Complete Financial Statements

March 31, 2016

MANAGEMENT REPORT

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 March 2016 (1Q16), prepared in accordance with the standards established by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM), as well as the International Financial Reporting Standards (IFRS).

The Financial Statements were audited by BDO RCS Auditores Independentes S/S (BDO) as independent auditors in attendance to the statutory requirements, including the Brazilian Securities and Exchange Commission policy, and have received an unqualified opinion from the external auditor. The financial statements were approved by the Fiscal Council. In compliance with the Corporate Governance practices, these financial statements were also reviewed by PricewaterhouseCoopers Auditores Independentes (PwC) as independent auditors of the Conglomerate, including the parent company of Itaúsa.

The financial statements were made available to the CVM and to BM&FBovespa.

1) ECONOMIC ENVIRONMENT

In the domestic scenario, economic activity continued to slow down. GDP decreased 1.4% in the fourth quarter of last year as compared to the previous quarter. Accordingly, GDP fell 3.8% in 2015. Preliminary indicators suggest a new decrease in the first quarter of this year. The reduction in the activity level has impacted the labor market. Unemployment increased from 7.9% in the 1Q15 to 10.9% in the 1Q16, measured by the Continuous Pnad (Continuous National Household Sample Survey).

The poor performance of the industrial sector remained unchanged over the first quarter. The industrial production contracted 2.3% in the first quarter of 2016 against previous quarter. The production of capital goods fell 4.3%, posting the sharpest downturn among the categories of industrial goods (consumption, capital and intermediate goods). All categories posted a decline. The production of input for civil construction decreased 1.9%. Although the confidence of entrepreneurs continue low, the recent decrease in inventories suggest a relative stabilization of the industrial production as from the second half of the year.

The annual change of the financial system credit balance was negative by 5.6% in March 2016, in actual terms, against a 2.8% increase in the previous year. Loans in the 12-month period through March 2016 fell 13.5%, in actual terms, against a 4.2% decrease in March 2015. Default rate for loans to individuals increased 60 bps in the last 12 months to 4.3% in March 2016. Loans to companies increased tp 2.9% in March 2016 (2.1% in March 2015).

2) ITAÚSA HIGHLIGHTS

ITAÚSA

Sustainability

As a way of keeping a transparent relationship with its stakeholders, Itaúsa – Investimentos Itaú S.A. (Itaúsa), presented in April 2016 its 2015 Annual Report, which comprises the period between January 1 and December 31, 2015. The report brings initiatives and achievements for the year and includes information on the economic, social, and environmental development of the main four subsidiaries that are part of the holding company: Itaú Unibanco Holding S.A. (Itaú Unibanco), Duratex S.A. (Duratex), Elekeiroz S.A. (Elekeiroz) and Itautec S.A. – Itautec Group (Itautec), which results are reflected in the Financial Statements of Itaúsa.

Since 2009, the report has followed the guidelines of the Global Reporting Initiative (GRI) and, for the third time, it used the G4 version with the Comprehensive option, highest level of the GRI guidelines, which brings the approach and the management methods of the most significant and impacting aspects in the perspectives of the Company and its main stakeholders.

Social and environmental information was compiled by the main subsidiaries' areas, and was approved by Itaúsa's Chairman. The document was checked by the independent audit PwC, which issued an assurance report.

Corporate Events

The General Stockholders' Meeting (A/ESM) of April 29, 2016, approved the cancellation of 4,155,240 book-entry shares of own issue held in treasury, of which 2,155,240 common shares and 2,000,000 preferred shares, by absorbing the amount of R$33.1 million.

The same General Stockholders' Meeting, like in the last three years, was approved 10% bonus shares, with capitalization of revenue reserves, in the amount of R$4,080 million. These bonus shares were assigned to stockholders free of charge, in the proportion of one (1) new share for ten (10) shares of the same type held (10% bonus shares) at the end of April 29, 2016, aiming at increasing the liquidity of shares due to the adjustment of its market prices, since trading at a more accessible level, together with a higher number of outstanding shares, potentially generate more business and higher financial volume, thus adding value to Stockholders.

Bonus shares will be entitled to full receipt of dividends and/or interest on capital that may be declared as from April 29, 2016. Considering that quarterly dividends were maintained at R$0.015 per share, the amounts paid quarterly to the Stockholders were increased by 10% after the inclusion of new shares into the Stockholders' positions.

The cost attributed to the bonus shares was R$6.04028937 per share, impacting the average price of the stockholders' portfolio. The new shares were credited on May 5, 2016.

3) ITAÚSA ECONOMIC PERFORMANCE

MAIN INDICATORS OF ITAÚSA'S INDIVIDUAL RESULTS

As a holding company, Itaúsa's results are basically derived from its share of income, determined based on the results of its subsidiaries. We present below Itaúsa's Share of Income and Result taking into account the recurring events only (nonrecurring items are detailed on page 05).

R$ million

Recurring Share of Individual Income by Area	01/01 to 03/31/2016	%	01/01 to 03/31/2015	%	Change (%)
Financial Services Area	**2.131**	**101,6%**	**2.090**	**99,7%**	**2,0%**
Industrial Area	**(34)**	**-1,6%**	**6**	**0,3%**	**-666,7%**
Duratex	(11)	-0,5%	24	1,1%	-145,8%
Elekeiroz	(11)	-0,5%	(7)	-0,3%	57,1%
Itautec	(12)	-0,6%	(11)	-0,5%	9,1%
Recurring share of individual income	**2.097**	**100,0%**	**2.096**	**100,0%**	**0,0%**
Results of Itaúsa - net of taxes	**(130)**		**(94)**		
General Administrative Expenses	(11)		(10)		
Financial Income	19		24		
Tax Expenses	(124)		(142)		
Other Operating Revenues	4		3		
Income Tax / Social Contribution	(18)		31		
Recurring Net Income	**1.967**		**2.002**		**-1,7%**
Non-Recurring results	1		(72)		
Net Income	**1.968**		**1.930**		**2,0%**

General and administrative expenses

General and administrative expenses totaled R$11 million from January to March 2016, 10.0% higher than in the same period of 2015. Regarding net income, G&A accounted for 0.6%, whereas they reached 0.5% in the same period of 2015.

Financial income/expenses

In the first quarter of 2016, Itaúsa recorded a positive net financial result of R$19 million, a 20.8% reduction in relation to 2015. Net result for the period posted a reduction due to the lower volume of funds available for investment.

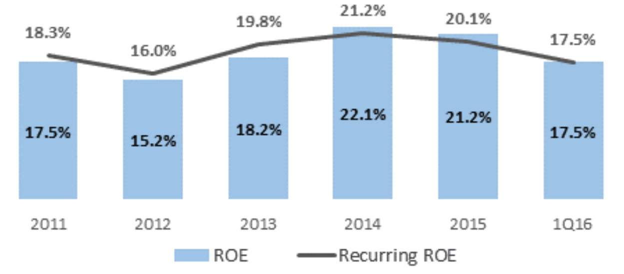
Tax expenses

Total tax expenses amounted to R$124 million in the first three months of 2016. These expenses are basically composed of PIS and COFINS (9.25%) levied on financial income and on income from interest on capital received/receivable from investees.

Net income

Recurring net income for the period from January to March 2016 was R$1,967 million, a 1.7% decrease as compared to the same period of the previous year, with annualized return on average equity of 17.5%. Net income for the same period reached R$1,968 million, with annualized return of 17.5%.

Return on average equity - ROE



Liquidity

Itaúsa has a sound liquidity position. Total cash and cash equivalents, and financial assets held for trading reached R$930 million at the end of March 2016, a 17.2% reduction in relation to March 2015.

The Company's indebtedness[a] at March 31, 2016 was only 3%, and out of the total liabilities of R$1.4 billion, R$638 million referred to dividends and interest on capital payable.

(a) (current and non-current liabilities/ total assets) x 100

MAIN INDICATORS OF RESULTS OF ITAÚSA CONSOLIDATED

R$ million

	Parent company		Non-controlling interests		Consolidated	
	03/31/2016	03/31/2015	03/31/2016	03/31/2015	03/31/2016	03/31/2015
Net income	1,968	1,930	(19)	44	1,949	1,974
Recurring net income	1,967	2,002	(19)	44	1,948	2,046
Stockholders' equity	45,106	39,987	2,927	3,060	48,033	43,047
Annualized return on average equity (%)	17.5%	19.5%	-2.6%	5.8%	16.3%	18.5%
Annualized recurring return on average equity (%)	17.5%	20.2%	-2.6%	5.8%	16.2%	19.2%

MAIN FINANCIAL INDICATORS

R$ per share

Results per share - in R$	03/31/2016	03/31/2015	Change (%)
Net income of parent company	0.29	0.29	1.3
Recurring net income of parent company	0.29	0.30	(2.4)
Book value of parent company	6.68	5.96	12.0
Dividends/ interest on capital, net	0.07	0.07	1.2
Price of preferred share (PN) (1)	8.20	9.08	-9.7
Market capitalization (2) - R$ million	55,388	60,935	-9.1

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

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

Note: The number of outstanding shares and the quotation of the share w ere adjusted to reflect the 10% bonus declared out on April 30, 2015.

RECONCILIATION OF RECURRING NET INCOME

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 the respective tax effects:

R$ million

	Parent company		Non-controlling interests		Consolidated	
	01/01 to 03/31/2016	01/01 to 03/31/2015	01/01 to 03/31/2016	01/01 to 03/31/2015	01/01 to 03/31/2016	01/01 to 03/31/2015
Net income	**1.968**	**1.930**	**(19)**	**44**	**1.949**	**1.974**
Inclusion/(Exclusion) of non-recurring effects	**(1)**	**72**	**-**	**-**	**(1)**	**72**
Arising from stockholding interest in Itaú Unibanco	**(6)**	**75**	**-**	**-**	**(6)**	**75**
Change in Treasury Shares	(12)	56	-	-	(12)	56
Amortization of Goodwill	-	14	-	-	-	14
Effect of Adherence to the Program for the Payment of Federal Taxes	(5)	(10)	-	-	(5)	(10)
Provision for Contingencies - Economic Plans	9	15	-	-	9	15
Other	2	-	-	-	2	-
Arising from stockholding interest in other Itaúsa group companies	**5**	**(3)**	**-**	**-**	**5**	**(3)**
Elekeiroz	5	(3)	-	-	5	(3)
Recurring net income	**1.967**	**2.002**	**(19)**	**44**	**1.948**	**2.046**

MAIN INDICATORS OF ITAÚSA CONGLOMERATE COMPANIES

R$ million

	January to March	Financial Services Area	Industrial Area			CONSOLIDATED ITAÚSA (1)
		Itaú Unibanco Holding	Duratex	Elekeiroz	Itautec	
Total assets	2016	1.203.294	8.766	710	162	54.020
	2015	1.169.439	8.948	705	262	49.172
Operating revenues (2)	2016	50.985	901	206	3	3.246
	2015	45.710	1.001	209	10	3.235
Net income	2016	5.711	(30)	(16)	(12)	1.949
	2015	5.673	68	(4)	(11)	1.974
Stockholders' equity	2016	113.087	4.501	439	65	48.033
	2015	100.365	4.677	461	98	43.047
Annualized return on average equity (%) (3)	2016	20,5%	-2,6%	-14,4%	-68,4%	16,3%
	2015	23,1%	5,9%	-3,3%	-44,1%	18,5%
Internal fund generation (4)	2016	15.229	147	(3)	(6)	32
	2015	7.668	242	3	(8)	174

(1) Itaúsa Consolidated includes: the consolidation of 100% of the subsidiaries and is net of consolidation elimination and unrealized results of intercompany transactions.
The amounts for Itaú Unibanco that were not consolidated and are now being accounted for under the equity method.

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

- Itaú Unibanco Holding: Interest and similar income, dividend income, net gain (loss) from investment securities and derivatives, banking service fees, income from insurance, private pension and capitalization operations before claim and selling expenses and other income.
- Duratex, Itautec and Elekeiroz: Sales of products and services.
- Itaúsa Conglomerate: Sales of products and services and share income of associates and joint ventures.

(3) Represents the ratio of net income for the period and the average equity ((mar + dec'15) / 2).

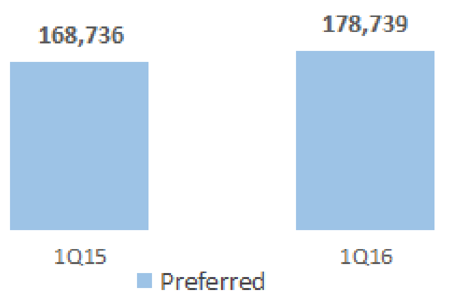
(4) Refers to funds arising from operations as reported by the statement of cash flows.

4) CAPITAL MARKETS

Traded on the São Paulo Stock Exchange (BM&FBOVESPA), Itaúsa's preferred shares (ticker ITSA4) closed the first quarter of 2016 quoted at R$8.17, a 9.9% decrease from the end of the first quarter of 2015, whereas the main index of that stock exchange, Ibovespa, posted a 2.1% devaluation. Common shares (ITSA3) closed the first quarter of 2016 quoted at R$8.02, a 12.7% decrease from the end of March 2015.

The daily average financial volume of the preferred shares traded in the first quarter of 2016 was R$178.7 million, as compared to R$168.7 million in the same period of the previous year, with a total of 2,113 thousand traded in the first three months of 2016 (1,700 thousand from January to March 2015).

Daily average financial volume traded (R$000)



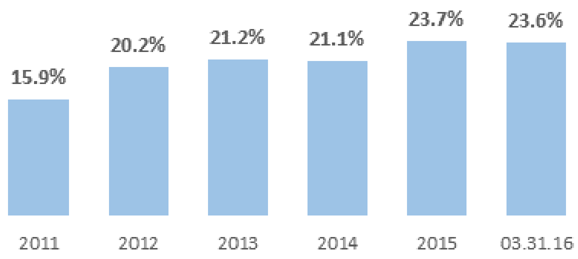
Itaúsa Discount

Discount is one of the indicators most frequently used by analysts, stockholders, and investors in capital markets to assess investments in Itaúsa, and it refers to the difference between the market value ascertained for Itaúsa and the theoretical market value obtained through the "sum of the parts" that compose it. The Investor Relations Area monthly discloses information about the discount on the Company's website. To receive this information, please register on: www.itausa.com.br.

At March 31, 2016, Itaúsa's shares were traded at a 23.6% discount in relation to the market value of the sum of its interests in companies, as compared to 18.2% at the end of March 2015.

At the end of the period, market capitalization, based on the price of the most liquid shares (ITSA4), was R$55,388 million, a 9.1% fall from the previous year, whereas the total market value of the sum of interests in subsidiary companies reached R$72,525 million. The market value calculation considers the quotes of the most liquid shares (average of the last day of the period) multiplied by the number of outstanding shares.

Itaúsa Discount



5) ITAÚSA'S SUBSIDIARY COMPANIES

Itaú Unibanco

Itaú CorpBanca – On April 1, 2016, Itaú Unibanco consummated the merger of operations of Banco Itaú Chile with CorpBanca. O Itaú CorpBanca, merged bank, operating under the "Itaú" brand and will be controlled by Itaú Unibanco through an ownership shareholding interest of 33.58% in its capital. Itaú Unibanco entered into the Itaú CorpBanca's Shareholders' Agreement, signed on April, which entitles it to appoint, together with Corp Group*, the majority of members for the Board of Directors of Itaú CorpBanca. These members are appointed in accordance with the ownership interest of each party, and Itaú Unibanco is entitled to elect the majority of this block.

With the consummation of the operation, Itaú Unibanco moved from the 7th to the 4th position in the ranking of largest private banks in Chile in terms of loans and entered into the Colombian financial retail market through Banco CorpBanca Colombia S.A., the 5th largest local bank in terms of loans, which will now operate under the "Itaú" brand.

Itaú Unibanco estimates that gains from business opportunities and operating synergies will effectively be generated in the coming years, with no relevant financial impact in 2016. As from April 1, 2016, Itaú CorpBanca is consolidated in Itaú Unibanco's financial statements, thus adding approximately R$117 billion (December 2015) of assets to the balance sheet.
On the same date, the new Investor Relations website of Itaú CorpBanca was launched.

*Corp Group is a diversified holding company controlled by the Saieh family, with investments in the financial, retail, real estate, lodging, and media industries.

Control acquisition – Recovery – In March 2016, after authorization of the regulatory bodies and compliance with suspension conditions, Itaú Unibanco completed the operation to acquire a 89.08% stake in the capital of Recovery do Brasil Consultoria S.A., of which 81.94% from Banco BTG Pactual S.A. (BTG) and 7.14% from other shareholders, and approximately 70% from a portfolio of R$38 billion in credit rights held by BTG. It is estimated that the operation will not have significant accounting effects on the results of Itaú Unibanco in 2016.

Repurchase of Shares – In the first quarter, Itaú Unibanco acquired 7.99 million preferred shares[a] of own issue, in the total amount of R$200.23 million, at the average price of R$25.06 per share[b]. The balance of treasury shares reached 155.2 million preferred shares in March 2016, equivalent to 5.4% of outstanding shares of the same class (free float). Since 2015, 2.0% of own shares issued have been repurchased, positively impacting the recurring net income per share of the first quarter of 2016 by R$0.02. On April 27, the Extraordinary Stockholders' Meeting approved the proposal for cancellation of 100 million preferred treasury shares[c] of own issue, with no change in capital, resulting in a balance of 55.2 million shares.

(a) Repurchase amounts include settlement and brokerage rates, and charges.
(b) For more information on the volumes traded and prices practiced in these negotiations, access www.itau.com.br/investor-relations > Corporate Governance > Repurchase of Shares.
(c) Pending approval of the Central Bank of Brazil.

Economic Performance

The amounts commented on below, when related to the accounting information, were determined according to the International Financial Reporting Standards (IFRS) and are not proportionalized to reflect the ownership interest of 37.31% directly and indirectly held by Itaúsa.

Results

Recurring net income reached R$5.7 billion for the first quarter of 2016, a 0.1% increase compared to the first quarter of 2015, with annualized return of 20.6% on average equity. This result, achieved in a challenging economic period, was due to our ongoing strategy focused on lower-risk credit products, and insurance revenue and services, while concurrently keeping a tight cost control.

Assets

Total consolidated assets reached R$1.2 trillion at the end of March 2016, a 2.9% increase from the same period of the previous year.

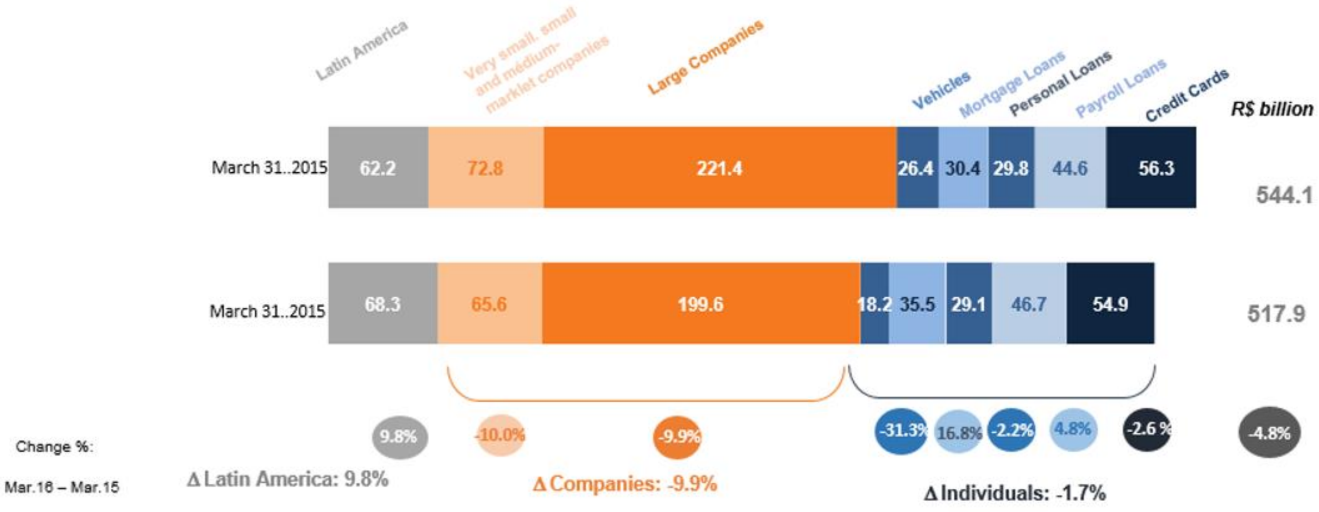
Itaú Unibanco's business diversification is reflected in the changed composition of the loan portfolio in the last few years, focusing on origination in segments of lower risks and with increased guarantees.

Loan Portfolio

At March 31, 2016, the balance of the loan portfolio, including endorsements and sureties, reached R$517.9 billion, dropping 4.8% from March 31, 2015, mainly due to a reduction in the following portfolios: corporate, very small, small and middle-market company, and vehicles portfolios.

Should the credit risks of Itaú Unibanco associated with loans raised under private securities be taken into account, this decrease would reach 4.2%. If we excluded the effects of foreign exchange variation, the loan portfolio, including private securities, would have fallen 5.6% from the previous year.

At March 31, 2016 and 2015, the breakdown of the portfolio, including endorsements and sureties, is as follows:



Funding

At March 31, 2016, free, raised and managed assets totaled R$1.9 trillion, a 5.5% increase from the same period of 2015.
When compared to March 2015, we recorded a 4.7% decrease in demand deposits added to savings deposits. The ratio between the Credit Portfolio to Funding reached 85.6 % at March 31, 2016.

Default

Itaú Unibanco's strategy for reducing risk in credit granting, started in 2011, impacted the default rate, mainly due to the change in the credit profile of its portfolio. Due to the economic scenario:

- At March 31, 2016, total default rate (transactions overdue for over 90 days) reached 3.9%, posting an increase of 0.9 basis points compared to March 31, 2015.
- this rate reached 5.5% for the individuals portfolio at the end of March 2016, an increase of 1.0 basis points compared to the same period of the previous year; and
- this rate reached 2.4% for the companies portfolio at the end of March 2016, an increase of 0.6 basis points from the same period of the previous year.

People

Itaú Unibanco had 89.6 thousand employees at the end of the first quarter of 2016, including approximately 6.8 thousand employees abroad. The employees' fixed compensation plus charges and benefits totaled R$3.2 billion in this period, a decrease of 1.4% from the same period of the previous year.

Duratex

In the first quarter of 2016, investments totaled R$152 million, of which R$66 million was related to the Share Buy-Back of Tablemac in connection with its delisting process. Accordingly, Duratex now holds 94% of the company's shares in Colombia. It is expected to be invested R$420 million during the year of 2016, without considering the value of Share Buy-Back, and of this total, an amount of approximately R$200 million, refers to the planting and maintenance of forest areas and the rest used only to support the operations.

Duratex proceeds with its export expansion program in the Wood Division, with an 80% increase in volume in the first quarter of 2016 compared to the same period of the previous year. The total volume is expected to increase 50% in 2016, compared to 2015, by following Duratex's strategy to increase the share in revenues from foreign markets, so as to reduce its dependence on the domestic market.

Results

Duratex net income totaled R$901.4 million in the quarter, of which R$105.5 million refers to interest of Colombian subsidiary Tablemac. This income decreased 5.6% compared to the previous quarter and 10.0% from the first quarter of 2015.

In the quarter, Duratex's adjusted recurring EBITDA totaled R$106.3 million, equivalent to a drop of 42.7% from the fourth quarter of 2015, and an 11.8% margin, as a result of a reduced volume, together with the worsening in the product mix, with sales more concentrated on lower margin products. Additional price pressures impacted the final result.

In the first quarter of 2016, Duratex recorded a loss of R$29.6 million, as a result of a reduced operating income and increased financial expenses, impacted by a rise in interest rates and in the company's net indebtedness, and part of which is related to the funding for Tablemac IPO, which took place in March.

At March 31, 2016, the Company's net debt was R$2,150.7 million. This level of net indebtedness is equivalent to 2.95 times the adjusted recurring EBITDA for the last 12 months and to 47.8% of stockholders' assets at the year end.

In the first quarter, the **Wood Division** posted a 0.9% increase in volume from the previous quarter, but a 15.5% fall compared to the first quarter of 2015. Net revenue from the Wood Division totaled R$608.5 million in the year-to-date, an 8.6% drop from the same period of 2015. In the first quarter of 2016, the EBITDA margin was 11.6%, lower than the 22.1% recorded in the previous quarter and the 23.1% posted in the same period of 2015. This pressure on the margin was mainly driven by the product mix, with a larger volume of standard panels, and lower dilution of fixed costs and administrative expenses.

In the quarter, the sales volume of **Deca Division** totaled 6.2 million items, relatively equal to the volume recorded in the fourth quarter of 2015. It recorded a 7.4% decrease when compared to the first quarter of 2015. In the quarter, net income was 12.8% lower than the same period of 2015. The EBITDA margin for the quarter was 12.2% (13.2% excluding Corona), mainly driven by the lower shipment volume, with a 14.3% decrease from the margin in the previous quarter.

Elekeiroz

In the first quarter of 2016, investments reached R$3.4 million, and were mainly intended for the maintenance of operations.

In February 2016, Elekeiroz executed an agreement to acquire 50% of the capital stock of Nexoleum Bioderivados by incorporating a joint venture, which will market and distribute "green" plasticizers obtained from the chemical modification of vegetal oils. The investment to acquire and subsequently expand the production capacity will amount to approximately R$15 million. This transaction will be consummated in the second quarter of 2016, and the new production unit is expected to start production in early 2017.

Results

In the first quarter of 2016, the sales volume increased 6% from the same period of 2015, mainly driven by the rise in 15% in the shipment of inorganic products. The sold volume of organic products, which accounts for 46% of total shipping, decreased 4%.

In the quarter, net income totaled R$205.7 million, decreasing 2% from 2015. Accounting for 90% of total sales, the domestic market dropped 1%, whereas exports fell 4%.

Gross profit for the 2016 year-to-date was R$9.1 million, a 15% decrease compared to the first quarter of 2015.

Nonrecurring events: The Company provided for the costs for the temporary decommissioning of the phtalic and plasticizers lines in Camaçari, thus negatively impacting the result by R$8.2 million. In the first quarter of 2015, the Company reversed the provisions for civil contingencies, which contributed to the improved result by R$3.4 million.

The EBITDA for the first quarter was negative by reduced R$7 million, as compared to the positive R$4.3 million in 2015.

In the first quarter of 2016, the Company recorded a net loss of R$16.1 million, compared to a net loss of R$3.8 million in 2015. Excluding the nonrecurring events, net loss would be R$10.7 million in 2016, and a loss of R$6.1 million in 2015.

At the end of March 2016, net debt totaled R$168.7 million, which represented 38% of stockholders' equity.

Itautec

At the meeting held on February 25, 2015, the Board of Directors of Itautec approved the intention to exercise the put option for the 763,740 shares it held in Oki Brasil Ind. Com. Produtos Tecnologia em Automação S.A. ("Oki Brasil"), scheduled for January 2017, as set forth in the Shareholders' Agreement. Accordingly, as from February 2015, this Itautec's investment, corresponding to 30% of Oki Brasil's capital stock, has been accounted for as "Noncurrent Assets Held for Sale."

On February 26, 2016, the parties executed an Amendment to the Shareholders' Agreement, for Itautec to subscribe 1,717,650 new shares to increase Oki Brasil's capital; Itaútec paid them up on March 8, 2016 in the amount of R$20.0 million, from a total of R$148.4 million, subscribed and paid up, and, accordingly, its total investment now corresponds to 16.2% of Oki Brasil's capital.

Subsequently, at the meeting held on March 31, 2016, Itautec's Board of Directors approved Itautec's intention to also exercise the put option of these new shares of Oki Brasil (additional put option), scheduled to take place in January 2020, according to the Amendment to the Shareholders' Agreement. Accordingly, as from March 2016, this Itautec's additional investment in Oki Brasil's capital stock has been accounted for as "Noncurrent Assets Held for Sale."

In January 2017, after exercising the put option for the 763,740 shares of Oki Brasil, the investment made by Itautec will be reduced to 11.2% of Oki Brasil's capital.

Results

Consolidated net revenue for the first quarter of 2016 was R$2.6 million.

Gross result for the period was negative by R$0.3 million.

In the period from January to March 2016, EBITDA was negative by R$16.9 million.

In the first quarter of 2016, operating expenses reached R$4.5 million.

Total net result for the quarter was a loss of R$12.1 million.

At the end of March 2016, the balance of cash and deposits on demand was R$44.4 million, and the gross financial debt was R$31.6 million, and as a result, the Company recorded cash and cash equivalents of R$12.8 million.

6) PEOPLE MANAGEMENT

Itaúsa Conglomerate had the support of approximately 102 thousand people at the end of March 2016, including approximately 7.4 thousand employees in foreign units and 46 people dedicated to Itaúsa's specific activities.

The fixed compensation plus charges and benefits of the Conglomerate's employees totaled R$3.4 billion from January to March 2016.

7) INDEPENDENT AUDITORS – CVM INSTRUCTION No. 381

Procedures adopted by the Company

The policy adopted by Itaúsa, its subsidiaries and parent company, to engage non-audit 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 his or her client.

During the period from January to March 2016, BDO and its related parties did not provide non-audit related services in excess of 5% of total external audit fees.

Additionally, we decided to apply the provisions of this Instruction to engage non-audit related services by PwC. In the period from January to March 2016, the following services were provided:

- January 6 – 2016 Human Capital Benchmarking services;
- January 22 –tax advisory and transfer pricing procedures;
- February 15, March 7, March 23 – acquisition of training and technical materials;
- March 31 – review of fiscal bookkeeping.

Independent Auditors' Justification - PwC

The provision of the above described non-audit related professional services do not affect the independence or the objectivity of the external audit of Itaúsa and its subsidiaries. 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.

8) 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.

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

BOARD OF DIRECTORS

Chairman

ALFREDO EGYDIO ARRUDA VILLELA FILHO

Vice-Chairman

ALFREDO EGYDIO SETUBAL

Members

HENRI PENCHAS

LICIO DA COSTA RAIMUNDO

PAULO SETUBAL

RODOLFO VILLELA MARINO

Alternative members

LUIZA DAMÁSIO RIBEIRO DO ROSÁRIO (**)

RICARDO EGYDIO SETUBAL

RICARDO VILLELA MARINO

EXECUTIVE BOARD

Chief Executive Officer

ALFREDO EGYDIO SETUBAL (*)

Executive Vice-Presidents

ROBERTO EGYDIO SETUBAL

RODOLFO VILLELA MARINO

(*) Investor Relations Officer

(**) Elected on April 29, 2016

FISCAL COUNCIL

President

TEREZA CRISTINA GROSSI TOGNI

Members

ALEXANDRE BARENCO RIBEIRO

FLAVIO CÉSAR MAIA LUZ

JOSÉ MARIA RABELO (**)

PAULO RICARDO MORAES AMARAL

Alternative members

JOSÉ ROBERTO BRANT DE CARVALHO

PAULO ROBERTO BORGES GOMES DA SILVA (**)

FELÍCIO CINTRA DO PRADO JÚNIOR

ISAAC BERENSZTEJN (**)

JOÃO COSTA

Accountant

RICARDO JORGE PORTO DE SOUSA

CRC 1SP - 185.916/O-8

ITAÚ UNIBANCO HOLDING S.A.

BOARD OF DIRECTORS

Chairman
PEDRO MOREIRA SALLES

Vice-Chairmen
ALFREDO EGYDIO ARRUDA VILLELA FILHO
ROBERTO EGYDIO SETUBAL

Members
ALFREDO EGYDIO SETUBAL
CANDIDO BOTELHO BRACHER
DEMOSTHENES MADUREIRA DE PINHO NETO
FÁBIO COLLETTI BARBOSA
GUSTAVO JORGE LABOISSIÈRE LOYOLA
JOSÉ GALLÓ (1)
NILDEMAR SECCHES
PEDRO LUIZ BODIN DE MORAES
RICARDO VILLELA MARINO

AUDIT COMMITTEE

President
GERALDO TRAVAGLIA FILHO

Members
ANTÔNIO FRANCISCO DE LIMA NETO
DIEGO FRESCO GUTIERREZ
LUIZ ALBERTO FIORE
SERGIO DARCY DA SILVA ALVES

FISCAL COUNCIL

President
IRAN SIQUEIRA LIMA (2)

Members
ALBERTO SOZIN FURUGUEM
LUIZ ALBERTO DE CASTRO FALLEIROS

Alternate Members
JOSÉ CARUSO CRUZ HENRIQUES
JOÃO COSTA
CARLOS ROBERTO DE ALBUQUERQUE SÁ

EXECUTIVE BOARD

Chief Executive Officer
ROBERTO EGYDIO SETUBAL

Chief Executive Officer
CANDIDO BOTELHO BRACHER
MÁRCIO DE ANDRADE SCHETTINI
MARCO AMBROGIO CRESPI BONOMI

Executive Vice-Presidents
CLAUDIA POLITANSKI
EDUARDO MAZZILLI DE VASSIMON

Executive Directors
ALEXSANDRO BROEDEL LOPES
LEILA CRISTIANE BARBOZA BRAGA DE MELO
PAULO SERGIO MIRON

Directors
ADRIANO CABRAL VOLPINI
ÁLVARO FELIPE RIZZI RODRIGUES
CLÁUDIO JOSÉ COUTINHO ARROMATTE
EDUARDO HIROYUKI MIYAKI
EMERSON MACEDO BORTOLOTO
JOSÉ VIRGILIO VITA NETO
MARCELO KOPEL (*)
MATIAS GRANATA
RODRIGO LUÍS ROSA COUTO
WAGNER BETTINI SANCHES

(*) Investor Relations Officer

(1) Elected on April 27, 2016
(2) Passed away on April 29, 2016

DURATEX S.A.

BOARD OF DIRECTORS

Chairman

SALO DAVI SEIBEL

Vice-Chairmen

ALFREDO EGYDIO ARRUDA VILLELA FILHO
RICARDO EGYDIO SETUBAL

Members

ALFREDO EGYDIO SETUBAL
FRANCISCO AMAURI OLSEN
HELIO SEIBEL
RAUL CALFAT
RODOLFO VILLELA MARINO

Alternative members

ANDREA LASERNA SEIBEL
OLAVO EGYDIO SETUBAL JÚNIOR
RICARDO VILLELA MARINO

EXECUTIVE BOARD

Chief Executive Officer and Vice-Chairman of the Wood business unit

ANTONIO JOAQUIM DE OLIVEIRA

Vice-Chairman of the DECA business unit

RAUL PENTEADO DE OLIVEIRA NETO

Directors

ALEXANDRE COELHO NETO DO NASCIMENTO
BRUNO BASILE ANTONACCIO
FLAVIO MARASSI DONATELLI (*)
JOSÉ RICARDO PARAÍSO FERRAZ
MARCO ANTONIO MILLEO
MARIA JULIETA PINTO RODRIGUES NOGUEIRA
NELSON RICARDO TEIXEIRA
PAULO CESAR MARÓSTICA

(*) Investor Relations Officer

ITAUTEC S.A. - GRUPO ITAUTEC

BOARD OF DIRECTORS

Chairman

RICARDO EGYDIO SETUBAL

Vice-Chairman

ALFREDO EGYDIO ARRUDA VILLELA FILHO

Members

HENRI PENCHAS
OLAVO EGYDIO SETUBAL JÚNIOR
RODOLFO VILLELA MARINO

Alternative members

ALFREDO EGYDIO SETUBAL
RICARDO VILLELA MARINO

EXECUTIVE BOARD

Chief Executive Officer

JOÃO JACÓ HAZARABEDIAN

Directors

RENATA MARTINS GOMES
RODOLFO LATINI NETO (*)

(*) Investor Relations Officer

ELEKEIROZ S.A.

BOARD OF DIRECTORS

Chairman

RODOLFO VILLELA MARINO

Vice-Chairman

OLAVO EGYDIO SETUBAL JÚNIOR

Members

CESAR SUAKI DOS SANTOS
HENRI PENCHAS
RICARDO EGYDIO SETUBAL

Alternative members

ALFREDO EGYDIO SETUBAL
RICARDO VILLELA MARINO

EXECUTIVE BOARD

Chief Executive Officer

MARCOS ANTONIO DE MARCHI (*)

Directors

ELDER ANTONIO MARTINI
RICARDO CRAVEIRO MASSARI

(*) Investor Relations Officer

ITAÚSA - INVESTIMENTOS ITAÚ S.A
Consolidated Balance Sheet
(In millions of reais)

ASSETS	NOTE	03/31/2016	12/31/2015
Cash and cash equivalents	3	1,761	2,174
Financial assets held for trading	4	285	282
Trade accounts receivable	5	977	996
Other financial assets	6a	646	1,176
Inventory	7	954	968
Investments in associates and joint ventures	8 IIa	41,466	41,216
Fixed assets, net	9	4,089	4,146
Intangible assets, net	10	1,017	1,024
Biological assets	11	1,473	1,442
Tax assets		1,228	1,322
Income tax and social contribution - current		312	388
Income tax and social contribution - deferred	12b	845	816
Other		71	118
Other non-financial assets	6a	37	13
Held-for-sale assets	28	58	41
Investment property	29	29	30
TOTAL ASSETS		**54,020**	**54,830**

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

LIABILITIES AND STOCKHOLDERS' EQUITY	NOTE	03/31/2016	12/31/2015
Liabilities			
Dividends and interest on capital		639	1,568
Loans and financing	13	2,984	2,961
Debentures	14	135	137
Provision	15	816	743
Tax liabilities		728	789
Income tax and social contribution - current		79	29
Income tax and social contribution - deferred	12b	554	611
Other		95	149
Other liabilities	6b	685	761
Total Liabilities		**5,987**	**6,959**
Stockholders' Equity			
Capital	16a	32,325	32,325
Treasury shares		(33)	(33)
Reserves	16c	13,886	13,341
Carrying value adjustments		(1,072)	(786)
Total Stockholders' Equity Attributable to Owners of the Parent Company		**45,106**	**44,847**
Non-controlling interests		2,927	3,024
Total Stockholders' Equity		**48,033**	**47,871**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		**54,020**	**54,830**

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A

Consolidated Statement of Income

(In millions of reais, except per share information)

	NOTE	01/01 to 03/31/2016	01/01 to 03/31/2015
Sales of products and services	18	1,109	1,220
Cost of products and services	19	(900)	(916)
Sales expenses	19	(143)	(153)
General and administrative expenses	19	(82)	(70)
Other (losses)/gains, net	20	(17)	10
Tax expenses		(124)	(142)
Financial result	21	(38)	(24)
Share of income of associates and joint ventures	8 IIa	2,137	2,015
Income before income tax and social contribution		**1,942**	**1,940**
Current income tax and social contribution	12a	(80)	(15)
Deferred income tax and social contribution	12b	87	49
Net income		**1,949**	**1,974**
Net income attributable to owners of the parent company		1,968	1,930
Net income attributable to non-controlling interests		(19)	44
Earnings per share - basic and diluted	22		
Common		0.29	0.29
Preferred		0.29	0.29
Weighted average number of shares outstanding – basic and diluted			
Common		2,595,391,868	2,578,901,608
Preferred		4,159,251,428	4,130,929,307

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A

Consolidated Statement of Comprehensive Income

(In millions of reais)

	01/01 to 03/31/2016	01/01 to 03/31/2015
Net income	**1,949**	**1,974**
Other comprehensive income	**(286)**	**169**
Amounts that will subsequently be reclassified to results	**(283)**	**165**
Interest in associates and jointly controlled entities, net of tax	**(278)**	**154**
Available-for-sale financial assets; hedges and foreign exchange variations on investments abroad	(278)	154
Interest in subsidiaries, net of tax	**(5)**	**11**
Available-for-sale financial assets and foreign exchange variations on investments abroad	(5)	11
Amounts that will not subsequently be reclassified to results	**(3)**	**4**
Interest in associates and jointly controlled entities, net of tax	**(3)**	**4**
Remeasurement of post-employment benefit obligations	(3)	4
Total comprehensive income	**1,663**	**2,143**
Comprehensive income attributable to owners of the parent-company	1,682	2,099
Comprehensive income attributable to non-controlling interests	(19)	44

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

ITAÚSA- INVESTIMENTOS ITAÚ S.A.
Consolidated Statement of Cash Flow
(In millions of reais)

	Note	01/01 to 03/31/2016	01/01 to 03/31/2015
Adjusted net income		**32**	**174**
Net income		1,949	1,974
Adjustments to net income:		(1,917)	(1,800)
Interest, foreign exchange and monetary variations, net		99	82
Depreciation, amortization and depletion	9, 10, 11 and 29	140	152
Share of income in associates and joint ventures	8 IIa	(2,137)	(2,015)
Deferred income tax and social contribution		(87)	(49)
Change in fair value of biological assets	11 c	(36)	(45)
Allowance for loan losses		6	(3)
Contingent liabilities	15 b	67	66
Other		31	12
Changes in assets and liabilities		**74**	**230**
Decrease in financial assets		122	462
(Increase) decrease in trade accounts receivable		13	(79)
Decrease in inventory		14	5
(Increase) decrease in tax assets		188	(34)
(Increase) decrease in other assets		(3)	11
Increase (decrease) in tax liabilities		(64)	83
Decrease in other liabilities		(196)	(218)
Others		**(94)**	**(64)**
Payment of income tax and social contribution		(3)	(4)
Interest paid on loans and financing		(91)	(60)
Net cash from operating activities		**12**	**340**
Purchase of investments		(87)	-
Acquisition of fixed assets, intangibles and biological assets		(91)	(155)
Interest on capital and dividends received		1,782	1,621
Net cash from investment activities		**1,604**	**1,466**
Subscription of shares		-	3
Treasury shares		-	(5)
Interest on capital and dividends paid		(2,057)	(1,708)
Borrowing and financing		147	122
Payment of borrowing and financing		(108)	(119)
Issue of debentures		(8)	(7)
Net cash used in financing activities		**(2,026)**	**(1,714)**
Net increase (decrease) in cash and cash equivalents		**(410)**	**92**
Cash and cash equivalents at the beginning of the period	3	2,174	1,897
Effects of changes in exchange rates on cash and cash equivalents		(3)	2
Cash and cash equivalents at the end of the period	3	1,761	1,991

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Consolidated Statement of Value Added
(In millions of reais)

	01/01 to 03/31/2016	%	01/01 to 03/31/2015	%
Income	**1,396**		**1,557**	
Sales of products and services	1,390		1,551	
Allowance for doubtful accounts	(6)		(3)	
Other revenue	12		9	
Inputs purchased from third parties	**(936)**		**(977)**	
Cost of products and services	(767)		(809)	
Materials, energy and third-party services	(166)		(164)	
Other	(3)		(4)	
Gross value added	**460**		**580**	
Depreciation, amortization and depletion	**(140)**		**(152)**	
Net value added produced by the company	**320**		**428**	
value added received from transfer	**2,231**		**2,126**	
Share of income in associates and joint ventures	2,137		2,015	
Financial income	94		111	
Total value added to be distributed	**2,551**		**2,554**	
Distribution of value added	**2,551**	**100.00%**	**2,554**	**100.00%**
Personnel	201	7.88%	190	7.44%
Compensation	161		153	
Benefits	29		27	
FGTS – Government severance pay fund	11		10	
Taxes, fees and contributions	276	10.82%	273	10.69%
Federal	214		212	
State	56		57	
Municipal	6		4	
Return on third parties' assets - Interest	125	4.90%	117	4.58%
Return on own assets	1,949	76.40%	1,974	77.29%
Dividends and interest on capital paid/provided for	532		523	
Retained earnings for the period	1,436		1,407	
Non-controlling interests in retained earnings	(19)		44	

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

Individual Balance Sheet

(In millions of reais)

ASSETS	NOTE	03/31/2016	12/31/2015
Cash and cash equivalents		645	802
Financial assets held for trading		285	282
Other financial assets		369	932
Dividends and interest on capital		339	888
Escrow deposits as guarantees of contingencies		30	44
Investments in subsidiaries, associates and joint ventures	8 I c	43,844	43,641
Fixed assets, net		86	85
Intangible assets, net		460	460
Tax assets		784	804
Income tax and social contribution - current		247	316
Income tax and social contribution - deferred		535	486
Other		2	2
Other assets		38	5
TOTAL ASSETS		**46,511**	**47,011**

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

LIABILITIES AND STOCKHOLDERS' EQUITY	NOTE	03/31/2016	12/31/2015
Liabilities			
Dividends and interest on capital		638	1,444
Provision		660	595
Tax liabilities		103	117
Income tax and social contribution - deferred		6	6
Other		97	111
Other liabilities		4	8
Total Liabilities		**1,405**	**2,164**
Stockholders' Equity			
Capital	16a	32,325	32,325
Treasury shares		(33)	(33)
Reserves	16c	13,886	13,341
Carrying value adjustments		(1,072)	(786)
Total Stockholders' Equity		**45,106**	**44,847**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		**46,511**	**47,011**

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Individual Statement of Income
(In millions of reais, except per share information)

	NOTE	01/01 to 03/31/2016	01/01 to 03/31/2015
Financial results		19	24
Other operating income		4	3
General and administrative expenses		(11)	(10)
Tax expenses		(124)	(142)
Share of income of subsidiaries, associates and joint ventures	8 I c	2,098	2,024
Income before income tax and social contribution		**1,986**	**1,899**
Current income tax and social contribution		(67)	(4)
Deferred income tax and social contribution		49	35
Net income		**1,968**	**1,930**
Earnings per share - basic and diluted	22		
Common		0.29	0.29
Preferred		0.29	0.29
Weighted average number of shares outstanding – basic and diluted			
Common		2,595,391,868	2,578,901,608
Preferred		4,159,251,428	4,130,929,307

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A
Individual Statement of Comprehensive Income
(In millions of reais)

	01/01 to 03/31/2016	01/01 to 03/31/2015
Net income	**1,968**	**1,930**
Other comprehensive income	**(286)**	**169**
Amounts that will subsequently be reclassified to results	**(283)**	**165**
Interest in associates and jointly controlled entities, net of tax	**(278)**	**154**
Available-for-sale financial assets; hedges and foreign exchange variations on investments abroad	(278)	154
Interest in subsidiaries, net of tax	**(5)**	**11**
Available-for-sale financial assets and foreign exchange variation on investments abroad	(5)	11
Amounts that will not be subsequently reclassified to results	**(3)**	**4**
Interests in associates and jointly controlled entities, net of tax	**(3)**	**4**
Remeasurement of post-employment benefit obligations	(3)	4
Total comprehensive income	**1,682**	**2,099**

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Statement of Changes in Stockholders' Equity (Note 16)
(In millions of reais)

	Attributable to owners of the parent company									
	Capital	Treasury shares	Appropriated reserves / Capital and revenue	Unappropriated reserves	Proposal for distribution of additional dividends	Retained earnings / (accumulated deficit)	Other comprehensive income	Total stockholders' equity – owners of the parent company	Total stockholders' equity – non-controlling interests	Total
Balance at 01/01/2015	**27,025**	**(91)**	**7,249**	**4,969**	**559**	**-**	**(485)**	**39,226**	**3,013**	**42,239**
Transactions with owners	-	(5)	(159)	-	(559)	(523)	-	**(1,246)**	3	**(1,243)**
Treasury shares	-	(5)	-	-	-	-	-	**(5)**	-	**(5)**
Changes in non-controlling interests	-	-	-	-	-	-	-	**-**	3	**3**
Dividends and interest on capital	-	-	-	-	-	(523)	-	**(523)**	-	**(523)**
Dividend amount in addition to the minimum mandatory dividend for prior years	-	-	(159)	-	(559)	-	-	**(718)**	-	**(718)**
Transactions with subsidiaries and jointly controlled companies	-	-	(92)	-	-	-	-	**(92)**	-	**(92)**
Total comprehensive income	-	-	-	-	-	1,930	169	**2,099**	44	**2,143**
Net income	-	-	-	-	-	1,930	-	**1,930**	44	**1,974**
Other comprehensive income	-	-	-	-	-	-	169	**169**	-	**169**
Appropriations:										
Legal reserve	-	-	97	-	-	(97)	-	**-**	-	**-**
Unappropriated-reserves	-	-	-	1,310	-	(1,310)	-	**-**	-	**-**
Balance at 03/31/2015	**27,025**	**(96)**	**7,095**	**6,279**	**-**	**-**	**(316)**	**39,987**	**3,060**	**43,047**
Change in the period	**-**	**(5)**	**(154)**	**1,310**	**(559)**	**-**	**169**	**761**	**47**	**808**
Balance at 01/01/2016	**32,325**	**(33)**	**7,233**	**5,390**	**718**	**-**	**(786)**	**44,847**	**3,024**	**47,871**
Transactions with owners	-	-	-	-	(718)	(532)	-	**(1,250)**	(78)	**(1,328)**
Change in non-controlling interests	-	-	-	-	-	-	-	**-**	(78)	**(78)**
Dividends and interest on capital	-	-	-	-	-	(532)	-	**(532)**	-	**(532)**
Dividend amount in addition to the minimum mandatory dividend for prior years	-	-	-	-	(718)	-	-	**(718)**	-	**(718)**
Transactions with subsidiaries and jointly controlled companies	-	-	(173)	-	-	-	-	**(173)**	-	**(173)**
Total comprehensive income	-	-	-	-	-	1,968	(286)	**1,682**	(19)	**1,663**
Net income	-	-	-	-	-	1,968	-	**1,968**	(19)	**1,949**
Other comprehensive income	-	-	-	-	-	-	(286)	**(286)**	-	**(286)**
Appropriations:										
Legal reserve	-	-	98	-	-	(98)	-	**-**	-	**-**
Unappropriated-reserves	-	-	-	1,338	-	(1,338)	-	**-**	-	**-**
Balance at 03/31/2016	**32,325**	**(33)**	**7,158**	**6,728**	**-**	**-**	**(1,072)**	**45,106**	**2,927**	**48,033**
Change in the period	**-**	**-**	**(75)**	**1,338**	**(718)**	**-**	**(286)**	**259**	**(97)**	**162**

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Individual Statement of Cash Flows
(In millions of reais)

	01/01 to 03/31/2016	01/01 to 03/31/2015
Adjusted net income	**(107)**	**(61)**
Net income	1,968	1,930
Adjustments to net income:	(2,075)	(1,991)
Share of income in subsidiaries, associates and joint ventures	(2,098)	(2,024)
Deferred income tax and social contribution	(49)	(35)
Contingent liabilities	58	61
Interest and monetary variations, net	13	7
Depreciation and amortization	1	-
Changes in assets and liabilities	**124**	**236**
Increase in financial assets	(3)	(3)
Decrease in other assets	241	199
Increase (decrease) in provision and other liabilities	(114)	40
Net cash from operating activities	**17**	**175**
Purchases of fixed assets	(2)	(1)
Interest on capital and dividends received	1,802	1,651
Net cash from investing activities	**1,800**	**1,650**
Subscription of shares	-	3
Purchases of treasury shares	-	(5)
Interest on capital and dividends paid	(1,974)	(1,638)
Net cash used in financing activities	**(1,974)**	**(1,640)**
Net increase (decrease) in cash and cash equivalents	**(157)**	**185**
Cash and cash equivalents at the beginning of the period	802	643
Cash and cash equivalents at the end of the period	645	828

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

ITAÚSA - INVESTIMENTOS ITAÚ S.A.
Individual Statement of Value Added

(In millions of reais)

	01/01 to 03/31/2016	%	01/01 to 03/31/2015	%
Inputs purchased from third parties	**(8)**		**(7)**	
Third-party services	(5)		(3)	
Other	(3)		(4)	
Agreement for apportionment of shared costs	(1)		(1)	
Other	(2)		(3)	
Gross value added	**(8)**		**(7)**	
Depreciation and amortization	(1)		-	
Net added value produced by the company	**(9)**		**(7)**	
Added value received through transfers	**2,142**		**2,061**	
Share of income in subsidiaries, associates and joint ventures	2,098		2,024	
Financial income	40		34	
Other income	4		3	
Total value added to be distributed	**2,133**	**100.00%**	**2,054**	**100.00%**
Distribution of value added	**2,133**		**2,054**	
Personnel - compensation	2	0.10%	3	0.15%
Taxes, fees and contributions - federal	142	6.66%	111	5.40%
Return on third parties' assets - interest	21	0.98%	10	0.49%
Return on own assets	1,968	92.26%	1,930	93.96%
Dividends and interest on capital	532		523	
Retained earnings for the period	1,436		1,407	

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

ITAÚSA – INVESTIMENTOS ITAÚ S.A
Notes to the Consolidated Financial Statements
at March 31, 2016
(In millions of Reais)

NOTE 1 – OVERVIEW

Itaúsa – Investimentos Itaú S.A. ("ITAÚSA") is a publicly held company, organized and existing under the laws of Brazil, and is located at Praça Alfredo Egydio de Souza Aranha, No. 100, Jabaquara, Torre Olavo Setubal, in the city of São Paulo, Brazil.

ITAÚSA has as its main objective supporting the companies in which it holds equity interests, through studies, analyses and suggestions regarding operating policy; projects for the expansion of the companies mentioned; obtaining resources to meet the related additional needs for risk capital through the subscription or acquisition of securities issued, to strengthen their position in the capital market and carry out related activities or subsidiaries of interest to the companies mentioned, except for those restricted to financial institutions.

Through its controlled and jointly-controlled companies, ITAÚSA operates in the following markets: financial services (Itaú Unibanco Holding); wood panels, bathroom porcelains and metals (Duratex); information technology (Itautec); and chemical products (Elekeiroz) – as shown in Note 25 "Segment Information".

ITAÚSA is a holding company controlled by the Egydio de Souza Aranha family which holds 61.44% of the common shares and 16.93% of the preferred shares, making 34.03% of the total.

These interim individual and consolidated financial statements were approved by the ITAÚSA Board of Directors on May 9, 2016.

NOTE 2 – ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these individual and consolidated financial statements are set out below.

2.1 BASIS OF PREPARATION

Consolidated financial statements

The consolidated financial statements of Itaúsa and its subsidiaries (ITAÚSA CONSOLIDATED) were prepared and are being presented in accordance with the accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncements Committee ("CPC"), as well as the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and contain all the information relevant to the financial statements, which is consistent with that used by board in its management.

Individual financial statements

The individual financial statements of the parent were prepared in accordance with the Brazilian accounting practices issued by the CPC and are published together with the consolidated financial statements.

The preparation of financial statements requires the Company's management ("Management") to use certain critical accounting estimates and to exercise judgment in the process of applying the accounting policies of ITAÚSA and its subsidiaries. The areas that require a higher degree of judgment and have greater complexity, as well as those in which assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 2.3.

The presentation of the individual and consolidated statements of value added is required by Brazilian corporate legislation and the accounting practices adopted in Brazil applicable to publicly held companies, while IFRS does not require the presentation of such statements. As a consequence, under IFRS, the statement of value added is presented as supplementary information, without prejudice to the set of financial statements.

All references to the pronouncements of the CPC should also be understood as references to the corresponding IFRS pronouncements, and vice versa, and it should be noted that, in general, the early adoption of revisions or new IFRS is not possible in Brazil.

2.2 NEW PRONOUNCEMENTS, CHANGES TO AND INTERPRETATIONS OF EXISTING PRONOUNCEMENTS

a) Amendments to accounting pronouncements applicable to periods ended March 31, 2016

- IASB Annual Improvement Cycle (2012–2014) – Annually, IASB makes minor amendments to a series of pronouncements to clarify the current standards and avoid multiple interpretations. In this cycle, IFRS 5 – "Non-Current Assets Held for Sale and Discontinued Operations", IFRS 7 – "Financial Instruments: Disclosures", IAS 19 – "Employee Benefits", and IAS 34 – "Interim Financial Reporting" were reviewed. These amendments are effective for annual periods beginning on January 1, 2016. No material impacts arising from this change to the consolidated financial statements of the company were identified.

- Amendment to IFRS 11 – "Joint Arrangements" – This amendment establishes accounting criteria for the acquisition of interest in joint ventures and joint operations, which constitute businesses, in accordance with the methodology established in IFRS 3 – "Business Combinations". It is effective for annual periods beginning on January 1, 2016, with early adoption permitted by the IASB. The impact of this amendment will be felt only in the case of an acquisition of joint control.

- Amendment to IAS 16 – "Property, Plant and Equipment" and IAS 38 – "Intangible Assets" – This amendment clarifies the basic principle for depreciation and amortization as being the expected pattern of consumption of future economic benefits embodied in the asset. It is effective for annual periods beginning on January 1, 2016, with early adoption permitted by the IASB. No material impacts arising from this change on the consolidated financial statements of ITAÚSA were identified.

- Amendment to IAS 1 – "Presentation of Financial Statements" - The purpose of this amendment is to encourage companies to choose which information is relevant to the financial statements; to do this, it is necessary to determine which information is immaterial. The standard also clarifies that materiality is also applicable to the whole set of financial statements, including the notes thereto, and it is applicable to any and all disclosure requirements under the IFRS. This amendment is effective for the years beginning on January 1, 2016. The main impacts identified are related to the disclosure of accounting policies and judgments relating to materiality in the notes.

- Amendment to IAS 28, IFRS 10 and IFRS 12 – "Applying the Consolidation Exception"; - this document sets out guidelines for the application of the concept of investment entities. It is effective for years beginning on January 1, 2016. No material impacts arising from this change on the consolidated financial statements of ITAÚSA were identified.

b) Accounting pronouncements recently issued and applicable to future periods

The following pronouncements will be applicable for periods after the date of these consolidated financial statements and have not been adopted early:

- Amendment to IAS 12 – "Income Taxes" – This amendment includes clarification regarding the recognition of deferred taxes for unrealized losses on debt instruments measured at fair value, and is effective for the years started on or after January 1, 2017. The possible impacts arising from the adoption of this change are being assessed, and this assessment will be completed by the date from which this standard is in force.

- IFRS 9 – "Financial Instruments" – This pronouncement is meant to replace IAS 39 – "Financial Instruments": Recognition and Measurement. IFRS 9 Includes: (a) a logical model for classification and measurement; (b) a single impairment model for financial instruments, which provides a response to expected losses; (c) the exclusion of volatility in results arising from own credit risk; and (d) a new approach to hedge accounting. IFRS 9 will come into effect for years beginning on or after January 1, 2018. The possible impacts arising from the adoption of this amendment will be assessed up to the date on which this standard becomes effective.

- IFRS 15 – "Revenue from Contracts with Customers" – This pronouncement requires the recognition of revenue arising from the transfer of goods or services to customers at amounts that reflect the company's expectation of receiving as return the rights to these goods or services. IFRS 15 supersedes IAS 18, IAS 11, and related interpretations (IFRICs 13, 15 and 18), and is effective for the years beginning on or after January 1, 2018. Its early adoption is permitted by the IASB. The possible impacts arising from the adoption of this amendment will be assessed up to the date on which this standard becomes effective.

- Amendments to IFRS 10 – "Consolidated Financial Statements" and IAS 28 – "Investments in Associates and Joint Ventures". These amendments relate to an inconsistency between the requirements of IFRS 10 and IAS 28 (2011) regarding the sale or contribution of assets between an investor and its associates or joint ventures. The effective date has not been defined by the IASB yet. No material impacts arising from this change to the consolidated financial statements of the company were identified.

There are no other IFRS standards or IFRIC interpretations that have not yet come into force and that could have a significant impact on the company and its subsidiaries.

2.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the individual and consolidated financial statements in compliance with the CPCs requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenue, expenses, gains and losses over the reporting and subsequent periods, because actual results may differ from those determined in accordance with these estimates and assumptions.

All estimates and assumptions made by Management are in compliance with the CPCs and represent the current best estimates made in compliance with the applicable rules. Estimates and judgments are evaluated on an ongoing basis, considering past experience and other factors.

The consolidated financial statements reflect a variety of estimates and assumptions. The critical accounting estimates and assumptions that have the most significant impact on the carrying amounts of assets and liabilities are described below:

a) Deferred income tax and social contribution

As explained in Note 2.4m, deferred tax assets are recognized only in relation to temporary differences and losses carried-forward to the extent that it is probable that ITAÚSA and its subsidiaries will generate future taxable profits for their utilization. The expected realization of the deferred tax assets of ITAÚSA and its subsidiaries is based on the projection of future income and other technical studies, as disclosed in Note 12. The carrying amount of deferred tax assets was R$ 845 at March 31, 2016 (R$ 816 at December 31, 2015).

b) Fair value of financial instruments, including derivatives

The fair value of financial instruments, including derivatives that are not traded in active markets, is determined using valuation techniques. This calculation is based on assumptions that take into consideration Management's judgment regarding market information and conditions existing as at the balance sheet date.

ITAÚSA and its subsidiaries rank the fair value measurements using a fair value hierarchy that reflects the significance and observable nature of inputs adopted as part of the measurement process. There are three broad levels related to the fair value hierarchy, detailed in Note 27.

ITAÚSA and its subsidiaries believe that all of the methodologies they have adopted are appropriate and consistent with those used by other market participants. Regardless of this fact, the adoption of other methodologies or the use of different assumptions to estimate fair values may result in different fair value estimates.

The methodologies used to estimate the fair value of certain financial instruments are also described in Note 27.

c) Contingent assets and liabilities

ITAÚSA and its subsidiaries periodically review their contingencies. These contingencies are evaluated based on Management's best estimates, taking into account the opinion of legal counsel, when there is a likelihood that financial resources will be required to settle the obligations and the amounts may be reasonably estimated.

Contingencies classified as probable losses are recognized in the balance sheet under “Provision.”

Contingent amounts are measured using appropriate models and criteria, despite uncertainty surrounding the ultimate timing and amounts, as detailed in Note 15.

The carrying amount of these contingencies at March 31, 2016 was R$ 858 (R$ 771 at December 31, 2015).

d) Risk of variations in the fair value of biological assets

ITAÚSA and its subsidiaries use several estimates to value their forestry reserves, in accordance with the methodology established by CPC 29/IAS 41 – “Agriculture”. These estimates are based on market references, and are subject to changes that could impact on the consolidated financial information. Specifically, a 5% reduction in standing wood prices would result in a reduction in the fair value of biological assets to R$ 48, net of tax effects. If the discount rate used were increased by 0.5%, this would result in a reduction in the fair value of biological assets of about R$ 10, net of tax effects.

e) Benefits of pension plans

The current value of assets related to pension plans depends on a number of factors that are determined based on actuarial calculations, which use several assumptions. Among the assumptions adopted to calculate these amounts are assumptions regarding the discount rate and the current market conditions. Any changes in these assumptions will affect the corresponding book values.

f) Estimated impairment of goodwill

ITAÚSA and its subsidiaries test goodwill on an annual basis or if there is an indication that the goodwill may be impaired, in compliance with the accounting policy presented in Note 2.4. The balance could be impacted on by changes in the economic or market scenario.

2.4 SUMMARY OF MAIN ACCOUNTING PRACTICES

a) Consolidation and equity method

I. Subsidiaries

In compliance with CPC 36 / IAS 27 – "Consolidated Financial Statements", subsidiaries are entities over which ITAÚSA holds control. ITAÚSA controls an entity when it is exposed to, or is entitled to, variable returns arising from its involvement with that entity and it is capable of influencing these returns.

The table below shows the fully consolidated subsidiaries and joint ventures that are accounted for under the equity method.

	Incorporation country	Activity	Interest in capital at 03/31/2016	Interest in capital at 12/31/2015
Joint ventures				
IUPAR - Itaú Unibanco Participações S.A.	Brazil	Holding company	66.53%	66.53%
Itaú Unibanco Holding S.A.	Brazil	Holding company/Financial institution	37.31%	37.36%
Full consolidation				
Duratex S.A.	Brazil	Wood and bathroom porcelain and metals	35.53%	35.53%
Elekeiroz S.A.	Brazil	Chemical products	96.49%	96.49%
Itaúsa Empreendimentos S.A.	Brazil	Service	100.00%	100.00%
Itautec S.A.	Brazil	Information technology	97.80%	97.80%
ITH Zux Cayman	Cayman Islands	Holding	100.00%	100.00%
RT Diamond Multimercado Crédito Privado Fundo de Investimento	Brazil	Exclusive investment fund	100.00%	100.00%

II. Business combinations

Accounting for business combinations under CPC 15 / IFRS 3 – "Business Combinations" is applicable when a business is acquired. Under CPC 15 / IFRS 3, a business is defined as an integrated set of activities and assets that is conducted and managed for the purpose of providing a return to investors, or cost reduction or other economic benefits. In general, a business consists of inputs and processes applied to those inputs and the resulting outputs that are or will be used to generate income. If there is goodwill inherent in a set of activities or transferred assets, this is presumed to be a business. For acquisitions that meet the definition of businesses, accounting under the acquisitions method is required.

The acquisition cost is measured at the fair value of the assets delivered, equity instruments issued and liabilities incurred or assumed at the exchange date, plus costs directly attributable to the acquisition. Acquired assets and assumed liabilities and contingent liabilities identifiable in a business combination are initially measured at their fair value at the acquisition date, regardless of the existence of non-controlling interests. The excess of the acquisition cost over the fair value of identifiable net assets acquired is accounted for as goodwill.

The treatment of goodwill is described in Note 2.4 j. If the acquisition cost is lower than the fair value of the identifiable net assets acquired, the difference is recognized directly in income.

For each business combination, the acquirer should measure any non-controlling interest in the acquired company at the fair value or at an amount proportional to its interest in net assets of the acquired company.

III. Transactions with non-controlling interests

CPC 36 / IAS 27 – "Consolidated Financial Statements" establishes that changes in ownership interests in a subsidiary, that do not result in a change of control are accounted for as capital transactions and any difference between the amount paid and the carrying value of the stake held by non-controlling stockholders is recognized directly in consolidated stockholders' equity.

b) FOREIGN CURRENCY TRANSLATION

II. Functional and presentation currency

The consolidated financial statements of ITAÚSA and its subsidiaries are presented in Brazilian reais. The real is the functional currency of ITAÚSA and its subsidiaries, and the presentation currency of these consolidated financial statements. For each investment held, ITAÚSA and its subsidiaries have defined the functional currency.

CPC 02 / IAS 21 – "The Effects of Changes in Foreign Exchange Rates and the Translation of Financial statements" defines the functional currency as the currency of the primary economic environment in which the entity operates. If the indicators are mixed and the functional currency is not obvious, Management has to use its judgment to determine the functional currency that most faithfully represents the economic effects of the entity's operations, focusing on the currency that mainly influences the pricing of transactions. Additional indicators include the currency in which financing or in which funds from operating activities are generated or received, as well as the nature of activities and the extent of transactions between the foreign subsidiaries and the other entities of the consolidated group.

The assets and liabilities of subsidiaries with a functional currency other than the Brazilian real are translated as follows:

- Assets and liabilities are translated at the closing rate at the balance sheet date;
- Income and expenses are translated at monthly average exchange rates;
- Exchange differences arising from translation are recorded in "Cumulative comprehensive income".

III. Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Consolidated Statement of Income under "Income or financial expenses".

In the case of changes in the fair value of monetary assets denominated in foreign currency classified as available for sale, the exchange differences resulting from a change in the amortized cost of the instrument are separated from all other changes in the carrying amounts of the instruments. The exchange differences resulting from a change in the amortized cost of the instrument are recognized in the income statement, while those resulting from other changes in the carrying amount, except impairment losses, are recognized in "Cumulative comprehensive income" until derecognition or impairment.

c) CASH AND CASH EQUIVALENTS

ITAÚSA CONSOLIDATED defines "cash and cash equivalents" as cash and current accounts in banks (included under the heading "Cash and deposits on demand"), securities and financial assets that have original maturities equal to or less than 90 days, as shown in Note 3.

d) FINANCIAL ASSETS

I. Classification

ITAÚSA and its subsidiaries classifies its financial assets, upon initial recognition, depending on the purpose for which they are acquired. The classifications used are: designated at fair value through profit or loss, held-to-maturity, loans and receivables and available-for-sale financial assets.

(a) Financial assets designated at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading.

A financial asset is classified in this category if it is acquired particularly to be sold in the short term. Assets in this category are classified as current assets.

(b) Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that an entity has the positive intention and ability to hold to maturity, other than those that the entity designates upon initial recognition as being at fair value through profit or loss.

(c) Loans and receivables

These are non-derivative financial assets that are not quoted in an active market and that have either fixed or determinable payments. They are presented as current assets, except for those the maturity period of wich is in excess of 12 months after the balance sheet date (these are classified as non-current assets). Financial assets recognized by ITAÚSA and its subsidiaries in this category of financial instruments are mainly: cash and cash equivalents, trade accounts receivable, and securities.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative assets, which are designated in this category or which are not classified in any of the previous categories. They are recorded as noncurrent assets, unless Management intends to sell the investment within 12 months of the reported period date.

I. Recognition and measurement

Purchases and sales of financial assets are usually recognized as at the trade date. Investments are initially recognized at fair value plus transaction costs for all financial assets not classified at fair value through profit or loss. Financial assets are written off when the rights to receive cash flow have expired or have been transferred, in the latter case provided that ITAÚSA and its subsidiaries have substantially transferred all of the risks and benefits of the property. The available-for-sale financial assets are subsequently accounted for at fair value. Loans and receivables are accounted for at amortized cost, based on the effective interest rate method.

Exchange variations on non-monetary financial assets and liabilities, such as investments in shares classified as available for sale, are recognized in the “Other comprehensive income” account, under stockholders’ equity.

When securities classified as available for sale are sold or impaired, accumulated adjustments to the fair value recognized in equity are included in the statement of income as "Financial Result".

Dividends from available-for-sale financial assets, such as investments in shares, are recognized in the statement of income as part of other revenue, when ITAÚSA and its subsidiaries right to receive dividends has been established.

The fair values of investments with public quotations are based on current purchase prices. If the market for a financial asset (and securities not listed on a stock exchange) is not active, ITAÚSA and its subsidiaries establish the fair value based on valuation techniques. These techniques include the use of transactions recently carried out with third parties, reference to other instruments that are substantially similar, discounted cash flow analysis and option pricing models that make the greatest possible use of information generated by the market and that rely to the least extent possible on information generated by the company’s Management itself.

II- Offsetting of financial instruments

Financial assets and liabilities are offset against each other and the net amount is reported in the balance sheet solely when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle them or to realize the asset and simultaneously settle the liability.

III. Impairment of financial assets

(i) Assets measured at amortized cost

ITAÚSA and its subsidiaries assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events occurring after the initial recognition of assets (a "loss event") and that loss event (or events) impact(s) on the estimated future cash flow of a financial asset or group of financial assets that may be reliably estimated.

The criteria adopted by ITAÚSA to determine whether there is objective evidence of impairment loss include:

(i) Significant financial difficulty of the issuer or debtor;
(ii) A breach of contract, such as default or late payment of interest or principal;
(iii) Granting by the group, for economic or legal reasons related to the debtor's financial difficulty, of concessions to a borrower that a creditor would not usually consider;
(iv)Probability that the debtor will file for bankruptcy or other financial reorganization;
(v) The disappearance of an active market for that financial asset due to financial difficulties; or
(vi)Indications from observable data that there is a measurable reduction in estimated future cash flow based on a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

- Adverse changes in the payment condition of the debtors in the portfolio;
- National or local economic conditions that are correlated with default on the assets in the portfolio.

The amount of impairment loss is measured as the difference between the asset´s carrying amount and the present value of estimated future cash flow (excluding future credit losses that have not been incurred) discounted at the original effective interest rate of the financial assets. The book value of the asset is reduced and the loss amount is recognized in the statement of income. If an account receivable or an investment held to maturity has a variable interest rate, the discount rate used to measure an impairment loss is the effective interest rate established in accordance with the agreement. In practice, ITAÚSA and its subsidiaries may measure impairment based on the fair value of an instrument using an observable market price.

If, in a subsequent period, the impairment loss amount decreases and the reduction is objectively related to an event that has taken place after the impairment is recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized loss will be recognized in the statement of income.

(ii) Assets classified as available-for-sale

ITAÚSA and its subsidiaries assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

In the case of investments in equity securities classified as available-for-sale, a significant or long-lasting decrease in the fair value of the security below its cost is evidence that the asset is impaired. Should there be any evidence of this type for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on the financial asset previously recognized in income (loss) – will be excluded from equity and recognized in the statement of income.

Equity instrument impairment losses recognized in the statement of income are not reversed through the statement of income.

e) DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Derivatives are initially recognized at fair value on the date when the derivative agreement is entered into, and are subsequently remeasured at fair value through the results.

Derivatives are contracted as a form of financial risk management, and the ITAÚSA policy is not to enter into leveraged derivative transactions.

Although the Company does not have a hedge accounting policy, it has designated certain debts at fair value through profit or loss, because of the existence of derivative financial assets directly related to loans, as a means of avoiding the recognition of gains and losses in different periods.

Hedges of net investments in foreign operations are recorded as cash flow hedges. Any gain or loss on the hedging instruments is recognized in stockholders' equity in "Carrying value adjustments", and the gains or losses related to the non-effective portion are reported in the statement of income immediately in "Other (losses) / gains, net".

Gains and losses accumulated in equity are included in the statement of income when the foreign operation is partially or totally transferred or sold.

f) TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable are recorded and maintained at the nominal value of the amounts obtained on sales of products, plus exchange variations, where applicable. Trade accounts receivable substantially relate to short-term operations and are, therefore, not discounted to present value as no significant adjustment would arise therefrom. The provision for doubtful receivables (allowance for doubtful accounts or impairment) is constituted based on the analysis of risks regarding the realization of the credits receivable, in amounts considered sufficient by management to cover potential losses on the realization of these assets.

Recoveries of written-off items are credited to "Other operating income", in the statement of income.

g) INVENTORY

Inventory is stated at cost or net realizable value, whichever is lower. Cost is determined using the average cost of purchase or production. The cost of finished goods and products in progress comprises raw materials, direct labor, and other direct costs, excluding borrowing costs, and is recognized in income when products are sold. When applicable, a valuation allowance is recognized for inventory, product obsolescence and physical inventory losses.

Imports in transit are stated at the cost of each import.

The net realizable value is the selling price estimated in the ordinary course of business, less the applicable variable selling expenses.

h) INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

I. Associates

In conformity with CPC 18 / IAS 28 – “Investment in Affiliates, Subsidiaries and Joint-Ventures”, associates include those companies over which the investor has significant influence, but not control; significant influence is usually presumed to exist when an interest in the voting capital of 20% to 50% is held. Investments in these companies are initially recognized at the cost of acquisition and subsequently accounted for under the equity method. Investments in unconsolidated companies include the goodwill identified upon acquisition, net of any cumulative impairment loss.

II. Joint ventures

In accordance with CPC 19 / IAS 31 – “Investments in Joint Businesses”, investments in joint businesses are classified as joint operations or joint ventures.

The classification depends on the contractual rights and obligations held by each investor, rather than the legal structure of the joint business.

The share of ITAÚSA and its subsidiaries, in the profits or losses of their unconsolidated companies after acquisition is recognized in the consolidated statement of income. The share of changes in the reserves of corresponding stockholders’ equity of their unconsolidated companies is recognized in their own reserves in stockholders’ equity. The cumulative changes after acquisition are adjusted against the carrying amount of the investment. When the share of ITAÚSA and its subsidiaries in the losses of an unconsolidated company is equal to or above their interest in the unconsolidated company, including any other receivables, ITAÚSA and its subsidiaries do not recognize additional losses, unless they have incurred any obligations or made payments on behalf of the unconsolidated company.

Unrealized gains on transactions between ITAÚSA and its subsidiaries and its unconsolidated companies are eliminated to the extent of the interest of ITAÚSA and its subsidiaries. Unrealized losses are also eliminated, unless the transaction provides evidence of the impairment of the asset transferred. The accounting policies of unconsolidated companies have been changed, when necessary, to ensure consistency with the policies adopted by ITAÚSA and its subsidiaries.

If the interest in the unconsolidated company decreases, but ITAÚSA CONSOLIDATED retains significant influence, only a proportional amount of the amounts previously recognized in “Other comprehensive income” is reclassified to income, when appropriate.

Gains and losses from dilution arising from investments in unconsolidated companies are recognized in the consolidated statement of income under “Share of income in associates and joint ventures”.

i) FIXED ASSETS

In accordance with CPC 27 / IAS 16 – “Property, Plant and Equipment”, fixed assets are recognized at cost of acquisition less accumulated depreciation, which is calculated using the straight-line method and rates based on the estimated useful lives of these assets. These rates are presented in Note 9.

The residual values and useful lives of assets are reviewed and adjusted, if appropriate, at the end of each year.

ITAÚSA and its subsidiaries review their assets in order to identify whether any indication of impairment exists. If such indications are identified, fixed assets are tested for impairment. In accordance with CPC 01 / IAS 36 – “Impairment of Assets”, impairment losses are recognized at the amount for which the carrying amount of the asset (or group of assets) exceeds the recoverable amount, and they are recognized in the consolidated statement of income. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which independent cash flow can be identified (cash-generating units.). The assessment can be made at an individual asset level when the fair value less cost to sell can be determined reliably.

Gains and losses on disposals of fixed assets are recognized in the consolidated statement of income under “Other (losses)/gains, net”.

j) GOODWILL

In accordance with CPC 15 / IFRS 3 – “Business Combinations”, goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets and liabilities of the entity acquired at the date of acquisition. Goodwill is not amortized, but its recoverable amount is tested for impairment annually or when there is any indication of impairment, using an approach that involves the identification of cash-generating units and estimates of fair value less cost to sell and/or value in use.

As defined in CPC 01 / IAS 36 – “Impairment of Assets”, a cash-generating unit is the lowest identifiable group of assets that generates cash flow that is independent of the cash inflows from other assets or groups of assets. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination.

CPC 01 / IAS 36 determines that an impairment loss shall be recognized for a cash-generating unit if the recoverable amount of the cash-generating unit is less than its carrying amount. The loss shall be allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit, and then to the other assets of the unit on a pro rata basis in respect of the carrying amount of each asset. The loss cannot reduce the carrying amount of an asset below the higher of its fair value less costs to sell or its value in use. The impairment losses on goodwill cannot be reversed.

The goodwill of unconsolidated companies is reported as part of the investments in the consolidated balance sheet under “Investments in associates and jointly controlled entities”, and the impairment testing is carried out in relation to the total balance of the investments (including goodwill).

k) INTANGIBLE ASSETS – OTHER INTANGIBLE ASSETS

Intangible assets are non-physical assets, including software and other assets, and are initially recognized at cost. Intangible assets are recognized when they arise from legal or contractual rights, their costs can be reliably measured, and if, in the case of intangible assets not arising from separate acquisitions or business combinations, it is probable that future economic benefits will arise from their use. The balance of intangible assets relates to assets acquired or internally generated.

Intangible assets may have finite or indefinite useful lives. Intangible assets with finite useful lives are amortized using the straight-line method over their estimated useful lives. Intangible assets with indefinite useful lives are not amortized, but are tested annually in order to identify any indication of impairment.

ITAÚSA and its subsidiaries assess their intangible assets semi-annually in order to identify whether any indications of impairment exist, as well as the possible reversal of previous impairment losses. If any such indications are found, intangible assets are tested for impairment. In accordance with CPC 01 / IAS 36, impairment losses are recognized as the difference between the carrying and recoverable amount of an asset (or group of assets) in the consolidated statement of income. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell or its value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which cash flow can be separately identified (the cash-generating unit level). The assessment can be made at an individual asset level when the fair value less cost to sell can be determined reliably.

As provided for in CPC 4 / IAS 38 – “Intangible Assets”, ITAÚSA and its subsidiaries have chosen the cost model to measure their intangible assets after their initial recognition.

l) BIOLOGICAL ASSETS

Forest reserves are recognized at their fair value, less estimated costs to sell at harvest time, in accordance with Note 11. For immature plantations (up to one year of life), their cost is considered to be close to their fair value. Gains and losses arising from the recognition of a biological asset at its fair value, less costs to sell, are recognized in the statement of income. The depletion appropriated in the statement of income is formed by the portion of the formation cost and the portion related to the difference of the fair value.

m) INCOME TAX AND SOCIAL CONTRIBUTION

There are two components of the provision for income tax and social contribution: current and deferred.

The current income tax expense approximates the taxes to be paid or recovered for the applicable period. Current assets and liabilities are recorded in the balance sheet under “Tax assets – income tax and social contribution - current” and “Tax liabilities – income tax and social contribution - current”, respectively.

The deferred income tax and social contribution represent deferred tax assets and liabilities, and are based on the differences between the tax bases of assets and liabilities and the amounts reported in the financial statements at each year-end. Deferred tax assets, including those arising from tax losses, are only recognized when it is probable that future taxable income will be available for offsetting. Deferred tax assets and liabilities are recognized in the balance sheet under “Tax assets – income tax and social contribution – deferred” and “Tax liabilities – income tax and social contribution – deferred”, respectively.

Income tax and social contribution expenses are recognized in the consolidated statement of income under “Income tax and social contribution”, except when they relate to items directly recognized in “Cumulative comprehensive income”, such as: deferred tax on the fair value measurement of available-for-sale financial assets, and tax on cash flow hedges. Deferred taxes on such items are initially recognized in “Cumulative comprehensive income” and subsequently recognized in “Income” together with the recognition of the gain/loss originally deferred.

Changes in tax legislation and tax rates are recognized in the consolidated statement of income under “Income tax and social contribution” in the period in which they are enacted. Interest and fines are recognized in the consolidated statement of income under “General and administrative expenses”. Income tax and social contribution are calculated at the rates shown below, considering the respective taxable bases, based on the current legislation related to each tax, which, in the case of the operations in Brazil, are equal for all the reporting periods as follows:

Income tax	15%
Additional income tax	10%
Social contribution	9%

In order to determine the proper level of provision for taxes to be maintained for uncertain tax positions, a two-phase approach has been applied, according to which a tax benefit is recognized if it is more probable than not that a position can be sustained. The benefit amount is then measured as the highest tax benefit when its probability of realization is over 50%.

n) EMPLOYEE BENEFITS

Pension plans – defined contribution

ITAÚSA and its subsidiaries offer a defined contribution plan to all employees, managed by Fundação Itaúsa Industrial. The plan regulations provide for contributions by sponsors that range from 50% to 100% of the amount contributed by the employees. ITAÚSA and its subsidiaries have offered this defined contribution plan to their employees in the past, but this plan is being extinguished and no new participants can be enrolled.

Regarding the defined contribution plan, there is no additional payment obligation after the contribution is made. Contributions are recognized as expenses for employee benefits, when due. Contributions made in advance are recognized as an asset in the proportion in which these contributions cause an effective reduction in future payments.

o) STOCK-BASED COMPENSATION

Stock-based compensation is accounted for in accordance with CPC 10 / IFRS 2 – “Share Based Payment”, which requires an entity to measure the value of equity instruments granted, based on their fair value as at the grant dates of the options. This cost is recognized during the vesting period of the right to exercise the instruments.

The total amount to be expensed is determined with reference to the fair value of the options granted, excluding the impact of any service and non-market performance vesting conditions (notably an employee remaining with the entity over a specified time period). The fulfillment of non-market vesting conditions is included among the assumptions regarding the number of options that are expected to be exercised. At the end of each period the entity revises its estimates regarding the number of options that are expected to be exercised based on non-market vesting conditions. It recognizes the impact of revision to the original estimates, if any, in the statement of income, with a corresponding adjustment to the stockholders’ equity.

When the options are exercised, the subsidiaries generally deliver treasury shares to the beneficiaries.

The fair value of stock options is estimated using option pricing models that take into account the exercise price of the option, the current stock price, the risk-free interest rate, the expected volatility of the stock price and the life-span of the option.

All stock-based compensation plans established by subsidiaries correspond to plans that can be settled exclusively through the delivery of shares – Note 17.

p) LOANS AND FINANCING

Borrowing is initially recognized at its fair value when funds are received, net of transaction costs, and subsequently stated at amortized cost – that is, with the addition of charges and interest proportional to the period that has elapsed (calculated on a pro rata basis), using the effective interest rate method, except for borrowing that is hedged by derivative instruments, which is stated at fair value.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, i.e. an asset in respect of which a substantial period of time is required to prepare it for its intended use or sale, are capitalized as part of the cost of the asset when it is probable that these costs will result in future economic benefits to the entity that can be reliably measured. Other borrowing costs are recognized as expenses in the year in which they are incurred.

q) CAPITAL AND TREASURY SHARES

Capital

Common and preferred shares are classified in stockholders’ equity. The additional costs directly attributable to the issue of new shares are included in stockholders’ equity as a deduction from the amount raised, net of taxes.

Treasury shares

Common and preferred shares that are repurchased are recorded in stockholders’ equity under “Treasury shares” at their average purchase prices.

Treasury shares that are subsequently sold, such as those sold to grantees under ITAÚSA's stock option plan, are recorded as a reduction in "treasury shares", measured at the average price of treasury stock held at that date.

The difference between the sale price and the average price of the treasury shares is recorded as a reduction or an increase in "Additional paid-in capital" depending upon the circumstances. The cancellation of treasury shares is recorded as a reduction in treasury shares against appropriated reserves, at the average price of the treasury shares at the cancellation date.

r) DIVIDENDS AND INTEREST ON CAPITAL

Pursuant to the Company's bylaws, the stockholders are entitled to a mandatory minimum dividend of 25% of the net income for the year, in the form of quarterly payments, adjusted in accordance with the legislation in force. Minimum dividend amounts established in the bylaws are recorded as liabilities at the end of each quarter. Any other amount above the mandatory minimum dividend is accounted for as a liability when it is approved by the stockholders at a Stockholder´s Meeting. Since January 1, 1996, Brazilian companies have been permitted to apply a tax-deductible nominal interest rate charge on net equity (called interest on capital).

For accounting purposes interest on capital is treated as a dividend and is presented as a reduction of stockholders' equity in the financial statements. The related tax benefit is recorded in the statement of income.

s) EARNINGS PER SHARE

Earnings per share are computed by dividing the net income attributable to the owners of ITAÚSA by the weighted average number of common and preferred shares outstanding for each reporting period. The weighted average number of shares is computed based on the periods for which the shares were outstanding.

Earnings per share are presented based on the two types of stock issued by ITAÚSA. Both types, common and preferred, participate in dividends on substantially the same basis, except that preferred shares are entitled to a priority non-cumulative minimum annual dividend of R$ 0.01 per share. Earnings per share are computed based on the distributed earnings (dividends and interest on capital) and undistributed earnings of ITAÚSA after giving effect to the preference indicated above, without regard to whether the earnings will ultimately be fully distributed. Earnings per share amounts have been determined as if all earnings had been distributed and computed following the requirements of CPC 41 / IAS 33 – "Earnings per Share".

t) REVENUE

Sales of products

Revenue from the sale of products is recognized in income at the time when all risks and benefits inherent in the product are transferred to the purchaser. Revenue is not recognized if there is a significant uncertainty regarding its realization.

u) SEGMENT INFORMATION

CPC 22 / IFRS 8 – "Segment Information" determines that operating segments must be disclosed consistently with the information provided to the chief operating decision-maker, who is the person or group of persons who allocates resources to the segments and assesses their performance. ITAÚSA considers that its Board of Directors is the chief operating decision-maker.

ITAÚSA has the following business segments: the Financial Area and the Industrial Area, subdivided into Duratex, Itautec and Elekeiroz.

Segmental information is presented in Note 25.

NOTE 3 - CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statements of cash flow, cash and cash equivalents include the following items (amounts with original maturity terms that are equal to or less than 90 days):

	03/31/2016	12/31/2015
Cash and deposits on demand	65	80
Investments in fixed income and investment funds	324	348
Bank deposit certificates	727	944
Repurchase agreements	645	802
Total	**1,761**	**2,174**

NOTE 4 - FINANCIAL ASSETS HELD FOR TRADING

	03/31/2016	12/31/2015
Subordinated financial bills	59	61
Financial treasury bills	226	221
Total	**285**	**282**

NOTE 5 - TRADE ACCOUNTS RECEIVABLE

Trade Accounts Receivable	03/31/2016	12/31/2015
Domestic customers	869	864
Foreign customers	137	148
Related parties	35	43
Impairment	(64)	(59)
Total	**977**	**996**

The balances of accounts receivable by maturity are as follows:

Maturities	03/31/2016	12/31/2015
Not yet due	908	931
Past-due up to 30 days	28	29
From 31 to 60 days	12	10
From 61 to 90 days	5	4
From 91 to 180 days	10	7
More than 180 days	78	74
Total	**1,041**	**1,055**

Below are the changes in the allowance for doubtful accounts for the period ended March 31, 2016.

	03/31/2016	12/31/2015
Opening balance	(59)	(43)
Constitution of provision	(7)	(19)
Reversal (income statement)	1	1
Write-offs	1	6
Acquisition of DuchaCorona	-	(4)
Closing Balance	**(64)**	**(59)**

NOTE 6 - OTHER ASSETS AND LIABILITIES

a) Other assets

	03/31/2016		12/31/2015	
	Current	Non-Current	Current	Non-Current
Other financial assets	**393**	**253**	**919**	**257**
Deposits as guarantees for contingent liabilities	-	91	-	104
Dividends and interest on stockholders' equity receivable	339	-	835	-
Amounts receivable from the sale of fixed assets	6	14	19	9
Retirement plan assets (Note 24)	-	118	3	122
Government debt certificates	-	11	-	10
Acquisition escrow accounts	5	19	5	12
Other amounts receivable	43	-	57	-
Other non-financial assets	**37**	**-**	**13**	**-**
Prepaid expenses	25	-	6	-
Other	12	-	7	-

b) Other liabilities

	03/31/2016		12/31/2015	
	Current	Non-Current	Current	Non-Current
Suppliers	132	-	271	-
Personnel provision	124	-	147	-
Partnerships in which some partners are passive [(1)]	24	94	108	-
Advances from customers	22	6	22	6
Acquisitions of companies	25	34	24	33
Deferred income	-	-	7	-
Freight and insurance payable	23	-	17	-
Commission payable	8	-	8	-
Acquisitions of reforestation areas and fixed assets	8	-	8	-
Provision for warranties and restructuring costs	21	4	17	28
Advance for capital increase by subscription of shares	40	-	-	-
Other	120	-	32	33
Total	**547**	**138**	**661**	**100**

(1) Refers to the value of the participation of third parties in the reforestation projects the group, to which the Duratex subsidiary Duratex Florestal has contributed forest assets, basically forest reserves and the equity holders have contributed in kind.

NOTE 7 – INVENTORY

	03/31/2016	12/31/2015
Raw materials, supplies and packaging	340	381
Finished products	388	366
Work in progress	118	117
Showrooms	107	107
Advances to suppliers	3	3
Allowance for inventory losses	(2)	(6)
Total	**954**	**968**

The cost of inventory recognized in results and included in “Cost of products and services” totaled R$ 900 at March 31, 2016 (R$ 916 at March 31, 2015).

At March 31, 2016 and December 31, 2015, the subsidiaries of ITAÚSA did not have any inventory pledged as collateral.

NOTE 8 – INVESTMENTS

I) ITAÚSA

a) Subsidiaries and joint ventures stockholders' equity

Stockholders' equity	Joint Ventures		Subsidiaries				
	Itaú Unibanco Holding S.A.	IUPAR - Itaú Unibanco Participações S.A.	Duratex S.A.	Elekeiroz S.A.	Itautec S.A.	Itaúsa Empreend. S.A.	ITH Zux Cayman company Ltd.
Stockholders' equity at 01/01/2015							
Capital	75,000	7,430	1,868	321	272	52	32
Treasury shares	(1,328)	-	(28)	-	-	-	-
Carrying value adjustments	(431)	(332)	405	(1)	-	2	-
Reserves	24,511	17,320	2,298	145	(163)	52	(31)
Other	1,508	-	-	-	-	-	-
Balance at 01/01/2015	**99,260**	**24,418**	**4,543**	**465**	**109**	**106**	**1**
Changes from 01/01 to 03/31/2015	**1,105**	**305**	**59**	**(4)**	**(11)**	**-**	**-**
Net income	5,673	414	67	(4)	(11)	-	-
Treasury shares	(302)	-	-	-	-	-	-
Dividends and interest on capital	(4,449)	(155)	(43)	-	-	-	-
Other comprehensive income	428	111	33	-	-	-	-
Other	(245)	(65)	2	-	-	-	-
Stockholders' equity at 03/31/2015							
Capital	75,000	7,430	1,868	321	272	52	39
Treasury shares	(1,667)	-	(28)	-	-	-	-
Carrying value adjustments	(3)	(221)	438	(1)	-	-	-
Reserves	25,623	17,514	2,324	141	(174)	54	(38)
Other	1,412	-	-	-	-	-	-
Balance at 03/31/2015	**100,365**	**24,723**	**4,602**	**461**	**98**	**106**	**1**
Stockholders' equity at 01/01/2016							
Capital	85,148	12,430	1,868	322	272	262	47
Treasury shares	(4,353)	-	(28)	-	-	-	-
Carrying value adjustments	(1,290)	(557)	459	-	-	-	-
Reserves	31,014	16,384	2,233	133	(195)	43	(45)
Other	1,733	-	-	-	-	-	-
Balance at 01/01/2016	**112,252**	**28,257**	**4,532**	**455**	**77**	**305**	**2**
Changes from 01/01 to 03/31/2016	**835**	**173**	**(55)**	**(16)**	**(12)**	**-**	**-**
Net income	5,711	619	(31)	(16)	(12)	-	-
Treasury shares	97	-	-	-	-	-	-
Dividends and interest on capital	(3,841)	(130)	-	-	-	-	-
Other comprehensive income	(752)	(197)	(15)	-	-	-	-
Other	(380)	(119)	(9)	-	-	-	-
Stockholders' equity at 03/31/2016							
Capital	85,148	12,430	1,868	322	272	262	43
Treasury shares	(4,144)	-	(28)	-	-	-	-
Carrying value adjustments	(2,042)	(754)	444	-	-	-	-
Reserves	32,720	16,754	2,193	117	(207)	43	(41)
Other	1,405	-	-	-	-	-	-
Balance at 03/31/2016	**113,087**	**28,430**	**4,477**	**439**	**65**	**305**	**2**

b) Interest in capital of subsidiaries and joint ventures

Below is the composition of the share capital of subsidiaries and joint ventures, and the quantities held by ITAÚSA:

Interest in capital	Joint Ventures		Subsidiaries				
	Itaú Unibanco Holding S.A.	IUPAR - Itaú Unibanco Participações S.A.	Duratex S.A.	Elekeiroz S.A.	Itautec S.A.	Itaúsa Empreend. S.A.	ITH Zux Cayman Company Ltd.
Outstanding Common shares at 03/31/2015	**2,770,034,003**	**710,454,184**	**663,079,679**	**14,518,150**	**11,199,367**	**752,189**	**12,200,000**
Shares of capital	2,770,036,544	710,454,184	665,565,438	14,518,150	11,199,367	752,189	12,200,000
Treasury shares	(2,541)	-	(2,485,759)	-	-	-	-
Outstanding Preferred shares at 03/31/2015	**2,698,953,678**	**350,942,273**	**-**	**16,967,020**	**-**	**-**	**-**
Shares of capital	2,760,796,137	350,942,273	-	16,967,020	-	-	-
Treasury shares	(61,842,459)	-	-	-	-	-	-
Outstanding shares at 03/31/2015	**5,468,987,681**	**1,061,396,457**	**663,079,679**	**31,485,170**	**11,199,367**	**752,189**	**12,200,000**
Number of shares owned by ITAÚSA at 03/31/2015	**1,071,116,200**	**706,169,365**	**235,621,037**	**30,379,121**	**10,953,371**	**752,189**	**12,200,000**
Common shares	1,071,022,909	355,227,092	235,621,037	14,261,761	10,953,371	752,189	12,200,000
Preferred shares	93,291	350,942,273	-	16,117,360	-	-	-
Direct interest at 03/31/2015							
Interest in capital	19.59%	66.53%	35.53%	96.49%	97.80%	100.00%	100.00%
Interest in voting capital	38.66%	50.00%	35.53%	98.23%	97.80%	100.00%	100.00%
Common shares in circulation at 03/31/2016	**3,047,037,403**	**710,454,184**	**663,079,679**	**14,518,150**	**11,199,367**	**2,186,700**	**12,200,000**
Shares of capital	3,047,040,198	710,454,184	665,565,438	14,518,150	11,199,367	2,186,700	12,200,000
Treasury shares	(2,795)	-	(2,485,759)	-	-	-	-
Preferred shares in circulation at 03/31/2016	**2,881,647,042**	**350,942,273**	**-**	**16,967,020**	**-**	**-**	**-**
Shares of capital	3,036,875,751	350,942,273	-	16,967,020	-	-	-
Treasury shares	(155,228,709)	-	-	-	-	-	-
Outstanding shares at 03/31/2016	**5,928,684,445**	**1,061,396,457**	**663,079,679**	**31,485,170**	**11,199,367**	**2,186,700**	**12,200,000**
Number of shares owned by ITAÚSA at 03/31/2016	**1,178,227,819**	**706,169,365**	**235,621,037**	**30,379,121**	**10,953,371**	**2,186,700**	**12,200,000**
Common shares	1,178,125,199	355,227,092	235,621,037	14,261,761	10,953,371	2,186,700	12,200,000
Preferred shares	102,620	350,942,273	-	16,117,360	-	-	-
Direct interest at 03/31/2016							
Interest in capital	(1) 19.87%	66.53%	35.53%	96.49%	97.80%	100.00%	100.00%
Interest in voting capital	(2) 38.66%	50.00%	35.53%	98.23%	97.80%	100.00%	100.00%

(1) Itaúsa holds a direct interest in Itaú Unibanco Holding S.A. of 19.87% and an indirect interest of 17.44% through the investment in the jointly-controlled subsidiary Itaú Unibanco Participações S.A.(IUPAR), which holds a 26.21% direct interest in Itaú Unibanco Holding S.A., totaling 37.31% interest in the capital.

(2) The direct interest in the common shares of Itaú Unibanco Holding S.A. is 38.66% and the indirect interest is 25.5% through the investment in the jointly-controlled subsidiary Itaú Unibanco Participações S.A.(IUPAR), which holds a 51% direct interest in the common shares of Itaú Unibanco Holding S.A., totaling 64.16% of the voting capital.

c) Changes in investments

Investments	Joint Ventures		Subsidiaries					Total
	Itaú Unibanco Holding S.A.	IUPAR - Itaú Unibanco Participações S.A.	Duratex S.A.	Elekeiroz S.A.	Itautec S.A.	Itaúsa Empreend. S.A.	ITH Zux Cayman Company Ltd.	
Investment balance at 01/01/2015								
Interest in capital	19,413	16,246	1,607	449	106	106	1	37,928
Unrealized income (loss)	(14)	-	-	-	-	-	-	(14)
Fair value - identifiable assets and liabilities	121	-	-	-	-	-	-	121
Balance at 01/01/2015	**19,520**	**16,246**	**1,607**	**449**	**106**	**106**	**1**	**38,035**
Changes from 01/01 to 03/31/2015	**235**	**203**	**21**	**(4)**	**(11)**	**-**	**-**	**444**
Share of income	1,739	276	24	(4)	(11)	-	-	2,024
Dividends and interest on capital	(1,539)	(103)	(15)	-	-	-	-	(1,657)
Other comprehensive income	84	73	12	-	-	-	-	169
Other	(49)	(43)	-	-	-	-	-	(92)
Investment balance at 03/31/2015								
Interest in capital	19,657	16,449	1,628	445	95	106	1	38,381
Unrealized income (loss)	(13)	-	-	-	-	-	-	(13)
Fair value - identifiable assets and liabilities	111	-	-	-	-	-	-	111
Balance at 03/31/2015	**19,755**	**16,449**	**1,628**	**445**	**95**	**106**	**1**	**38,479**
Market value at 03/31/2015	**70,849**	**-**	**2,050**	**234**	**176**	**-**	**-**	**73,309**
Investment balance at 01/01/2016								
Interest in capital	22,336	18,800	1,603	440	75	305	2	43,561
Unrealized income (loss)	(13)	-	-	-	-	-	-	(13)
Fair value - identifiable assets and liabilities (Note 23a)	93	-	-	-	-	-	-	93
Balance at 01/01/2016	**22,416**	**18,800**	**1,603**	**440**	**75**	**305**	**2**	**43,641**
Changes from 01/01 to 03/31/2016	**135**	**115**	**(19)**	**(16)**	**(12)**	**-**	**-**	**203**
Share of income	1,725	412	(11)	(16)	(12)	-	-	2,098
Dividends and interest on capital	(1,350)	(86)	-	-	-	-	-	(1,436)
Capital increase	-	-	-	-	-	-	-	-
Other comprehensive income	(150)	(131)	(5)	-	-	-	-	(286)
Other	(90)	(80)	(3)	-	-	-	-	(173)
Investment balance at 03/31/2016								
Interest in capital	22,475	18,915	1,584	424	63	305	2	43,768
Unrealized income (loss)	(13)	-	-	-	-	-	-	(13)
Fair value - identifiable assets and liabilities (Note 23a)	89	-	-	-	-	-	-	89
Balance at 03/31/2016	**22,551**	**18,915**	**1,584**	**424**	**63**	**305**	**2**	**43,844**
Market value at 03/31/2016	**69,173**	**-**	**1,906**	**213**	**158**	**-**	**-**	**71,450**

II) ITAÚSA CONSOLIDATED

a) Composition of investments in associates and jointly controlled entities

	Interest % at 12/31/2015		12/31/2015			01/01 to 03/31/2015	
	Total	Voting	Stockholders' equity	Investment balance	Market value	Net income	Share of income
Itaú Unibanco Holding	37.36	64.16	112,252	22,416	58,179	5,673	- 1,739
IUPAR - Itaú Unibanco Participações	66.53	50.00	28,257	18,800	-	414	- 276
Total				**41,216**			**2,015**

	Interest % at 03/31/2016		03/31/2016			01/01 to 03/31/2016	
	Total	Voting	Stockholders' equity	Investment balance	Market value	Net income	Share of income
Itaú Unibanco Holding	37.31	64.16	113,087	22,551	69,173	5,711	- 1,725
IUPAR - Itaú Unibanco Participações	66.53	50.00	28,430	18,915	-	619	- 412
Total				**41,466**			**2,137**

b) Other information

The table below shows a summary of the financial information of the investees accounted for under the equity method:

Assets and liabilities (*)	03/31/2016	12/31/2015
Assets	**1,203,296**	**1,276,424**
Cash and cash equivalents	116,987	91,649
Financial assets	585,848	651,825
Loan operations and lease operations portfolio	418,026	447,404
Tax assets	48,590	52,158
Other assets	33,845	33,388
Liabilities	**1,089,664**	**1,163,629**
Deposits	266,318	292,610
Securities sold under repurchase agreements	305,940	336,643
Other financial liabilities	331,375	354,046
Reserves for insurance and private pensions	134,970	129,305
Civil, labor, tax and social security lawsuits	19,457	18,994
Other liabilities	31,604	32,031

(*) Basically represented by Itaú Unibanco Holding.

Other Financial Information - Itaú Unibanco Holding	01/01 to 03/31/2016	01/01 to 03/31/2015
Interest and similar income	38,707	34,967
Interest and similar expenses	(22,686)	(15,793)
Net income before income tax and social contribution	10,675	2,873
Income tax and social contribution (*)	(4,977)	2,910
Net income	5,698	5,783
Net income attributable to the owners of the parent company	5,711	5,673
Other comprehensive income	(752)	428
Total comprehensive income	4,959	6,101

(*) Considering the temporary effects of Law 13,169/15, which increases the social contribution tax rate to 20%, tax credits were accounted for based on their expected realization. There were no unrecorded deferred tax assets at 03/31/2016 or 12/31/2015.

NOTE 9 – FIXED ASSETS

Fixed Assets	Land	Buildings and Improvements	Equipment and facilities	Furniture and fixtures	Vehicles	Assets under development or construction	Other assets	Total
Balance at 12/31/2014								
Cost	727	1,115	4,169	52	57	318	142	**6,580**
Accumulated depreciation	-	(399)	(1,920)	(34)	(47)	-	(95)	**(2,495)**
Net book value	**727**	**716**	**2,249**	**18**	**10**	**318**	**47**	4,085
Changes from 01/01 to 03/31/2015	**20**	**(7)**	**40**	**1**	**-**	**(1)**	**13**	**66**
Acquisitions	10	1	16	1	1	79	5	**113**
Depreciation	-	(10)	(69)	-	(1)	-	(3)	**(83)**
Other	10	2	93	-	-	(80)	11	**36**
Balance at 03/31/2015								
Cost	747	1,117	4,278	53	60	317	161	**6,733**
Accumulated depreciation	-	(408)	(1,989)	(34)	(50)	-	(101)	**(2,582)**
Net book value	**747**	**709**	**2,289**	**19**	**10**	**317**	**60**	4,151
Annual depreciation rates (%)	*-*	*4%*	*5% a 20%*	*10%*	*10%*	*-*	*4% a 20%*	
Balance at 12/31/2015								
Cost	775	1,138	4,566	60	60	195	174	**6,968**
Accumulated depreciation	-	(413)	(2,215)	(37)	(50)	-	(107)	**(2,822)**
Net book value	**775**	**725**	**2,351**	**23**	**10**	**195**	**67**	4,146
Changes from 01/01 to 03/31/2016	**(5)**	**(1)**	**(31)**	**-**	**(1)**	**(18)**	**(1)**	**(57)**
Acquisitions	-	2	8	1	-	35	2	**48**
Write-offs	-	-	(1)	-	-	-	-	**(1)**
Depreciation	-	(9)	(73)	(1)	(1)	-	(3)	**(87)**
Transfers	-	9	43	-	-	(53)	1	**-**
Other	(5)	(3)	(8)	-	-	-	(1)	**(17)**
Balance at 03/31/2016								
Cost	770	1,146	4,608	61	60	177	176	**6,998**
Accumulated depreciation	-	(422)	(2,288)	(38)	(51)	-	(110)	**(2,909)**
Net book value	**770**	**724**	**2,320**	**23**	**9**	**177**	**66**	4,089
Annual depreciation rates (%)	*-*	*4%*	*5% a 20%*	*10%*	*10%*	*-*	*4% a 20%*	

NOTE 10 – INTANGIBLE ASSETS

Intangible Assets	Software	Trademarks and patents	Goodwill for future profitability	Customer portfolio	Total
Balance at 12/31/2014					
Cost	74	11	714	412	**1,211**
Accumulated amortization	(48)	(1)	-	(133)	**(182)**
Net value	**26**	**10**	**714**	**279**	**1,029**
Change from 01/01 to 03/31/2015	**5**	**(1)**	**-**	**(5)**	**(1)**
Acquisitions	6	-	-	-	**6**
Amortization expense	(1)	(1)	-	(7)	**(9)**
Other	-	-	-	2	**2**
Balance at 03/31/2015					
Cost	80	11	714	414	**1,219**
Accumulated amortization	(49)	(2)	-	(140)	**(191)**
Net value	**31**	**9**	**714**	**274**	**1,028**
Annual amortization rates	*20%*	*-*	*-*	*6.67%*	
Balance at 12/31/2015					
Cost	85	26	714	414	**1,239**
Accumulated amortization	(52)	(2)	-	(161)	**(215)**
Net value	**33**	**24**	**714**	**253**	**1,024**
Changes from 01/01 to 03/31/2016	**-**	**(4)**	**5**	**(8)**	**(7)**
Acquisitions	2	-	-	-	**2**
Amortization expense	(2)	-	-	(7)	**(9)**
Other	-	(4)	5	(1)	**-**
Balance at 03/31/2016					
Cost	87	22	719	413	**1,241**
Accumulated amortization	(54)	(2)	-	(168)	**(224)**
Net value	**33**	**20**	**719**	**245**	**1,017**
Annual amortization rates	*20%*	*-*	*-*	*6.67%*	

Goodwill for future profitability is a result of the following acquisitions:

	03/31/2016	12/31/2015
Acquisitions		
Itaú Unibanco Holding (note 23)	437	437
Satipel	188	188
Thermosystem	26	26
Cerâmica Monte Carlo	22	22
Deca Nordeste	17	17
Duchacorona	5	-
Metalúrgica Jacareí	2	2
Other acquisitions	22	22
Net value	**719**	**714**

NOTE 11 – BIOLOGICAL ASSETS (forest reserves)

ITAÚSA Consolidated, through its subsidiaries Duratex Florestal Ltda. and Tablemac S.A., owns eucalyptus and pine forest reserves that are mainly used as raw materials in the production of wood panels, floors and components, and are also sold to third parties.

These reserves guarantee the supply of wood to ITAÚSA's plants, and they also protect ITAÚSA from the future risk of increases in wood prices. The forest reserves are a sustainable operation and are integrated into ITAÚSA's industrial complexes which, together with the supply network, provides a high level of self-sufficiency in relation to the wood supply.

At March 31, 2016, approximately 166.7 thousand hectares of forest reserves were planted (170.3 thousand hectares at December 31, 2015) in the states of São Paulo, Minas Gerais, Rio Grande do Sul, Alagoas and Colombia.

a) Fair value estimate

The fair value is determined based on the estimated wood volume at the point of harvest, at the current prices for standing timber, except in the case of (i) forests that have up to one year of life which are stated at cost, as a result of a judgment that these amounts approximate their values; (ii) forests in the process of growth for which case the discounted cash flow method is used.

Biological assets are measured at fair value, less cost to sell at the point of harvest.

The fair value was determined by valuing the estimated volumes at the point of harvest considering the current market prices in view of the volume estimates. The assumptions used were as follows:

i. Discounted cash flow – forecast wood volume at the point of harvest, considering the current market prices, net of realizable planting costs and the capital costs of land used in planting (brought to present value) at the discount rate of 10.17% p.a. at March 31, 2016 and 10.17% a.a December 31, 2015. The discount rate used in cash flow corresponds to the weighted average cost of Duratex S.A., which is reviewed annually by the Management.

ii. Prices – prices in R$/cubic meter through current market prices, disclosed by specialized companies operating in regions and offering products similar to those of Duratex, in addition to the prices set in transactions with third parties, also in active markets.

iii. Differentiation – harvest volumes separated and valued according to (a) species (pine and eucalyptus), (b) region, (c) purpose (saw and process).

iv. Volumes – estimates of volumes to be harvested (sixth year for eucalyptus and 12th year for pine), based on the projected average productivity for each region and species. The average productivity may vary based on age, cropping, climate conditions, quality of seedlings, fires and other natural risks. In relation to formed forests, the current wood volumes are used. Rotating inventory is taken from the second year of life of forests, and their its effects are included in the financial statements.

v. Regularity – expectations regarding future wood prices and volumes reviewed at least every quarter, or when the rotational physical inventory is concluded.

b) Composition of balances

The biological asset balances are composed of the costs of forest planting and the difference between the fair value and the planting costs, as shown below:

	03/31/2016	12/31/2015
Cost of formation of biological assets	916	895
Difference between cost and fair value	557	547
Fair value of biological assets	**1,473**	**1,442**

Forests are free from any liens or guarantees to third parties, including financial institutions. In addition, there are no forests for which legal title is restricted.

c) Changes

The changes in the accounting balances from the beginning of the period are as follows:

	03/31/2016	12/31/2015
Opening balance	**1,442**	**1,355**
Variations in fair value		
Volume price	36	124
Depletion	(27)	(146)
Variations in historical value		
Formation	38	204
Depletion	(16)	(95)
Closing balance	**1,473**	**1,442**

	03/31/2016	12/31/2015
Effects of variations in the fair value of biological assets	**9**	**(22)**
Variations in fair value	36	124
Depletion of fair value	(27)	(146)

NOTE 12 - INCOME TAX AND SOCIAL CONTRIBUTION

ITAÚSA and each of its subsidiaries file separate corporate income tax returns for each fiscal year. Income tax in Brazil comprises income tax and social contribution on net income, which is a tax on income additional to income tax.

a) Composition of income tax and social contribution expense

The amounts recorded as income tax and social contribution expense in the consolidated financial statements reconcile with the statutory rates, as follows:

Current income tax and social contribution	01/01 to 03/31/2016	01/01 to 03/31/2015
Income before income tax and social contribution	**1,942**	**1,940**
Charges (income tax and social contribution) at the current rates	(660)	(660)
Increase/decrease in income tax and social contribution charges arising from:		
(Additions) / exclusions	**667**	**694**
Share of comprehensive income of associates and joint ventures	726	685
Income from foreign investments	(2)	(1)
Interest on capital	(55)	3
Other	(2)	7
Total income tax and social contribution	**7**	**34**

b) Deferred income tax and social contribution

I - The balance and changes in deferred income tax and social contribution are as follows:

	12/31/2014	Realization/ reversal	Increase	12/31/2015
Deferred tax assets				
Tax losses and social contribution losses carried forward	369	(49)	183	503
Allowance for loan losses	6	-	2	8
Adjustment to market value - securities and derivative financial instruments	3	-	-	3
Goodwill on purchases of investments	142	(142)	-	-
Provision for contingent liabilities	189	(13)	72	248
Other	35	(16)	35	54
Total deferred tax assets	**744**	**(220)**	**292**	**816**
Deferred tax liabilities				
Revaluation reserve	(54)	3	-	(51)
Present value of financing	(5)	-	-	(5)
Swap results	(44)	-	(85)	(129)
Depreciation	(105)	96	(1)	(10)
Pension plans	(4)	1	(2)	(5)
Sales of property	(4)	2	-	(2)
Other liabilities	(31)	3	(22)	(50)
Adjustments: CPCs / IFRS	(376)	17	-	(359)
Total deferred tax liabilities	**(623)**	**122**	**(110)**	**(611)**
Deferred tax assets, net	**121**	**(98)**	**182**	**205**

	12/31/2015	Realization/ reversal	Increase	03/31/2016
Deferred tax assets				
Tax losses and social contribution loss carried forward	503	(46)	9	466
Allowance for loan losses	8	-	2	10
Adjustments to market value - securities and derivative financial instruments	3	-	-	3
Provision for contingent liabilities	248	(5)	28	271
Provision for interest on capital	-	-	51	51
Other	54	(12)	2	44
Total deferred tax assets	**816**	**(63)**	**92**	**845**
Deferred tax liabilities				
Revaluation reserve	(51)	1	-	(50)
Present value of financing	(5)	-	-	(5)
Swap results	(129)	39	-	(90)
Depreciation	(10)	-	-	(10)
Pension plans	(5)	-	-	(5)
Sales of property	(2)	-	-	(2)
Other liabilities	(50)	-	(1)	(51)
Adjustments: CPCs / IFRS	(359)	18	-	(341)
Total deferred tax liabilities	**(611)**	**58**	**(1)**	**(554)**
Deferred tax assets, net	**205**	**(5)**	**91**	**291**

II- The estimated realization and the present value of the deferred income tax and social contribution at March 31, 2016, in accordance with the expected generation of future taxable income, based on the history of profitability and technical feasibility studies, were as follows:

	03/31/2016	12/31/2015
Deferred tax assets	**845**	**816**
Deferred tax assets to be recovered within 12 months	96	55
Deferred tax assets to be recovered after 12 months	749	761
Deferred tax liabilities	**(554)**	**(611)**
Deferred tax liabilities to be recovered after 12 months	(554)	(611)
Deferred tax assets, net	**291**	**205**

NOTE 13 - LOANS AND FINANCING

Company	Type [1]	Charges	Guarantees	03/31/2016		12/31/2015	
				Current	Non Current	Current	Non Current
Duratex	BNDES	TJLP + 2.2 % p.a.	Surety - Itaúsa- Investimento Itaú S.A.	49	4	64	5
	BNDES	TJLP + 2.7 % p.a.	Guarantee - Cia Ligna de Investimentos	-	1	-	1
	BNDES	TJLP + 2.8 % p.a.	Surety - 70% Invest. Itaú S.A and 30% natural person	64	131	64	146
	BNDES	4.6 % p.a.	Surety - 70% Invest. Itaú S.A and 30% natural person	5	5	5	7
	BNDES	SELIC + 2.16 % p.a.	Surety - 70% Invest. Itaú S.A and 30% natural person	1	2	1	2
	FINAME	TJLP + 2.3 % p.a./ Fixed 6 % p.a.	Chattel Mortgage and Promissory Notes	8	43	8	43
	FINAME	6.0 % p.a.	Chattel Mortgage and Guarantee	1	4	-	6
	BNDES PROGEREN	TJLP + 2.85 % p.a.	Promissory Note	-	-	-	-
	BNDES PROGEREN	9.0 % p.a.	Trade Note	-	-	-	-
	INDUSTRIAL CREDIT	103 % of CDI	Surety - Duratex Coml. Exportadora S.A.	-	-	-	-
	INDUSTRIAL CREDIT with swap	12.7 % p.a.	Surety - Duratex Coml. Exportadora S.A.	-	-	-	-
	FUNDIEST	30 % IGP-M per month	Guarantee - Cia Ligna de Investimentos	20	94	20	97
	FUNDOPEM	IPCA + 3 % p.a.	Surety - 70% Invest. Itaú S.A and 30% natural person	2	38	2	36
	PROINVEST / PRO FLORESTA	IGP-M + 4 % p.a./IPCA + 6 % p.a.	Guarantee - Cia Ligna de Inv. and Mortgage of Assets	2	1	4	1
	EXPORT CREDIT with swap	8.0 % p.a.	-	1	57	1	56
	EXPORT CREDIT	104.8 % of CDI	-	3	655	14	645
	DISCOUNT NPR	8.75% p.a	-	21	-	20	-
	Total local currency			**177**	**1,035**	**203**	**1,045**
	BNDES	Basket of currencies + 2.2 % p.a.	Surety - Itaúsa- Investimento Itaú S.A.	10	-	14	1
	BNDES	US$ + LIBOR + 1.6 % p.a.	Surety - Itaúsa- Investimento Itaú S.A.	2	1	2	1
	BNDES	US$ + LIBOR + 2.1 % p.a.	Surety - 70% Invest. Itaú S.A and 30% natural person	1	-	1	-
	ACC	US$ + 3.8 % p.a.	Promissory Note	61	-	-	-
	RESOLUTION 4131 with Swap	US$ + Libor + 1.35 % to 2.59 % p.a.	Promissory Note	110	179	110	180
	RESOLUTION 4131 with Swap	US$ + 1.5 % to 3.66% p.a.	Promissory Note	126	592	6	723
	Total foreign currency			**310**	**772**	**133**	**905**
Total Duratex				**487**	**1,807**	**336**	**1,950**
Duratex Subsidiaries	BNDES	3.5 to 5.5 % p.a.	Surety - 70% Invest. Itaú S.A and 30% natural person	1	27	1	27
	BNDES	TJLP + 2.8 % p.a.	Surety - 70% Invest. Itaú S.A and 30% natural person	3	52	3	53
	FINAME	Fixed 5.6 % p.a.	Chattel Mortgage and Promissory Note	1	3	1	3
	EXPORT CREDIT NOTE	104.9% of CDI	Surety - Duratex S.A.	2	142	7	141
	RURAL CREDIT NOTE with swap	11.5 % p.a.	Surety - Duratex S.A.	131	-	127	-
	Total local currency			**138**	**224**	**139**	**224**
	SANTADER Bank-HERMES with swap	4.59 % p.a.	Insurance (95%)	6	-	3	5
	CII	LIBOR + 3.95 % p.a.	Pledge and Mortgage of Equipment	3	3	2	5
	DEG/CII	5.4 % p.a.	Pledge and Mortgage of Equipment	9	12	10	11
	LEASING	DTF + 2.0 % p.a	Promissory Note	-	2	-	2
	SAFRA LUXEMBOURG BANK	3.75% p.a	Guarantee Standby Letter	73	-	-	-
	Total foreign currency			**91**	**17**	**15**	**23**
Total Duratex subsidiaries				**229**	**241**	**154**	**247**
Elekeiroz	BNDES	TJLP + 1.72 to 4.32 % p.a.	Surety - Itaúsa- Investimento Itaú S.A.	22	41	23	46
	BNDES	IPCA + 1.96 to 2.26 % p.a.	Surety - Itaúsa- Investimento Itaú S.A.	-	10	-	6
	BNDES	3.0 to 6.0 % p.a.	Surety - Itaúsa- Investimento Itaú S.A.	1	3	2	3
	FINEP	3.5% p.a.	Surety - Itaúsa- Investimento Itaú S.A.	2	8	2	10
	CREDIT ASSIGNMENT	17.18 % p.a.	-	23	-	23	-
	NCE	CDI + 2.67 to 2.91% p.a.	-	38	-	40	-
	VENDOR		-	1	-	2	-
	Total local currency			**87**	**62**	**92**	**65**
	BNDES	Exchange variation + 2.03 to 2.16 % p.a.	Surety - Itaúsa- Investimento Itaú S.A.	7	10	7	12
	FOREIGN EXCHANGE DISCOUNT	1.50 % p.a.	-	5	-	-	-
	PREPAYMENT EXPORT with swap	CDI + 5.22 % p.a.	-	18	-	20	-
	Total foreign currency			**30**	**10**	**27**	**12**
Total Elekeiroz				**117**	**72**	**119**	**77**
Itautec	BNDES	TJLP + 1.1 % p.a.	Banking Guarantee	1	-	1	-
	BNDES	TJLP + 3.1 % p.a.	Banking Guarantee	1	-	1	-
	BNDES	5.6 % p.a.	Banking Guarantee	-	-	1	-
	FINEP	4.0 % p.a.	Surety- Itaúsa- Investimento Itaú S.A.	14	15	15	19
	BB 4131	105.6 % of CDI	-	-	-	11	-
	ALFA CG	110.65% of CDI	-	-	-	30	-
	Total local currency			**16**	**15**	**59**	**19**
Total Itautec				**16**	**15**	**59**	**19**
Total Itaúsa Consolidated				**849**	**2,135**	**668**	**2,293**

(1) Certain loans and financing (identified in the table above as "with Swap") were designated at fair value through profit or loss.

Maturities	03/31/2016	12/31/2015
2017	376	552
2018	490	483
2019	733	732
2020	431	423
2021	80	79
2022	11	10
2023	7	7
Other	7	7
Total	**2,135**	**2,293**

NOTE 14 – DEBENTURES

On February 8, 2012, the first private issuance of debentures was approved by Duratex, with a floating guarantee, convertible into common shares issued by Duratex, through private subscription, at a total amount of R$ 100, remunerated at IPCA + 6% p.a. paid annually on January 15 of each year, and maturing on January 15, 2017. The proceeds of this issue were allocated to as follows:

a) A fixed investment, at the company's industrial unit in Itapetininga – SP, in a new production line for the manufacture of medium density reconstituted wood fiber panels ("MDF"), a new low-pressure coating line, and a new low-pressure line for the impregnation of laminated paper;

b) The acquisition by the company of locally manufactured machinery and equipment needed for (a).

	03/31/2016			12/31/2015		
	Current	Non-current	Total	Current	Non-current	Total
Debentures - Duratex	135	-	135	7	130	137

NOTE 15 – CONTINGENT ASSETS AND LIABILITIES

ITAÚSA and its subsidiaries record provision for tax, labor and civil contingencies in the ordinary course of business.

The respective provision is recognized based on the probability of loss as assessed by the legal advisors of the group.

Relying on the opinion of legal advisors, Management believes that the provision for contingencies recognized is sufficient to cover any loss that may possibly be incurred in any legal action or administrative proceedings.

a) Contingent assets

ITAÚSA and its subsidiaries are seeking in court the recovery of taxes, contributions, import license fees (Cacex Fees) and administrative service fees imposed on the import and customs clearance of goods in the Manaus Duty Free Zone.

The table below shows the main lawsuits in which, based on the opinion of the legal advisors, a favorable outcome to the company is considered probable, and the amounts related to these lawsuits that are not recognized in the financial statements.

	03/31/2016	12/31/2015
IPI bonus credit from 1960 to 1985	140	135
Monetary adjustment of credits from Eletrobrás	13	13
Recovery of ILL paid with dividends distributed between 1989 and 1992	14	14
INSS - SAT, change in rural rate, transportation voucher and health insurance	45	33
Integration program tax on revenue ("PIS") and social security funding tax on revenue ("COFINS")	4	4
Collection/execution of out-of-court instruments	13	13
Offsetting of PIS Decree-Laws 2445 and 2449, of 1988	18	18
Other	16	12
Total	**263**	**242**

b) Provision

- Tax: Provisions is equivalent to the principal amounts of taxes involved in tax, administrative or judicial proceedings, subject to tax assessment notices, plus interest and, when applicable, fines and charges. The amount is accrued when it involves a legal liability, regardless of the likelihood of loss – that is, whether an outcome favorable to the institution is dependent upon the recognition of the unconstitutionality of the applicable law in force. In other cases, the provision is recognized whenever the likelihood of loss is probable.

- Labor: Relates to claims in relation to alleged labor rights deriving from overtime, occupational disease, salary equivalence, and involving subsidiary liability.

- Civil: Civil lawsuits mainly refer to pain and suffering and property damage.

	Tax	Labor	Civil	Total
Balance at 12/31/2015	**664**	**87**	**20**	**771**
Monetary adjustment	21	4	2	27
Increase	66	4	2	72
Reversal	(2)	(2)	(1)	(5)
Payments	-	(7)	-	(7)
Acquisition DuchaCorona	-	-	-	-
Balance at 03/31/2016	**749**	**86**	**23**	**858**
Escrow deposits	(28)	(14)	-	(42)
Balance at 03/31/2016 after the offset of escrow deposits	**721**	**72**	**23**	**816**

The main discussions related to tax provision are as follows:

- PIS and COFINS – calculation basis – R$ 647: the right to calculate and pay contributions to PIS and COFINS without including the amounts received as interest on capital in the calculation is under discussion.

c) Contingent liabilities

ITAÚSA and its subsidiaries are involved in tax, civil and labor lawsuits, which, in the opinion of their legal advisors, present possible losses and for which provision is recognized.

At March 31, 2016, these lawsuits totaled R$ 826 for tax lawsuits, R$ 36 for labor claims and R$ 6 for civil lawsuits.

The main disputes in tax lawsuits that have a probability of possible loss are related to the following topics:

- Income tax withheld at source, income tax, social contribution, PIS and COFINS – request for offset denied – R$ 312: cases in which the liquidity and certainty of offsetting credits are being discussed;
- Taxation of revaluation reserve – R$ 251: discussion related to taxation of revaluation reserve in corporate spin-off operations carried out in the period from 2006–2009;
- PIS and COFINS – disallowance of credits – R$ 87: the restriction regarding the right to credits in connection with certain inputs related to these contributions is being disputed;
- Differences in accessory obligations – R$ 42: there is a discussion regarding possible differences within the information included in the accessory obligations;
- Levying of tax on circulation of goods and services (ICMS) credits – R$ 18: discussion regarding the levying, recognition and use of ICMS credits
- Income tax and social contribution – profit made available abroad – R$ 13: discussion of the calculation basis for the levying of these taxes on profits earned abroad.

NOTE 16 – ITAÚSA STOCKHOLDERS' EQUITY

a) Capital

The authorized capital is 9,075,000,000 in book entry shares with no par value, being up to 3,025,000,000 in common shares and up to 6,050,000,000 in preferred shares.

Capital is R$ 32,325, represented by 6,758,798,536 book-entry shares, with no par value, of which 2,597,547,108 are common and 4,161,251,428 are preferred shares without voting rights, but with the following advantages:

- Priority receipt of a non-cumulative annual minimum dividend of R$ 0.01 per share;
- The right, during a possible disposal of control, to be included in the public offering of shares, so as to be entitled to a price equal to 80% of the amount paid for a share with voting rights, which is part of the controlling stake, and dividends equal to those of the common shares.

The table below shows the breakdown of and changes in shares of paid-in capital and the reconciliation of the balances at March 31, 2016 and December 31, 2015:

	Number			Amount
	Common	Preferred	Total	
Shares outstanding at 12/31/2014	**2,344,705,507**	**3,755,390,279**	**6,100,095,786**	**27,025**
Changes in shares of paid-in capital from 01/01 to 12/31/2015	**245,123,401**	**403,541,149**	**648,664,550**	**5,300**
Capital increase based on capitalization of revenue reserves	-	-	-	5,000
Cancellation of treasury stock	(8,227,800)	(2,320,000)	(10,547,800)	-
10% bonus shares	236,140,646	378,295,584	614,436,230	-
Subscription of shares	17,210,555	27,565,565	44,776,120	300
Shares of capital stock at 12/31/2015	**2,597,547,108**	**4,161,251,428**	**6,758,798,536**	**32,325**
Residents in Brazil	2,596,527,796	2,755,241,873	5,351,769,669	25,596
Residents abroad	1,019,312	1,406,009,555	1,407,028,867	6,729
Treasury shares at 12/31/2015	**(2,155,240)**	**(2,000,000)**	**(4,155,240)**	**-**
Treasury shares at 12/31/2014	(7,718,200)	(2,320,000)	(10,038,200)	-
Shares purchased	(2,635,200)	(2,000,000)	(4,635,200)	-
10% bonus shares	(29,640)	-	(29,640)	-
Cancellation of treasury stock	8,227,800	2,320,000	10,547,800	-
Shares outstanding at 12/31/2015	**2,595,391,868**	**4,159,251,428**	**6,754,643,296**	**32,325**
Shares of capital stock at 03/31/2016	**2,597,547,108**	**4,161,251,428**	**6,758,798,536**	**32,325**
Residents in Brazil	2,596,596,824	2,651,194,303	5,247,791,127	25,098
Residents abroad	950,284	1,510,057,125	1,511,007,409	7,227
Treasury shares at 03/31/2016	**(2,155,240)**	**(2,000,000)**	**(4,155,240)**	**-**
Shares outstanding at 03/31/2016	**2,595,391,868**	**4,159,251,428**	**6,754,643,296**	**32,325**

b) Dividends

Stockholders are entitled to a mandatory minimum dividend of not less than 25% of the adjusted net income pursuant to the provisions of the Brazilian Corporate Law. Both common and preferred shares participate equally in the dividend, after the common shares have received dividends equal to the minimum priority dividend of R$ 0.01 per share to be paid on preferred shares. The minimum dividend may be paid in four or more installments, at least quarterly or at shorter intervals.

The calculation of the quarterly advance of the mandatory minimum dividend is based on the share position on the last day of the prior month, with payment being made on the first business day of the subsequent month, amounting to R$ 0.015 per share.

I. Calculation

Net income	1,968	
(-) Legal reserve	(98)	
Dividend calculation basis	1,870	
Mandatory minimum dividend	**468**	**25.00%**

II. Provision for interest on capital and dividends

	Gross	WTS	Net
Provided for	**532**	**(64)**	**468**
Dividends	**101**	**-**	**101**
One quarterly installment of R$ 0.015 per share to be paid on 07/01/2016	101	-	101
Interest on capital	**431**	**(64)**	**367**
One installment of R$ 0.0637 per share to be declared	431	(64)	367
Total at 03/31/2016 - R$ 0.0692 net per share	**532**	**(64)**	**468**
Total at 03/31/2015 - R$ 0.0684 net per share (*)	**523**	**(65)**	**458**

(*) For comparative purposes, we considered bonuses.

c) Appropriated reserves

- **Legal reserve**

The legal reserve is recognized at 5% of the net income for each year, pursuant to Article 193 of Law No. 6,404/76, amended by Law No.11,638/07 and Law No.11,941/09, up to the limit of 20% of capital.

- **Statutory reserves**

These reserves are recognized with the aim of:

- Dividend equalization with the purpose of guaranteeing funds for the payment of dividends, including interest on capital or advances thereon, to maintain the flow of the stockholders' compensation;
- Increasing working capital, guaranteeing funds for the company's operations; and
- Increasing the capital of investees, to guarantee the preemptive rights of subscription to the capital increases of investees.

	03/31/2016	12/31/2015
Revenue reserves	**13,307**	**12,654**
Legal	1,221	1,123
Statutory	12,086	11,531
Dividend equalization	5,896	5,291
Working capital increases	3,037	2,770
Increases in the capital of investees	3,153	2,752
Proposal for distribution of additional dividends	-	718
Other reserves	**579**	**687**
Total reserves at parent company	**13,886**	**13,341**

	Revenue reserves		Other reserves	Total reserves
	Legal reserve	Statutory reserves		
Balance at 12/31/2015	**1,123**	**11,531**	**687**	**13,341**
Recognition of reserves	98	1,338	-	**1,436**
Dividend amount in addition to the minimum mandatory dividend for prior years	-	(718)	-	**(718)**
Transactions with subsidiaries and jointly controlled companies	-	(65)	(108)	**(173)**
Balance at 03/31/2016	**1,221**	**12,086**	**579**	**13,886**

d) Unappropriated reserves

This refers to the balance of profit remaining after the distribution of dividends and appropriations to the legal reserve. This reserve is recognized after a resolution of the Board of Directors, at the Annual Stockholders’ Meeting, in the year subsequent to that for which the financial statements are issued.

NOTE 17 – SHARE-BASED PAYMENTS

Stock option plan of subsidiaries

a) Duratex S.A.

As set forth in the bylaws, Duratex S.A. has a stock option plan, the purpose of which is to integrate its executives into the company's development process in the medium and long term, providing them with the option of benefiting from the value that their work and dedication add to Duratex's capital stock.

The options will entitle their holders to subscribe to the common shares of Duratex, subject to the conditions established in the plan.

The rules and operating procedures related to the plan will be proposed by the Personnel Committee, appointed by the company's Board of Directors. This committee will periodically submit proposals regarding the application of the plan to the approval of the Board of Directors.

Options may only be granted in years in which there are sufficient profits to distribute mandatory dividends to stockholders. The total number of options to be granted during each year will not exceed the limit of 0.5% of the total shares held by Duratex that the controlling and non-controlling interest holders own on the date of that year-end balance sheet.

The exercise price to be paid to Duratex is established by the Personnel Committee at the option granting date. The exercise price will be calculated by the Personnel Committee based on the average prices of Duratex´s common shares at the BM&FBOVESPA trading sessions, over a period of at least five and at most 90 trading sessions prior to the option issue date; at the discretion of that committee, which will also decide on the positive or negative adjustment of up to 30%. The established prices will be adjusted up to the month prior to the exercise of the option at the IGP-M or, in its absence, using an index established by the Personnel Committee.

Assumptions	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total stock options granted	2,659,180	2,787,050	2,678,901	2,517,951	1,333,914	1,875,322	1,315,360	1,561,061	1,966,869
Exercise price at the grant date	11.16	11.82	15.34	9.86	16.33	13.02	10.21	14.45	11.44
Fair value at the grant date	9.79	8.88	7.26	3.98	7.04	5.11	5.69	6.54	4.48
Exercise deadline	10 years	10 years	10 years	8 years	8 years	8.5 years	8.8 years	8.9 years	8.1 years
Vesting period	1.5 years	1.5 years	1.5 years	3 years	3 years	3.5 years	3.8 years	3.9 years	3.1 years

To determine this value, the following economic assumptions were adopted:

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Volatility of share price	34.80%	36.60%	36.60%	46.20%	38.50%	32.81%	37.91%	34.13%	28.41%
Dividend yield	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Risk-free return rate (1)	8.90%	7.60%	7.20%	6.20%	7.10%	5.59%	4.38%	3.58%	6.39%
Effective exercise rate	96.63%	96.63%	96.63%	96.63%	96.63%	96.63%	96.63%	96.63%	96.63%

(1) IGP-M coupon

The Company carries out the settlement of this benefit by delivering its own shares held in treasury up to the date of effective exercise of the options by the executives.

Granting date	Granted number	Maturity date	Exercise deadline	Granting price	To be exercised		Option price	Total amount	Periods			Other periods
					Dec/14	Dec/15			2007 to 2014	2015	2016	
02/08/2006	2,659,180	06/30/2007	to 12/31/2016	11.16	59,113	59,113	9.79	1	1	-	-	-
01/31/2007	2,787,034	06/30/2008	to 12/31/2017	11.82	1,469,581	1,469,581	8.88	25	25	-	-	-
02/13/2008	2,678,887	06/30/2009	to 12/31/2018	15.34	1,543,474	1,543,474	7.26	19	19	-	-	-
06/30/2009	2,517,937	06/30/2012	to 12/31/2017	9.86	867,236	867,236	3.98	9	9	-	-	-
04/14/2010	1,333,914	12/31/2013	to 12/31/2018	16.33	1,471,579	1,464,361	7.04	9	9	-	-	-
06/29/2011	1,875,322	12/31/2014	to 12/31/2019	13.02	2,014,061	2,003,776	5.11	9	9	-	-	-
04/09/2012	1,290,994	12/31/2015	to 12/31/2020	10.21	1,010,991	1,006,979	5.69	6	5	1	-	-
04/17/2013	1,561,061	12/31/2016	to 12/31/2021	14.45	1,648,699	1,648,699	6.54	9	4	2	1	2
02/11/2014	1,966,869	12/31/2017	to 12/31/2022	11.44	2,154,616	2,154,616	4.48	9	2	2	1	4
Sum	**18,671,198**				**12,239,350**	**12,217,835**		**96**	**83**	**5**	**2**	**6**
Exercise effectiveness								**96.63%**	**96.63%**	**96.63%**	**96.63%**	**96.63%**
Computed value								**93**	**81 (1)**	**6 (2)**	**5 (3)**	**5 (4)**

(1) Amount charged to income from 2007 to 2014.
(2) Amount charged to income in 2015.
(3) Amount charged to income in the first quarter 2016.
(4) Value charged to income in other periods.

At March 31, 2016, Duratex S.A. had 2,485,759 treasury shares, which might be used in a possible option exercise.

b) Itautec S.A.

The company had a stock option plan up to 2006, the purpose of which was to integrate its executives into the company's development process in the medium and long term, by providing them with the option of benefiting from the value that their work and dedication added to the company's shares.

This plan was managed by a committee and the options granted were approved by the Board of Directors. At present, it is subject to study and review by the Board of Directors. The participants of the plan were chosen at the sole discretion of the committee, from among the company's executives.

The price established for the granting of stock options was based on the average quotation of the company's shares in BM&FBOVESPA trading sessions, comprising a period of at least one month and at most 12 months prior to the option issue date.

At the discretion of the committee, a positive or negative adjustment of up to 50% of the average price was made. The assumptions used in the fair value of options, based on the binominal model, were as follow:

Assumptions

Grant date	2006 Plan
Number of shares granted (i) (ii)	173,333
Price of share as at the grant date (in reais - R$) (ii)	45.60
Exercise price (in reais - R$) (ii)	36.45
Fair value of the option (in reais - R$) (ii)	32.88
Vesting period	06/30/2007
Exercise deadline	12/31/2016
Volatility	65%
Dividends (dividend yield)	2.7%
Risk-free return rate	13.7%

(i) Deducting cancellations;

(ii) Considering the reverse split, at the rate of 15 shares for one, carried out in October 2006.

Volatility comprises the period of the last three years up to the grant date of each plan.

No stock option has been exercised so far and there has been no variation in the number of shares of the plans described above in the period presented .

On March 31, 2016, the market price of the shares was R$ 14.50 (R$ 15.00 at December 31, 2015) per share.

c) Elekeiroz S.A.

Stock option plan

With the purpose of integrating the managers and employees into the company’s development process in the medium and long term, the Extraordinary Stockholders’ Meeting held on July 31, 2003 resolved to adopt a stock option plan, providing to directors the option of benefiting from the value that their work and dedication may add to the company's capital. Up to the closing of these financial statements, this plan had not produced any effects to be recognized in the company’s financial statements.

NOTE 18 - SALES OF PRODUCTS AND SERVICES

	01/01 to 03/31/2016	01/01 to 03/31/2015
Gross revenue from sales of products and services	**1,390**	**1,551**
Domestic market	1,173	1,389
Foreign market	217	162
Taxes and contributions on sales	(281)	(331)
Net revenue from sales of products and services	**1,109**	**1,220**

NOTE 19 - EXPENSES, BY NATURE

	01/01 to 03/31/2016	01/01 to 03/31/2015
Variation in fair value of biological assets	36	45
Variations in the inventories of finished products and work in process	78	98
Raw materials and consumption materials	(669)	(699)
Remuneration, charges and benefits to employees	(231)	(222)
Depreciation, amortization and depletion	(140)	(152)
Transport expenses	(75)	(71)
Advertising expenses	(21)	(27)
Other expenses	(103)	(111)
Total	**(1,125)**	**(1,139)**

The expenses by nature described above represent the following captions of the statement of income:

	01/01 to 03/31/2016	01/01 to 03/31/2015
Cost of products and services	(900)	(916)
Sales expenses	(143)	(153)
General and administrative expenses	(82)	(70)
Total	**(1,125)**	**(1,139)**

NOTE 20 - OTHER (LOSSES)/GAINS, NET

	01/01 to 03/31/2016	01/01 to 03/31/2015
Provision for contingencies - reversal	(12)	6
Write-off of surplus of pension plan	(1)	(1)
Amortization of intangible assets	(8)	(7)
Options granted and recognized	(2)	(4)
Losses on sales of other investments and fixed assets	7	10
PIS and COFINS credits on acquisitions of raw materials	3	-
Rental revenue	3	-
Other	(7)	6
Total	**(17)**	**10**

NOTE 21 - FINANCIAL RESULT

	01/01 to 03/31/2016	01/01 to 03/31/2015
Financial income		
Remuneration on financial investments	69	59
Foreign exchange variations	3	27
Indexation adjustment	16	9
Interest and discount obtained	4	15
Other	2	1
Total	**94**	**111**
Financial expenses		
Charges on financing	55	(233)
Foreign exchange variations	(8)	(30)
Indexation adjustment	(24)	(14)
Derivatives	(145)	152
Bank charges	(2)	(2)
Other	(8)	(8)
Total	**(132)**	**(135)**
Total financial result	**(38)**	**(24)**

NOTE 22 - EARNINGS PER SHARE

The basic and diluted earnings per share were computed pursuant to the table below for the years indicated.

The basic earnings per share are computed by dividing the net income attributable to the stockholders of ITAÚSA by the average number of shares for the year, and by excluding the number of shares purchased and held as treasury shares.

Diluted earnings per share are computed in a similar way, but with the adjustment made to the denominator when assuming the conversion of all shares that may dilute earnings.

Net income attributable to owners of the parent company	01/01 to 03/31/2016	01/01 to 03/31/2015
Net income	**1,968**	**1,930**
Minimum non-cumulative dividend on preferred shares in accordance with bylaws	(42)	(41)
Subtotal	**1,926**	**1,889**
Retained earnings to be distributed to common equity owners in an amount per share equal to the minimum dividend payable to preferred equity owners	(26)	(26)
Subtotal	**1,900**	**1,863**
Retained earnings to be distributed to common and preferred equity owners on a pro-rata basis		
To common equity owners	730	716
To preferred equity owners	1,170	1,147
Total net income available to common equity owners	**756**	**742**
Total net income available to preferred equity owners	**1,212**	**1,188**
Weighted average number of shares outstanding		
Common shares	2,595,391,868	2,578,901,608
Preferred shares	4,159,251,428	4,130,929,307
Earnings per share – basic and diluted - R$		
Common shares	0.29	0.29
Preferred shares	0.29	0.29

The impact from the dilution of earnings per share is lower than R$ 0.01.

NOTE 23 – BUSINESS COMBINATIONS

In May 2010, Bank of America Corporation sold its interest in the capital of Itaú Unibanco Holding. Preferred shares were traded in the market and common shares were purchased by ITAÚSA, which increased its direct and indirect interest in the capital of Itaú Unibanco Holding from 35.46% to 36.57%.

June 30, 2010, was determined as the date for the application of the acquisition method set forth in CPC 15 / IFRS 3 – "Business Combinations". The application of the acquisition method involved the recognition and measurement of identifiable assets acquired, liabilities assumed and any non-controlling interest in the acquiree, and the recognition and measurement of goodwill or gains arising from a bargain purchase.

On the purchase date, ITAÚSA recorded goodwill of R$ 809, include:

(i) Identifiable assets acquired, liabilities assumed and any non-controlling interest in the acquiree;
(ii) The consideration for the control of the purchased company; and
(iii) Goodwill or gains arising from a bargain purchase.

The table below shows the balance of identifiable assets and liabilities and the amount of goodwill computed proportionally to the acquisition of 1.22%:

	12/31/2015	Amortization/ Realization	03/31/2016
Intangible assets subject to amortization			
Customer relationships	32	(2)	30
Exclusive access to retail customers and real estate brokers	55	(4)	51
Others	1	-	1
Total intangible assets subject to amortization (I)	**88**	**(6)**	**82**
Intangible assets not subject to amortization			
Hipercard brand	2	-	2
Itaú brand	65	-	65
Total intangible assets not subject to amortization (II)	**67**	**-**	**67**
Total allocated to intangible assets (III = I + II)	**155**	**(6)**	**149**
Deferred tax liability (IV)	**(62)**	**2**	**(60)**
Total goodwill allocated (V = III + IV)	**93**	**(4)**	**89**
Goodwill	**437**	**-**	**437**

Identifiable intangible assets subject to amortization are recorded in income for a period of two to 16 years, according to the useful life defined based on the expected future economic benefits generated by the asset.

Intangible assets not subject to amortization and the residual goodwill, which also represents the expected future economic benefits, do not have defined useful lives, and will have their recoverability tested at least annually by Management.

This purchase of shares represented an increase in the interest of ITAÚSA, and most of the identifiable assets and liabilities were recorded in ITAÚSA based on criteria that were similar to those for previously recorded operations, before the increase in interest. Likewise, the same approach was followed for the income, expenses and net income of ITAÚSA.

NOTE 24 – POST-EMPLOYMENT BENEFITS

As prescribed in CPC 33 / IAS 19 - “Employee Benefits”, we present the policies adopted by ITAÚSA and its subsidiaries in relation to employee benefits, as well as the accounting procedures adopted.

ITAÚSA’s subsidiaries in Brazil are part of a group of companies that sponsor Fundação Itaúsa Industrial, a not-for-profit organization the purpose of which is to manage private plans for the concession of bonus plans or supplementary income or benefits similar to those conferred by the official government retirement plan. Fundação Itaúsa manages a defined contribution plan – PAI - CD (the "CD Plan”) and a defined benefit plan – BD (the ”BD Plan”).

Employees hired by the industrial area companies have the option of voluntarily participating in the CD Plan, managed by Fundação Itaúsa Industrial.

(a) Defined contribution plan – CD Plan

This plan is offered to all employees of sponsor companies and had 9,098 participants at March 31, 2016 (9,356 at December 31, 2015).

The CD Plan (an individual retirement plan) offers no actuarial risk and the investment risk is borne by the participants.

Pension Program Fund

Contributions made by sponsors that remained in the plan because the participants had opted for redemption or early retirement, formed the Formed the Pension Fund which, according to the internal rules of the plan, has been used to offset contributions made by the sponsors.

The amount recorded in the balance sheet under “Other financial assets” (Note 6a) is R$ 118 (R$ 119 at December 31, 2015). The amount of R$ 1 was recognized in the results (R$ 1 at March 31, 2015).

(b) BD Plan

This plan has as its basic purpose the granting of benefits that, as a lifetime monthly income, are intended to supplement, pursuant to its terms, the income paid by the official government retirement plan. This plan is no longer available, which means that no new participants will be admitted to it.

The plan includes the following benefits: a supplement to the governmental retirement plan, payable based on the time of contribution, special circumstances, age, disability, lifetime monthly income, retirement premium and death bonus.

In February 2016, the last installment for reaching a surplus equation and restoring the technical balance of the BD Plan was received.

Main assumptions used in actuarial valuation of retirement plans

	03/31/2016	03/31/2015
Discount rate	12.60% p.a.	11.66% p.a.
Mortality table [(1)]	AT-2000	AT-2000
Turnover	Null	Null
Future salary growth	7.38 % p.a.	7.59 % p.a.
Growth of the pension benefit /plans	5.00 % p.a.	5.20 % p.a.
Inflation	5.00 % p.a.	5.20 % p.a.

(1) The mortality tables adopted correspond to those disclosed by the Society of Actuaries, the North American entity equivalent to the Brazilian Institute of Actuarial Science, which reflects a 10% increase in the probability of survival compared to the respective basic tables;
the life expectancies in years according to the AT-2000 mortality table for participants of 55 years of age are 27 and 31 years for men and women, respectively.

NOTE 25 – SEGMENT INFORMATION

In accordance with the standards in force, an operating segment may be understood as a component of an entity:

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);

(b) whose operating results are regularly reviewed by the entity's chief operating decision – makers in order to make decisions about resources to be allocated to the segment and assess its performance;

(c) for which discrete financial information is available.

The operating segments of ITAÚSA were defined according to the reports submitted to the Board of Directors for decision-making. Therefore, the segments are divided into the Financial Services Area and the Industrial Area.

ITAÚSA is a holding company and its subsidiaries are: Duratex, Elekeiroz and Itautec, which operate in the industrial area, and Itaú Unibanco Holding, under ITAÚSA's joint control and operating in the financial area.

The Itaúsa subsidiaries have independence with regard to defining their differentiated and specific standards in the management and segmentation of their respective businesses.

- **Financial Services Area**

Itaú Unibanco Holding is a banking institution that offers, directly or through its subsidiaries, a broad range of credit and other financial services to a diversified client base of individuals and companies in and outside Brazil.

ITAÚSA exercises joint control over the businesses of Itaú Unibanco Holding; the jointly-controlled entities were accounted for under the equity method and were not consolidated.

The complete financial statements of Itaú Unibanco Holding for the period from January 1, 2016, to March 31, 2016, are available at the following website www.itau-unibanco.com.br/ri .

- **Industrial Area**

In the industrial segment we have a broad range of companies; for this reason, we have separated information by company. A brief description of the products manufactured by each company is as follows:

I) Duratex manufactures bathroom porcelain and metals, and the respective fittings, with the Deca and Hydra brands (for flush toilet valves), which are distinguished by their wide range of products, bold design, and superior quality. Duratex also produces wood panels from pine and eucalyptus, largely used in the manufacture of furniture, mainly fiberboard, chipboard and medium, high and super-density fiberboards, better known as MDF, HDF and SDF, from which laminated flooring (Durafloor) and ceiling and wall coatings are manufactured.

II) Elekeiroz operates in the chemical market and is engaged in the manufacturing and sale of chemical and petrochemical products in general, including third parties' products, and imports and exports. The company's production capacity exceeds 700 thousand tons of chemical products per year in its industrial units, and the products are basically intended for the industrial sector, particularly for the civil construction, clothing, automotive and food industries.

III) Itautec's main business is holding an interest in companies in Brazil and abroad, particularly in companies engaged in the manufacture and sale of commercial and banking automation equipment and the provision of services.

January to March		FINANCIAL SERVICES AREA	INDUSTRIAL AREA			CONSOLIDATED ITAUSA [1]
		Itaú Unibanco Holding	Duratex	Elekeiroz	Itautec	
Total assets	**2016**	**1,203,294**	**8,766**	**710**	**162**	**54,020**
	2015	1,169,439	8,948	705	262	49,172
Operating revenues [2]	**2016**	**50,985**	**901**	**206**	**3**	**3,246**
	2015	45,710	1,001	209	10	3,235
Net income	**2016**	**5,711**	**(30)**	**(16)**	**(12)**	**1,949**
	2015	5,673	68	(4)	(11)	1,974
Stockholders' equity	**2016**	**113,087**	**4,501**	**439**	**65**	**48,033**
	2015	100,365	4,677	461	98	43,047
Annualized return on average equity (%) [3]	**2016**	**20.5%**	**-2.6%**	**-14.4%**	**-68.4%**	**16.3%**
	2015	23.1%	5.9%	-3.3%	-44.1%	18.5%
Internal fund generation [4]	**2016**	**15,229**	**147**	**(3)**	**(6)**	**32**
	2015	7,668	242	3	(8)	174

(1) ITAÚSA CONSOLIDATED includes: the consolidation of 100% of the subsidiaries and is net of consolidation elimination and unrealized results of intercompany transactions and the amounts for Itaú Unibanco Holding that were not consolidated and are now being accounted for under the equity method.

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

- *Itaú Unibanco Holding: interest and similar income, dividend income, net gain (loss) from investment securities and derivatives, banking service fees, income from insurance, private pension and capitalization operations before claim and selling expenses and other income.*
- *Duratex, Itautec and Elekeiroz: sales of products and services.*
- *ITAÚSA CONSOLIDATED: sales of products and services and the share income of associates and joint ventures.*

(3) Represents the ratio of net income for the year and the average equity ((Dec15 + Mar) / 2).

(4) Refers to funds arising from operations as reported in the statement of cash flows.

NOTE 26 – RELATED PARTIES

Transactions between related parties are carried out based on the amounts, maturities and average rates in accordance with normal market practices on the respective dates, as well as under reciprocal conditions.

Transactions between companies included in the consolidation were eliminated from the consolidated financial statements. The transaction terms take into consideration the absence of risk.

The transactions with these related parties are mainly characterized as follows:

a) Related parties

	Assets/(Liabilities)		Revenue/(Expenses)	
	03/31/2016	12/31/2015	01/01 to 03/31/2016	01/01 to 03/31/2015
Financial investments	**147**	**236**	**6**	**6**
Itaú Unibanco S.A.	147	236	6	6
Customers	**37**	**43**	**41**	**53**
Other Related Parties (*)	37	43	41	53
Banking service fees	**-**	**-**	**(2)**	**-**
Itaú Corretora S.A	-	-	(1)	-
Itaú Unibanco S.A.	-	-	1	-
Itaú Seguros	-	-	(2)	-
Total	**184**	**279**	**45**	**59**

(*) Refers basically to the operations for the sale of Duratex S.A.'s goods to Leo Madeiras Maqs. E Fer. S.A. and Leroy Merlin Cia. Bras. de Bricolagem.

In addition to the aforementioned operations, ITAÚSA and non-consolidated related parties, as an integral part of agreement for the apportionment of common costs, recorded in "General and administrative expenses", the amount of R$ 1 (R$ 1 from January 1 to March 31, 2015) due to the use of a common shared-structure.

As at March 31, 2016 it was not necessary to make an allowance for doubtful accounts.

b) Guarantees provided

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

	03/31/2016	12/31/2015
Duratex S.A.	298	330
Elekeiroz S.A.	105	110
Itautec S.A.	30	33
Total	**433**	**473**

c) Compensation of key personnel

The compensation of members of ITAÚSA and its subsidiaries' management was as follows:

	01/01 to 03/31/2016	01/01 to 03/31/2015
Compensation	12	8
Profit sharing	3	3
Stock options	1	1
Total	**16**	**12**

NOTE 27 – MANAGEMENT OF FINANCIAL RISKS

I – Financial risk factors

In order to understand the risks inherent in ITAÚSA'S activities, it is important to understand that its business objective is the management of investments in its companies. Accordingly, the risks to which ITAÚSA is subject are those that are managed by its subsidiaries and affiliates.

In terms liquidity risk, ITAÚSA's cash flow forecast is made by Management, which monitors the continuous forecasts of liquidity requirements to ensure that it has sufficient cash to meet operating needs, mainly the payment of dividends and interest on capital and the settlement of other obligations assumed.

ITAÚSA's excess cash is invested in government securities and investment fund quotas.

At the reporting date, ITAÚSA had cash and cash equivalents amounting to R$ 645 (R$ 802 at December 31, 2015), which are expected readily generate to cash inflows to manage the liquidity risk.

With the purpose of maintaining investments at acceptable risk levels, new investments or increases in interests are discussed at a joint meeting of ITAÚSA's Executive Board and Board of Directors.

We present below the main risks associated with ITAÚSA's subsidiaries:

a) Market risk

(i) Foreign currency risk

Changes in foreign exchange rates may result in a decrease in asset amounts or an increase in liability amounts. The foreign exchange risk derives from future commercial operations, assets and liabilities recognized and net foreign investments.

In view of certain risk management procedures, which aim to minimize the foreign exchange exposure, hedge mechanisms are in place to protect most of the foreign exchange exposure.

(ii) Derivative operations

In derivative operations there are no checks, monthly settlements or margin calls, and the contract is settled upon maturity, and recorded at fair value, taking into account market conditions such as terms and interest rates.

We present below the types of contract in place in subsidiaries:

- Swap contracts - US$ x CDI: this type of operation aims at changing debts expressed in US dollars into debts indexed to the CDI;
- Swap contracts – fixed rate x CDI: this type of operation aims to change debts at fixed interest rates into debts indexed to the CDI;
- The fair value of financial instruments was valued based on the estimated present value, both for the long and short positions, and the resulting difference between these positions gives rise to the swap market value.

The following table summarizes the fair value of derivative financial instruments:

	Notional amount	Fair value	Accumulated effect	
	03/31/2016	03/31/2016	Amount receivable	Amount payable
Swap contracts	**37**	**265**	**272**	**(5)**
Asset position	**1,198**	**1,462**	**272**	**(5)**
Foreign currency (US$ and EUR)	1,010	1,278	272	-
Fixed rate	188	184	-	(5)
Liability position	**(1,161)**	**(1,197)**	**-**	**-**
CDI	(1,161)	(1,197)	-	-

	Notional amount	Fair value	Accumulated effect	
	12/31/2015	12/31/2015	Amount receivable	Amount payable
Swap contracts	**19**	**365**	**375**	**(8)**
Asset position	**1,199**	**1,568**	**375**	**(8)**
Foreign currency (US$ and EUR)	1,009	1,393	375	-
Fixed rate	190	175	-	(8)
Liability position	**(1,180)**	**(1,203)**	**-**	-
CDI	(1,180)	(1,203)	-	-

The gains or losses on operations shown in the table were offset in the interest and foreign currency, asset and liability positions, the effects of which are presented in the financial statements.

Sensitivity analysis

We present below the sensitivity analysis of financial instruments, including derivatives, describing the risks that may give rise to material losses to ITAÚSA and its subsidiaries, with a Probable Scenario (Base Scenario) and two other scenarios, pursuant to the provisions of CVM No. 475/08, representing 25% and 50% impairment of the risk variable considered.

For the risk variable rates used in the Probable Scenario, BM&FBOVESPA / Bloomberg quotations were used for the respective maturity dates.

Risk	Instrument/Operation	Description	Probable Scenario	Possible Scenario	Remote Scenario
Interest rate	Swap – Fixed/ CDI	Increase - CDI	(6)	(12)	(18)
	Hedged item: loans at fixed rates		6	12	18
Foreign exchange	Swap - US$ / CDI (Res. 2770 Res. 4131)	Drop - US$	16	(402)	(819)
	Hedged item: debt in foreign currency (US$)	(Increase US$)	(16)	402	819
	NDF (US$)	Drop - US$	-	-	-
	Hedged item: debt in foreign currency (US$)	(Increase US$)	-	-	-
	Exports receivable	(Drop - US$)	-	(6)	(12)
		Increase - US$	-	6	12
	BNDES – revolving credit	Drop - US$	(3)	(5)	(10)
		(Increase US$)	-	5	10
	Advances on exchange contracts – foreign exchange discount	Drop - US$	-	6	13
		(Increase US$)	-	(6)	(13)
	Foreign suppliers	Drop - US$	-	1	2
		(Increase US$)	-	(1)	(2)
Total			**(3)**	**-**	**-**

(iii) Cash flow risk or fair value associated with interest rate

The cash invested earns interest indexed to the CDI variation percentage, with redemption guaranteed by the issuing banks in accordance with the contracted rates. There are no other relevant assets the results of which are directly affected by changes in market interest rates.

For liabilities, the interest rate risk derives from long-term loans. Most of these loans are indexed to the Brazilian long-term interest rate (“TJLP”), a rate aimed at encouraging long-term investments in the production sector, which is historically lower than the financing rates in the market.

The risk associated with these contracted interest rates is monitored from the beginning of the financing, and the institution's policy is to monitor the changes in and projections of the interest market, analyzing any possible need or opportunity to contract hedges for these operations.

b) Credit risk

The sales policy is directly associated with the credit risk level to which the institution is willing to be exposedto in the course of business. Diversifying the receivables portfolio and selecting clients, as well as monitoring sales financing terms and individual credit limits, are among the procedures adopted to minimize default levels or losses in the realization of accounts receivable.

Regarding financial and other investments, the company’s policy is to work together with prime institutions and refrain from having investments concentrated in a single economic group.

c) Liquidity risk

This is the risk that ITAÚSA and its subsidiaries will not have net funds that are sufficient to meet their financial commitments, as a result of the mismatch of terms or volume between the scheduled receipts and payments. Assumptions regarding future reimbursements and receipts, monitored on a daily basis by the treasury area, are established in order to manage the liquidity of cash in domestic and foreign currencies.

The table below shows the maturities of financial liabilities and accounts payable to suppliers at the balance sheet date:

03/31/2016	Less than 1 year	From 1 to 2 years	From 3 to 5 years	Over 5 years
Loans and financing	983	866	1,262	8
Suppliers and other payables	247	2	-	35
Total	**1,230**	**868**	**1,262**	**43**

12/31/2015	Less than 1 year	From 1 to 2 years	From 3 to 5 years	Over 5 years
Loans and financing	676	1,180	1,235	7
Suppliers and other payables	441	3	-	29
Total	**1,117**	**1,183**	**1,235**	**36**

II - Estimated fair value

It is assumed that the balances of trade accounts receivable and trade accounts payable at their carrying amounts less impairment are close to their fair values. The fair values of financial assets and liabilities, for disclosure purposes, are estimated by discounting the future contractual cash flow at the interest rate in force in the market, which is available for ITAÚSA and its subsidiaries for similar financial instruments.

The financial statements are in conformity with CPC 40 / IFRS 7 – “Financial Instruments: Evidence” measured in the balance sheet at fair value, which requires the disclosure of these measurements using the following hierarchy levels:

- Level 1: prices (unadjusted) quoted for identical assets or liabilities in active markets;
- Level 2: information, in addition to quoted prices, included in level 1, which is adopted by the market for assets or liabilities, either directly (that is, as prices) or indirectly (that is, as price derivatives);
- Level 3: inputs for assets or liabilities not based on the data adopted by the market (that is, non-observable inputs).

In the following table, we present the consolidated financial instruments by level:

	Level	03/31/2016	12/31/2015
Assets: (1)		**3,669**	**4,628**
Cash and cash equivalents	1	65	80
Cash and cash equivalents	2	1,696	2,094
Subordinated financial bills	2	59	61
Financial treasury bills	1	226	221
Trade accounts receivable	2	977	996
Dividends and interest on capital	2	339	835
Deposits as guarantees for contingent liabilities	2	91	104
Other assets	2	216	237
Liabilities:		**4,042**	**5,139**
Loans, financing and debentures	2	3,119	3,098
Suppliers / other expenses	2	284	473
Dividends and interest on capital	2	639	1,568

(1) The fair values of interests in unconsolidated joint ventures are reported in note 8 I.

NOTE 28 - HELD-FOR-SALE ASSETS

In accordance with the meeting held on February 25, 2015, the members of Itautec's Board of Directors unanimously resolved to approve Itautec’s intention to exercise the put option in relation to the 30% interest it held in Oki Brasil.

Accordingly, as from February 2015, Itautec’s investment in the capital stock of Oki Brasil is now stated under two headings, since its fair value is higher than the book value, as follows:

- “Held-for-sale assets”, amounting to R$ 38;
- “Other receivables”, amounting to of R$ 8 (R$ 6 at December 31, 2015), corresponding to the difference between the book value and the fair value adjusted to the put option´s present value.

On February 26, 2016, the parties entered into an Amendment to the Stockholders’ Agreement by means of which ITAÚSA, through its subsidiary Itautec, subscribed 1,717,650 new shares in the capital increase of Oki Brasil and paid up, on March 8, 2016, R$ 20 out of a total of R$ 148 subscribed and paid, so that the ITAÚSA’s total investment now corresponds to 16.2% of Oki Brasil’s capital.

At the meeting held on March 31, 2016, Itautec’s Board of Directors approved the intention of selling these new shares of Oki Brasil (additional put option) in January 2020, as set forth in the Amendment to the Stockholders’ Agreement. Thus, as from March 2016, this additional investment of Itautec in Oki Brasil’s capital has also been classified in the accounting books as "Non-current assets held for sale" in the amount of R$ 20.

NOTE 29 – INVESTMENT PROPERTY

Investment Property	Land	Buildings	Facilities	Total
Balance at 12/31/2015	**2**	**28**	**-**	**30**
Changes from 01/01 to 03/31/2016	**-**	**(1)**	**-**	**(1)**
Depreciation	-	(1)	-	**(1)**
Balance at 03/31/2016				
Cost	2	52	2	**56**
Accumulated depreciation	-	(25)	(2)	**(27)**
Net book value	**2**	**27**	**-**	**29**

At March 31, 2016, rental revenue from properties for investments totaled R$ 1 (R$ 2 at March 31, 2015). This property, located in the city of Jundiaí, State of São Paulo (land, building and facilities), is rented by subsidiary Itautec to Oki Brasil Ind. Com. Produtos Tecnologia em Automação S.A..

NOTE 30 – SUBSEQUENT EVENTS

Duratex S.A.

Approval for Increase of the Company's Capital

At the meeting of April 26, 2016, the Board of Directors approved a capital increase of R$ 94, through the issue of 26,219,063 new registered common shares with no par value.

Due to the increase, the Duratex’s capital increased from R$ 1,876 to R$ 1,970, divided into 691,784,501, common, registered shares with no par value.

Receivables Certificates of Agribusiness

On April 1, 2016, the subsidiary Duratex Florestal Ltda., received R$ 675 related to the assignment of a contract of purchase and sale of timber, existing between it and Duratex S.A. This contract was used as ballast for Agribusiness Receivables Certificates issued, issued by Ourinvest Securitizadora S.A. In this regard were issued 675,000 certificates unit value equal to R$ 1,000.00 and that adds up to the amount received. The maturity of these certificates is 6 years with payment "bullet" principal and interest semi-annually.

Bonus Shares and Cancellation of Shares in Treasury - ITAÚSA

Among other issues, the General Stockholders’ Meeting held on April 29, 2016 approved the following:

- A 10% share bonus, with capitalization of reserves in the amount of R$ 4,080. The unit cost assigned to the bonus shares was R$ 6.04028937 per share, regardless of their type. Shares subscribed in the capital increase were also entitled to the 10% share bonus; and

- Cancellation of 4,155,240 book-entry shares of own issue in treasury, of which 2,155,240 were common shares and 2,000,000 were preferred shares, with no capital reduction.

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

Introduction

We have reviewed the accompanying balance sheet of **Itaúsa - Investimentos Itaú S.A. (Company),** as of March 31, 2016 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as a summary of the main accounting practices and other notes.

We have also reviewed the consolidated balance sheet of **Itaúsa - Investimentos Itaú S.A. and its controlled companies (Consolidated)**, as of March 31, 2016 and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as a summary of the main accounting practices and other notes.

The Company's management is responsible for the fair presentation and preparation of the individual interim financial statements in accordance with Technical Pronouncement CPC 21 (R1) – Interim Financial Statements, issued by the Committee of Accounting Pronouncements (CPC), and of the consolidated interim financial statements in accordance with Technical Pronouncement CPC 21 (R1) – Interim Financial Statements and with the International Accounting Standard IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board (IASB). Our responsibility is to express an opinion on the interim information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and international standards for reviewing interim financial information (NBC TR 2410 and ISRE 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity"). An interim review consists principally of applying analytical and other review procedures, and making enquiries of and having discussions with persons responsible for financial and accounting matters. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards. An interim review does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

Conclusion on the individual interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual interim financial statements referred to above do not present fairly, in all material respects, the financial position of Itaúsa – Investimentos Itaú S.A. at March 31, 2016, the results of its operations and cash flows for the three-month period then ended, in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Statements.

Conclusion on the consolidated interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements referred to above do not present fairly, in all material respects, the financial position of Itaúsa – Investimentos Itaú S.A. and its controlled companies at March 31, 2015, the consolidated results of its operations and cash flows for the three-month period then ended, in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Statements and International Accounting Standard IAS 34 - Interim Financial Reporting, issued by IASB.

Other issues

Interim statements of value added

We have also reviewed the Individual and Consolidated interim statements of value added for the three-month period ended March 31, 2016. These statements are the responsibility of the company's management and are presented as supplementary information. These statements were submitted to the same review procedures previously described and based on our review, we are not aware of any fact that would lead us to believe that they have not been fairly stated, in all material respects, in relation to the interim financial statements, Company and Consolidated, taken as a whole.

São Paulo, May 09, 2016.

BDO RCS Auditores Independentes SS
CRC 2 SP 013846/O-1

Jairo da Rocha Soares
Accountant CRC 1 SP 120458/O-6

Report on Review

To the Board of Directors and Shareholders of
Itaúsa – Investimentos Itaú S.A.

Introduction

We have reviewed the accompanying interim balance sheet of Itaúsa - Investimentos Itaú S.A. ("Parent Company") as at March 31, 2016 and the related statements of income, comprehensive income and cash flows for the three month period then ended and changes in equity for the three-month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

We have also reviewed the accompanying consolidated interim balance sheet of Itaúsa - Investimentos Itaú S.A. and its subsidiaries ("Consolidated") as at March 31, 2016 and the Consolidated statements of income, comprehensive income and cash flows for the three -month period then ended and changes in equity for the three -month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

Scope of review

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

Conclusion on the Parent Company interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Parent Company interim financial statements referred to above do not present fairly, in all material respects, the financial position of Itaúsa – Investimentos Itaú S.A. at March 31, 2016, and its financial performance and cash flows for the three -month period ended March 31, 2016, in accordance with CPC 21 - Interim Financial Reporting.

Conclusion on the Consolidated interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Consolidated interim financial statements referred to above do not present fairly, in all material respects, the financial position of Itaúsa – Investimentos Itaú S.A. and its subsidiaries, at March 31, 2016, and their financial performance and the cash flows for the three-month period ended March 31, 2016, in accordance with CPC 21 - Interim Financial Reporting and the International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB)

Other matters

We have also reviewed the Parent Company and Consolidated interim statements of value added for the three - month period ended March 31, 2016. These statements are the responsibility of the company's management, and are presented as supplementary information. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they are not prepared, in all material respects, in relation to the interim financial statements taken as a whole.

São Paulo, May 09, 2016.

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Washington Luiz Pereira Cavalcanti
Accountant CRC 1SP172940/O-6

ITAÚSA - INVESTIMENTOS ITAÚ S.A.

CNPJ 61.532.644/0001-15 A Publicly Listed Company NIRE 35300022220

OPINION OF THE FISCAL COUNCIL

The members of Fiscal Council of **ITAÚSA - INVESTIMENTOS ITAÚ S.A.** (Itaúsa) have proceeded to examine the account statements for the quarter ending March 31, 2016, which were reviewed by BDO RCS Auditors Independents S/S (BDO) as independent auditors, pursuant to the statutory requirements including those relating to the regulations issued by the Brazilian Securities and Exchange Commission. Pursuant to the practices of Corporate Governance, these account statements have also been reviewed by PricewaterhouseCoopers Auditors Independents (PwC), as Conglomerate's independent auditor, including of the controlling company of Itaúsa. Both the independent auditors issued unqualified reports.

The Fiscal Councilors have verified the exactness of the elements examined and in the light of the opinions of BDO and PwC mentioned above, understand that these documents adequately reflect the equity situation, the financial position and the activities of Itaúsa in the period. São Paulo (SP), May 9, 2016. (signed) Tereza Cristina Grossi Togni – President; Alexandre Barenco Ribeiro, Flavio Cesar Maia Luz, José Maria Rabelo and Paulo Ricardo Moraes Amaral – Councilors.

ALFREDO EGYDIO SETUBAL
Investor Relations Officer