common shares.

The table below shows the change in shares of capital stock and treasury shares during the period.

	NUMBER		
	Common	Preferred	Total
Shares of capital stock at December 31, 2008	1,491,119,451	2,394,765,818	3,885,885,269
Cancellation of shares – ASM/ESM of April 30, 2009	-	(4,404,840)	(4,404,840)
Bonus shares – ASM/ESM of April 30, 2009	149,111,945	239,036,097	388,148,042
Subscription of shares (approved by ESM of June 29, 2009)	29,805,716	47,780,491	77,586,207
Shares of capital stock at September 30, 2009	1,670,037,112	2,677,177,566	4,347,214,678
Treasury shares at December 31, 2008 (*)	-	4,404,840	4,404,840
(-) Cancellation of shares – ASM/ESM of April 30, 2009	-	(4,404,840)	(4,404,840)
Treasury shares at September 30, 2009	-	-	-
Outstanding shares at September 30, 2009	1,670,037,112	2,677,177,566	4,347,214,678
Outstanding shares at September 30, 2008	1,491,119,451	2,390,360,978	3,881,480,429

(*) Own shares purchased based on authorizations from the Board of Directors, to be held in Treasury for subsequent cancellation.

b) Dividends

Stockholders are entitled to a mandatory dividend of not less than 25% of annual net income, which is adjusted according to the rules set forth in Brazilian Corporate Law. Both types of shares participate equally, after common shares have received dividends equal to the minimum priority dividend per share to be paid to preferred shares.

I – Calculation

Net income	2,096,128	
Adjustments		
(-) Legal reserve	(104,806)	
Dividend calculation basis	1,991,322	
Mandatory minimum dividend	497,831	
Dividends/Interest on capital provided for	863,452	43.36%

II - Provision of Interest on Capital and Dividends

	Gross	WTS	Net
Paid / Prepaid	283,439	(33,387)	250,052
Dividends	60,861	-	60,861
Dividend - 1 quarterly installment of R\$ 0.0140 per share paid on July 1, 2009	60,861	-	60,861
Interest on capital – supplementary to be declared	222,578	(33,387)	189,191
Supplementary of R\$ 0.043 per share to be paid on August 31, 2009	222,578	(33,387)	189,191
Provided for	700,166	(86,766)	613,400
Dividends	121,722	-	121,722
Dividends - 1 quarterly installment of R\$ 0.0140 per share to be paid in October 2009	60,861	-	60,861
Dividends - 1 quarterly installment of R\$ 0.0140 per share to be paid in January 2010	60,861	-	60,861
Interest on capital – supplementary to be declared	578,444	(86,766)	491,678
Total at 09/30/2009 - R\$ 0.1986 net per share	983,605	(120,153)	863,452
Total at 09/30/2008 - R\$ 0.1920 net per share	814,905	(72,456)	742,449

c) Revenue reserves

	09/30/2009	09/30/2008
Revenue reserves	10,858,194	8,696,721
Legal	1,515,723	1,184,121
Unrealized profits	220,125	-
Statutory	<u>9,122,346</u>	<u>7,512,600</u>
Dividends equalization (1)	3,313,655	3,193,947
Working capital increase (2)	2,940,364	2,235,786
Increase in capital of investees (3)	<u>2,868,327</u>	<u>2,082,867</u>

(1) Reserve for Dividends Equalization – its purpose is to guarantee funds for the payment or advances of dividends, including interest on capital, to maintain the flow of the stockholders' compensation;

(2) Reserve for Working Capital Increase – its purpose is to guarantee funds for the company's operations;

(3) Reserve for Increase in Capital of Investees – its purpose is to guarantee the preferred subscription right in the capital increases of investees.

d) Reconciliation of Net Income and Stockholders' Equity between ITAÚSA and ITAÚSA CONSOLIDATED (Note 3)

	Net income		Stockholders' equity	
	01/01 to 09/30/2009	01/01 to 09/30/2008	09/30/2009	09/30/2008
ITAÚSA	2,096,128	2,349,854	24,172,886	18,651,353
Amortization of goodwill	966,376	203,505	(7,492,970)	(1,841,311)
Deferred tax assets	(297,145)	(78,528)	2,413,676	403,856
ITAÚSA CONSOLIDATED	2,765,359	2,474,831	19,093,592	17,213,898

NOTE 18 – RELATED PARTIES

a) **Transactions between related parties** - transactions between related parties are carried out at amounts, terms and average rates in accordance with normal market practices during the period, as well as under reciprocal conditions.

The transactions involving ITAÚSA and its subsidiary companies were eliminated and take into consideration the lack of risk.

The unconsolidated related parties are the following:

- The controlling stockholders of ITAÚSA;
- Fundação Itaúbanco, FUNBEP – Fundo de Pensão Multipatrocinado, Caixa de Previdência dos Funcionários do BEG (PREBEG), Fundação Bemgeprev, Itaúbank Sociedade de Previdência Privada, UBB-PREV – Previdência Complementar, BANORTE – Fundação Manoel Baptista da Silva de Seguridade Social and Fundação Itaúsa Industrial, closed-end private pension entities, that administer supplementary retirement plans sponsored by ITAÚSA and/or its subsidiaries, as described in Note 20a; and
- Fundação Itaú Social, Instituto Itaú Cultural - IIC, Instituto Unibanco, Instituto Assistencial Pedro Di Perna, Instituto Unibanco de Cinema, and Associação Classe “A”, entities sponsored by ITAÚ UNIBANCO and subsidiaries to act in their respective areas of interest.

The transactions with these related parties are not significant in the overall context of ITAÚSA CONSOLIDATED operations, and besides those already mentioned above, are basically characterized by:

- Bank transactions under normal operations, in unrestricted compliance with the limits imposed by the Brazilian Central Bank (BACEN), such as current accounts, investments in and redemption of securities and the provision of custody/management services; and
- Rental of real estate from Fundação Itaúbanco, FUNBEP and PREBEG.

	ITAUSA		ITAUSA CONSOLIDATED			
	ASSETS/ (LIABILITIES)	REVENUE/ (EXPENSES)	ASSETS/(LIABILITIES)		REVENUE/(EXPENSES)	
	09/30/2009	01/01 to 09/30/2009	09/30/2009	09/30/2008	01/01 to 09/30/2009	01/01 to 09/30/2008
Amounts receivable from related companies	78,580	108,987	-	-	-	-
ITAÚ UNIBANCO	78,580	108,987	-	-	-	-
Demand deposits	-	-	169	1,917	-	-
Fundação Itaúbanco	-	-	128	115	-	-
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	41	1,802	-	-
Banking service fees	-	-	-	-	8,514	5,480
Fundação Itaúbanco	-	-	-	-	6,725	4,189
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	-	-	1,789	1,291
Rent expenses	-	-	-	-	(23,237)	(21,673)
Fundação Itaúbanco	-	-	-	-	(18,336)	(17,158)
FUNBEP - Fundo de Pensão Multipatrocinado	-	-	-	-	(4,901)	(4,515)
Donation expenses	-	-	-	-	(40,417)	(31,040)
Instituto Itaú Cultural	-	-	-	-	(30,360)	(31,040)
Instituto Unibanco de Cinema	-	-	-	-	(9,632)	-
Associação Clube "A"	-	-	-	-	(425)	-

In addition to the aforementioned operations, ITAÚSA and non-consolidated related parties, as an integral part of the Agreement for Apportionment of Common Costs of the Itaú Unibanco Group, paid, from January 1 to September 30, 2009, the amount of R\$ 3,454 (R\$ 2,802 from January 1 to September 30, 2008) in view of the use of the common structure.

In addition to these transactions, there are guarantees provided by ITAÚSA, represented by endorsements, sureties and others, as follows:

	09/30/2009	09/30/2008
Duratex S.A.	324,508	186,707
Elekeiroz S.A.	29,030	52,912
Itautec S.A.	148,680	169,255
Total	502,218	408,874

b) Compensation of the Management Key Personnel

The fees attributed in the period to ITAÚSA officers are as follows:

	09/30/2009	09/30/2008
Compensation	7,524	5,433
Profit sharing	6,692	5,196
Contributions to pension plans	1,146	860
Total	15,362	11,489

Information relates to benefits to employees and post-employment are detailed in Notes 20a and 20b, respectively.

NOTE 19 – FINANCIAL INSTRUMENTS - MARKET VALUE

The financial statements are prepared in accordance with accounting principles which assume the normal continuity of the operations of ITAÚSA and its subsidiaries.

The book value of each financial instrument, whether included or not in the balance sheet, when compared to the value that might be obtained in an active market, or in the absence of such market, using the net present value of future cash flows adjusted based on the current market interest, is approximately equal to the market value, or does not have a market quotation available, except for the instruments in the table below:

	Book value		Market		Unrealized income/(loss) (*)		
					Results		Stockholders' equity
	09/30/2009	09/30/2008	09/30/2009	09/30/2008	09/30/2009	09/30/2008	09/30/2008
Interbank investments	138,187,757	86,491,400	138,254,483	86,491,734	66,726	334	334
Securities and derivative financial instruments	123,286,255	82,448,906	123,689,621	82,622,056	1,133,431	85,119	403,366
Adjustment of available-for-sale securities					713,461	(108,200)	-
Adjustment of held-to-maturity securities					419,970	193,319	403,366
Loan and lease operations	213,031,047	142,225,827	213,428,805	141,685,353	397,758	(540,474)	397,758
Investments in subsidiaries and affiliates							
BM&F BOVESPA S.A.	74,572	74,529	783,872	509,175	709,300	434,646	709,300
BPI	926,593	888,370	1,065,638	988,061	139,045	99,691	139,045
Redecard S.A.	1,388,745	192,153	9,169,225	3,886,288	7,780,480	3,694,135	7,780,480
Serasa S.A.	257,885	100,431	650,798	324,917	392,913	224,486	392,913
Visa Inc.	-	12	-	87,558	-	87,546	-
Funds raised by subsidiaries	366,537,261	249,952,606	366,626,851	250,004,200	(89,590)	(51,594)	(89,590)
Securitization of foreign payment orders	-	1,453,317	-	1,447,895	-	5,422	-
Subordinated debt and Redeemable preferred shares (Note 11)	23,471,568	13,260,084	23,584,436	13,307,980	(112,868)	(47,896)	(112,868)
Treasury shares	1,115,689	1,616,910	1,689,340	1,920,540	573,651	307,200	573,651
Total unrealized			10,990,846	4,298,615	10,260,781	4,298,615	10,260,781

(*) It does not consider the related tax effects. Includes unrealized income of minority stockholders in the amount of R\$ 8,916,133 (R\$ 2,326,387 at 09/30/2008) in results and R\$ 8,785,957 (R\$ 2,555,125 at 09/30/2008) in stockholders' equity.

To obtain the market values for these financial instruments, the following criteria were adopted:

- Interbank investments were determined based on their nominal amounts, monetarily restated to maturity dates and discounted to present value using future market interest rates and swap market rates for fixed-rate securities and using market interest rates for fixed-rate securities published in the Gazeta Mercantil newspaper on October 1, 2009 for floating-rate securities;
- Securities and derivative financial instruments, according to the rules established by Circulars Nos. 3,068 and 3,082 of November 8, 2001 and January 30, 2002, respectively, issued by the Central Bank of Brazil (BACEN), are recorded at their market value, except for those classified as Held to Maturity. Government securities allocated in this category have their market value calculated based on the rates obtained in the market, and validated through the comparison with information provided by the National Association of Financial Market Institutions (ANDIMA). Private securities included in this category have their market value calculated using a criterion similar to the one adopted for Investments in Interbank Deposits, as described above;
- Loans with maturity over 90 days, when available, were calculated based on their net present value of future cash flows discounted at market interest rates effective on the balance sheet date, taking into account the effects of hedges as well (swap contracts);
- Investments in subsidiary and affiliated companies - in BPI, Redecard S.A., BM&F Bovespa S.A., and Visa Inc. are determined based on stock market quotations, and in Serasa S.A. are determined based on the last transaction prices;
- Time and interbank deposits and funds from acceptance and issuance of securities, when available, were calculated based on their present value determined by future cash flows discounted at futures market interest rates and swap market rates for fixed-rate securities, and for floating-rate securities, market interest rates for fixed-rate securities published in the Gazeta Mercantil newspaper on October 1, 2009. The effects of hedges (swap contracts) are also taken into account;
- Securitization of foreign payment orders, based on the net present value of the future cash flows estimated as from the interest curves of the indexation market places, net of the interest rates practiced in the market on the balance sheet date, considering the credit risk of the issuer, calculated based on the market price of other securities issued by the same;
- Subordinated debt, based on the net present value of future fixed or floating cash flows in foreign currency, net of the interest rates practiced in the market on the balance sheet date and considering the credit risk of the issuer. The floating cash flows are estimated as from the interest curves of the indexation market places;
- Treasury shares are valued according to the average quotation available on the last trading day of the month or, if this is not available, according to the most recent quotation on prior trading days, published in the daily bulletin of each Stock Exchange.

NOTE 20 - BENEFITS TO EMPLOYEES

Under the terms of CVM Resolution No. 371, dated December 13, 2000, we present the policies adopted by ITAÚSA and its subsidiaries regarding benefits to employees, as well as the accounting procedures adopted:

a) Supplementary retirement benefits:

ITAÚSA and its subsidiary companies sponsor the following supplementary retirement plans:

Entity	Benefit Plan
Fundação Itaúbanco	Supplementary retirement plan - PAC (1)
	Franprev benefit plan - PBF (1)
	002 Benefit Plan – PB002 (1)
	Itaulam Basic Plan – PBI (1)
	Itaulam Supplementary Plan - PSI (2)
Fundação Bemgeprev	Supplementary Retirement Plan – Flexible Premium Annuity (ACMV) (1)
Fundação Itaúsa Industrial	Defined Contribution Benefit Plan - PAI-CD (3)
	Defined Benefit Plan - BD (1)
Funbep Fundo de Pensão Multipatrocinado	Funbep I Benefit Plan (1)
	Funbep II Benefit Plan (2)
Caixa de Previdência dos Funcionários do Banco Beg - Prebeg	Prebeg Benefit Plan (1)
Citiprevi - Entidade Fechada de Previdência Complementar (Orbital/Credicard Itaú/Redecard)	Credicard Retirement Plan (1)
	Credicard Supplementary Retirement Plan (2)
Itaubank Sociedade de Previdência Privada	Itaubank Retirement Plan (3)
UBB-PREV- Previdência Complementar	Unibanco pension plan (3)
	Plano de Instituto João Moreira Salles (1)
	Basic Plan (1)
Fundação Banorte Manuel Baptista da Silva de Seguridade Social	Defined Benefit Plan I (1)
	Defined Benefit Plan II (1)

(1) *Defined benefit plan.*

(2) *Variable contribution plan.*

(3) *Defined contribution plan.*

The basic purpose of the defined benefit and variable contribution plans is to grant a benefit that, as a life annuity benefit (in case of FUNBEP, PREBEG, PB002, Credicard, UBB-Prev and Banorte also as survivorship annuities), will supplement the pension paid by social security. In case of the defined contribution plan, the benefit is calculated based on the contributions made and its payment is made for an established period, which does not require actuarial calculation.

All of these plans, except for the PAI-CD plan, are closed to new participants. As regards the new employees hired after the closing, they have the option to participate in a defined contribution plan managed by Itaú Vida e Previdência S.A. (PGBL) and in the case of the Financial Services and Insurance Area companies, or by Fundação Itaúsa Industrial (PAI-CD), in case of the Industrial Area companies.

During the period, the contributions paid totaled R\$ 35,406 (R\$ 35,704 from January 1 to September 30, 2008). The contribution rate increases based on the participant's salary.

b) Post-employment benefits:

ITAÚSA and or its subsidiaries do not offer other post-employment benefits, except in those cases arising from maintenance obligations according to the acquisition agreements signed by ITAÚ UNIBANCO, under the terms and conditions established, in which health plans are totally or partially sponsored for retired workers and beneficiaries. During the period, the contributions made totaled R\$ 4,323 (R\$ 4,508 from January 1 to September 30, 2008). The contribution rate increases based on the beneficiary's age.

c) Net amount of assets and actuarial liabilities of the benefit plans:

The net assets and actuarial liabilities, which consider the actuarial obligations, calculated in conformity with the criteria established by CVM Resolution No. 371, of December 13, 2000, are summarized below:

	09/30/2009	09/30/2008
Net assets of the plans	14,029,171	13,282,600
Actuarial liabilities	(12,120,551)	(10,084,424)
Surplus (*)	1,908,620	3,198,176

() According to paragraph 49g of the attachment to CVM Resolution No. 371 of December 13, 2000, the net asset was not recognized.*

In addition to the reserves recorded by the plans, the sponsors record provisions in the amount of R\$ 121,674 (R\$ 27,114 at September 30, 2008) to cover possible actuarial liabilities.

d) Changes in net assets, actuarial liabilities, and surplus:

	01/01 to 09/30/2009			01/01 to 09/30/2008		
	Assets	Actuarial liabilities	Surplus	Assets	Actuarial liabilities	Surplus
Present value – beginning of the period	12,955,945	(11,331,330)	1,624,615	12,767,343	(9,540,927)	3,226,416
Adjustments in the period (1)	-	(127,661)	(127,661)	-	-	-
Expected return on assets/ Cost of current service + Interest	1,172,224	(1,071,370)	100,854	1,165,335	(880,196)	285,139
Benefits paid	(409,810)	409,810	-	(336,699)	336,699	-
Contributions of sponsors/participants	79,690	-	79,690	43,539	-	43,539
Gains/(losses) in the period (2)	231,122	-	231,122	(356,918)	-	(356,918)
Present value – end of the period	14,029,171	(12,120,551)	1,908,620	13,282,600	(10,084,424)	3,198,176

(1) Effect corresponding to the reclassification of the option of former employees.

(2) Losses in assets correspond to the actual earnings obtained below the expected return rate of assets.

e) Main assumptions used in actuarial valuation

	Banking services area (1)	Industrial Area (2)
Discount rate	10.24% p.a.	9.20% p.a.
Expected return rate on assets	12.32% p.a.	11.02% p.a.
Mortality table	AT-2000 (3)	AT-2000
Turnover	Itaú Exp. 2003/2004	Towers Experience
Future salary growth	7.12% p.a.	7.12% p.a.
Growth of the pension fund and social security benefits	4.00% p.a.	4.00% p.a.
Inflation	4.00% p.a.	4.00% p.a.
Actuarial method	Projected Unit Credit (4)	Projected Unit Credit (4)

(1) Corresponds to the assumptions adopted by the plans managed by Fundação Itaúbanco, Bemgeprev, Funbep and Prebeg.

(2) Corresponds to the assumptions adopted by the Defined Benefit plan managed by Fundação Itaúsa Industrial.

(3) The mortality tables adopted correspond to those disclosed by SOA – “Society of Actuaries”, the North-American Entity which corresponds to IBA – Brazilian Institute of Actuarial Science, which reflects a 10% increase in the probabilities of survival as compared to the respective basic tables.

(4) Using the Projected Unit Credit, the mathematical reserve is determined by the current projected benefit amount multiplied by the ratio between the length of service in the company at the assessment date and the length of service that will be reached at the date when the benefit is granted. The cost is determined taking into account the current projected benefit amount distributed over the years that each participant is employed.

NOTE 21 – ADDITIONAL INFORMATION**a) Insured assets**

ITAÚSA and its subsidiaries, despite the low risk exposure due to a non-physical concentration of their assets, have the policy to insure their securities and assets at amounts considered sufficient to cover possible claims.

b) Foreign currencies

The balance in Reais linked to foreign currency were:

	09/30/2009	09/30/2008
Permanent foreign investments	17,694,857	12,872,327
Net amount of other assets and liabilities indexed to foreign currency, including derivatives	(31,567,258)	(21,752,658)
Net foreign exchange position	(13,872,401)	(8,880,331)

The net foreign exchange position, considering the tax effects on the net balance of other assets and liabilities indexed to foreign currency, reflects the low exposure to exchange variations.

c) Minority interests in subsidiaries

	Stockholders' equity		Results	
	09/30/2009	09/30/2008	01/01 to 09/30/2009	01/01 to 09/30/2008
Itaú Unibanco Holding S.A. (1)	31,849,034	17,268,567	(4,739,155)	(3,266,248)
Unibanco Participações Societárias S.A.	1,109,300	-	(49,128)	-
Duratex S.A.	1,484,596	958,533	(50,638)	(142,609)
Itau Bank, Ltd (2)	698,957	752,563	-	-
Redecard S.A. (Note 2)	527,301	-	(504,284)	-
Itaú BBA Participações S.A.	-	273,809	-	(41,464)
Itaú XL Seguros Corporativos S.A.	122,218	109,406	(18,281)	(10,520)
Miravalles Empreendimentos e Participações S.A. (3)	104,092	93,154	(2,475)	(2,254)
BIU Participações S.A.	83,360	-	(19,888)	-
Três "B" Empreendimentos e Participações Ltda. (4)	75,045	68,382	(7,503)	(6,015)
Itaú Gestão de Ativos S.A. (5)	60,964	61,025	(1,148)	(76)
Itautec S.A.	29,027	26,917	(1,958)	(2,047)
Biogeração de Energia S.A.	28,796	-	(4,615)	-
Investimentos Bemge S.A. (6)	16,739	16,163	(801)	(272)
Elekeiroz S.A.	14,601	14,810	269	(2,212)
Other	618,639	64,248	(15,679)	(2,762)
Total	36,822,670	19,707,577	(5,415,284)	(3,476,479)

(1) New company name of Itaú Unibanco Banco Múltiplo S.A.;

(2) Represented by redeemable preferred shares issued on December 31, 2002 by Itau Bank Ltd., in the amount of US\$ 393,072 thousand, with maturity on March 31, 2015 and semiannual dividends calculated based on Libor plus 1.25% p.a.;

(3) Parent company of Financeira Itaú CBD S.A. Crédito, Financiamento e Investimento;

(4) Indirect subsidiary of Cia. Itaú de Capitalização;

(5) Indirect subsidiary of Itaú Vida e Previdência S.A.;

(6) Indirect subsidiary of Banco Itaucard S.A.

d) Nonrecurring results

In order to allow the appropriate analysis of the financial statements for the period, we present the net income with exclusion of the following main non-recurring effects, net of respective tax effects;

	ITAUSA		ITAUSA CONSOLIDATED	
	01/01 to 09/30/2009	01/01 to 09/30/2008	01/01 to 09/30/2009	01/01 to 09/30/2008
Net income	2,096,128	2,349,854	2,765,359	2,474,831
Nonrecurring effects	112,813	450,154	112,813	535,705
Goodwill on purchase	[-	-	85,551
Shares of ITAÚ UNIBANCO HOLDING	-	-	-	61,041
Shares of BPI	-	-	-	10,935
Shares of Delle Holding	-	-	-	605
Shares of União Capital	-	-	-	4,250
Shares of Cerâmica Monte Carlo - Duratex	-	-	-	8,720
Purchase of treasury shares – Duratex S.A.	68	5,848	68	5,848
Purchase of treasury shares – ITAÚ UNIBANCO HOLDING (*)	5,276	395,784	5,276	395,784
Provision for contingencies – economic plans	58,815	79,530	58,815	79,530
Allowance for loan losses	-	29,925	-	29,925
Sale of investments	(75,207)	(86,868)	(75,207)	(86,868)
Mastercard, Inc.	-	(24,580)	-	(24,580)
Visa Inc. and Visa Net	(75,207)	(43,060)	(75,207)	(43,060)
BM&F Bovespa	-	(19,228)	-	(19,228)
Itaú Unibanco x CBD joint venture	128,901	-	128,901	-
Loss on the realization of inventories	27,598	-	27,598	-
Duratex x Satipel joint venture (Note 2)	(32,638)	-	(32,638)	-
Criteria Equalization	9,851	-	9,851	-
New Operational Structure	10,049	-	10,049	-
Transaction Costs	3,715	-	3,715	-
Equity in earnings from change in ownership interest	(56,253)	-	(56,253)	-
Sale and adjustment to market value of shares of Banco Comercial Português, S.A. held by BPI	-	33,659	-	33,659
Recovery of taxes and other non-recurring items – Duratex S.A. / Itautec S.A.	-	(7,724)	-	(7,724)
Recurring net income	2,208,941	2,800,008	2,878,172	3,010,536

(*) Effect of the purchase of shares to be held in treasury by the subsidiary ITAÚ HOLDING that acquired in the period its own shares in the amount of R\$ 1,290 million, increasing the non-operating expense in equity of ITAUSA by R\$ 396 million (without representing a cash outflow in parent company), resulting in the increase in the interest held in this subsidiary from 44.76% as of December 31, 2007 to 45.35% as of June 30, 2008.

e) **Reclassifications for comparison purposes** – The Company reclassified the balances as of September 30, 2008, for financial statements comparisons purposes, in view of the regrouping of the following headings: in the Balance Sheet, the reclassification of Acquisition of Right to Credit Payroll and Prepaid Expenses Related to Partnerships to Intangible Assets, of operation costs incurred from Prepaid Expenses to Subordinated Debt, the reclassification of Leasehold Improvements from Deferred Charges to Fixed Assets, and the reclassification of Customers Portfolio and Software from Deferred Charges to Intangible Assets, in order to comply with the requirements of Law No. 11,638, of December 28, 2007; the reclassification of operations with credit card issuing banks, from Other Receivables – Income Receivable to Transactions with Credit Card Issuers and Other Liabilities – Credit Card Operations; and the reclassification of Reinsurance operations from Technical Provisions of Insurance, Pension Plan and Capitalization to Other Receivables and Other Assets, in order to comply with SUSEP requirements. In Statement of Income, the reclassification of amounts related to recovery of interbank costs in Income from Bank Charges and Other Administrative Expenses to Other Operating Expenses, based on recent changes to the bylaws and regulation of the Interbank Payment Chamber (CIP); and in view of the change in the criteria to distribute the effects of foreign exchange variation on foreign investments (Note 2b).

	Prior disclosure	Reclassification	Reclassified balances
CURRENT ASSETS AND LONG-TERM RECEIVABLES	395,706,956	(345,072)	395,361,884
OTHER RECEIVABLES	51,759,000	1,880,005	53,639,005
Receivables from insurance and reinsurance operations	-	1,373,576	1,373,576
Transactions with credit card issuers	-	1,774,225	1,774,225
Sundry	17,897,552	(1,267,796)	16,629,756
OTHER ASSETS	289,856	207,156	497,012
PREPAID EXPENSES	4,777,206	(2,432,233)	2,344,973
FIXED ASSETS	4,106,000	396,887	4,502,887
Fixed assets for own use	9,070,492	616,008	9,686,500
(Accumulated depreciation)	(5,214,244)	(219,121)	(5,433,365)
DEFERRED CHARGES	849,182	(849,182)	-
Organization and expansion expenditures	1,454,137	(1,454,137)	-
(Accumulated amortization)	(604,955)	604,955	-
INTANGIBLE ASSETS	8,369	2,844,234	2,852,603
TOTAL ASSETS	402,118,946	2,046,867	404,165,813
CURRENT AND LONG-TERM LIABILITIES	365,056,502	2,187,836	367,244,338
SUBORDINATED DEBT	12,511,551	(4,030)	12,507,521
OTHER LIABILITIES	47,333,621	1,636,958	48,970,579
Credit card operations	7,805,725	1,513,253	9,318,978
Sundry	14,125,569	123,705	14,249,274
TECHNICAL PROVISIONS FOR INSURANCE, PENSION PLAN AND CAPITALIZATION	27,573,314	554,908	28,128,222
DEFERRED INCOME	140,969	(140,969)	-
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	402,118,946	2,046,867	404,165,813
CONSOLIDATED STATEMENT OF INCOME			
OPERATING REVENUES	52,648,884	1,814,707	54,463,591
Sales of products and services	10,833,126	(181,482)	10,651,644
Insurance, Pension Plan and Capitalization	7,532,247	17	7,532,264
Financial	25,062,301	(1,212,928)	23,849,373
Securities	8,746,208	(391,739)	8,354,469
Equity in earnings of affiliates	102,874	(446,203)	(343,329)
Other operating revenues	600,153	417,628	1,017,781
OPERATING EXPENSES	(46,333,805)	1,754,755	(44,579,050)
Equity	(5,501,223)	12,902	(5,488,321)
Administrative	(9,106,752)	285,100	(8,821,652)
Financial	(17,299,784)	1,534,657	(15,765,127)
Other operating expenses	(4,026,894)	(77,904)	(4,104,798)
OPERATING INCOME	8,129,786	1,754,755	9,884,541
NON-OPERATING INCOME	(58,557)	55,713	(2,844)
INCOME BEFORE TAXES ON INCOME AND PROFIT SHARING	8,071,229	(4,239)	8,066,990
INCOME TAX AND SOCIAL CONTRIBUTION	(1,438,261)	4,239	(1,434,022)
NET INCOME OF THE GROUP	5,951,310	-	5,951,310
MINORITY INTEREST IN SUBSIDIARIES (Note 20d)	(3,476,479)	-	(3,476,479)
NET INCOME OF PARENT COMPANY	2,474,831	-	2,474,831

f) Laws Nos. 11,638 and 11,941

Laws Nos. 6,404/76, of December 15, 1976, and 6,385, of December 7, 1976, were amended by Laws Nos. 11,638, of December 28, 2007, and 11,941, of May 27, 2009, on aspects related to accounting practices, preparation and disclosure of financial statements, effective as from January 1, 2008. The Law sets forth that the rules issued by CVM shall be prepared in conformity with international accounting standards.

The main changes arising from the Law are already included in these financial statements, without any material effect on results for comparability purposes, including CVM regulations that do not conflict with those of BACEN's, such as: Disclosure on Related Parties, Transaction costs, and Premium on issuance of securities, Statement of added value, and Share-based payment.

However, the standards below still await BACEN's regulation to come into effect:

- Effects on changes in foreign exchange rates and conversion of financial statements;
- Adjustment to present value of long-term asset and liability operations, and of significant short-term operations.

g) Subsequent Events**I - Alliance with Porto Seguro**

On August 23, 2009 ITAÚ UNIBANCO HOLDING and Porto Seguro S.A. (PORTO SEGURO) entered into an alliance aimed at the unification of their residence and automobile insurance operations, in addition to an Operational Agreement for the exclusive offer and distribution of residence and automobile insurance products to the customers of the ITAÚ UNIBANCO branch network in Brazil and Uruguay.

Such alliance will be implemented through a corporate restructuring, in which ITAÚ UNIBANCO HOLDING will transfer to PORTO SEGURO all the assets and liabilities related to its current portfolio of residence and automobile insurance equivalent to a Stockholders' Equity of R\$ 950 million. In its turn, PORTO SEGURO will issue shares representing 30% (thirty percent) of its new capital stock, which will be delivered to ITAÚ UNIBANCO HOLDING, which will then proportionally consolidate its interest in PORTO SEGURO. Therefore, no significant changes are expected in ITAÚ UNIBANCO HOLDING's balance sheet.

For accounting purposes, the alliance will be concluded when the operation is approved at PORTO SEGURO's stockholders' meeting and by the Brazilian Antitrust System (SBDC), which is scheduled to take place in the fourth quarter of 2009. On October 16, 2009, SUSEP granted prior authorization for the corporate acts related to this alliance.

II - Transfer of Unibanco Saúde Seguradora's capital to Tempo Participações

On September 24, ITAÚ UNIBANCO HOLDING and Tempo Participações S.A. (TEMPO) signed a Memorandum of Understanding aimed at transferring 100% of Unibanco Saúde Seguradora's capital to TEMPO. Accordingly, TEMPO will pay the amount of R\$ 55 million on the stock transfer date. In view of the performance of Unibanco Saúde's operations in the subsequent 12 months, ITAÚ UNIBANCO HOLDING will be entitled to an additional payment of up to R\$ 45 million. This transaction is not expected to give rise to significant effects on the company's balance sheet and results.

In the coming 90 days, TEMPO and ITAÚ UNIBANCO HOLDING will execute a definitive documentation detailing the rules outlined in the Memorandum of Understanding and will subject this agreement to the approval of the bodies in charge, including the ANS (Brazilian Health Agency – the health market regulator) and SBDC.

The effects of this operation will be stated in the financial statements after the above-mentioned approval.

SPECIAL REVIEW REPORT

To the Shareholders and Management of
Itaúsa — Investimentos Itaú S.A.
São Paulo — SP

1. We have performed a special review of the accompanying quarterly information of Itaúsa — Investimentos Itaú S.A. (Company and consolidated) for the quarter ended September 30 2009 consisting of the balance sheet, and the related statements of income, changes in shareholders' equity, and cash flows and the notes, all expressed in Brazilian reais and prepared under the responsibility of the Company's management. Our responsibility is to issue a report, without expressing an opinion on such quarterly information. The quarterly information of Itaú Unibanco Participações S.A. and its controlled company Itaú Unibanco Holding S.A. and controlled companies Duratex S.A. and Itaotec S.A. for the quarter ended September 30 2009, whose amounts were the basis for the valuation under the equity method and consolidation (note 16a), was reviewed by other independent auditors, whose report thereon was unqualified. Our special review report, insofar as it relates to the carrying values of these investments, is exclusively based on the reports of these other independent auditors.
2. Our review was carried out in accordance with specific standards established by IBRACON — Instituto dos Auditores Independentes do Brasil (Brazilian Institute of Independent Auditors) in conjunction with CFC — Federal Accounting Council and mainly comprised: a) inquiry of and discussion with the managers responsible for the accounting, financial and operating areas as to the main criteria adopted in preparing the Quarterly Information and b) review of the information and subsequent events that have or may have material effects on the financial situation and operations of the Company.
3. Based on our special review and on the other independent auditors' reports, we are not aware of any material changes which should be made to the Quarterly Information referred to in paragraph 1 for it to be in conformity with the standards issued by CVM — Comissão de Valores Mobiliários (Brazilian Securities and Exchange Commission) applicable to the preparation of Quarterly Information.
4. The balance sheet as of June 30 2009, presented for comparative purposes, was audited by us, and our special review report thereon, dated August 11 2009, was unqualified. The statement of income and cash flow for the quarter ended September 30 2008, presented for comparative purposes, was reviewed by us, and our special review report thereon, dated November 10 2008, was unqualified.
5. The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, November 9 2009

Orlando Octávio de Freitas Júnior
Engagement Partner
BDO Trevisan Auditores Independentes

Report of Independent Accountants on Limited Reviews

To the Board of Directors
Itaúsa - Investimentos Itaú S.A.

- 1 We have carried out limited reviews of the accompanying balance sheets of Itaúsa - Investimentos Itaú S.A. (Itaúsa) and Itaúsa - Investimentos Itaú S.A. and subsidiary companies (consolidated) as of September 30, 2009 and 2008, and the related statements of income, of changes in stockholders' equity, of cash flows and of value added, as well as the consolidated statements of income, of changes in financial position, of cash flows and of value added for the nine-month periods then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a limited review report on these financial statements.
- 2 Our reviews were carried out in conformity with specific standards established by the Institute of Independent Auditors of Brazil (IBRACON) in conjunction with the Federal Accounting Council and mainly comprised: (a) inquiries of and discussions with management responsible for the accounting, financial and operating areas of the Company with regard to the main criteria adopted for the preparation of the financial statements and (b) a review of the significant information and of the subsequent events which have, or could have, significant effects on the financial position and operations of the Company and its subsidiary companies.
- 3 Based on our limited reviews, we are not aware of any material modifications that should be made to the financial statements referred to above in order that they be stated in accordance with accounting practices adopted in Brazil.

São Paulo, November 9, 2009

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Paulo Sergio Miron
Contador CRC 1SP173647/O-5

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

CNPJ. 61.532.644/0001-15

Public company

NIRE. 35300022220

OPINION OF THE FISCAL COUNCIL

The effective members of the Fiscal Council of ITAÚSA – INVESTIMENTOS ITAÚ S.A., having reviewed the financial statements for the period from January to September 2009, have verified the accuracy of all items examined, and, in view of the unqualified opinion of BDO Trevisan Auditores Independentes and PricewaterhouseCoopers Auditores Independentes, understand that these documents adequately reflect the company's capital structure, financial position and the activities conducted during the period.

São Paulo, November 9, 2009.

JOSÉ MARCOS KONDER COMPARATO
President

PAULO RICARDO MORAES AMARAL
Member

MARCOS DE ANDRADE REIS VILLELA
Member