

ITAÚSA

Selected quarterly information
1st quarter of 2019



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We present the information and financial indicators of Itaúsa – Investimentos Itaú S.A. (Itaúsa) in accordance with the International Financial Reporting Standards (IFRS) and the rules set forth by the Brazilian Securities and Exchange Commission (CVM).

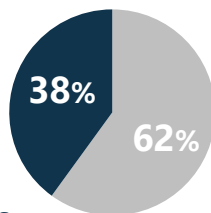
Simplified Ownership Structure (1,2)

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03.31.19



Distribution of shares



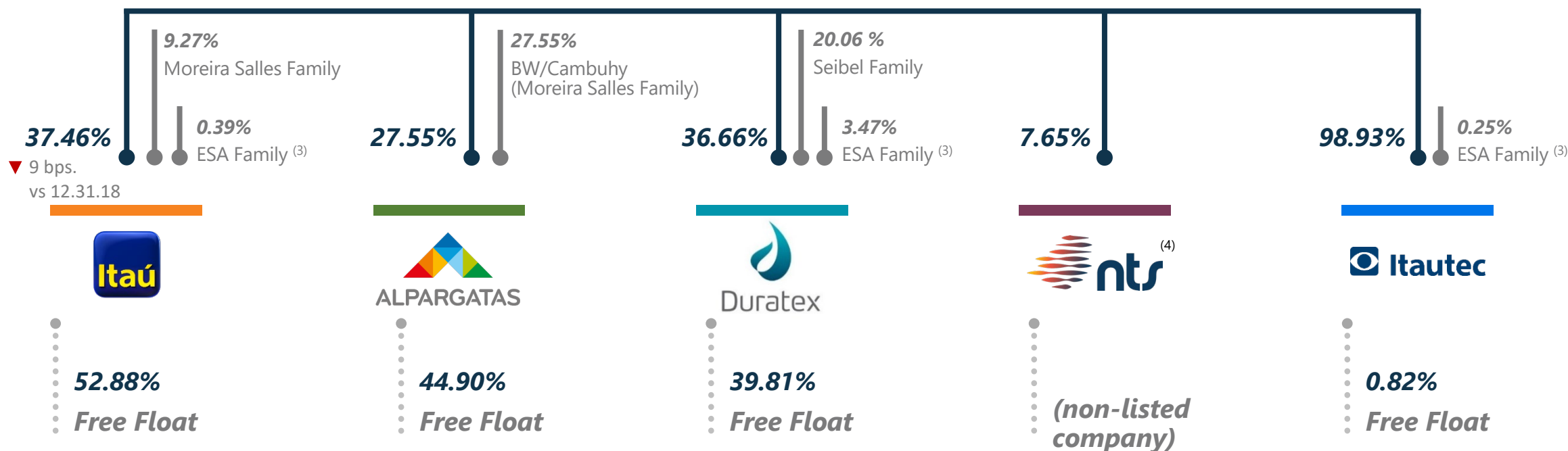
Foreign stockholders

Free Float

66.03% 33.97%

Egydio Souza Aranha Family (ESA)

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(1) Interests shown exclude treasury shares.

(3) Shares directly held by individuals or members of the ESA Family.

(2) Corresponds to direct and indirect interest in companies.

(4) Investment not accounted for under the equity method.

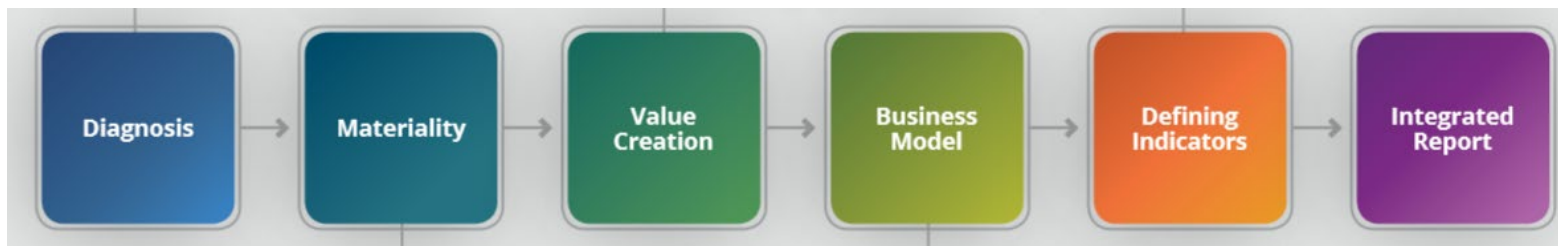


Highlights of the Period

● Integrated Report

- In March 2019, Itaúsa published its first-ever Integrated Report, a groundbreaking publication among Latin American holding companies, and one of the first of its kind in Brazil;
- This document is built up in such a way to address the Company's main Capitals (Financial, Human, Reputational and Intellectual Capital), and aims at connecting Itaúsa's Business Model to value creation in a sustainable way;
- It unveils material topics identified in a structured process of interviews with stakeholders, such as strategy, leadership's vision, and governance, sustainability and performance aspects that allow readers to better understand the factors affecting the capacity to create value over time.

The Integrated Report was prepared as follows:



<http://www.itausa.com.br/en/financial-information/integrated-and-annual-report>



Please access the Integrated Report here:



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Highlights of the Period

● Merger of Shares of Itaotec (Subsequent Event)

At the Itaúsa's General Stockholders' Meeting held on April 30, 2019, stockholders approved the merger of the shares issued by Itaotec into Itaúsa, which converted Itaotec into a wholly-owned subsidiary of the latter. Itaotec's minority stockholders will receive one (1) preferred share issued by Itaúsa for one (1) common share issued by Itaotec held by them.

● Return to Stockholders

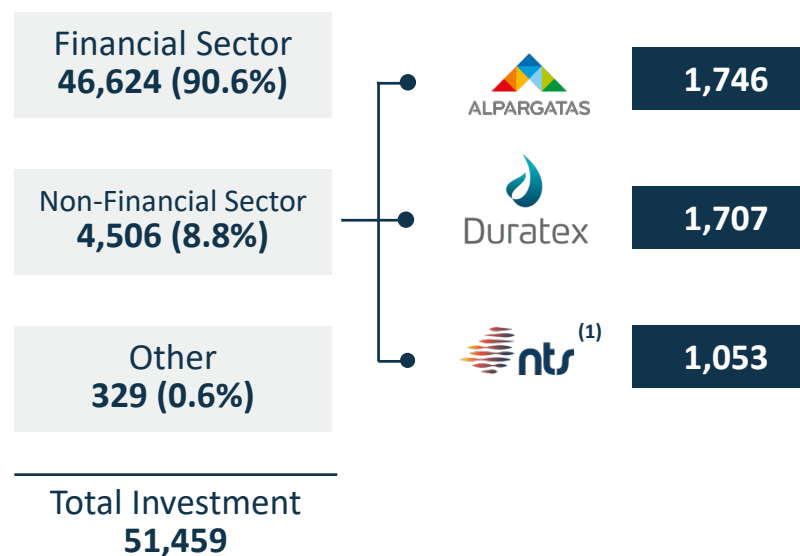
On March 7, 2019, Itaúsa paid out additional dividends for the competence of the year 2018, in the amount of R\$0.04532 per share and interest on capital for the year 2018, in the amount of R\$0.3192 per share (R\$0.27132/share, net of withholding income tax). Both proceeds were approved at the Board of Directors' Meeting held on February 18, 2019.

(1) Includes the investments in NTS classified in the Financial Assets group in the Individual Balance Sheet.

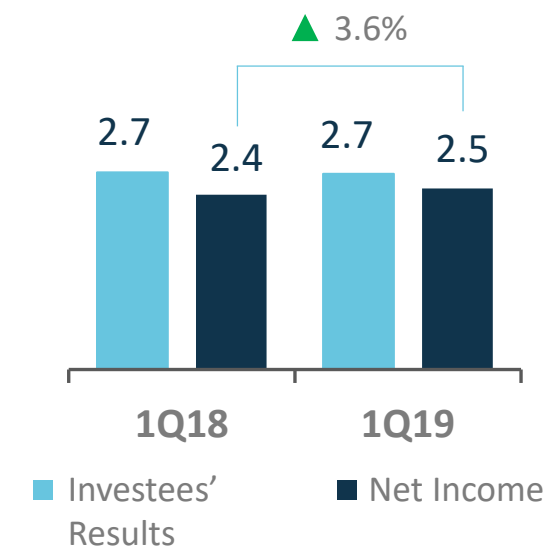
(2) Managerial vision that includes share of income and dividends/ interest on capital, adjustment to fair value of shares, interest on debentures convertible into shares and expenses on time installment of the amount invested in NTS.



Investments by Sector on 03/31/2019 book value (R\$ million)



Investees' Results⁽²⁾ and Itaúsa's Net Income (R\$ billion)





Highlights of the Period

- **Rede - Zero Cost on Advances Against Single-Installment Credit Card Sales**

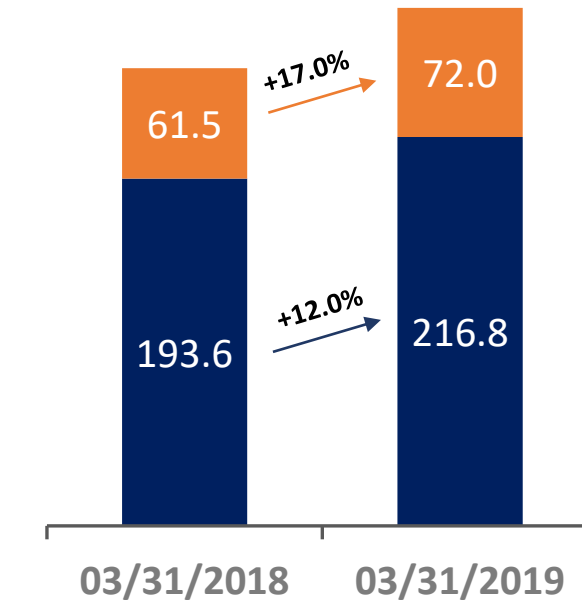
Rede has announced that single-installment credit card sales that use the Rede equipment and receive their payments at Itaú will receive the proceeds of their credit card sales in two days with zero cost on advances. These conditions apply as of May 2, 2019 for current and new clients of Rede with annual revenues of up to R\$30 million.

- **Evolution in Digital Transformation**

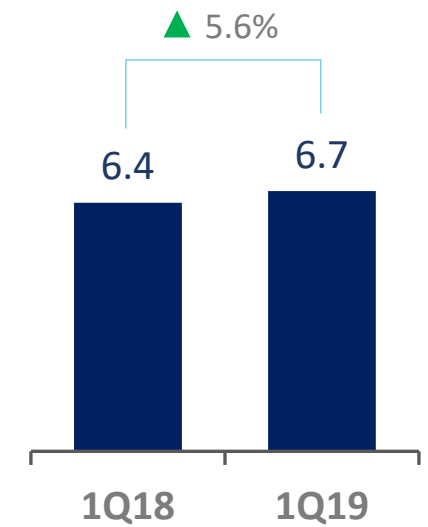
Itaú Unibanco has reached 11.5 million individual current account holders who use its digital channels via Internet or mobile apps in March 2019. It also reached 1.2 million corporate clients. Over 221,000 accounts were opened by the Abreconta app early this year in a fully digital way, up 144% year-on-year.



Loan Portfolio for Individuals, Very Small, Small and Middle-Market Companies (R\$ billion) – IFRS



Net Income (R\$ billion)* - IFRS



* Attributable to controlling stockholders

■ Individuals ■ Very Small, Small and Middle-Market Companies



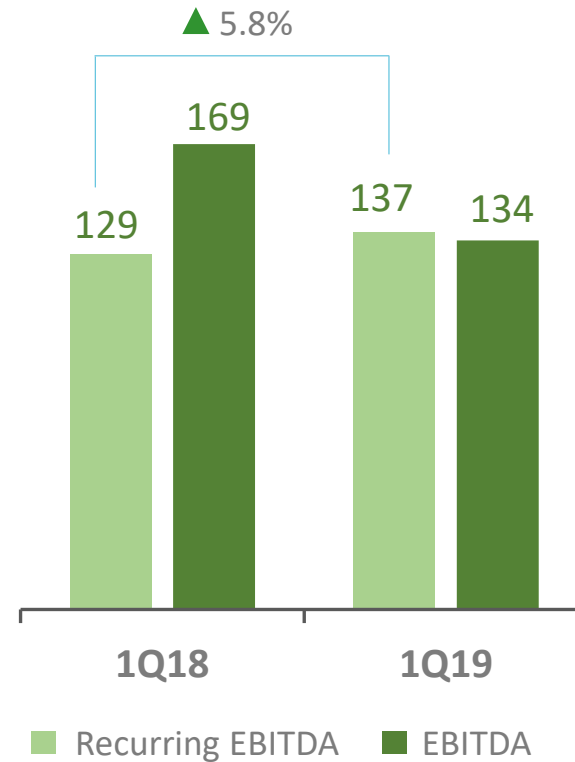
Highlights of the Period

● Changes in Management

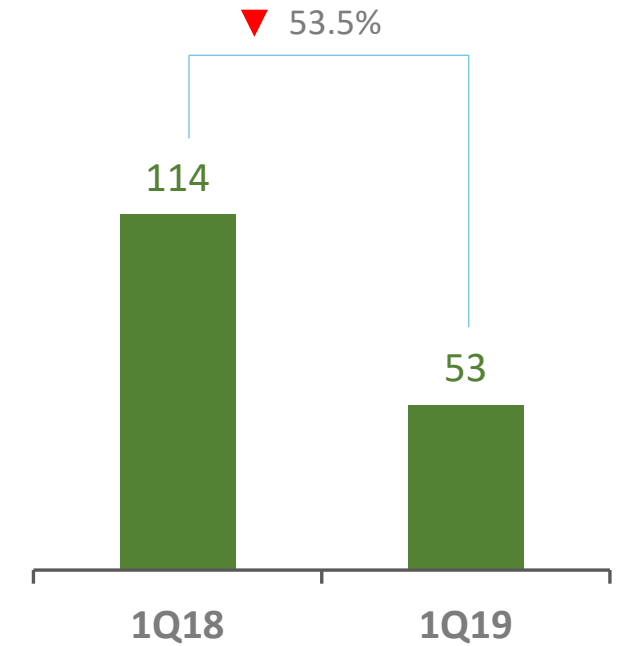
Proceeding with Alpargas' corporate governance evolution process, the 1Q19 was marked by changes in Management brought about by the Company's new CEO, Roberto Funari. Accordingly, the Executive Digital Channels Office was set up and new executives were hired for the positions of Human Resources Officer and Osklen's CEO.



EBITDA (R\$ million)



Net Income (R\$ million)*



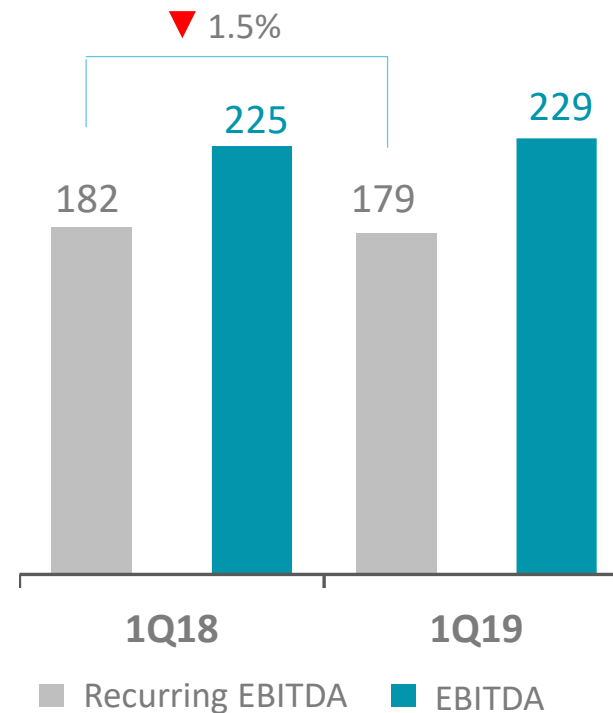
* Attributable to controlling stockholders



Highlights of the Period

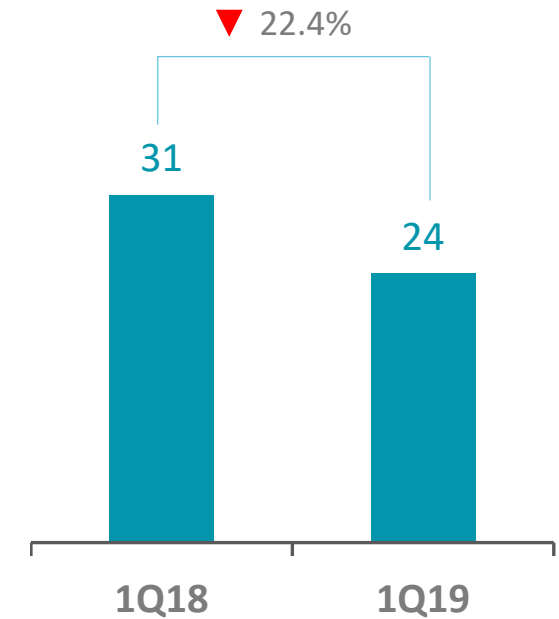
● Strategic Management and Investments

Consolidated investments totaled approximately R\$80 million in 1Q19, of which R\$37 million were invested in fixed assets and technology, and R\$43 million in biological assets. Total investments projected for 2019 amount to R\$525 million, of which 80 million refer to the expansion of the ceramic tiles business and the remaining amount for the support of manufacturing and forest operations. Two expansion projects are currently in progress: increase in the capacity of ceramic tiles and set-up of a joint venture to produce dissolving wood pulp ('DWP'), which is proceeding as scheduled, with some investments already been made.



Net Income

(R\$ million)*



* Attributable to controlling stockholders



Highlights of the Period

● Registration as a Publicly-Held Company

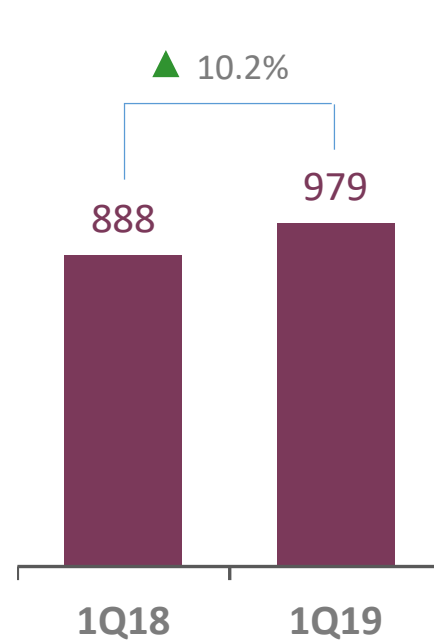
On April 18, 2019, NTS was authorized by the CVM to be registered as a securities issuer, category “B”, as disclosed in the Material Fact published on April 24, 2019.

● New CEO

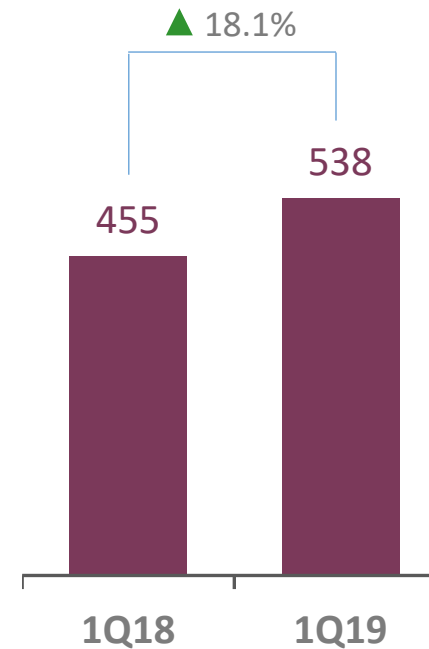
As of April 2019, Wong Loon has taken over as the Company’s new CEO, also holding the position of Chief Operations Officer (COO) at the same time.



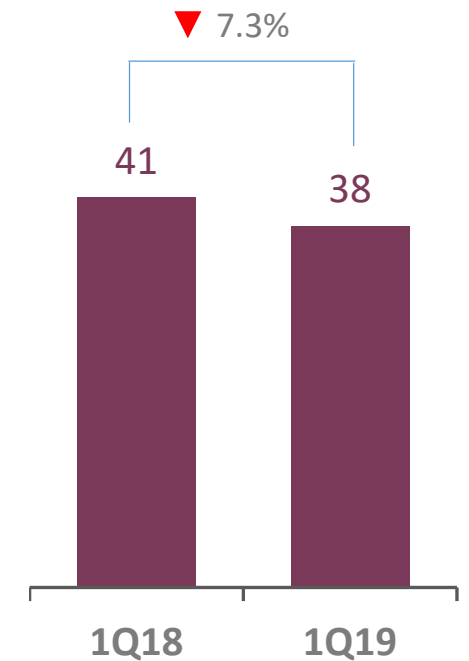
EBITDA (R\$ million)



Total Net Income (R\$ million)






Gross Flow Received by Itaúsa (R\$ million) | Dividends and Interest on Capital



Economic Performance

Main financial indicators of Itaúsa

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		R\$ million			R\$ per share		
		1Q19	1Q18	Change	03/31/2019	03/31/2018	Change
Profitability and ROE (%) 	Net Income	2,486	2,400	3.6%	0.30	0.29	1.2%
	Return on Equity (annualized)	18.8%	19.1%	-30 bps	-	-	-
Balance Sheet 	Total Assets	54,323	53,683	1.2%	-	-	-
	Net Indebtedness	306	632	-51.6%	-	-	-
	Stockholders' Equity	50,402	48,500	3.9%	5.99	5.90	1.6%
Capital Markets 	Market Value ⁽¹⁾	100,760	103,061	-2.2%	-	-	-
	Average daily traded financial volume - Itaúsa PN	379	222	70.9%	-	-	-

(1) Calculated based on the closing price of preferred shares in the last day of the period.










Economic Performance

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R\$ million

Main financial indicators of Investees (1)

We present below the main financial indicators of Itaúsa Conglomerate companies. Net Income, Stockholders' Equity and ROE correspond to the amounts attributable to controlling stockholders.

		January to March		Financial Sector		Non-financial Sector	
							
Results	 Operating revenues	2019	46,717	46,717	940	1,073	
		2018	43,985	43,985	902	1,006	
Balance sheet	 Net income	2019	6,747	6,747	53	24	
		2018	6,389	6,389	114	31	
Returns (%)	 Total assets	2019	1,545,971	1,545,971	4,209	9,589	
		2018	1,441,407	1,441,407	3,784	9,196	
Cash generation	 Stockholders' equity	2019	124,754	124,754	2,423	4,670	
		2018	123,031	123,031	2,160	4,770	
Returns (%)	 ROE on average equity (%) (annualized)	2019	22.2%	22.2%	8.8%	2.1%	
		2018	21.3%	21.3%	21.0%	2.6%	
Cash generation	 Internal fund generation⁽²⁾	2019	14,720	14,720	131	250	
		2018	18,185	18,185	160	197	

(1) Itaúsa's investment in NTS is recorded in "Financial assets measured at fair value through profit or loss". As Itaúsa's interest in NTS is below 20% of capital, it does not record this investment under the equity method.

(2) Refers to amounts from operations as disclosed in the Statements of Cash Flows.




Performance Analysis

Investees' Results

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R\$ million

Itaúsa's results are basically derived from its share of income, determined based on the results of its investees, and the revenues from investments in financial assets.

Calculation of Investees' Results	Financial Sector		Non-financial Sector				OTHER COMPANIES ^{(2) (3)}		Holding			
	1Q19	1Q18	1Q19	1Q18	1Q19	1Q18	1Q19	1Q18	1Q19	1Q18		
 Net Income of Investees	6,747	6,389	53	114	24	31	n.a	n.a	(4)	13		
(x) Direct/Indirect interest	37.46%	37.51%	27.55%	27.55%	36.66%	36.68%	7.65%	7.65%				
(=) Share of Net Income	2,527	2,396	14	31	9	11	n.a	n.a	(4)	12	2,546	2,450
(+/-) Share of income not arising from net income	88	214	(5)	(8)	-	-	-	-	-	-	83	206
 (=) Share of Income	2,615	2,610	9	23	9	11	-	-	(4)	12	2,629	2,656
(+) Revenues from Investments in Financial Assets - FVTPL⁽⁴⁾⁽⁵⁾	-	-	-	-	-	-	58	56	-	-	58	56
 (=) Investees' Results in Itaúsa	2,615	2,610	9	23	9	11	58	56	(4)	12	2,687	2,712
	97.3%	96.2%	0.3%	0.8%	0.3%	0.4%	2.2%	2.1%	-0.1%	0.4%	100.0%	100.0%




- (1) Investment in NTS is not accounted for under the equity method.
(2) Results of investees Elekeiroz (up to May 2018), Itaotec, Itaúsa Empreendimentos, and ITH Zux Cayman.
(3) For better comparability, some administrative expenses of the 1Q18 on the administrative structure dedicated to the holding company's activities, recorded in Itaúsa Empreendimentos (a wholly-owned subsidiary of Itaúsa) in the amount of R\$5 million, were reclassified to line "Administrative Expenses" of Itaúsa (Income Statement of the Parent Company).
(4) Includes dividends and interest on capital, adjustment to fair value of shares, interest on debentures convertible into shares, and expenses on time installment of the amount invested in NTS.
(5) FVTPL – Fair Value through Profit or Loss.

Performance Analysis

Statement of Income of Itaúsa⁽¹⁾

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R\$ million

	1Q19		1Q18		Δ	Δ%
 INVESTEES' RESULTS IN ITAÚSA	2,687	100.0%	2,712	100.0%	(25)	-0.9%
FINANCIAL SECTOR	2,615	97.3%	2,610	96.2%	5	0.2%
NON FINANCIAL SECTOR	76	2.8%	90	3.3%	(14)	-15.6%
OTHER COMPANIES ⁽²⁾	(4)	-0.1%	12	0.4%	(16)	-133.3%
 RESULTS OF ITAÚSA	(289)		(330)		41	-12.4%
FINANCIAL INCOME / EXPENSES	(15)		(30)		15	-50.0%
ADMINISTRATIVE EXPENSES ⁽²⁾	(32)		(18)		(14)	77.8%
TAX EXPENSES	(244)		(284)		40	-14.1%
OTHER OPERATING REVENUES	2		2		-	0.0%
INCOME BEFORE INCOME TAX/SOCIAL CONTRIBUTION	2,398		2,382		16	0.7%
INCOME TAX / SOCIAL CONTRIBUTION	88		18		70	388.9%
 NET INCOME	2,486		2,400		86	3.6%

(1) Attributable to controlling stockholders

(2) For better comparability, some administrative expenses of the 1Q18 on the administrative structure dedicated to the holding company's activities, recorded in Itaúsa Empreendimentos (a wholly-owned subsidiary of Itaúsa) in the amount of R\$5 million, were reclassified to line "Administrative Expenses" of Itaúsa (Income Statement of the Parent Company).

Performance Analysis

Balance Sheet of Itaúsa⁽¹⁾






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R\$ million

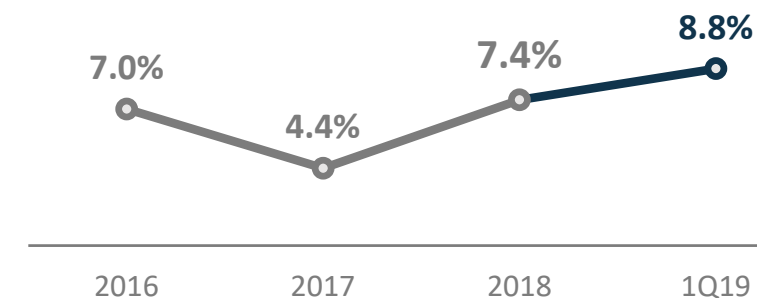
ASSETS	03/31/2019	12/31/2018	LIABILITIES AND STOCKHOLDERS' EQUITY	03/31/2019	12/31/2018
Financial assets	2,382	2,273	Current and non-current	3,921	3,277
Cash and cash equivalents	921	936	Debentures	1,227	1,208
Financial Assets - FVTPL (NTS)	1,053	1,030	Dividends / Interest on Capital Payable	774	408
Dividends / Interest on Capital Receivable	371	270	Tax provisions	1,436	1,285
Escrow deposits in guarantee of the Provision for Contingencies	37	37	Tax Liabilities	167	67
			Other Liabilities	317	309
Tax assets	1,403	1,215			
Income tax and social contribution - Current	384	293	TOTAL LIABILITIES	3,921	3,277
Income tax and social contribution - Deferred	1,017	920			
Other Taxes for Offset	2	2	Stockholders' equity	50,402	55,143
Investments	50,406	54,810	Capital	43,515	43,515
Investments in Controlled Entities	50,406	54,810	Reserves	8,549	13,339
			Carrying Value Adjustment	(1,662)	(1,711)
Fixed Assets, Net	104	99			
			TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	54,323	58,420
Other Assets	28	23			
TOTAL ASSETS	54,323	58,420			

(1) Attributable to controlling stockholders.

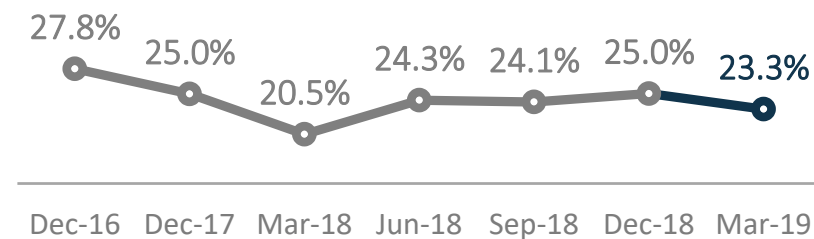
Itaúsa's Portfolio – Market Value¹ on 03/29/2019

	Market value of companies ⁽²⁾ (a)	Interest of Itaúsa in companies (%) (b)	Market value of interests (c) = (a) x (b)	Market value of the Itaúsa interests (d)	Market value of Itaúsa ⁽²⁾ (e)
	335,446	37.46%	125,670	+ 131,367	<div style="background-color: #002060; color: white; padding: 10px; text-align: center;"> <h2>ITAÚSA</h2> <p>100,760</p> </div>
	8,902	27.55%	2,453		
	7,565	36.66%	2,773		
	167	98.93%	165		
	-	-	1,053		
Other assets and liabilities⁽⁴⁾	-	-	(747)		

Dividend Yield⁵ (%)



History of Discount (%)

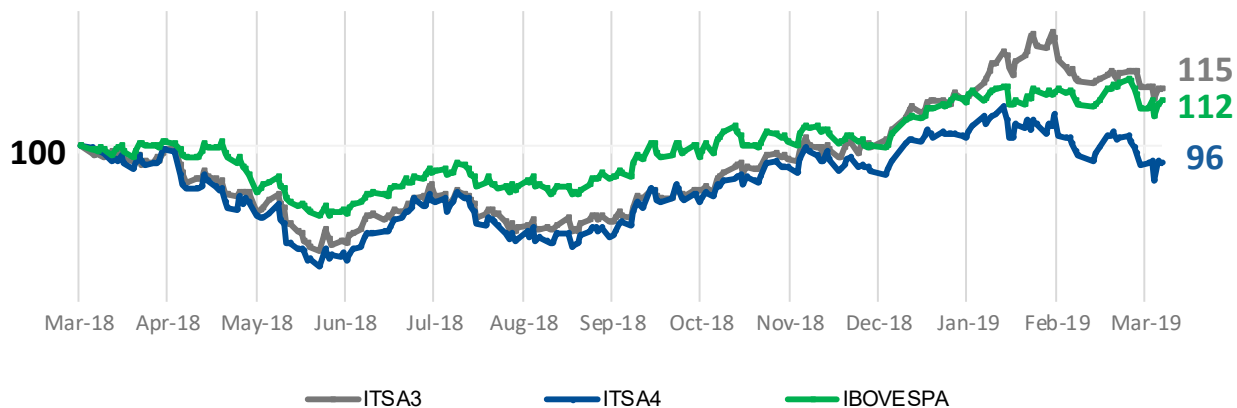


 **Desconto**
(e/d)-1
23.3%

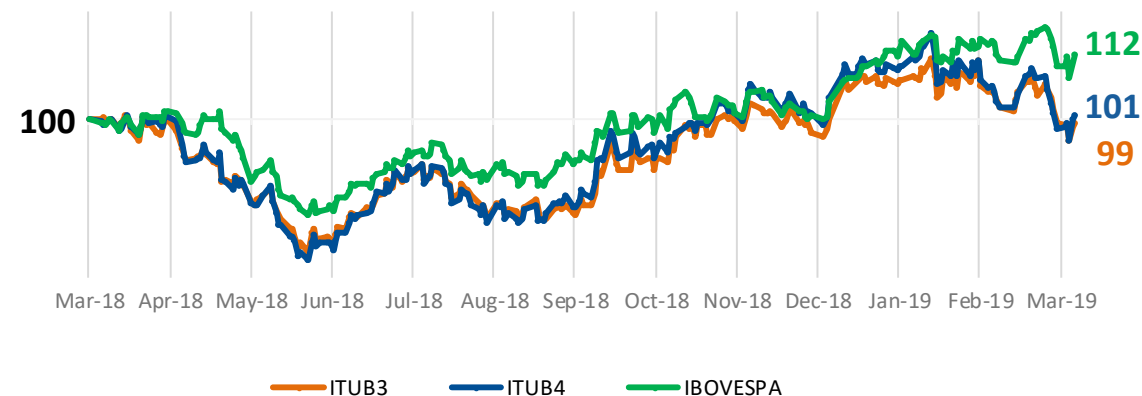
- (1) Calculated based on the price of preferred shares.
- (2) Calculated based on the number of shares issued, less treasury shares, multiplied by the closing price of the most liquid shares in the last day of the period.
- (3) Investment amount recorded in Itaúsa's Balance Sheet in Financial Assets on 03/31/2019.
- (4) Other Assets and Liabilities recorded in the Balance Sheet.
- (5) Dividend Yield includes dividends and interest on capital, gross, paid in the last 12 months divided by the closing price.

Share prices performance on B3¹ – Data base 03/29/2018

Itaúsa

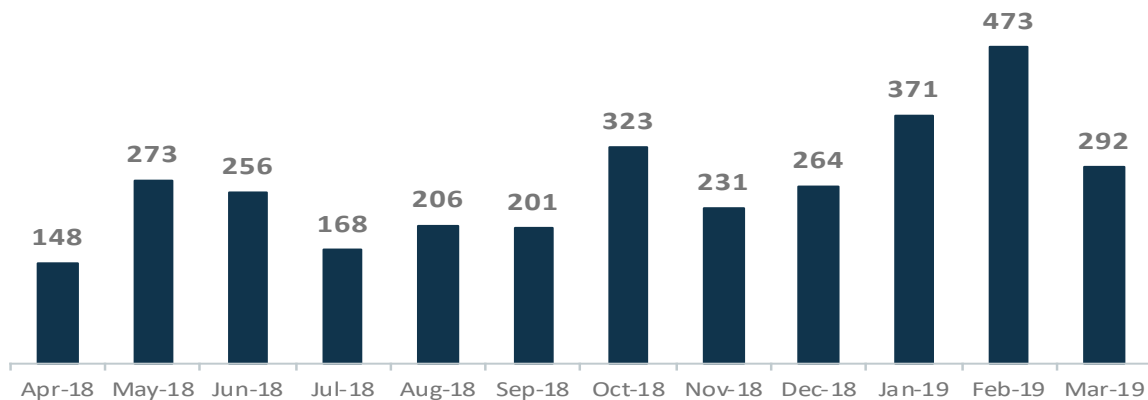


Financial Sector

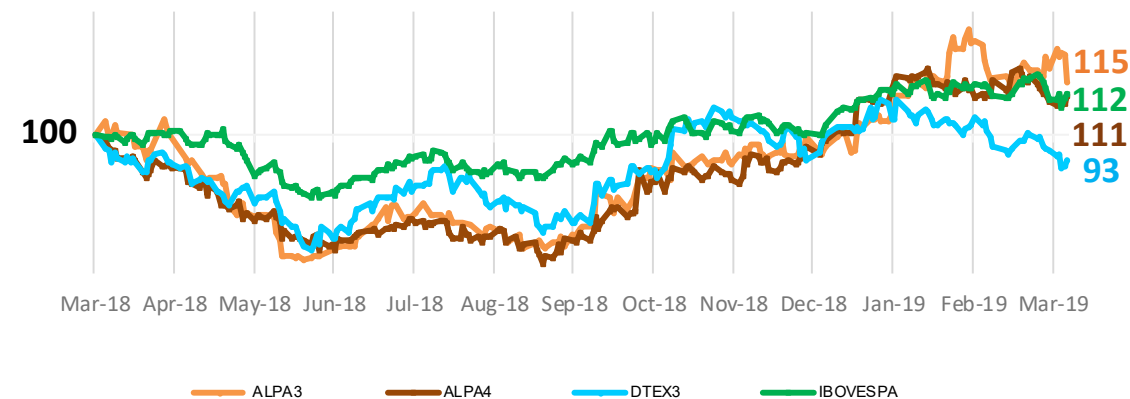


Average daily traded financial volume - Itaúsa PN

R\$ Million



Non financial Sector



Source: Economática
 Period: 03/29/2018 to 03/29/2019
 Prices adjusted by events, such as stock split, reverse split and bonus shares.
 (1) B3 S.A. – Brasil, Bolsa, Balcão.

Flow of Dividends and Interest on Capital 1,2

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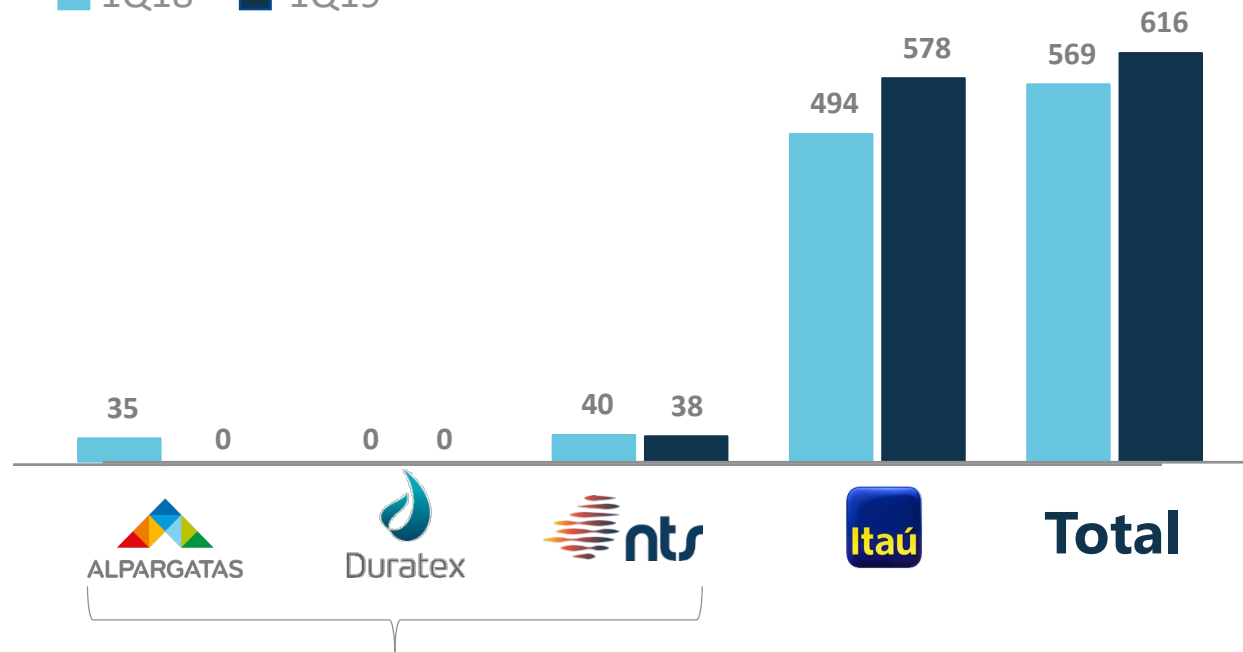
R\$ million

Base Period



Received and to be received

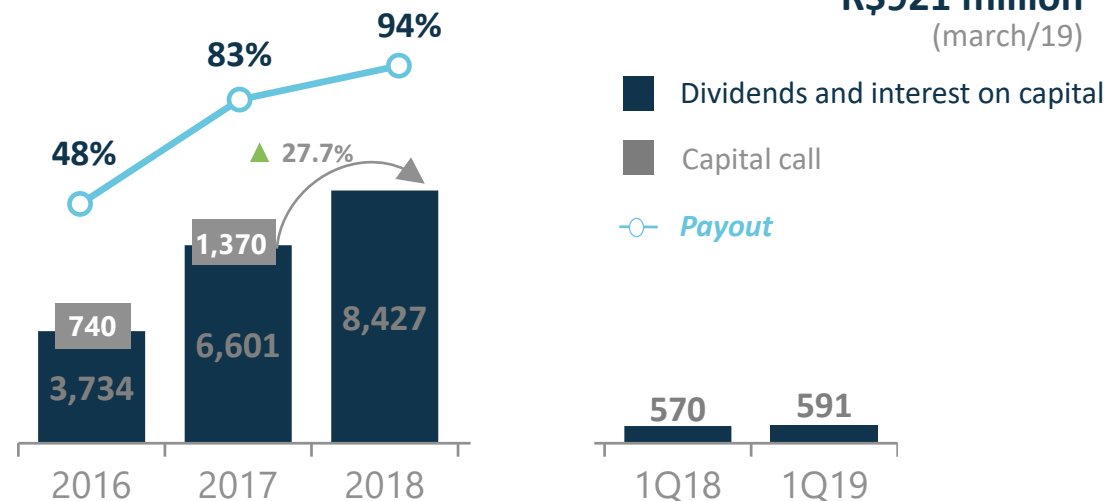
1Q18 1Q19



Non-Financial Sector
 2018: R\$75 million
 2019: R\$38 million

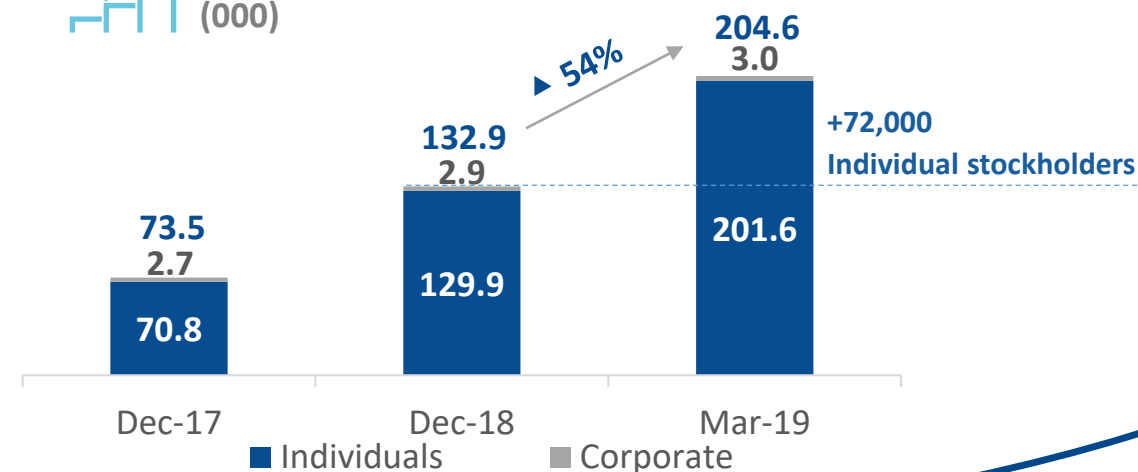


Paid and to be paid



Number of Stockholders

(000)



(1) Refers to the Individual Balance Sheet.

(2) Interest on capital, net of withholding income tax.