Itaú

Banco Itaú Holding Financeira S.A.

Management Discussion and Analysis

Second Quarter of 2008

Contents

The operations of FAI – Financeira Americanas Itaú are consolidated in the Itaucred segment in proportion to our 50% percentage holding in its capital .

The tables in this report show the figures in millions. Variations, however, are calculated in units.

Future expectations arising from the reading of this analysis should take into consideration the risks and uncertainties that involve any activities and that are outside the control of the companies of the conglomerate (political and economic changes, volatility in interest and foreign exchange rates, technological changes, inflation, financial disintermediation, competitive pressures on products and prices, and changes in tax legislation).

Executive Summary
Second Quarter of 2008

Highlights - Managerial Criteria

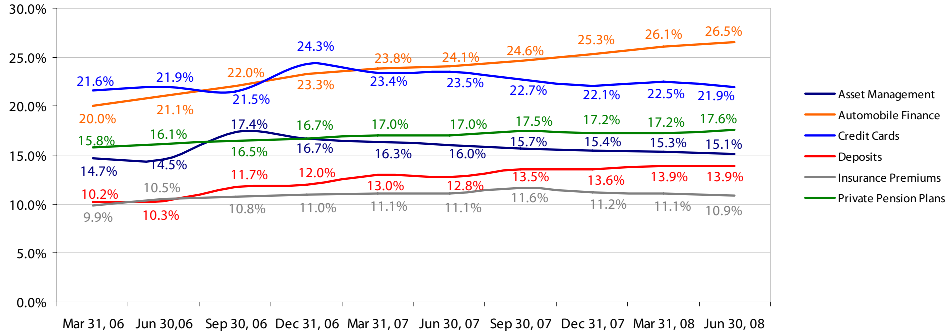
R$ Million (except where indicated)

Statements of Income	2nd Q/08	1st Q/08	2nd Q/07	1st H/08	1st H/07
Net Income - Parent Company	2,041	2,043	2,115	4,084	4,016
Recurring Net Income	2,079	1,979	1,919	4,057	3,820
Managerial Financial Margin (1)	5,867	5,535	5,250	11,402	10,234
Income per Share (R$)					
Consolidated Net Income per share (2)	0.69	0.68	0.70	1.37	1.34
Consolidated Recurring Net Income per share (2)	0.70	0.66	0.64	1.36	1.27
Number of Outstanding Shares - in thousands (3)	2,965,266	2,970,651	3,001,948	2,965,266	3,001,948
Book Value per share (2)	10.23	9.85	8.84	10.23	8.84
Dividends/JCP net of taxes (4) (R$ Million)	612	613	520	1,225	1,091
Dividends/JCP net of taxes (4) per share	0.21	0.21	0.17	0.41	0.36
Market Capitalization (5) (R$ Million)	96,668	93,944	103,219	96,668	103,219
Market Capitalization (5) (US$ Million)	60,725	53,710	53,587	60,725	53,587
Performance Ratios (%)					
Return on Average Equity - Annualized (6)	27.4%	28.1%	32.8%	27.7%	32.1%
Recurring Return on Average Equity - Annualized (6)	27.9%	27.2%	29.8%	27.5%	30.5%
Return on Average Assets - Annualized (6)	2.4%	2.6%	3.3%	2.5%	3.3%
Recurring Return on Average Assets - Annualized (6)	2.5%	2.5%	3.0%	2.5%	3.2%
Solvency Ratio (BIS Ratio)	16.4%	16.6%	17.6%	16.4%	17.6%
Annualized Net Interest Margin (7)	10.4%	11.0%	11.3%	11.2%	13.9%
Nonperforming Loans Index (NPL) (8)	4.3%	4.3%	5.1%	4.3%	5.1%
Provision for Loan Losses/Nonperforming Loans	143%	149%	162%	143.4%	162.1%
Efficiency Ratio	43.9%	43.3%	45.8%	43.6%	44.9%

Balance Sheet		Jun 30, 08		Mar 31, 08		Jun 30, 07
Total Assets		343,870		327,624		255,418
Credit Operations	*134,879*		*125,660*		*95,548*	
Sureties, Endorsements and Guarantees	*13,194*	148,073	*12,031*	137,691	*9,274*	104,821
Total Deposits		83,496		78,445		68,194
Debentures Outstanding		60,272		50,025		36,862
Stockholders' Equity of Parent Company		30,341		29,267		26,546
Relevant Data						
Assets Under Management (AUM)		218,026		213,973		199,288
Employees (Individuals)		69,163		67,505		64,170
Active Customers (Million)		13.9		13.6		13.2
Products/Customer (Units)		5.1		5.1		5.1
Branches (Units)		2,812		2,782		2,678
CSBs (Units)		745		751		747
Automated Teller Machines (Units)		23,880		23,874		23,274
Taií Stores		736		738		839
FIC Self Service Kiosks		344		338		-

(1) Described on page 5.
(2) Calculated considering the weighted average number of shares outstanding.
(3) The number of shares outstanding was adjusted to reflect the stock split that occurred in October 2007 and in April 2008.
(4) JCP– interest on own capital. Amounts paid/provisioned (Note 15 - blls to the Financial Statements).
(5) Calculated based on the average quotation of preferred shares on the last trading day in the period.
(6) Annualized Return was calculated by dividing Net Income of the parent company by the Average Stockholders' Equity of the parent company/Average Assets. The quotient of this division was multiplied by the number of periods of the year to derive the annualized index.
(7) Does not include Treasury.
(8) The ratio of transactions more than 60 days overdue to the total loan portfolio.

Shares of Major Markets



Note: The Deposits market share refers to March 2008.
The Automobile Finance market shares and Private Pension Plans refer to May 2008.
The Insurance Premiums market share includes VGBL and health insurance and refers to the period of June 2007 to May 2008.
Sources: Bacen, Susep, Anbid, Abel and Abecs.

Executive Summary
Second Quarter of 2008

Managerial Statement of Income

Banco Itaú Holding Financeira's consolidated net income for the second quarter of 2008 was impacted by the following non-recurring events: (i) setting up of a provision for losses arising from economic stabilization plans implemented during the 1980's; (ii) recognition of loss on the sale of Banco BCP shares by Banco BPI; (iii) gain on the disposal of VISA shares; (iv) gain arising from the merger and sale of shares of BM&F and Bovespa; and (v) amortization of goodwill paid on the acquisition of investments.

The table below shows the reconciliation of net income per books of R$ 2,041 million and recurring net income of R$ 2,079 million, disregarding the impacts associated with non-recurring events in the second quarter of 2008.

R$ Million

	2nd Q/08	1st Q/08	1st H/08	1st H/07
Net Income	2,041	2,043	4,084	4,016
Managerial Financial Margin	-	-	-	124
Escrow account Itaú BBA	-	-	-	124
Result from Loan Losses	-	-	-	400
Additional Provision for Loan Losses	-	-	-	400
Non-interest Expenses	113	84	197	96
Amortization of goodwill (*)	18	-	18	96
Economic Plans provision	95	84	179	-
Equity in the Earnings of Associated Companies	89	-	89	-
Gain on BCP Bank shares from BPI	89	-	89	-
Non-Operating Results	(106)	(182)	(288)	(850)
Selling of interest in Serasa	-	-	-	(736)
Selling of Itaubank building	-	-	-	(114)
Gain on Sale of Mastercard shares	-	(83)	(83)	-
Gain on Sale of VISA shares	(42)	(99)	(141)	-
Gain on Sale of BM&F and Bovespa shares	(64)	-	(64)	-
Income Tax and Social Contribution	(27)	33	7	111
Tax effects on non-recurring events	(27)	33	7	111
Minority Interests	(31)	-	(31)	(77)
Non-Recurring Effects	38	(65)	(27)	(196)
Recurring Net Income	2,079	1,979	4,057	3,820

(*) This relates to goodwill paid on the acquisition of Banco BPI and Delle Holding shares in the second quarter of 2008, as well as the investment in Private Bank operations in Miami, in the first half of 2007.

Macroeconomic Indices

	Jun 30,08	Mar 31,08	Jun 30,07
EMBI Brazil Risk	241	259	160
CDI (In the Quarter)	2.7%	2.6%	2.9%
Dollar Exchange Rate (Var. in the Quarter)	-9.0%	-1.3%	-6.1%
Dollar Exchange Rate (Quotation in R$)	1.5919	1.7491	1.9262
IGP-M (In the Quarter)	4.3%	2.4%	0.3%
Savings (TR + 6% p.a.)	1.8%	1.7%	1.9%

Tax Effect of Hedge of Investments Abroad and Sovereign Bonds

R$ Million

	2nd Q/08	1st Q/08	Variation
Tax Effect of Hedge of Investments Abroad (*)	(621)	(48)	(573)
Tax Effect of Sovereign Bonds	76	65	11
Total	(545)	17	(561)

(*) As shown in the table on page 14.

Managerial Statement of Income

The Management Discussion and Analysis Report is based on the Managerial Statement of Income, which arises from reclassifications made in the accounting statement of income. Details of such reclassifications can be found in the reports for June 2005 to March 2006.

During the quarter, the real appreciated by 9.0% against the U.S. dollar, compared to a 1.3% appreciation in the first quarter of the year. The real appreciated by 9.2% against the Euro in the second quarter of 2008, compared to a 5.8% depreciation in the prior quarter.

Foreign exchange variation in the quarter, coupled with our exchange risk management policy for investments abroad – which takes into account the tax effects on such exposure to determine the amount of the liability position in exchange derivatives required to hedge these investments – led expenses associated with the tax effect of hedging investments abroad and sovereign securities to reach R$ 545 million in the second quarter of 2008, against incomes of R$ 17 million in the prior quarter.

Managerial Statement of Income

Managerial Adjustments Made:
Adjustment 1: Exclusion of Distribution of Exchange Variation from Investments Abroad.
Adjustment 2: Tax Effect of Hedge of Investments Abroad and Sovereign Bonds.

R$ Million

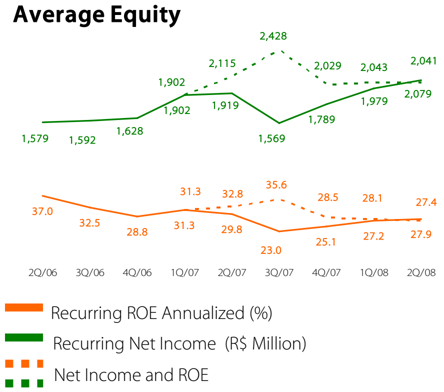
2nd Quarter/08	Banco Itaú Holding				
	Accounting	Non-reccuring effects	Managerial Adjustments		Managerial
			Adjustment 1	Adjustment 2	
Managerial Financial Margin	**6,350**	**-**	**61**	**(545)**	**5,867**
• Financial Margin with Customers	5,154	-	-	-	5,154
• Financial Margin with Market	1,196	-	61	(545)	713
Result from Loan Losses	**(1,623)**	**-**	**(39)**	**-**	**(1,662)**
Provision for Loan and Lease Losses	(1,919)	-	(39)	-	(1,958)
Recovery of Credits Written Off as Losses	296	-	-	-	296
Net Result from Financial Operations	**4,728**	**-**	**22**	**(545)**	**4,205**
Other Operating Income/(Expenses)	**(1,430)**	**202**	**77**	**71**	**(1,080)**
Banking fees and charge revenues	2,583	-	11	-	2,594
Result from Op. of Insurance, Pension Plans and Capitalization	368	-	-	-	368
Non-interest Expenses	(3,814)	113	(4)	-	(3,705)
Tax Expenses for ISS, PIS and Cofins	(564)	-	-	71	(493)
Equity in the Earnings of Associated Companies	(108)	89	74	-	55
Other Operating Income	105	-	(3)	-	102
Operating Income	**3,298**	**202**	**99**	**(474)**	**3,125**
Non-operating Income	109	(106)	3	-	6
Income before Tax and Profit Sharing	**3,407**	**95**	**102**	**(474)**	**3,131**
Income Tax and Social Contribution	**(1,202)**	**(27)**	(8)	474	**(762)**
Profit Sharing	**(224)**	**-**	-	-	**(224)**
Minority Interests	**60**	**(31)**	(94)	-	**(65)**
Net Income	**2,041**	**38**	**-**	**-**	**2,079**

R$ Million

1st Quarter/08	Banco Itaú Holding				
	Accounting	Non-reccuring effects	Managerial Adjustments		Managerial
			Adjustment 1	Adjustment 2	
Managerial Financial Margin	**5,527**	**-**	**(8)**	**17**	**5,535**
• Financial Margin with Customers	5,058	-	-	-	5,058
• Financial Margin with Market	469	-	(8)	17	478
Result from Loan Losses	**(1,598)**	**-**	**15**	**-**	**(1,583)**
Provision for Loan and Lease Losses	(1,845)	-	15	-	(1,830)
Recovery of Credits Written Off as Losses	247	-	-	-	247
Net Result from Financial Operations	**3,928**	**-**	**8**	**17**	**3,953**
Other Operating Income/(Expenses)	**(1,000)**	**84**	**(25)**	**6**	**(935)**
Banking fees and charge revenues	2,503	-	(2)	-	2,501
Result from Op. of Insurance, Pension Plans and Capitalization	318	-	-	-	318
Non-interest Expenses	(3,597)	84	29	-	(3,484)
Tax Expenses for ISS, PIS and Cofins	(466)	-	-	6	(460)
Equity in the Earnings of Associated Companies	87	-	(44)	-	43
Other Operating Income	155	-	(8)	-	147
Operating Income	**2,929**	**84**	**(18)**	**23**	**3,017**
Non-operating Income	180	(182)	(0)	-	(3)
Income before Tax and Profit Sharing	**3,108**	**(98)**	**(18)**	**23**	**3,014**
Income Tax and Social Contribution	**(763)**	**33**	**5**	**(23)**	**(747)**
Profit Sharing	**(215)**	**-**	**-**	**-**	**(215)**
Minority Interests	**(87)**	**-**	**13**	**-**	**(74)**
Net Income	**2,043**	**(65)**	**-**	**-**	**1,979**

Executive Summary
Second Quarter of 2008

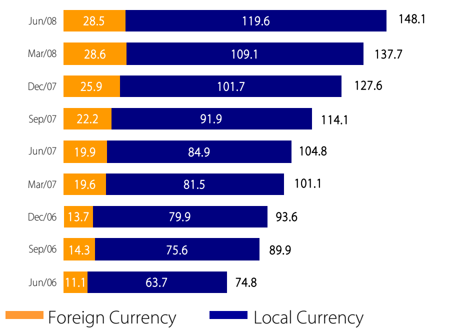
Net Income and Annualized Return on Average Equity



Our consolidated net income for the second quarter of 2008 totaled R$ 2,041 million. During the period, the recurring consolidated net income amounted to R$ 2,079 million, or a 5.1% growth from the prior quarter. The parent company stockholders' equity reached R$ 30,341 million at June 30, 2008, giving rise to an annualized recurring return on average net equity of 27.9% in the period, corresponding to a 0.7 percentage point increase compared to the first quarter of the year.

Loan Portfolio (*)

R$ Billion



(*) Includes endorsements and sureties.

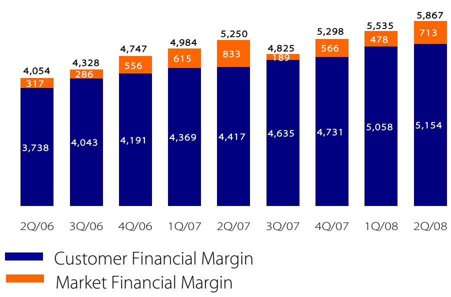
R$ Million

	Jun 30,08	Mar 31,08	Jun 30,07	Variation (%) Jun/08-Mar/08	Variation (%) Jun/08-Jun/07
Individuals	62,276	57,907	45,035	7.5%	38.3%
Credit Card	11,076	10,463	8,867	5.9%	24.9%
Personal Loans	15,160	14,717	13,886	3.0%	9.2%
Vehicles	36,040	32,727	22,282	10.1%	61.7%
Businesses	69,308	62,616	46,885	10.7%	47.8%
Corporate	39,545	37,380	28,982	5.8%	36.4%
Micro, small and middle market	29,762	25,236	17,903	17.9%	66.2%
Directed Loans	7,232	6,771	5,711	6.8%	26.6%
Rural Loans	4,052	3,896	3,236	4.0%	25.2%
Mortgage Loans	3,180	2,875	2,476	10.6%	28.5%
Argentina/Chile/Uruguay	9,258	10,397	7,190	-11.0%	28.8%
Total	148,073	137,691	104,821	7.5%	41.3%

The loan and financing portfolio, including sureties and endorsements, totaled R$ 148,073 million in the second quarter of 2008, representing a 7.5% rise compared to the prior quarter. For the second consecutive quarter, loan and financing transactions with micro, small and mid-sized companies are to be highlighted, with a 17.9% increase quarter-on-quarter. As to transactions with individuals, vehicle financing and leasing maintained a significant expansion rate, posting a 10.1% increase compared to the prior quarter. Credit transactions carried out by our foreign units (Argentina, Chile and Uruguay) declined 11.0% quarter-on-quarter, primarily due to the significant impact of the 24.3% depreciation of the Chilean peso against the Real, which also affected the value of our portfolio in that country. Finally, the real estate loan portfolio increased by 10.6%, in line with our strategy of expanding this type of transaction.

Managerial Financial Margin

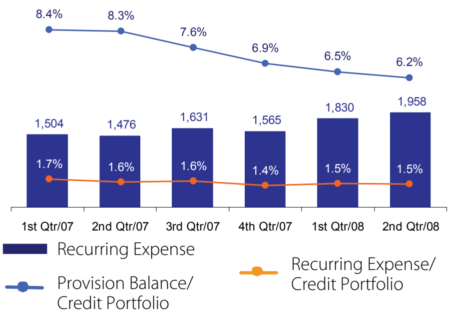
R$ Million



Our managerial financial margin stood at R$ 5,867 million in the second quarter of 2008, growing by 6.0% compared to the prior quarter. The managerial financial margin on customer transactions increased by 1.9% quarter-on-quarter, to reach R$ 5,154 million. Aligned with our goals, the increased balance of loan and financing transactions was the driver of the higher margin on customer transactions. The managerial financial margin on market transactions grew 49.2% up from the prior quarter, essentially due to higher gains on fixed rate derivative instruments used in the management of interest rate risks and fixed rate positions.

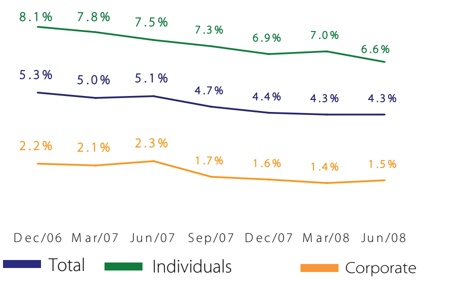
Provision for Loan Losses and Credit Portfolio

R$ Million



In the second quarter of 2008, expenses for the provision for doubtful loans increased by 7.0% compared to the prior quarter, primarily due to the increased balance of our credit portfolio, which increased by 7.5% in the period. The ratio of the provision for doubtful loans to the total balance of the credit portfolio remained stable quarter-on-quarter. The nonperforming loan ratio remained unaltered from the prior quarter, at 4.3%. During the quarter, delinquency levels in the individual portfolio improved, decreasing by 0.4 percentage point compared to the prior quarter. With respect to the corporate portfolio, the delinquency level increased by 0.1 percentage point, as a result of the change in its mix arising from the expansion in the portfolio of micro, small and mid-sized companies.

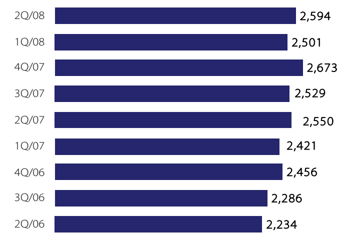
NPL Ratio(*) - Individuals x Businesses (%)



(*) Nonperforming Loans: Loan transactions overdue more than 60 days.

Banking fees and charge revenues

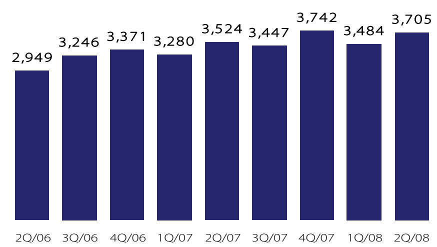
R$ Million



Banking fee revenues increased by 3.7% quarter-on-quarter. Revenues from brokerage services, securities placement and economic assistance grew during the period, on account of the higher volume of public offers of shares. On the other hand, revenues from credit transactions and collateral provided declined in the second quarter, as a result of the extinguishment of fees charged upon establishing a credit relationship, in compliance with instructions from the Brazilian Central Bank. With respect to current account services, revenues increased due to the expansion in the customer base and the appropriation of standing data renewal fees.

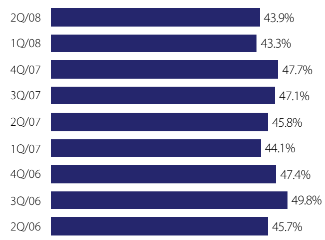
Non-interest Expenses

R$ Million



In the second quarter of the year, non-interest expenses were up 6.3% from the prior quarter. Personnel expenses were chiefly impacted by the 4.1% increase in the number of employees, which totaled 69,165 people. Other administrative expenses grew essentially because of a strong institutional advertising campaign in the period and increased expenses for external consultants. However, it should be stressed that the increase in non-interest expenses did not significantly impact the Bank efficiency ratio, which stood at 43.9% in the second quarter of 2008.

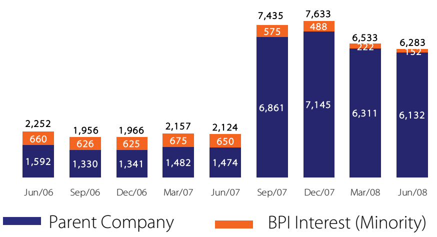
Efficiency Ratio (%) (*)



(*) The criteria for calculating the efficiency ratio are detailed on page 19.

Unrealized Profit/(Loss)

R$ Million



In the second quarter of 2008, unrealized net income/(loss) declined by R$ 250 million compared to the prior quarter, totaling R$ 6,283 million. The rise in the benchmark rate in the period adversely affected the marking to market of credit transactions and securities available for sale. Equity in the earnings of associated companies, on the other hand, gave rise to a net positive effect, as the reduction in the value of BM&F and Banco BPI financial instruments was offset by the appreciation of Bovespa and Redecard shares. The balance of the provision in excess of the minimum required to cover possible loan losses remained unaltered, totaling R$ 2,150 million. It should be noted that this provision is not considered in the determination of unrealized net income/(loss).

Consolidated Pro Forma Balance Sheet

R$ Million

ASSETS	Jun 30,08	Mar 31,08	Jun 30,07	Variation % Jun/08-Mar/08	Variation % Jun/08-Jun/07
Current and Long-Term Assets	**340,002**	**323,756**	**251,644**	**5.0%**	**35.1%**
Cash and Cash Equivalents	5,601	5,194	4,225	7.8%	32.6%
Short-Term Interbank Deposits	68,067	56,381	38,721	20.7%	75.8%
Securities and Derivative Instruments	71,309	72,404	62,041	-1.5%	14.9%
Interbank and Interbranch Accounts	20,788	20,566	16,905	1.1%	23.0%
Loans, Leasing Operations and Other Credits	134,879	125,660	95,548	7.3%	41.2%
(Allowance for Loan Losses)	(8,388)	(8,147)	(7,914)	3.0%	6.0%
Other Assets	47,746	51,697	42,120	-7.6%	13.4%
Foreign Exchange Portfolio	19,600	25,819	19,036	-24.1%	3.0%
Others	28,146	25,878	23,084	8.8%	21.9%
Permanent Assets	**3,868**	**3,869**	**3,773**	**0.0%**	**2.5%**
Investments	1,253	1,253	1,116	0.0%	12.3%
Fixed Assets	1,881	1,855	1,892	1.4%	-0.6%
Deferred Changes	734	760	765	-3.5%	-4.1%
TOTAL ASSETS	343,870	327,624	255,418	5.0%	34.6%

R$ Million

LIABILITIES	Jun 30,08	Mar 31,08	Jun 30,07	Variation % Jun/08-Mar/08	Variation % Jun/08-Jun/07
Current and Long-Term Liabilities	**311,343**	**296,066**	**226,765**	**5.2%**	**37.3%**
Deposits	83,496	78,445	68,194	6.4%	22.4%
Demand Deposits	19,120	19,847	19,224	-3.7%	-0.5%
Savings Accounts	28,881	28,388	24,075	1.7%	20.0%
Interbank Deposits	1,295	1,576	920	-17.8%	40.7%
Time Deposits	34,200	28,634	23,974	19.4%	42.7%
Funds Received under Securities Repurchase Agreements	96,220	85,692	49,950	12.3%	92.6%
Funds from Acceptances and Issue of Securities	7,741	7,177	7,899	7.8%	-2.0%
Interbank and Interbranch Accounts	6,594	6,372	4,091	3.5%	61.2%
Borrowings and On-lendings	17,857	18,962	13,170	-5.8%	35.6%
Financial Instruments and Derivatives	4,773	4,326	4,160	10.3%	14.7%
Technical Provisions for Insurance, Pension Plans and Cap.	26,637	25,133	21,510	6.0%	23.8%
Other Liabilities	68,026	69,959	57,791	-2.8%	17.7%
Foreign Exchange Portfolio	20,256	25,966	19,317	-22.0%	4.9%
Subordinated Debt	12,559	12,371	10,625	1.5%	18.2%
Others	35,211	31,621	27,850	11.4%	26.4%
Deferred Income	**71**	**74**	**74**	**-4.6%**	**-4.6%**
Minority Interest in subsidiaries	**2,115**	**2,218**	**2,033**	**-4.7%**	**4.0%**
Stockholders' Equity of Parent Company	**30,341**	**29,267**	**26,546**	**3.7%**	**14.3%**
TOTAL LIABILITIES	343,870	327,624	255,418	5.0%	34.6%

Deposits	83,496	78,445	68,194	6.4%	22.4%
Assets Under Management (AUM)	218,026	213,973	199,288	1.9%	9.4%
Total Deposits + Assets Under Management (AUM)	301,522	292,418	267,482	3.1%	12.7%

Consolidated Pro Forma Statement of Income

R$ Million

	2nd Q/08	1st Q/08	1st H/08	1st H/07	Variation 2nd Q/08-1st Q/08	%	Variation 1st H/08-1st H/07	%
Managerial Financial Margin	**5,867**	**5,535**	**11,402**	**10,234**	**331**	**6.0%**	**1,168**	**11.4%**
• Financial Margin with Customers	5,154	5,058	10,212	8,786	96	1.9%	1,426	16.2%
• Financial Margin with Market	713	478	1,190	1,448	235	49.2%	(258)	-17.8%
Result from Loan Losses	**(1,662)**	**(1,583)**	**(3,245)**	**(2,483)**	**(79)**	**5.0%**	**(762)**	**30.7%**
Provision for Loan and Lease Losses	(1,958)	(1,830)	(3,787)	(2,980)	(128)	7.0%	(807)	27.1%
Recovery of Credits Written Off as Losses	296	247	543	498	50	20.1%	45	9.1%
Net Result from Financial Operations	**4,205**	**3,953**	**8,157**	**7,751**	**252**	**6.4%**	**406**	**5.2%**
Other Operating Income/(Expenses)	**(1,080)**	**(935)**	**(2,015)**	**(1,797)**	**(145)**	**15.5%**	**(218)**	**12.1%**
Banking fees and charge revenues	2,594	2,501	5,095	4,971	93	3.7%	124	2.5%
Result from Operations of Insurance, Pension Plans and Cap.	368	318	686	601	49	15.4%	85	14.1%
Non-interest Expenses	(3,705)	(3,484)	(7,189)	(6,804)	(221)	6.3%	(385)	5.7%
Tax Expenses for ISS, PIS and Cofins	(493)	(460)	(954)	(919)	(33)	7.2%	(35)	3.8%
Equity in the Earnings of Associated Companies	55	43	98	102	11	26.5%	(4)	-3.8%
Other Operating Income	102	147	249	252	(45)	-30.4%	(4)	-1.5%
Operating Income	**3,125**	**3,017**	**6,142**	**5,954**	**108**	**3.6%**	**188**	**3.2%**
Non-operating Income	6	(3)	3	23	9	-	(20)	-85.6%
Income before Tax and Profit Sharing	**3,131**	**3,014**	**6,146**	**5,977**	**117**	**3.9%**	**168**	**2.8%**
Income Tax and Social Contribution	**(762)**	**(747)**	**(1,509)**	**(1,789)**	**(15)**	**2.1%**	**279**	**-15.6%**
Profit Sharing	**(224)**	**(215)**	**(439)**	**(295)**	**(10)**	**4.5%**	**(144)**	**48.9%**
Minority Interests	**(65)**	**(74)**	**(139)**	**(73)**	**9**	**-11.5%**	**(66)**	**90.0%**
Recurring Net Income	**2,079**	**1,979**	**4,057**	**3,820**	**100**	**5.1%**	**237**	**6.2%**
Number of shares outstanding - in thousands (*)	2,965,266	2,970,651	2,965,266	3,001,948				
Book value per share - R$ (*)	10.23	9.85	10.23	8.84			1.39	15.7%
Net Income per share - R$ (*)	0.70	0.66	1.36	1.27			0.09	7.2%

(*) Adjusted to reflect the stock splits in Apr/08 and Oct./07.

Pro Forma Statement of Income by Segment

R$ Million

2nd Quarter/08	Banco Itaú Holding: Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Managerial Financial Margin	3,540	722	1,421	181	5,867
• Financial Margin with Customers	3,077	472	1,421	181	5,154
• Financial Margin with Market	463	250	-	-	713
Result from Loan Losses	(1,017)	(23)	(621)	-	(1,662)
Provision for Loan and Lease Losses	(1,194)	(36)	(728)	-	(1,958)
Recovery of Credits Written Off as Losses	177	12	107	-	296
Net Result from Financial Operations	2,523	699	800	181	4,205
Other Operating Income (Expenses)	(691)	(78)	(325)	16	(1,080)
Banking fees and charge revenues	1,993	191	397	-	2,594
Operating Result of Insurance, Pension Plans and Capitalization	352	(0)	16	-	368
Non-interest Expenses	(2,835)	(218)	(632)	(15)	(3,705)
Tax Expenses for ISS, PIS and Cofins	(316)	(41)	(123)	(13)	(493)
Equity in the Earnings of Associated Companies	-	8	-	47	55
Other Operating Income	115	(17)	17	(3)	102
Operating Income	1,832	621	474	197	3,125
Non-operating Income	0	1	0	5	6
Income Before Tax and Profit Sharing	1,832	622	474	202	3,131
Income Tax and Social Contribution	(462)	(141)	(139)	(21)	(762)
Profit Sharing	(145)	(66)	(13)	-	(224)
Minority Interests	-	-	-	(64)	(65)
Recurring Net Income	1,225	414	322	117	2,079
(RAROC) - Return on Average Tier I Allocated Capital	35.1%	27.6%	30.5%	8.3%	27.9%
Efficiency Ratio	49.9%	25.5%	36.6%	9.0%	43.9%

Note: For other financial statements per segment, please see pages 24 and 25 of this report.

Executive Summary

Second Quarter of 2008

Results by Segment

Itaubanco

In the second quarter of 2008, Itaubanco's net income reached R$ 1,225 million, corresponding to an 11.4% increase compared to the prior quarter. The managerial financial margin grew by 8.7% quarter-on-quarter, boosted by the expansion in credit transactions, in particular loans and financing to micro, small and mid-sized companies, and the treasury performance, essentially associated with higher gains on fixed-rate derivative instruments used in managing interest rate risks. Expenses for provision for loan losses, net of recoveries of loans written off as losses, grew mostly on account of the expansion in the credit portfolio. Banking service fees were impacted by higher brokerage and securities placement revenues, partly offset by reduced revenues from credit opening. The increase seen in non-interest expenses is attributable to higher advertising and third-party service expenses, as well as the increased number of employees. Income Tax and Social Contribution on Net Income increased in line with the higher income before taxes and profit sharing.

Itaú BBA

During the quarter, the Itaú BBA segment managerial financial margin increased 3.7% in comparison with the prior quarter. The managerial financial margin on customer transactions decreased by 16.8% from the prior quarter. It should be noted that, as a result of the enhanced foreign exchange volatility in the first quarter, Itaú BBA carried out a higher number of structured transactions involving derivative financial instruments to meet its customers' demands. The financial margin on market transactions increased by 95.1% quarter-on-quarter, boosted by treasury transactions which posted the highest results on proprietary strategies on the domestic and international markets, in particular fixed income positions in Brazil, as well as exchange parity positions. The result of doubtful loans was essentially impacted by risk rating reassessments. Banking service fees increased by 39.4% from the prior quarter, chiefly on account of revenues from investment banking transactions.

Itaucred

The Itaucred segment credit portfolio added up to R$ 46,988 million at June 30, 2008, equal to a 8.3% increase compared to the first quarter of the year. The increase had a positive impact on the segment financial margin, bringing about 3.7% growth quarter-on-quarter. The expansion in the credit portfolio increased in expenses with provision for loan losses compared to the prior quarter. Banking service fees were impacted by the reduction in credit opening revenues, leading to an overall decline of 11.2% in banking service fees quarter-on-quarter. The higher number of employees in the Vehicles subsegment, coupled with higher advertising expenses, gave rise to a 12.0% growth in non-interest expenses. As a result of these factors, net income for the segment reached R$ 322 million, declining by 15.3% when compared to the first quarter of the year.

Corporation

Corporation Net Income is primarily associated with financial results from the investment of our excess capital. During the second quarter of 2008, Net Income totaled R$ 117 million, representing a 10.7% decline compared to the prior quarter, chiefly attributable to the reduced balance of excess capital.

Executive Summary
Second Quarter of 2008

The pro forma financial statements of Itaubanco, Itaú BBA, Itaucred and Corporation presented below are based on managerial information and adequately reflect the performance of the different business units of the conglomerate. Variations in the statements of income of Itaú's segments between the second quarter of 2008 and the first quarter of 2008 are set out below.

Pro Forma Statement of Income by Segment

R$ Million

	2nd Q/08	1st Q/08	Variation	
Itaubanco				
Managerial Financial Margin	3,540	3,256	284	8.7%
• Financial Margin with Customers	3,077	2,906	171	5.9%
• Financial Margin with Market	463	350	113	32.2%
Result from Loan Losses	(1,017)	(963)	(54)	5.6%
Banking fees and charge revenues	1,993	1,919	74	3.9%
Non-interest Expenses[1]	(2,835)	(2,673)	(162)	6.1%
Income Tax and Social Contribution	(462)	(407)	(55)	13.6%
Other [2]	6	(32)	39	-119.8%
Recurring Net Income of Itaubanco (A)	1,225	1,100	126	11.4%
Itaú BBA				
Managerial Financial Margin	722	696	26	3.7%
• Financial Margin with Customers	472	568	(96)	-16.8%
• Financial Margin with Market	250	128	122	95.1%
Result from Loan Losses	(23)	(25)	2	-7.3%
Banking fees and charge revenues	191	137	54	39.4%
Non-interest Expenses[1]	(218)	(237)	18	-7.8%
Income Tax and Social Contribution	(141)	(153)	12	-7.9%
Other [2]	(116)	(50)	(66)	131.1%
Recurring Net Income of Itaú BBA (B)	414	368	47	12.7%
Itaucred				
Managerial Financial Margin	1,421	1,370	51	3.7%
Result from Loan Losses	(621)	(595)	(27)	4.5%
Banking fees and charge revenues	397	447	(50)	-11.2%
Non-interest Expenses[1]	(632)	(564)	(68)	12.0%
Income Tax and Social Contribution	(139)	(172)	33	-19.2%
Other [2]	(103)	(106)	3	-2.4%
Recurring Net Income of Itaucred (C)	322	380	(58)	-15.3%
Corporation				
Managerial Financial Margin	181	212	(31)	-14.7%
Non-interest Expenses[1]	(15)	(11)	(4)	33.0%
Income Tax and Social Contribution	(21)	(15)	(5)	33.7%
Other [3]	(28)	(55)	26	-48.0%
Recurring Net Income of Corporation (D)	117	131	(14)	-10.7%
RECURRING NET INCOME OF ITAÚ (A) + (B) + (C) + (D)	2,079	1,979	100	5.1%

(1) Includes Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes, and Other Operating Expenses.
(2) Includes the Income from Insurance, Pension Plan and Capitalization Operations, Tax Expenses – ISS, PIS and COFINS, Other Operating Revenues, Non-Operating Income, and Profit Sharing.
(3) Includes Tax Expenses – ISS, PIS and Cofins, Equity in the Earnings of Associated Companies, Other Operating Revenues, Non-Operating Income, Profit Sharing and Minority Interests in Subsidiary Companies.

Banco Itaú Holding Financeira S.A.

Analysis of the Consolidated Net Income

Analysis of the Consolidated Net Income

Managerial Financial Margin

During the second quarter of 2008, the managerial financial margin was R$ 5.867 million, corresponding to a R$ 331 million increase compared to the first quarter.

The main drivers of such change are described below.

Managerial Financial Margin

R$ million

	2nd Q/08	1st Q/08	Variation	
			Balance	%
Customers	**5,154**	**5,058**	**96**	**1.9%**
Market	**713**	**478**	**235**	**49.2%**
Treasury	423	217	206	94.9%
Management of Foreign Exchange Risk from Investments	290	261	29	11.2%
Total	**5,867**	**5,535**	**331**	**6.0%**

Customer Transactions

The margin on customer transactions basically arises from the offer of financial products and services to our customers, both individuals and companies. During the quarter, the margin on customer transactions amounted to R$ 5.154 million, corresponding to a 1.9% increase compared to the first quarter of 2008. The financial margin on customer transactions can be divided into two separate components, i.e. those that are sensitive to changes in the reference interest rate, and those that are sensitive to changes in spreads.

Financial Margin on Interest Rate Change-Sensitive Customer Transactions

The determination of the portion of the financial margin on transactions that are sensitive to changes in interest rates considers the amount obtained by adding up customer's non-interest bearing funds (demand deposits, floatings, etc.) and the working capital (stockholders' equity less permanent assets and tax credits – which also bear no financial costs), less assets that do not give rise to financial income (compulsory deposits, contingent assets, etc.) This portion is invested at the opportunity rate (CDI).

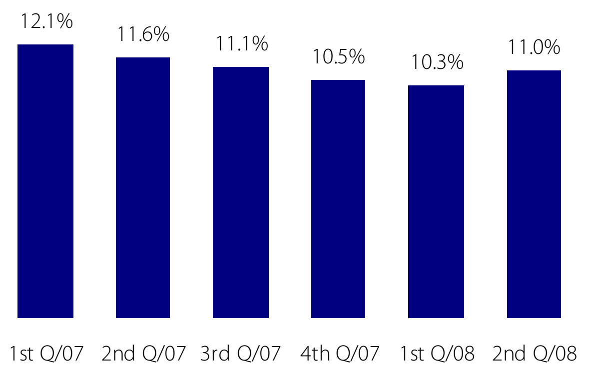
During the quarter, the interest rate increased by 0.7 percentage point from the prior quarter. However, the financial margin on transactions that are sensitive to interest rate changes declined by R$16 million quarter-on-quarter, on account of the decrease in the average balance of demand deposits and floating.

Banking Transactions Sensitive to Variations in Interest Rate

R$ million

	2nd Q/08	1st Q/08	Variation	
			Balance	%
Average Balance	29,677	32,201	(2,523)	-7.8%
Financial Margin	814	830	(16)	-1.9%
Annualized Rate	11.0%	10.3%		0.7 p.p.

Annualized Rate of Banking Transactions Sensitive to Variations in Interest Rate



Financial Margin on Spread-Sensitive Customer Transactions

The determination of this portion of the financial margin takes into account both funds obtained from customers – savings deposits, time deposits, etc., the remuneration of which corresponds to a financial expense – and the investment of these funds in a number of assets – credit transactions, financial investments, etc., the remuneration of which represents financial income. The financial margin on spread-sensitive transactions is the difference between the financial income from these assets and the financial expense associated with funding.

During the quarter, the average balance of spread-sensitive transactions increased by 11.7%, primarily due to the expansion in the volume of credit transactions. Spreads declined slightly during the period, and as a result the annualized rate of spread-sensitive customer transactions stood at 10.3% versus 11.2% in the first quarter of 2008. The combination of these factors gave rise to a R$112 million increase in the financial margin on spread-sensitive transactions quarter-on-quarter.

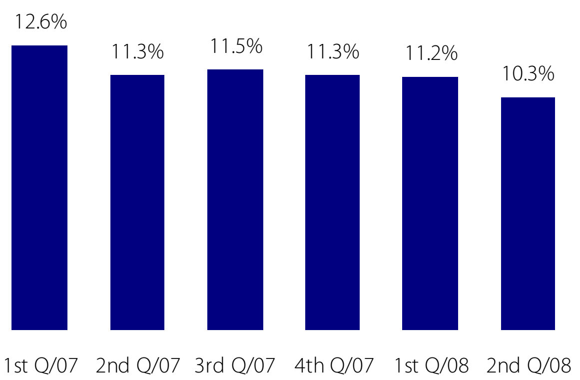
Banking Transactions Sensitive to Spreads

R$ million

	2nd Q/08	1st Q/08	Variation	
			Balance	%
Average Balance	168,865	151,194	17,671	11.7%
Financial Margin	4,340	4,228	112	2.6%
Annualized Rate	10.3%	11.2%		-0.9 p.p.

Managerial Financial Margin

Annualized Rate of Banking Transactions Sensitive to Spreads



Market Financial Margin

R$ million

	2nd Q/08	1st Q/08	Variation	
			Balance	%
Treasury	423	217	206	94.9%
Management of Foreign Exchange Risk from Investments	290	261	29	11.2%
Total	713	478	235	49.2%

Market Transactions

The main feature of the margin on market transactions is the fact that these are impersonal transactions carried out on the financial market. The margin comprises two components: the treasury financial margin and the financial margin on management of exchange risk of investments abroad. The financial margin on market transactions totaled R$ 713 million in the second quarter of 2008, equal to a 49.2% increase compared to the prior quarter. The drivers of this change are discussed below.

Financial Margin on Treasury Transactions

This comprises income from trading of financial assets through proprietary desks, management of currency, rates and other risk factors gaps in, arbitrage opportunities in the foreign and domestic markets, and marking-to-market of financial assets.
The increase seen in treasury margin compared to the prior quarter is essentially due to higher gains on fixed-rate derivative instruments used in the management of interest rate risks and fixed income positions. It is our strategy not to maintain gaps in fixed positions, with respect to both amounts and maturities. To this end, we use derivatives that are marked to market and impact results because the hedged assets (loans) are not marked to market.

Financial Margin on Exchange Risk Management of Investments Abroad

Considering that the financial margin on exchange risk management of investments abroad essentially arises from the remuneration of capital employed on such investments at the CDI rate, this margin is also influenced by changes in interest rates. In the second quarter of 2008, the financial margin on exchange risk management of investments abroad totaled R$ 290 million, an 11.2% increase compared to the prior quarter, chiefly because of the rise in interest rates quarter-on-quarter.

Managerial Financial Margin of Exchange Risk of Investments Abroad

R$ million

	2nd Q/08				1st Q/08			
	Initial Balance	Result Gross of Taxes	Tax Effects	Result Net of Taxes	Initial Balance	Result Gross of Taxes	Tax Effects	Result Net of Taxes
Capital Investments Abroad (A)	9,854				10,176			
Exchange Variation on Investments Abroad (B)		(906)		(906)		(82)		(82)
Effect of exchange risk management of investments abroad (C) = (D) + (E)		1,817	(621)	1,196		391	(48)	343
Assets Position in DI (D)	9,854	290		290	10,176	261		261
Liabilities Position in Foreign Currency (E)	(17,224)	1,528	(621)	906	(16,170)	130	(48)	82
Managerial Financial Margin of Exchange Risk of Investments Abroad (F) = (B) + (C)		911	(621)	290		309	(48)	261

Hedging impact neutralizing the exchange rate volatility.

Analysis of the Consolidated Net Income

Managerial Financial Margin

The net interest margin (annualized rate of managerial financial margin, disregarding the treasury financial margin) reached 10,4% in the second quarter of 2008, a 0.6 percentage point decline compared to the prior quarter. Considering the effects associated with expenses due to the assumption of credit risk, the rate for the second quarter of 2008 was 7,2%, versus 7,7% in the first quarter of the year.

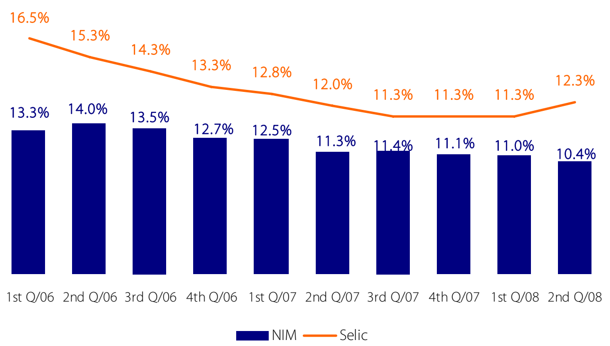
Analysis of the Managerial Financial Margin

R$ million

	2nd Q/08			1st Q/08			2nd Q/07		
	Average Balance	Financial Margin	Rate (p.y.)	Average Balance	Financial Margin	Rate (p.y.)	Average Balance	Financial Margin	Rate (p.y.)
Demand Deposits + Floatings	25,075			29,103			23,116		
(-) Compulsory Deposits	(8,768)			(10,796)			(8,369)		
Contingent Liabilities (-) Contingent Assets	421			602			960		
Tax and Social Security Liabilities (-) Deposits in guarantee	8,674			7,808			5,942		
(-) Tax Credits	(8,361)			(7,601)			(7,828)		
Working Capital (Equity + Minority Interests - Permanent Assets - Capital Allocated to Treasury)	12,636			13,083			10,065		
Interest Rate Sensitive Banking Transactions (A)	**29,677**	**814**	**11.0%**	**32,201**	**830**	**10.3%**	**23,887**	**691**	**11.6%**
	Average Balance	Financial Margin	Rate (p.y.)	Average Balance	Financial Margin	Rate (p.y.)	Average Balance	Financial Margin	Rate (p.y.)
Cash and Cash Equivalents + Interbank Deposits + Securities (*)	35,354			30,423			38,173		
Interbank and Interbranch Accounts	11,909			8,351			8,632		
Loans, Leasing and Other Credits	130,270			120,604			93,364		
(Allowance for Loan Losses)	(8,267)			(8,036)			(7,764)		
Net Foreign Exchange Portfolio (Asset/Liability)	(401)			(147)			(299)		
Spread-Sensitive Banking Transactions (B)	**168,865**	**4,340**	**10.3%**	**151,194**	**4,228**	**11.2%**	**132,106**	**3,726**	**11.3%**
Banking Operations (C = A+B)	**198,542**	**5,154**	**10.4%**	**183,395**	**5,058**	**11.0%**	**155,993**	**4,417**	**11.3%**
Management of Exchange Risk of Investments Abroad (D)	**10,570**	**290**	**11.0%**	**10,113**	**261**	**10.3%**	**9,052**	**262**	**11.6%**
Net Interest Margin (E = C+D)	**209,112**	**5,444**	**10.4%**	**193,508**	**5,318**	**11.0%**	**165,045**	**4,678**	**11.3%**
Provision for Loan and Lease Losses (F)		**(1,958)**			**(1,830)**			**(1,476)**	
Recovery of Credits Written Off as Losses (G)		**296**			**247**			**259**	
***Net Interest Margin* after Provision for Credit Risk (H = E+F+G)**	**209,112**	**3,782**	**7.2%**	**193,508**	**3,736**	**7.7%**	**165,045**	**3,462**	**8.4%**
Treasury Financial Margin (I)		**423**			**217**			**571**	
Net Result from Financial Operations (J = H+I)		**4,205**			**3,953**			**4,033**	

(*) Cash and Cash Equivalents + Interbank Deposits + Securities (-) Interbank Deposits related to Repurchase Liability (-) Derivative financial instruments.

Net Interest Margin (NIM) x Selic



Changes in the Selic benchmark rate impact the level of Net interest margin, although not immediately, due to the portfolio maturity and movements in the product mix.

Results from Loan and Lease Losses

Expenses for Provision for Loan Losses and Recovery of Credits Written-off as Losses

R$ million

	2nd Q/08			1st Q/08		
	Provision for Loan Losses	Credit Recoveries	Total	Provision for Loan Losses	Credit Recoveries	Total
Itaubanco	(1,194)	177	(1,017)	(1,103)	140	(963)
Banking	(1,048)	155	(893)	(983)	121	(862)
Credit Cards - Account Holders	(146)	22	(124)	(120)	19	(101)
Itaú BBA	(36)	12	(23)	(46)	21	(25)
Itaucred	(728)	107	(621)	(681)	86	(595)
Vehicles	(380)	52	(328)	(374)	43	(331)
Credit Cards - Non-Account Holders	(197)	19	(179)	(159)	20	(139)
Taií + Payroll Credit	(151)	37	(115)	(148)	23	(125)
Total	(1,958)	296	(1,662)	(1,830)	247	(1,583)

During the second quarter of 2008, the provision for loan losses added up to R$1,958 million, representing a 7.0% growth compared to the first quarter of the year. Once again, the increased balance of loans and financing transactions was one of the main drivers of the rise in this provision.

Credit pools granted in the quarter performed significantly better compared to the prior quarter, with 1.3% of them falling more than fifteen days overdue as a percentage of the total loans extended in the period. This corresponds to a 0.3 percentage point improvement compared to the prior quarter.

As can be seen in the table, which shows expenses for provision for loan losses and recovery of credits written off as losses by subsegment, the second quarter of 2008 in comparison to the first quarter, credit card transactions – both for current account and non-current account holders – were the ones that required relatively higher provisions for credit risk.

The nonperforming loan ratio remained unaltered from the prior quarter of the year, at 4.3%. During the second quarter of 2008, the ratio for individual customers significantly improved, standing at 6.6% against 7.0% in the prior quarter. On the other hand, the ratio for corporate customers reached 1.5% in the second quarter, compared to 1.4% in the first quarter of the year. Such increase was driven by a change in the mix of the corporate customer portfolio, with expanded transactions with micro, small and mid-sized companies. These combined factors led the overall ratio to remain stable.

Finally, the provision in excess of the minimum required by banking authorities remained stable, totaling R$ 2,150 million as of June 30, 2008.

Nonperforming Loans

R$ million

	Jun 30, 08	Mar 31, 08	Dec 31, 07
Total Nonperforming Loans (a)	5,850	5,452	5,055
Credit Portfolio (b)	134,879	125,660	115,548
NPL Ratio [(a) / (b)] x 100	4.3%	4.3%	4.4%

(a) Loans overdue for more than 60 days and without generation of revenues on the accrual basis.
(b) Endorsements and sureties not included.

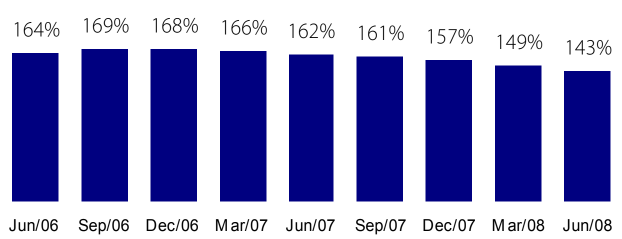
Overdue Loans

R$ million

	Jun 30, 08	Mar 31, 08	Dec 31, 07
Overdue Loans (a)	9,782	9,679	8,664
Provision for Loan Losses (b)	(8,388)	(8,147)	(7,926)
Difference (b-a)	(1,394)	(1,531)	(739)

Nonperforming loans are credit transactions having at least one installment more than 15 days overdue, irrespective of collateral provided.

Coverage Ratio



The coverage ratio, which is derived by dividing the balance of the provision for possible loan losses by the balance of transactions more than 60 days overdue, stood at 143% in the second quarter of 2008. The improvement seen in the overall credit portfolio quality, coupled with a change in the transaction mix, was the main driver of the 6 percentage point reduction in the coverage ratio quarter-on-quarter.

Analysis of the Consolidated Net Income

Banking fees revenues and Banking charge revenues

R$ million

		2nd Q./08	1st Q./08	1st H./08	1st H./07	Variation 2Q./08 - 1Q./08		Variation 1H./08 - 1H/07	
Banking Services Fees (I)		1,960	1,799	3,759	3,552	161	8.9%	207	5.8%
Asset Management	A	492	482	975	986	10	2.1%	(11)	-1.2%
Current Account Services		40	41	81	97	(2)	-3.7%	(16)	-16.4%
Loan Operations and Guarantees Provided		205	210	415	338	(5)	-2.2%	77	22.8%
Collection Services		245	244	489	451	1	0.5%	37	8.3%
Credit Cards	B	632	601	1,233	1,168	30	5.1%	65	5.6%
Other	C,D	346	221	566	512	125	56.8%	54	10.6%
Banking charge income (II)		635	702	1,336	1,419	(67)	-9.6%	(83)	-5.8%
Standing data / Credit transactions (*)	E	370	407	777	705	(37)	-9.1%	72	10.2%
Deposit account		13	17	30	28	(4)	-21.4%	2	5.6%
Fund transfer		18	15	34	29	3	21.4%	5	17.8%
Service packages and other	F	233	263	496	658	(30)	-11.4%	(162)	-24.6%
Total (I+II)		2,594	2,501	5,095	4,971	93	3.7%	124	2.5%

(*) Includes standing data and advances to depositors fees, as well as the reclassified fees previously charged on credit opening, which were suspended as from May/08."

Income from banking charges on priority charges are now stated under "Income from banking charges". To allow for a better comparison between periods, the accounting information was managerially reclassified to the new line. Accordingly, Banking fees revenues, including income from banking charges, increased by 3.7% compared to the first quarter of 2008 and were driven by:

A) Increase in the volume of resources of private pension plan funds.

B) Increased card base, larger transaction volume, and higher revenues from card processing at Orbitall.

Other

R$ million

		2nd Q./08	1st Q./08	Variation
Foreign Exchange Services		15	14	1
Income from Brokerage and Securities Placement	D	149	76	73
Income from Consultation to Serasa		1	1	0
Income from Custody Services and Management of Portfolio		35	34	2
Income from Economic and Financial Advisory	E	58	21	36
Other Services		88	74	14
Total		346	221	125

C) Increased volume of public offers of shares.

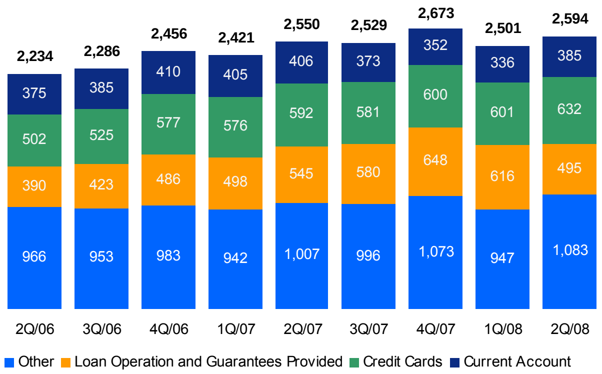
D) Higher volume of Investment Banking services.

E) Reduction arising from the extinguishment of the charge on credit opening, partly offset by the establishment of a standing data charge on credit transactions, as well as appropriation of the charge on renewal of standing data for current accounts.

F) Decrease driven by the suspension of charges on priority services, pursuant to a Central Bank resolution.

Banking fees revenues and Banking charge revenues

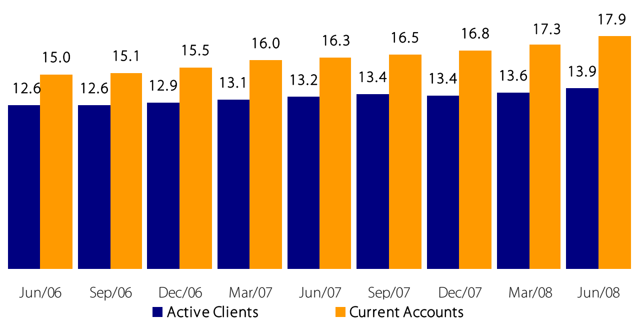
R$ million



Note: Other - Asset Management, Collection Services and Other.

Number of Active Clients (*) and Current Accounts

In million



(*) Conceptually, a client (represented by a CPF/CNPJ number) is considered active when performing one or more transactions in a current account in the last six months or having an average account balance not null.

Analysis of the Consolidated Net Income

Non-interest Expenses

R$ million

	2ndQ/08	1stQ/08	1st H/08	1st H/07	Variation			
					2ndQ/08 - 1stQ/08		1st H/08 - 1st H/07	
Personnel Expenses	(1,517)	(1,454)	(2,971)	(2,593)	(64)	4.4%	(378)	14.6%
Other Administrative Expenses	(1,670)	(1,558)	(3,228)	(3,163)	(112)	7.2%	(65)	2.0%
Other Operating Expenses	(470)	(426)	(896)	(837)	(44)	10.2%	(59)	7.0%
Tax Expenses	(48)	(46)	(94)	(211)	(2)	4.0%	117	-55.4%
Total	(3,705)	(3,484)	(7,189)	(6,804)	(221)	6.3%	(385)	5.7%

In the second quarter of 2008, Non-Interest Expenses grew by 6.3%, in comparison with the first quarter.

Personnel Expenses

R$ million

		2ndQ/08	1stQ/08	Variation
Compensation	A	(877)	(839)	(39)
Charges	A	(263)	(247)	(16)
Welfare Benefits	A	(214)	(206)	(9)
Training		(31)	(16)	(16)
Severance Pay and Labor Claims		(132)	(147)	15
Total		(1,517)	(1,454)	(64)

Personnel Expenses were up 4.4% from the prior quarter. In particular:

A) The number of employees increased, while the number of employees on vacation decreased.

Other Administrative Expenses

R$ million

		2ndQ/08	1stQ/08	Variation
Data Processing and Telecommunication		(420)	(417)	(3)
Depreciation and Amortization		(144)	(139)	(6)
Facilities		(226)	(227)	2
Third-Party Services	B	(310)	(286)	(24)
Financial System Service		(139)	(132)	(7)
Advertising, Promotions and Publications	C	(144)	(91)	(53)
Transportation		(66)	(64)	(1)
Materials	D	(58)	(47)	(11)
Security		(59)	(60)	1
Legal		(9)	(9)	(0)
Travel		(24)	(17)	(7)
Others		(73)	(69)	(4)
Total		(1,670)	(1,558)	(112)

Other Administrative Expenses increased by 7.2%, mainly on account of:

B) Consultancy and auditing expenses were higher in the second quarter of 2008 than in the prior quarter.

C) Institutional advertising and credit card product campaigns.

D) Acquisition of tokens to enhance the security of transactions on the internet and telephone, as well as purchase of inputs to manufacture credit cards.

Other Operating Expenses

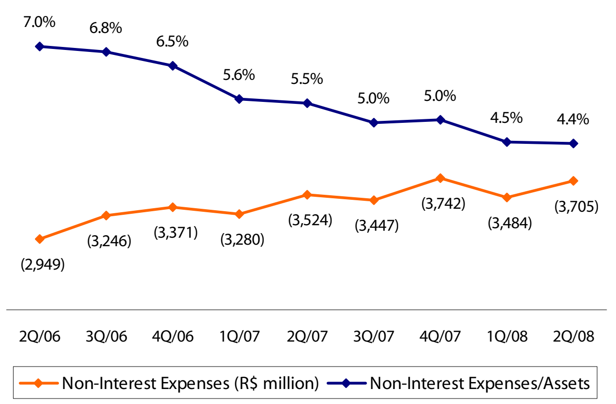
R$ million

		2ndQ/08	1stQ/08	Variation
Provision for contingencies		(147)	(145)	(2)
Selling - Credit Cards	E	(143)	(134)	(9)
Claims		(65)	(59)	(6)
Others		(115)	(88)	(27)
Total		(470)	(426)	(44)

Other Operating Expenses increased by 10.2%. The main changes are attributable to:

E) Credit card sale efforts.

Performance of Non-Interest Expenses and Ratio of Non-Interest Expenses to Assets (*)

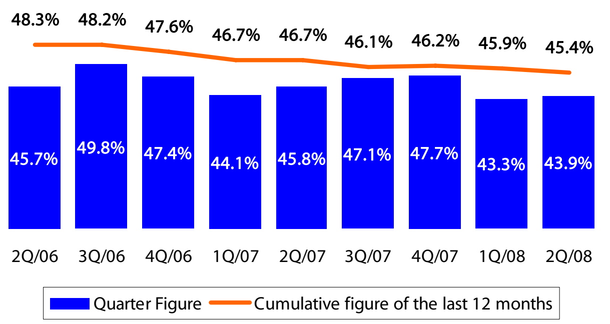


(*) Division of Non-Interest Expenses by the arithmetic average of total assets for the two past quarters (annualized).

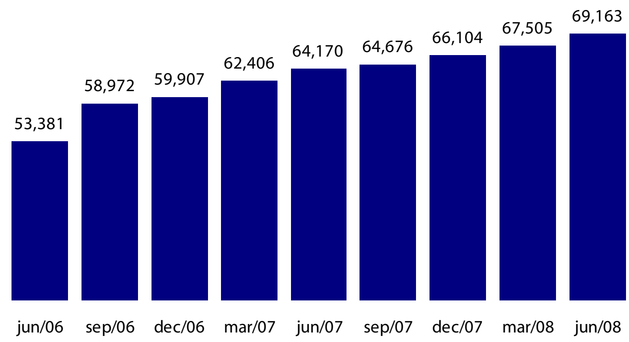
Analysis of the Consolidated Net Income

Efficiency Ratio (*)

The efficiency ratio for the second quarter stood at 43.9%. Despite increased expenses, the growth in financial income, banking service fees and banking charges was key to the slight change in the index. Accordingly, the cumulative average for the past four quarters maintained its declining path.



Number of Employees (**)



(**) - Includes BkB employees as from Sep/06.
- Includes Chile and Uruguay employees as from Mar/07.
- Considered the proportional number of employees to the percentage of consolidation of each 50% or more owned company.

(*) Efficiency Ratio =

$$\frac{\text{Non-Interest Expenses (Personnel Expenses + Other Administrative Expenses + Other Operating Expenses + Tax Expenses for CPMF and Other Taxes)}}{\text{(Managerial Financial Margin + Banking Service Fees and Charge Revenues + Operating Result of Insurance, Capitalization and Pension Plans + Other Operating Income + Tax Expenses for PIS/COFINS/ISS)}}$$

Volume of Self-Service Transactions

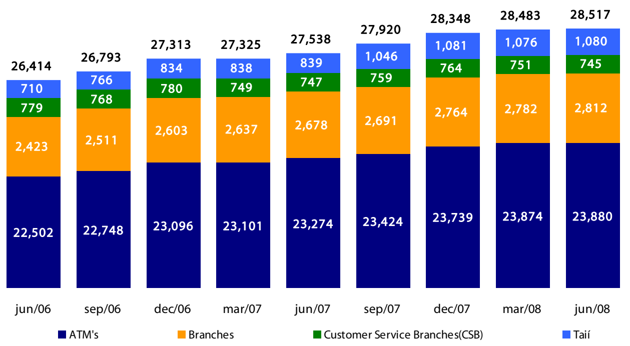
(Quantity in million)

Period	ATM		Automated Programmed Debit	Contact Centers			Purchases using Debit Cards	Total
	Usual Transaction	Warning (*)		Interactive Voice Response	Customer Service Agent	Home & Office Banking		
2002	946	192	284	179	52	344	89	2,086
2003	1,033	586	302	188	53	440	121	2,723
2004	1,074	692	322	170	48	525	158	2,987
2005	1,108	656	375	173	67	646	203	3,228
2006	1,141	602	394	167	57	744	239	3,343
2007	1,181	549	399	158	62	867	281	3,497
1stQ/07	300	142	100	40	15	206	63	867
2ndQ/07	287	141	99	39	15	216	66	862
3rdQ/07	288	132	100	39	16	218	70	863
4thQ/07	305	134	100	40	16	228	82	905
2008	627	283	187	78	34	508	161	1,878
1stQ/08	315	137	98	39	16	245	78	927
2ndQ/08	313	146	89	39	18	263	83	951

(*) Transaction through warning screen on ATM.

Analysis of the Consolidated Net Income

History of Numbers of Points of Service (*)

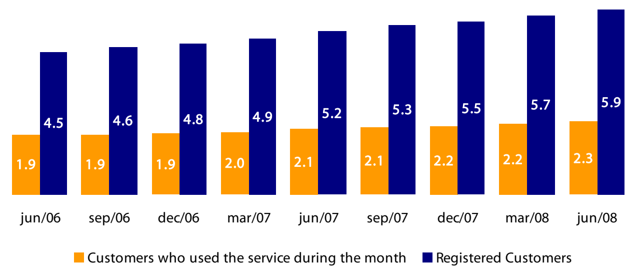


(*) Includes Banco Itaú Buen Ayre and Banco Itaú BBA. As from Sep/06, considers BkB information and as from Mar/07, Chile and Uruguay companies.

30 new branches were added to our network during the second quarter of 2008 in almost all regions of the country and in Argentina and Uruguay. Over the last 4 years, the branch network's growth reached 23.7%.

Internet Banking Clients

In millions



During the second quarter of 2008, more than 180 thousand new customers were granted access to our Internet Banking. In June of the current year, the highest level ever of Internet Banking accesses in a single month was achieved: over two million, three hundred thousand.

Income Tax and Social Contribution on Net Incone

Income Tax and Social Contribution on Net Income expenses in the second quarter of 2008 remained virtually stable compared to the prior quarter, considering that income before taxes and profit sharing also remained stable quarter-on-quarter. Social Contribution on Net Income expenses do not show any impacts from the rate increase from 9% to 15% as from May, as a tax credit was recorded for an amount sufficient to counter such effect. This tax credit was recorded because management believes that Consif (National Confederation of the Financial System) will prevail in its direct unconstitutionality action filed in this connection. For more details, see Note 13 to the consolidated financial statements.

R$ million

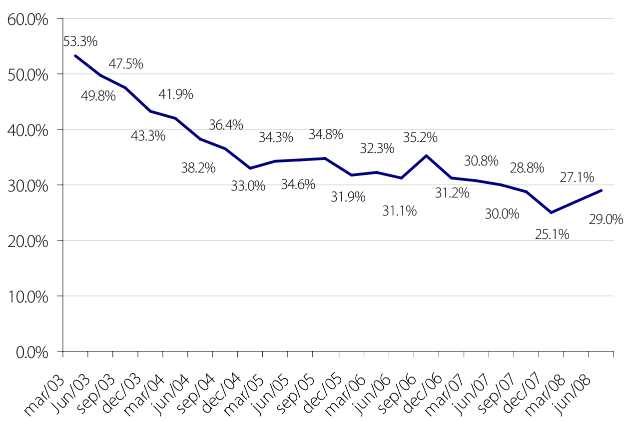
	2nd Q/08	1st Q/08	Variation
Result before Income Tax (IR) and Social Contribution (CSLL)	3,407	3,108	299
(+) Result from non-recurring events •	95	(98)	194
(=) Recurring Result before IR and CSLL	3,502	3,010	492
Income Tax and Social Contribution at the rates of 25% and 9% respectively (A)	(1,191)	(1,023)	(167)
(Inclusions) Exclusions and Other (B)	(36)	294	(330)
Exchange Variation on Investments Abroad	(338)	(24)	(314)
Interest on Own Capital	161	194	(33)
Dividends, Interest on External Debt Bonds and Tax Incentives	122	74	47
Other	19	49	(30)
Subtotal (C) = (A) + (B)	(1,227)	(729)	(506)
Exclusion of Exchange Variation and Tax Effects on Hedges of Investments Abroad (D)	465	(18)	483
Income Tax and Social Contribution (C)+(D)	(762)	(747)	(22)

Tax credits as a percentage of stockholders' equity in the second quarter of 2008 stood at 29.0%, higher than in the prior quarter, in part as a result of tax credits recorded on account of the increased rate of the CSLL (Social Contribution on Net Income) tax.

Tax Expenses for ISS, PIS and Cofins

In the second quarter of 2008, tax expenses increased by 7.2% from the prior quarter, chiefly due to higher ISS rates in the second quarter.

Deferred Tax Assets/Stockholders' Equity (%)



Banco Itaú Holding Financeira S.A.

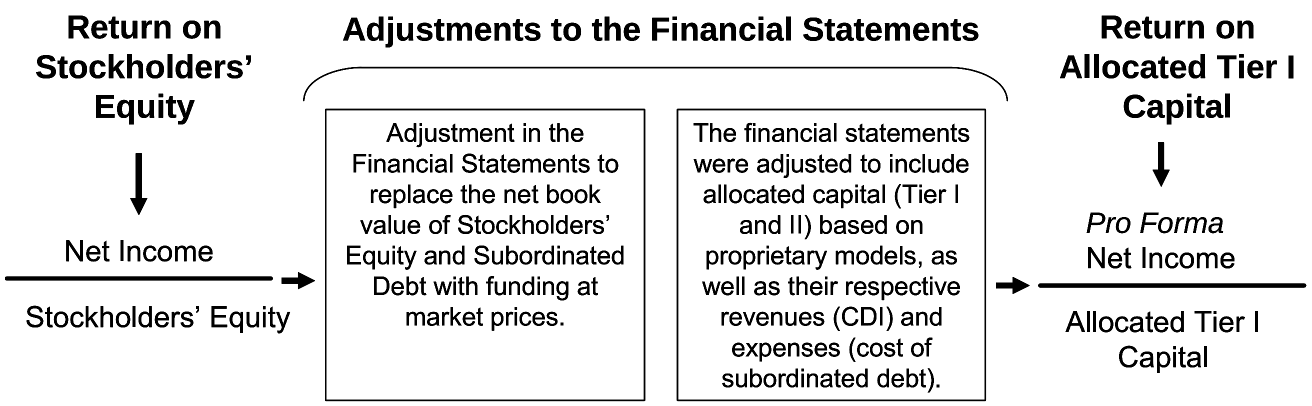
Pro Forma Financial Statements

Pro Forma Financial Statements by Segment

Allocated Capital

The pro forma financial information takes into account the impacts associated with the allocation of capital. To this end, adjustments were made to the financial statements, based on a proprietary model that considers the credit, market and operating risks, as well as the regulatory framework and the level of fixed asset formation.
We then determine the Risk Adjusted Return on Capital (Raroc), an operating performance indicator consistently adjusted to the capital required to support the risk of asset and liability positions taken.
Adjustments made to the balance sheet and statement of the income for the period are based on the business units' managerial information.
The Corporate column shows the results associated with excess capital and subordinated debt. It also shows the equity in the earnings of companies not pertaining to any one segment, as well as the adjustment for Minority Interests in Subsidiaries.

Income Tax and Social Contribution on Net Income effects on the payment of Interest on Own Capital for each segment were reversed and subsequently reallocated to the individual segments in proportion to the amount of Tier I capital, while the financial statements were adjusted in order to replace net book value with market level funding. The financial statements were then adjusted to include revenues associated with the allocated capital. Finally, the cost of subordinated debt and the related remuneration at market prices were allocated to the segments on a pro rata basis, in accordance with Tier I allocated capital.
The diagram below shows the changes introduced in the financial statements to reflect the impacts of capital allocation.



Pro Forma Financial Statements per Segment

The *pro forma* financial statements of Itaubanco, Itaú BBA and Itaucred presented below are based on managerial models, to better reflect the performance of the business units.

On June 30, 2008

R$ million

ASSETS	Banco Itaú Holding Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Current and Long-Term Assets	277,434	117,056	47,185	8,486	340,002
Cash and Cash Equivalents	5,300	300	-	-	5,601
Short-term Interbank Deposits	114,812	51,538	-	-	68,067
Short-term Interbank Deposits in the Market	64,413	4,879	-	-	68,067
Short-term Interbank Deposits in Intercompany*	50,400	46,659	-	-	-
Securities	45,781	21,524	-	7,987	71,309
Interbank and Interbranch Accounts	20,768	54	-	-	20,788
Loans	55,941	31,627	47,316	-	134,879
(Allowance for Loan Losses)	(4,803)	(446)	(3,138)	-	(8,388)
Other Assets	39,633	12,458	3,007	498	47,746
Foreign Exchange Portfolio	16,538	10,394	-	-	19,600
Others	23,095	2,064	3,007	498	28,146
Permanent Assets	2,609	151	126	983	3,868
TOTAL ASSETS	280,043	117,206	47,310	9,468	343,870

LIABILITIES	Banco Itaú Holding Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Current and Long-Term Liabilities	265,140	110,815	42,944	2,602	311,343
Deposits	104,042	59,421	7	-	83,496
Deposits with Clients	74,697	9,022	7	-	83,496
Deposits with Intercompany*	29,345	50,400	-	-	-
Securities Repurchase Agreements	59,199	17,925	37,412	-	96,220
Securities Repurchase Agreements in the Market	41,885	17,580	37,412	-	96,220
Securities Repurchase Agreements in Intercompany*	17,314	345	-	-	-
Funds from Acceptances and Issue of Securities	7,406	1,024	-	-	7,741
Interbank and Interbranch Accounts	5,154	1,474	0	-	6,594
Borrowings and On-Lendings	5,703	11,880	273	-	17,857
Derivative Financial Instruments	3,341	3,975	-	-	4,773
Other Liabilities	53,657	15,115	5,251	2,602	68,026
Foreign Exchange Portfolio	16,993	10,593	-	-	20,256
Others	36,664	4,522	5,251	2,602	47,770
Technical Provisions of Insurance, Capitalization and Pension Plans	26,637	-	-	-	26,637
Deferred Income	49	22	-	-	71
Minority Interest in Subsidiaries	-	-	-	2,115	2,115
Allocated Capital Tier I	14,854	6,370	4,366	4,752	30,341
TOTAL LIABILITIES	280,043	117,206	47,310	9,468	343,870

*The Intercompany were eliminated in the Consolidated.

Pro Forma Financial Statement by Segment

R$ million

2nd Quarter/08	Banco Itaú Holding Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Managerial Financial Margin	3,540	722	1,421	181	5,867
• Financial Margin with Customers	3,077	472	1,421	181	5,154
• Financial Margin with Market	463	250	-	-	713
Result from Loan Losses	(1,017)	(23)	(621)	-	(1,662)
Provision for Loan and Lease Losses	(1,194)	(36)	(728)	-	(1,958)
Recovery of Credits Written Off as Losses	177	12	107	-	296
Net Result from Financial Operations	2,523	699	800	181	4,205
Other Operating Income (Expenses)	(691)	(78)	(325)	16	(1,080)
Banking fees and charge revenues	1,993	191	397	-	2,594
Operating Result of Insurance, Pension Plans and Capitalization	352	(0)	16	-	368
Non-interest Expenses	(2,835)	(218)	(632)	(15)	(3,705)
Tax Expenses for ISS, PIS and Cofins	(316)	(41)	(123)	(13)	(493)
Equity in the Earnings of Associated Companies	-	8	-	47	55
Other Operating Income	115	(17)	17	(3)	102
Operating Income	1,832	621	474	197	3,125
Non-operating Income	0	1	0	5	6
Income Before Tax and Profit Sharing	1,832	622	474	202	3,131
Income Tax and Social Contribution	(462)	(141)	(139)	(21)	(762)
Profit Sharing	(145)	(66)	(13)	-	(224)
Minority Interests	-	-	-	(64)	(65)
Recurring Net Income	1,225	414	322	117	2,079
(RAROC) - Return on Average Tier I Allocated Capital	35.1%	27.6%	30.5%	8.3%	27.9%
Efficiency Ratio	49.9%	25.5%	36.6%	9.0%	43.9%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes and Other Operating Expenses.
NB: The Consolidated figures do not represent the sum of the parts, because there are transactions between the companies that were eliminated only in the Consolidated figures.

Pro Forma Financial Statements by Segment

On March 31, 2008

R$ million

ASSETS	Banco Itaú Holding				
	Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Current and Long-Term Assets	**267,816**	**116,018**	**43,495**	**9,761**	**323,756**
Cash and Cash Equivalents	4,261	933	-	-	5,194
Short-term Interbank Deposits	107,295	51,666	-	-	56,381
Short-term Interbank Deposits in the Market	52,741	5,917	-	-	56,381
Short-term Interbank Deposits in Intercompany*	54,554	45,749	-	-	-
Securities	45,415	20,363	-	9,133	72,404
Interbank and Interbranch Accounts	20,528	66	-	-	20,566
Loans	51,080	30,877	43,704	-	125,660
(Allowance for Loan Losses)	(4,838)	(417)	(2,891)	-	(8,147)
Other Assets	44,076	12,531	2,682	628	51,697
Foreign Exchange Portfolio	22,471	10,894	-	-	25,819
Others	21,605	1,637	2,682	628	25,878
Permanent Assets	**2,631**	**140**	**124**	**974**	**3,869**
TOTAL ASSETS	270,447	116,158	43,619	10,735	327,624

LIABILITIES	Banco Itaú Holding				
	Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Current and Long-Term Liabilities	**257,340**	**110,492**	**39,555**	**2,012**	**296,066**
Deposits	103,123	62,878	8	-	78,445
Deposits with Clients	72,191	8,324	8	-	78,445
Deposits with Intercompany*	30,932	54,554	-	-	-
Securities Repurchase Agreements	51,843	14,608	34,257	-	85,692
Securities Repurchase Agreements in the Market	37,027	14,458	34,257	-	85,692
Securities Repurchase Agreements in Intercompany*	14,817	150	-	-	-
Funds from Acceptances and Issue of Securities	6,685	1,171	-	-	7,177
Interbank and Interbranch Accounts	4,936	1,464	0	-	6,372
Borrowings and On-Lendings	5,945	12,763	254	-	18,962
Derivative Financial Instruments	2,967	2,987	-	-	4,326
Other Liabilities	56,709	14,621	5,036	2,012	69,959
Foreign Exchange Portfolio	22,849	10,663	-	-	25,966
Others	33,860	3,958	5,036	2,012	43,993
Technical Provisions of Insurance, Capitalization and Pension Plans	25,133	-	-	-	25,133
Deferred Income	**52**	**22**	**-**	**-**	**74**
Minority Interest in Subsidiaries	**-**	**-**	**-**	**2,218**	**2,218**
Allocated Capital Tier I	**13,055**	**5,643**	**4,064**	**6,505**	**29,267**
TOTAL LIABILITIES	270,447	116,158	43,619	10,735	327,624

*The Intercompany were eliminated in the Consolidated.

Pro Forma Financial Statement by Segment

R$ million

1st Quarter/08	Banco Itaú Holding				
	Itaubanco	Itaú BBA	Itaucred	Corporation	Itaú
Managerial Financial Margin	**3,256**	**696**	**1,370**	**212**	**5,535**
• Financial Margin with Customers	2,906	568	1,370	212	5,058
• Financial Margin with Market	350	128	-	-	478
Result from Loan Losses	**(963)**	**(25)**	**(595)**	**-**	**(1,583)**
Provision for Loan and Lease Losses	(1,103)	(46)	(681)	-	(1,830)
Recovery of Credits Written Off as Losses	140	21	86	-	247
Net Result from Financial Operations	**2,293**	**671**	**775**	**212**	**3,953**
Other Operating Income (Expenses)	**(607)**	**(128)**	**(207)**	**8**	**(935)**
Banking fees and charge revenues	1,919	137	447	-	2,501
Operating Result of Insurance, Pension Plans and Capitalization	298	0	20	-	318
Non-interest Expenses	(2,673)	(237)	(564)	(11)	(3,484)
Tax Expenses for ISS, PIS and Cofins	(281)	(45)	(117)	(16)	(460)
Equity in the Earnings of Associated Companies	-	(1)	-	44	43
Other Operating Income	130	18	8	(8)	147
Operating Income	**1,686**	**543**	**568**	**220**	**3,017**
Non-operating Income	(2)	(1)	(0)	0	(3)
Income Before Tax and Profit Sharing	**1,684**	**542**	**568**	**221**	**3,014**
Income Tax and Social Contribution	**(407)**	**(153)**	**(172)**	**(15)**	**(747)**
Profit Sharing	**(178)**	**(21)**	**(16)**	**-**	**(215)**
Minority Interests	**-**	**-**	**-**	**(74)**	**(74)**
Recurring Net Income	**1,100**	**368**	**380**	**131**	**1,979**
(RAROC) - Return on Average Tier I Allocated Capital	34.0%	26.5%	39.0%	7.8%	27.2%
Efficiency Ratio	50.2%	29.4%	32.7%	6.0%	43.3%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes and Other Operating Expenses.
NB: The Consolidated figures do not represent the sum of the parts, because there are transactions between the companies that were eliminated only in the Consolidated figures.

Pro Forma Financial Statements by Subsegment

The *pro forma* financial statements of the subsegments: Branch Banking; Credit Cards – Account Holders; Insurance, Pension Plans and Capitalization; and Fund Management and Managed Portfolios presented below were adjusted so as to evidence the impacts associated with the allocation of capital in each of those subsegments .

On June 30, 2008

R$ million

ASSETS	Itaubanco			
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Consolidated
Current and Long-Term Assets	237,910	9,208	30,316	277,434
Cash and Cash Equivalents	5,063	196	41	5,300
Short-term Interbank Deposits	113,183	252	1,377	114,812
Securities	18,965	397	26,419	45,781
Interbank and Interbranch Accounts	20,768	-	-	20,768
Loans	49,976	5,965	-	55,941
(Allowance for Loan Losses)	(4,282)	(521)	-	(4,803)
Other Assets	34,236	2,918	2,478	39,633
Permanent Assets	2,376	48	185	2,609
TOTAL ASSETS	240,286	9,256	30,501	280,043

R$ Million

LIABILITIES	Itaubanco			
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Consolidated
Current and Long-Term Liabilities	228,200	8,451	28,490	265,140
Deposits	104,042	-	-	104,042
Securities Repurchase Agreements	59,199	-	-	59,199
Funds from Acceptances and Issue of Securities	7,406	-	-	7,406
Interbank and Interbranch Accounts	5,154	-	-	5,154
Borrowings and On-Lendings	5,627	76	-	5,703
Derivative Financial Instruments	3,341	-	0	3,341
Other Liabilities	43,429	8,375	1,853	53,657
Technical Provisions of Insurance, Pension Plans and Capitalization	0	-	26,637	26,637
Deferred Income	47	2	0	49
Minority Interest in Subsidiaries	-	-	-	-
Allocated Capital Tier I	12,039	803	2,011	14,854
TOTAL LIABILITIES	240,286	9,256	30,501	280,043

Consolidated *Pro Forma* Financial Statement by Subsegment

R$ million

2nd Quarter/08	Itaubanco				
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Investment Funds and Managed Portfolios	Consolidated
Managerial Financial Margin	3,103	346	91	-	3,540
• Financial Margin with Customers	2,666	346	65	-	3,077
• Financial Margin with Market	438	-	25	-	463
Result from Loan Losses	(893)	(124)	-	-	(1,017)
Provision for Loan and Lease Losses	(1,048)	(146)	-	-	(1,194)
Recovery of Credits Written Off as Losses	155	22	-	-	177
Net Result from Financial Operations	2,210	223	91	-	2,523
Other Operating Income/(Expenses)	(1,016)	2	202	120	(691)
Banking fees and charge revenues	904	420	93	576	1,993
Transfer to Banking	226	-	-	(226)	-
Operating Result of Insurance, Pension Plans and Capitalization	18	10	325	-	352
Non-interest Expenses	(2,068)	(393)	(186)	(188)	(2,835)
Tax Expenses for ISS, PIS and Cofins	(186)	(55)	(34)	(41)	(316)
Other Operating Income	90	21	4	-	115
Operating Income	1,194	225	292	120	1,832
Non-operating Income	(5)	(1)	6	-	0
Income Before Tax and Profit Sharing	1,189	224	299	120	1,832
Income Tax and Social Contribution	(259)	(72)	(90)	(41)	(462)
Profit Sharing	(95)	(10)	(4)	(36)	(145)
Recurring Net Income	835	142	204	43	1,225
(RAROC) - Return on Average Tier I Allocated Capital	29.6%	80.3%	41.4%		35.1%
Efficiency Ratio	49.8%	53.0%	38.9%		49.9%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes and Other Operating Expenses.

Pro Forma Financial Statements by Subsegment

On March 31, 2008

R$ million

ASSETS	Itaubanco			
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Consolidated
Current and Long-Term Assets	230,648	8,564	28,604	267,816
Cash and Cash Equivalents	4,093	132	36	4,261
Short-term Interbank Deposits	106,897	398	-	107,295
Securities	19,040	159	26,217	45,415
Interbank and Interbranch Accounts	20,528	-	-	20,528
Loans	45,488	5,592	-	51,080
(Allowance for Loan Losses)	(4,357)	(481)	-	(4,838)
Other Assets	38,961	2,764	2,351	44,076
Permanent Assets	2,396	49	186	2,631
TOTAL ASSETS	233,045	8,612	28,790	270,447

R$ million

LIABILITIES	Itaubanco			
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Consolidated
Current and Long-Term Liabilities	222,487	7,995	26,858	257,340
Deposits	103,123	-	-	103,123
Securities Repurchase Agreements	51,843	-	-	51,843
Funds from Acceptances and Issue of Securities	6,685	-	-	6,685
Interbank and Interbranch Accounts	4,936	-	-	4,936
Borrowings and On-Lendings	5,862	83	-	5,945
Derivative Financial Instruments	2,966	-	1	2,967
Other Liabilities	47,072	7,912	1,724	56,709
Technical Provisions of Insurance, Pension Plans and Capitalization	-	-	25,133	25,133
Deferred Income	49	2	0	52
Minority Interest in Subsidiaries	-	-	-	-
Allocated Capital Tier I	10,508	615	1,932	13,055
TOTAL LIABILITIES	233,045	8,612	28,790	270,447

Consolidated *Pro Forma* Financial Statement by Subsegment

R$ Million

1st Quarter/08	Itaubanco				
	Branch Banking	Credit Cards - Account Holders	Insurance, Pension Plans and Capitalization	Investment Funds and Managed Portfolios	Consolidated
Managerial Financial Margin	2,816	321	118	-	3,256
• Financial Margin with Customers	2,488	321	97	-	2,906
• Financial Margin with Market	329	-	21	-	350
Result from Loan Losses	(862)	(101)	-	-	(963)
Provision for Loan and Lease Losses	(983)	(120)	-	-	(1,103)
Recovery of Credits Written Off as Losses	121	19	-	-	140
Net Result from Financial Operations	1,955	220	118	-	2,293
Other Operating Income/(Expenses)	(875)	25	141	102	(607)
Banking fees and charge revenues	943	394	77	504	1,919
Transfer to Banking	202	-	-	(202)	-
Operating Result of Insurance, Pension Plans and Capitalization	20	10	268	-	298
Non-interest Expenses	(1,968)	(352)	(181)	(172)	(2,673)
Tax Expenses for ISS, PIS and Cofins	(172)	(47)	(34)	(28)	(281)
Other Operating Income	100	20	10	-	130
Operating Income	1,080	245	259	102	1,686
Non-operating Income	(9)	-	7	-	(2)
Income Before Tax and Profit Sharing	1,071	245	266	102	1,684
Income Tax and Social Contribution	(212)	(80)	(80)	(35)	(407)
Profit Sharing	(118)	(10)	(3)	(46)	(178)
Recurring Net Income	741	155	182	21	1,100
(RAROC) - Return on Average Tier I Allocated Capital	28.5%	96.3%	38.6%		34.0%
Efficiency Ratio	50.3%	50.4%	41.1%		50.2%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes and Other Operating Expenses.

Itaubanco - Branch Banking

The income statement of Itaubanco's Branch Banking subsegment is based on the *pro forma* financial statements of Banco Itaú.

R$ million

Itaubanco - Branch Banking		2nd Q/08	1st Q/08	Variation	
Managerial Financial Margin	A	3,103	2,816	287	10.2%
• Financial Margin with Customers		2,666	2,488	178	7.2%
• Financial Margin with Market		438	329	109	33.1%
Result from Loan Losses	B	(893)	(862)	(31)	3.6%
Provision for Loan and Lease Losses		(1,048)	(983)	(65)	6.6%
Recovery of Credits Written Off as Losses		155	121	34	27.9%
Net Result from Financial Operations		2,210	1,955	255	13.1%
Other Operating Income/(Expenses)		(1,016)	(875)	(141)	16.1%
Banking fees and charge revenues	C	1,130	1,145	(15)	-1.3%
Operating Result of Insurance, Pension Plans and Capitalization		18	20	(3)	-12.7%
Non-interest Expenses	D	(2,068)	(1,968)	(100)	5.1%
Tax Expenses for ISS, PIS and Cofins		(186)	(172)	(14)	8.1%
Other Operating Income		90	100	(10)	-9.8%
Operating Income		1,194	1,080	114	10.6%
Non-operating Income		(5)	(9)	4	-40.9%
Income Before Tax and Profit Sharing		1,189	1,071	118	11.0%
Income Tax and Social Contribution		(259)	(212)	(46)	21.9%
Profit Sharing		(95)	(118)	22	-19.1%
Recurring Net Income		835	741	94	12.7%

NB: Non-interest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes and Other Operating Expenses.

The Banking subsegment net income totaled R$ 835 million in the second quarter of 2008, a 12.7% increase from the prior quarter. The most significant drivers of this result include:

A) The managerial financial margin was positively impacted by customer transactions, in particular the expansion in the balance of credits to individuals and micro, small and mid-sized companies, and also by market transactions, where treasury posted higher gains from fixed-interest derivative financial instruments used to manage interest rate risk.

R$ million

	2nd Q/08	1st Q/08	Variation	
			Balance	%
Treasury	242	159	83	52.0%
Management of Foreign Exchange Risk from Investments Abroad	196	170	26	15.4%
Financial Margin on Market Transactions	438	329	109	33.1%

B) Expenses relating to the provision for doubtful accounts increased as a result of the expanded credit portfolio. In addition, the performance of the collections area improved during the period, with increased revenues from the recovery of credits previously written-off as losses.

C) The decline in banking fees revenues is associated with decreased revenues from opening credit relationships.

D) Non-interest expenses increased because of the higher number of employees, marketing campaigns in the period, and higher expenses for

Itaubanco - Credit Cards - Account Holders

The *pro forma* financial statements below were prepared based on Itaú internal management information and are intended to report the performance of the businesses connected with the Credit Cards of current account customers, including Itaucard, Orbitall and Redecard.

R$ million

Itaubanco - Credit Cards - Account Holders		2nd Q/08	1st Q/08	Variation	
Managerial Financial Margin	A	346	321	25	7.8%
Result from Loan Losses		(124)	(101)	(22)	22.1%
Provision for Loan Losses	B	(146)	(120)	(25)	21.1%
Recovery of Credits Written Off as Losses		22	19	3	15.9%
Net Result from Financial Operations		223	220	3	1.3%
Other Operating Income/(Expenses)		2	25	(22)	-90.5%
Banking fees and charge revenues	C	420	394	26	6.7%
Result from Op. of Insurance, Pension Plans and Capitalization		10	10	(0)	-4.2%
Noninterest Expenses	D	(393)	(352)	(41)	11.8%
Tax Expenses for ISS, PIS and Cofins	E	(55)	(47)	(8)	16.0%
Other Operating Income		21	20	1	2.9%
Operating Income		225	245	(20)	-8.1%
Non-Operating Income		(1)	0	(1)	-
Income Before Tax and Profit Sharing		224	245	(20)	-8.3%
Income Tax and Social Contribution		(72)	(80)	8	-9.4%
Profit Sharing		(10)	(10)	0	-3.0%
Recurring Net Income		142	155	(13)	-8.1%

NB: Noninterest Expenses item is made up of Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes and Other Operating Expenses.

The Credit Card – Account Holders subsegment net income reached R$ 142 million in the second quarter of 2008, an 8.1% decline from the prior quarter. The main changes were:

A) Increased volume of financing to credit card holders and higher revenues from prepayments to retailers.

B) Increased provision for doubtful accounts, as the higher amount of receivables (cash and term purchases) and financing, resulting from the higher transaction volume, required an increased specific provision.

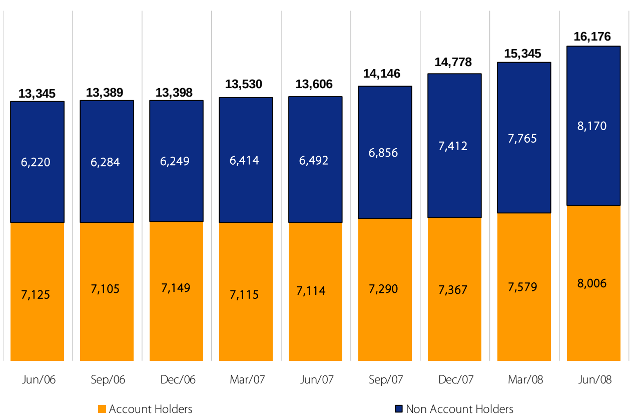
C) Increased revenues from annual fees driven by increases in the card base, interchange revenues as a result of the higher transaction amounts, and card processing revenues at Orbitall due to the higher transaction volume.

D) Increased advertising expenses on account of campaigns in the quarter, increased expenses associated with sales efforts and card issuance, and higher processing expenses.

E) The growth in revenues in the second quarter of 2008 also led to increased tax expenses.

Quantity of Credit Cards

In thousands

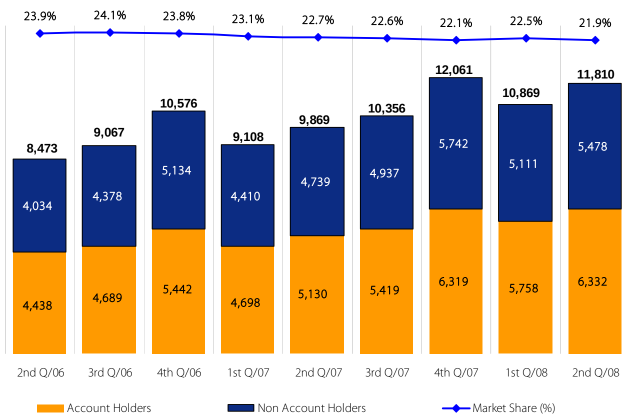


In June 2008, active accounts (accounts that received invoices) represented 70.9% of total accounts. Of this share, 85.9% carried out transactions in the last month, with an average activity of R$ 1,636.00 per account in the quarter.

Transactions carried out by account holders in the period totaled R$ 6,332 million, representing a 10.0% growth compared to the prior quarter.

Amount of Transactions

R$ million



The market share of the amount of transactions was computed based on total market figures provided by Associação Brasileira das Empresas de Cartões de Crédito e Serviços – Abecs (Brazilian Association of Credit Card and Service Companies).

Itaubanco - Insurance, Pension Plans and Capitalization

The *pro forma* financial statements below were prepared based on Itaú internal and management information and are intended to identify the performance of the insurance-related businesses.

On June 30, 2008

R$ million

ASSETS	Insurance	Life and Pension Plans	Capitalization	Consolidated
Current and Long-Term Assets	3,432	25,595	1,324	30,316
Cash and Cash Equivalents	32	4	5	41
Securities	1,341	25,186	1,285	27,796
Other Assets	2,059	404	34	2,478
Permanent Assets	139	5	48	185
TOTAL ASSETS	3,571	25,600	1,373	30,501

R$ million

LIABILITIES	Insurance	Life and Pension Plans	Capitalization	Consolidated
Current and Long-Term Liabilities	3,011	24,252	1,270	28,490
Technical Provisions - Insurance	1,737	433	-	2,170
Technical Provisions - Pension Plans and VGBL	-	23,324	-	23,324
Technical Provisions - Capitalization	-	-	1,152	1,143
Other Liabilities	1,274	495	118	1,853
Allocated Capital Tier I	560	1,348	102	2,011
TOTAL LIABILITIES	3,571	25,600	1,373	30,501

Statement of Income

R$ million

2nd Quarter/08	Insurance	Life and Pension Plans	Capitalization	Consolidated
Revenues from Insurance, Pension Plans and Capitalization	625	1,861	279	2,760
Retained Insurance Premiums (a)	625	166	-	791
Revenues from Pension Plans (b)	-	1,695	-	1,695
Revenues from Capitalization (c)	-	-	279	273
Changes in Technical Reserves	(32)	(1,694)	(190)	(1,912)
Insurance (d)	(32)	(20)	-	(53)
Pension Plans (e)	-	(1,674)	-	(1,674)
Capitalization (f)	-	-	(190)	(186)
Earned Premiums (g=a+d)	593	146	-	739
Result of Pension Plans and Capitalization (h=b+c+e+f)	-	22	89	109
Retained Claims (i)	(330)	(45)	-	(374)
Selling Expenses (j)	(126)	(15)	(6)	(147)
Other Operating Income/(Expenses) of Insurance Operations (k)	(1)	(2)	(0)	(2)
Underwriting Margin (l=g+i+j+k)	135	84	-	220
Result from Insurance, Pension Plans and Capitalization (m=h+l)	135	106	83	325
Managerial Financial Margin	30	56	4	91
Banking fees and charge revenues	-	94	-	93
Non-interest Expenses	(100)	(54)	(32)	(186)
Tax Expenses for ISS, PIS and Cofins	(17)	(12)	(5)	(34)
Other Operating Income	2	1	0	4
Operating Income	50	191	51	292
Non-operating Income	4	0	2	6
Income Before Income Tax and Social Contribution	54	191	53	299
Income Tax/Social Contribution	(15)	(58)	(18)	(90)
Profit Sharing	(4)	(1)	-	(4)
Recurring Net Income	35	133	36	204
(RAROC) - Return on Average Tier I Allocated Capital	25.8%	40.2%	144.0%	41.4%
Efficiency Ratio	66.7%	22.2%	38.2%	38.9%

NB: The Consolidated figure does not represent the sum of the parts because certain intercompany transactions were eliminated only at the Consolidated level.
The information on VGBL was classified together with the pension plan products.
Non-interest Expenses comprise Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes, and Other Operating Expenses.
The insurance subsegment includes 100% of Itaú XL. The Underwriting Margin refers to the insurance business.

Itaubanco - Insurance, Pension Plans and Capitalization

On March 31, 2008

R$ million

ASSETS	Insurance	Life and Pension Plans	Capitalization	Consolidated
Current and Long-Term Assets	3,242	24,100	1,281	28,604
Cash and Cash Equivalents	15	19	2	36
Securities	1,256	23,699	1,262	26,217
Other Assets	1,970	382	17	2,351
Permanent Assets	140	5	49	186
TOTAL ASSETS	3,382	24,105	1,330	28,790

R$ million

LIABILITIES	Insurance	Life and Pension Plans	Capitalization	Consolidated
Current and Long-Term Liabilities	2,847	22,805	1,233	26,858
Technical Provisions - Insurance	1,676	409	-	2,085
Technical Provisions - Pension Plans and VGBL	-	21,922	-	21,922
Technical Provisions - Capitalization	-	-	1,135	1,127
Other Liabilities	1,171	474	99	1,724
Allocated Capital Tier I	535	1,300	97	1,932
TOTAL LIABILITIES	3,382	24,105	1,330	28,790

Statement of Income

R$ million

1st Quarter/08*	Insurance	Life and Pension Plans	Capitalization	Consolidated
Revenues from Insurance, Pension Plans and Capitalization	570	1,709	238	2,513
Retained Insurance Premiums (a)	570	158	-	728
Revenues from Pension Plans (b)	-	1,551	-	1,551
Revenues from Capitalization (c)	-	-	238	234
Changes in Technical Reserves	13	(1,548)	(171)	(1,703)
Insurance (d)	13	(17)	-	(4)
Pension Plans (e)	-	(1,531)	-	(1,531)
Capitalization (f)	-	-	(171)	(168)
Earned Premiums (g=a+d)	583	141	-	724
Result of Pension Plans and Capitalization (h=b+c+e+f)	-	20	67	86
Retained Claims (i)	(332)	(51)	-	(384)
Selling Expenses (j)	(127)	(15)	(4)	(146)
Other Operating Income/(Expenses) of Insurance Operations (k)	(10)	(3)	(0)	(12)
Underwriting Margin (l=g+i+j+k)	114	71	-	185
Result from Insurance, Pension Plans and Capitalization (m=h+l)	114	91	63	268
Managerial Financial Margin	54	52	13	118
Banking fees and charge revenues	-	78	-	77
Non-interest Expenses	(88)	(51)	(42)	(181)
Tax Expenses for ISS, PIS and Cofins	(19)	(11)	(4)	(34)
Other Operating Income	12	(2)	0	10
Operating Income	72	156	30	259
Non-operating Income	5	0	2	7
Income Before Income Tax and Social Contribution	77	156	32	266
Income Tax/Social Contribution	(23)	(46)	(11)	(80)
Profit Sharing	(2)	(1)	-	(3)
Recurring Net Income	51	109	22	182
(RAROC) - Return on Average Tier I Allocated Capital	38.7%	34.6%	90.0%	38.6%
Efficiency Ratio	54.9%	24.8%	57.9%	41.1%

NB: The Consolidated figure does not represent the sum of the parts because certain intercompany transactions were eliminated only at the Consolidated level.
The information on VGBL was classified together with the pension plan products.
Non-interest Expenses comprise Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes, and Other Operating Expenses.
The insurance subsegment includes 100% of Itaú XL. The Underwriting Margin refers to the insurance business.
* The Income Statement previously presented has been reclassified, with no changes in recurring Net Income. The line "Benefits and redemption expenses" is now stated as part of the "Changes in technical provisions" line.

Itaubanco - Insurance, Pension Plans and Capitalization

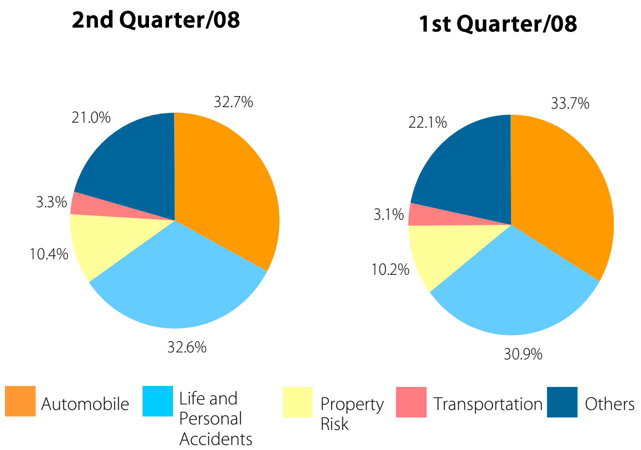
Insurance

The Underwriting Margin grew by 19.0% from the prior quarter as a result of higher sales and lower claim rate on several products, in particular property and transportation risks.

Non-Interest Expenses increased due to sales campaigns in the period.

Tax credit renegotiation and dividends received from IRB accounted for a R$ 17 million (net of taxes) increase in Net Income for the prior quarter, with impacts on Financial Margin and Other Operating Revenues. These events did not recur in the current quarter.

Composition of earned premiums



NB: Insurance charts do not include the Itauseg Saúde companies and include the Life line of Itaú Vida e Previdência S.A.

Life and Pension Plan

The pro forma Net Income of the life and pension plan subsegment grew by 22.3% compared to the prior quarter. The main drivers of such positive performance were: the increased volume of insurance premiums revenues from pension plans, lower life insurance claim rate, as well as higher service fees (fund management fees).

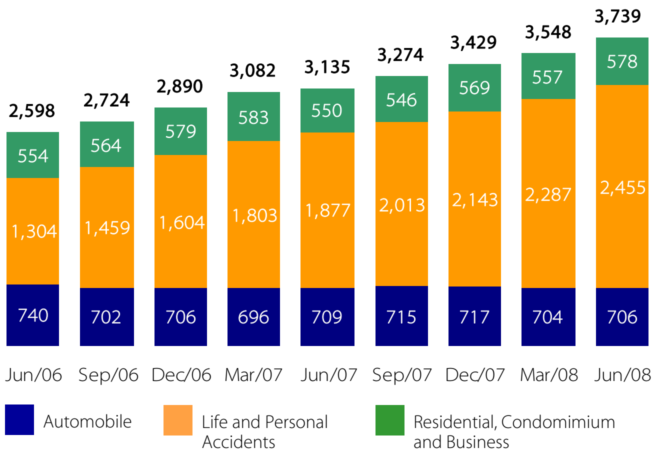
Group Life insurance grew by 10.2% quarter-on-quarter and stands out in the Life and Personal Accident group, whose share increased by 1.7 p.p. in the quarter.

Capitalization

The pro forma Net Income of the Capitalization subsegment increased by 63.7% quarter-on-quarter. This improved performance is attributable to sales campaigns ran during June, in particular *PIC São João*. The decline seen in the Managerial Financial Margin, arising from lower variable income fund results, was offset by decreased Non-Interest Expenses.

Number of Policies - Mass products

In thousands

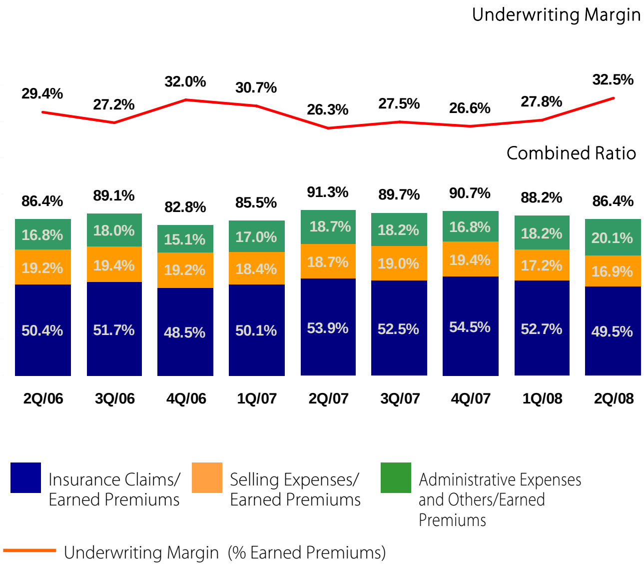


Itaubanco - Insurance, Pension Plans and Capitalization

Combined Ratio

The combined ratio, an indicator of the efficiency of operating costs in relation to income from premiums earned, improved by 1.8 p.p. from 88.2% to 86.4%.

Combined Ratio and Underwriting Margin



Note: combined ratio is the sum of the following indices: retained claims/ premiums earned, selling expenses/premiums earned and administrative expenses + other operating income and expenses/premiums earned.

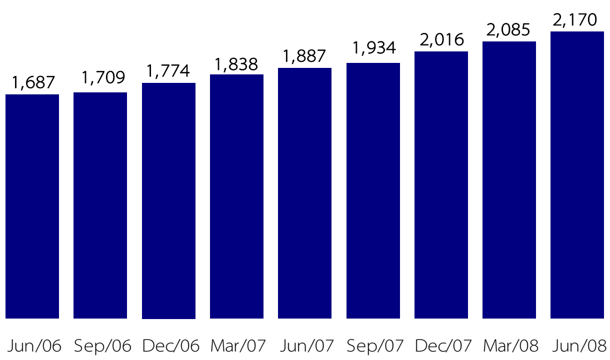
The Underwriting Margin as a percentage of Earned Premiums shows the relation of the combined ratio to the segment operating performance.

NB: The chart does not include the Itauseg Saúde company and includes the Life line of Itaú Vida e Previdência S.A.
The results from *Proteção Cartão* are not included in the calculation of the combined ratio.

Insurance Technical Provisions

At June 30, 2008, technical provisions reached R$ 2,170 million, a 4.1% growth in the quarter.

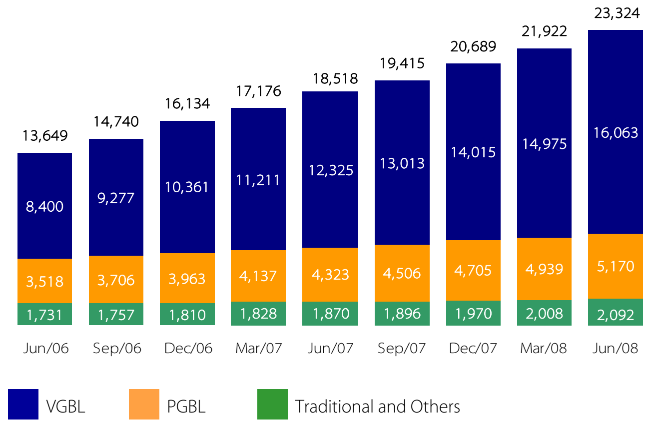
R$ million



Pension Plan Technical Provisions

Technical provisions added up to R$ 23,324 million at June 30, 2008, increasing by 6.4% compared to the prior quarter.

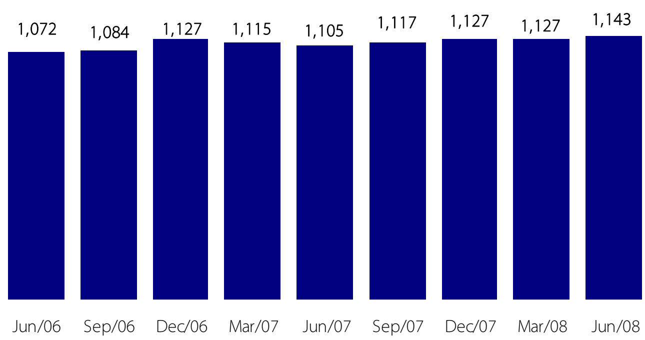
R$ million



Capitalization Technical Provisions

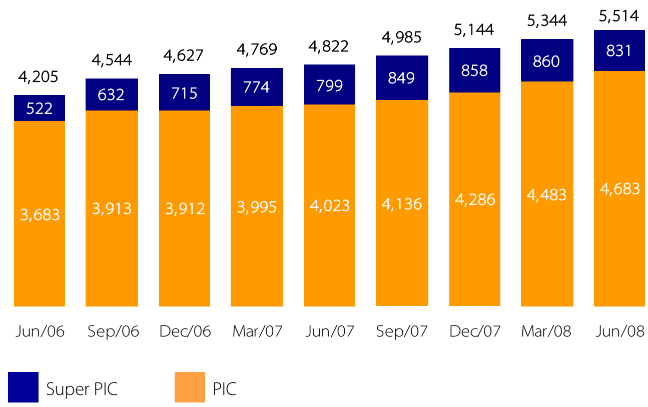
At June 30, 2008, technical provisions totaled R$ 1,143 million, a 1.4% growth in the quarter.

R$ million



Number of Capitalization Bonds - PIC

In thousands



During the quarter, this portfolio comprised 5.5 million active bonds, a 3.2% growth quarter-on-quarter.

Itaubanco - Investment Funds and Managed Portfolio

The *pro forma* financial statements shown below are based on management information generated by in-house models, so as to more accurately reflect the performance of the Fund Management area.

R$ million

Itaubanco - Investment Funds and Managed Portfolios	2nd Q/08	1st Q/08	Variation	
Banking fees and charge revenues	576	504	72	14.2%
Mutual Fund Management Fees (*)	392	395	(3)	-0.8%
Brokerage Services and Placement of Securities	149	76	73	96.3%
Custody Services and Managed Portfolios	35	34	2	5.3%
Transfer to Banking	(226)	(202)	(25)	12.2%
Non-interest Expenses	(188)	(172)	(16)	9.3%
Tax Expenses for ISS, PIS and Cofins	(41)	(28)	(13)	45.8%
Income before Tax and Profit Sharing	120	102	18	17.6%
Income Tax and Social Contribution	(41)	(35)	(6)	17.6%
Profit Sharing	(36)	(46)	11	-22.9%
Recurring Net Income	43	21	23	107.8%

(*) Does not include income from Pension Plans Fund Management.
Note: The Non-Interest Expenses comprises Personnel Expenses, Other Administrative Expenses and Other Taxes, and Other Operating Expenses.

In the second quarter of 2008, net income from investment funds and managed portfolios amounted to R$ 43 million.

During the period, revenues from brokerage services and placement of securities increased by 96.3% compared to the prior quarter, as a result of the growth in the volume of public offers of shares. The decline in market share in the volume of AUM in the past quarters reflects the reallocation of customer resources to savings accounts, CDBs (Bank Deposit Certificates) and committed operations, to meet the increase in loans.

Itaú Corretora

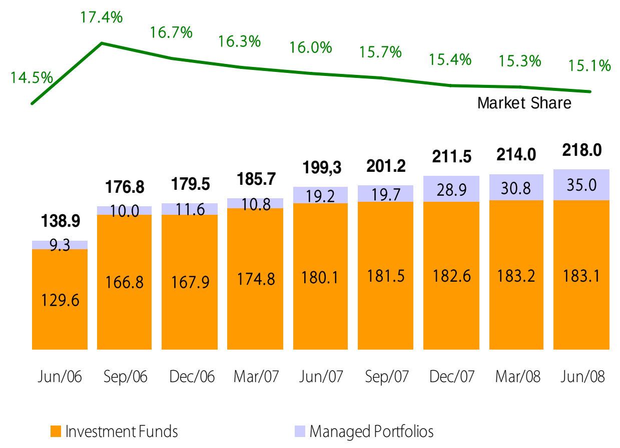
Itaú Corretora, whose management is independent from the fund management activities, handled contracts worth R$ 39,464 million on Bovespa in the second quarter of 2008, representing a 45.4% growth compared to the same period of 2007. Contracts handled on BM&F amounted to 2.9 million, 2.6% more than in the prior quarter.

Itaú Corretora acted as coordinator of IPOs of the companies OGX, Gerdau Metalúrgica and Gerdau, as well as ADR offerings of Gerdau, for the aggregate amount of R$ 11.1 billion.

Itaú Corretora, through its Home Broker – www.itautrade.com.br – was responsible for a volume of trading of R$ 3,774 million, growing by 129.1% and 8.4% from the second quarter of 2007 and first quarter of 2008, respectively.

Assets Under Management (AUM)

R$ billion



Market Share - Source: ANBID/Ranking Global

Note.: the historical volume of managed portfolios has been adjusted for comparison purposes.

Itaú BBA

The *pro forma* income statement of Itaú BBA is presented below.

R$ million

Itaú BBA	2nd Q/08	1st Q/08	Variation	
Managerial Financial Margin	722	696	26	3.7%
• Financial Margin with Customers	472	568	(96)	-16.8%
• Financial Margin with Market	250	128	122	95.1%
Result from Loan Losses	(23)	(25)	2	-7.3%
Provision for Loan and Lease Losses	(36)	(46)	10	-21.9%
Recovery of Credits Written Off as Losses	12	21	(8)	-39.8%
Net Result from Financial Operations	699	671	28	4.2%
Other Operating Income/(Expenses)	(78)	(128)	50	-39.0%
Banking fees and charge revenues	191	137	54	39.4%
Non-interest Expenses	(218)	(237)	18	-7.8%
Tax Expenses for ISS, PIS and Cofins	(41)	(45)	4	-9.1%
Equity in the Earnings of Associated Companies	8	(1)	8	-1317.8%
Other Operating Income	(17)	18	(35)	-196.0%
Operating Income	621	543	78	14.4%
Non-operating Income	1	(1)	2	-238.3%
Income before Tax and Profit Sharing	622	542	80	14.7%
Income Tax and Social Contribution	(141)	(153)	12	-7.9%
Profit Sharing	(66)	(21)	(45)	215.0%
Recurring Net Income	414	368	47	12.7%

Note: The item Non-Interest Expenses is composed of Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and other taxes and Other Operating Expenses.

In the second quarter of 2008, the financial margin totaled R$ 722 million, corresponding to a 3.7% increase compared to R$ 696 million in the prior quarter.

The financial margin on customer transactions added up to R$ 472 million, a 16.8% decline compared to the R$ 568 million margin recorded in the previous quarter. It should be noted that, due to the stronger foreign exchange volatility in the first quarter, Itaú BBA carried out a higher number of structured transactions involving derivative financial instruments to meet its customers' demands.

The financial margin on market transactions amounted to R$ 250 million, a 95.1% growth quarter-on-quarter. Within treasury transactions, the R$ 156 million income arises from proprietary strategies pursued on the local and international markets, in particular fixed-income positions in Brazil, and positions involving exchange parities. The financial margin on management of exchange risk of investments abroad, which corresponds to the remuneration of these investments at the CDI rate, amounted to R$ 94 million.

R$ million

	2nd Q/08	1st Q/08	Variation	
			Balance	%
Treasury	156	37	118	317.3%
Management of Foreign Exchange Risk from Investments Abroad	94	91	3	3.5%
Financial Margin on Market Transactions	250	128	122	95.1%

The outstanding quality level of the credit portfolio is to be underlined, with 99% of the credits having been ascribed "AA", "A" and "B" ratings, pursuant to the criteria set forth in Resolution 2682 of the National Monetary Council. The results from doubtful loans were a provision expense of R$ 23 million in the second quarter, chiefly due to risk re-ratings in the amount of R$ 36 million, offset by recoveries of credits previous written off as losses in the amount of R$ 12 million.

Gross revenues from financial intermediation totaled R$ 699 million, or a 4.2% increase when compared to the prior quarter.

Banking fees revenues added up to R$ 191 million in the second quarter of 2008, growing by 39.4% from the prior quarter, essentially due to revenues from investment banking transactions.

Non-interest expenses amounted to R$ 218 million, a 7.8% decline compared to the prior quarter.

As a result of the above mentioned items, Itaú BBA's pro forma net income amounted to R$ 414 million in the second quarter, growing by 12.7% from the prior quarter, corresponding to an annualized return on average allocated capital (tier 1) of 27.6% in the period.

Itaucred

The *pro forma* financial statements of Itaucred are presented below, based on managerial information provided by proprietary models, in order to more accurately reflect the performance of the business units.

On June 30, 2008

R$ million

ASSETS	Itaucred			
	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Current and Long-Term Assets	39,204	4,162	3,819	47,185
Loans	38,699	4,361	4,256	47,316
(Allowance for Loan Losses)	(2,018)	(436)	(684)	(3,138)
Other Assets	2,523	236	247	3,007
Permanent Assets	62	0	63	126
TOTAL ASSETS	39,266	4,162	3,882	47,310

R$ million

LIABILITIES	Itaucred			
	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Current and Long-Term Liabilities	36,087	3,646	3,211	42,944
Deposits	7	-	-	7
Securities Repurchase Agreements	34,064	1,187	2,162	37,412
Borrowings and On-Lendings	273	-	0	273
Other Liabilities	1,743	2,459	1,049	5,251
Allocated Capital Tier I	3,178	516	672	4,366
Allocated Capital Tier I of Minority Interests	-	-	161	161
Allocated Capital Tier I of Parent Company	3,178	516	511	4,205
TOTAL LIABILITIES	39,266	4,162	3,882	47,310

Statement of Income

R$ million

2nd Quarter/08	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Managerial Financial Margin	814	382	225	1,421
Result from Loan Losses	(328)	(179)	(115)	(621)
Provision for Loan and Lease Losses	(380)	(197)	(151)	(728)
Recovery of Credits Written Off as Losses	52	19	37	107
Net Result from Financial Operations	486	203	111	800
Other Operating Income/(Expenses)	(117)	(94)	(114)	(325)
Banking fees and charge revenues	192	152	53	397
Operating Result of Insurance, Pension Plans and Capitalization	6	9	0	16
Non-interest Expenses	(248)	(229)	(155)	(632)
Tax Expenses for ISS, PIS and Cofins	(72)	(28)	(23)	(123)
Other Operating Income	5	2	11	17
Operating Income	368	109	(4)	474
Non-operating Income	(0)	0	(0)	0
Income Before Tax and Profit Sharing	368	109	(4)	474
Income Tax and Social Contribution	(110)	(34)	4	(139)
Profit Sharing	(4)	(4)	(5)	(13)
Recurring Net Income	255	71	(4)	322
Recurring Net Income of Minority Interests	-	-	3	3
Recurring Net Income of Parent Company	255	71	(8)	318
(RAROC) - Return on Average Tier I Allocated Capital	34.2%	50.1%	-2.7%	30.5%
Efficiency Ratio	26.3%	44.3%	58.3%	36.6%

Note: Non-interest Expenses comprises Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes, and Other Operating Expenses.

Itaucred

On March 31, 2008

R$ million

ASSETS	Itaucred			
	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Current and Long-Term Assets	**35,656**	**3,965**	**3,874**	**43,495**
Loans	35,204	4,181	4,319	43,704
(Allowance for Loan Losses)	(1,820)	(417)	(655)	(2,891)
Other Assets	2,271	201	210	2,682
Permanent Assets	**59**	**0**	**65**	**124**
TOTAL ASSETS	35,715	3,965	3,938	43,619

R$ million

LIABILITIES	Itaucred			
	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Current and Long-Term Liabilities	**32,924**	**3,350**	**3,281**	**39,555**
Deposits	8	-	-	8
Securities Repurchase Agreements	31,439	502	2,316	34,257
Borrowings and On-Lendings	254	-	0	254
Other Liabilities	1,223	2,847	966	5,036
Allocated Capital Tier I	**2,791**	**616**	**657**	**4,064**
Allocated Capital Tier I of Minority Interests	-	-	154	154
Allocated Capital Tier I of Parent Company	2,791	616	503	3,910
TOTAL LIABILITIES	35,715	3,965	3,938	43,619

Statement of Income

R$ million

1st Quarter/08	Vehicles	Credit Cards - Non-Account Holders	Taií + Payroll	Itaucred
Managerial Financial Margin	**784**	**353**	**233**	**1,370**
Result from Loan Losses	**(331)**	**(139)**	**(125)**	**(595)**
Provision for Loan and Lease Losses	(374)	(159)	(148)	(681)
Recovery of Credits Written Off as Losses	43	20	23	86
Net Result from Financial Operations	**453**	**214**	**108**	**775**
Other Operating Income/(Expenses)	**(40)**	**(63)**	**(104)**	**(207)**
Banking fees and charge revenues	230	155	62	447
Operating Result of Insurance, Pension Plans and Capitalization	7	13	0	20
Non-interest Expenses	(210)	(209)	(145)	(564)
Tax Expenses for ISS, PIS and Cofins	(67)	(27)	(23)	(117)
Other Operating Income	0	4	3	8
Operating Income	**413**	**151**	**4**	**568**
Non-operating Income	(0)	-	(0)	(0)
Income Before Tax and Profit Sharing	**413**	**151**	**4**	**568**
Income Tax and Social Contribution	**(126)**	**(48)**	**2**	**(172)**
Profit Sharing	**(7)**	**(4)**	**(5)**	**(16)**
Recurring Net Income	**280**	**99**	**1**	**380**
Recurring Net Income of Minority Interests	-	-	4	4
Recurring Net Income of Parent Company	280	99	(3)	376
(RAROC) - Return on Average Tier I Allocated Capital	42.1%	64.5%	0.7%	39.0%
Efficiency Ratio	22.0%	41.9%	52.9%	32.7%

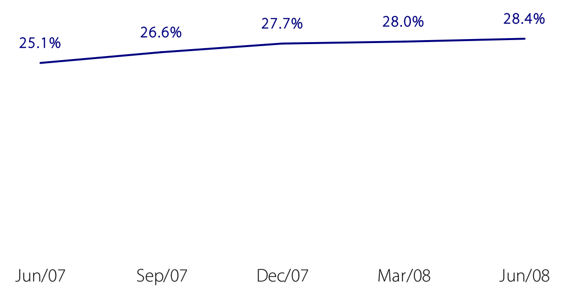
Note: Non-interest Expenses comprises Personnel Expenses, Other Administrative Expenses, Tax Expenses for CPMF and Other Taxes, and Other Operating Expenses.

Itaucred

Vehicles

The volume of vehicle financing and leasing transactions increased by 9.9% compared to the first quarter of the year, leading to a 3.8% growth in the subsegment managerial financial margin. The growth in the portfolio balance also gave rise to increased expenses for the provision for doubtful loans. However, the good performance of the collection efforts offset such increased expenses. Reductions seen in service fees for the early settlement of contracts, and charges on credit opening helped decrease banking fees revenues by R$ 38 million quarter-on-quarter. Non-interest expenses were impacted because the number of employees in this segment was increased by 345 people, as well as increased advertising spending, growing by 18.3% compared to the prior quarter. Net income for the second quarter totaled R$ 255 million, down 8.9% from the prior quarter.

Itaucred Vehicles' Share of Consolidated Credit Portfolio



Credit Card – Non-Account Holders

The Credit Card – Non-Account Holders subsegment net income amounted to R$ 71 million in the second quarter of 2008, a 28.1% decrease from the prior quarter.

The managerial financial margin increased on account of revenues from financing to credit card holders, as well as prepayment to retailers. However, basically due to an increase in the specific provision, the overall expense for the provision for doubtful accounts was significantly higher in the second quarter of 2008. Higher non-interest expenses also had an adverse impact on results for the quarter. During the period, advertising spending, selling and card issuance expenses also increased.

Taií

Taií, which is Itaú's consumer credit segment, comprises the operations of Financeira Itaú (FIT), 100% owned by Itaú; and Financeira Itaú CBD (FIC) and Financeira Americanas Itaú (FAI), in which Itaú's share represents 50%.

Taií's credit portfolio, excluding payroll credit, totaled R$ 2,023 million in June 2008, a 4.1% increase compared to March 2008. The customer base reached 6.7 million, increasing by 3.5% from the first quarter of 2008.

Financeira Itaú (FIT)

At the end of June 2008, the network of Taií's own stores comprised 254 units. In the second quarter of 2008, the focus was to increase the product portfolio and activate the customer base.

Financeira Itaú CBD (FIC)

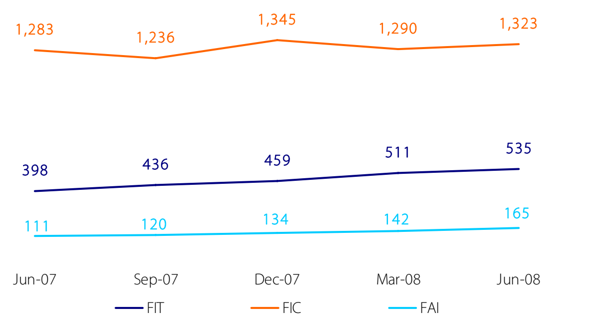
The following factors support the profit consolidation strategy: increased levels of card activation as a result of distinctive features offered to customers at Pão de Açúcar group stores, Mastercard banner placed on private label cards, and significant growth in the penetration of extended guarantee on electronic product sales.

Financeira Americanas Itaú (FAI)

At the end of the quarter, FAI had 287 points of sale and recorded a 19% increase in the customer base, comprised of 1.5 million accounts. At the end of July, private label cards (restricted use) had a 9.2% share in the parent company sales, increasing by 124%. In line with the strategy of expanding activities with this retailer, a new agreement was reached into in the quarter, in order to set up 127 additional stores (physical stores + self-service) at Blockbuster (Americanas Express) outlets.

Taií - Credit Portfolio

R$ million



Taií + Payroll - Recurring Net Income/(Loss)

R$ million

	2nd Q/08	1st Q/08	Variation
FIT	(13)	(13)	(0)
FIC	7	9	(2)
FAI	(10)	(8)	(2)
Subtotal - Taií	**(16)**	**(13)**	**(4)**
Payroll	12	14	(2)
Total	**(4)**	**1**	**(5)**

Banco Itaú Holding Financeira S.A.

Consolidated Balance Sheet

Consolidated Balance Sheet

Securities Portfolio

History of Securities Portfolio

R$ million

	Jun 30, 08	%	Mar 31, 08	%	Jun 30, 07	%	Variation (%)	
							Jun/08-Mar/08	Jun/08-Jun/07
Public Securities - Domestic	18,222	25.6%	21,037	29.1%	13,484	21.7%	-13.4%	35.1%
Public Securities - Foreign	11,409	16.0%	12,128	16.8%	11,175	18.0%	-5.9%	2.1%
Total Public Securities	29,630	41.6%	33,165	45.8%	24,660	39.7%	-10.7%	20.2%
Private Securities	14,577	20.4%	14,910	20.6%	16,194	26.1%	-2.2%	-10.0%
PGBL/VGBL Fund Quotas	21,149	29.7%	19,854	27.4%	16,641	26.8%	6.5%	27.1%
Derivative Financial Instruments	5,953	8.3%	4,475	6.2%	4,546	7.3%	33.0%	31.0%
Total Securities	**71,309**	**100.0%**	**72,404**	**100.0%**	**62,041**	**100.0%**	**-1.5%**	**14.9%**

In the second quarter of 2008, the balance of the securities portfolio totaled R$ 71,309 million, a 1.7% decline from the prior quarter. The increase of 6.5% in the volume of PGBL/VGBL fund quotas was not sufficient to counter the reduction in the Brazilian public securities portfolios, the impact from the appreciation of the real against other currencies and the related effect on the value of securities denominated in, or indexed to, such currencies.

Private Securities Portfolio and Credit Portfolio

The total balance of private securities and credit portfolio amounted to R$ 162,650 million at June 30, 2008, representing a 6.6% increase compared to the prior quarter.

Funds Intended for the economic agents

R$ million

Jun 30, 08						
Risk Level	AA	A	B	C	D - H	Total
Euro Bonds and Similar	2,433	651	53	-	-	3,137
Certificates of Deposit	1,525	49	-	-	-	1,574
Debentures	2,590	238	0	-	0	2,829
Shares of Public Companies	1,157	118	43	14	28	1,361
Promissory Notes	980	279	477	-	-	1,735
Other	2,156	1,685	26	72	2	3,941
Subtotal	**10,842**	**3,020**	**599**	**86**	**30**	**14,577**
Credit Operations(*)	30,398	71,335	27,206	7,167	11,966	148,073
Total	**41,240**	**74,355**	**27,805**	**7,254**	**11,996**	**162,650**
% of Total	**25.4%**	**45.7%**	**17.1%**	**4.5%**	**7.4%**	**100.0%**

(*) Endorsements and Sureties included.

R$ million

Mar 31, 08						
Risk Level	AA	A	B	C	D - H	Total
Euro Bonds and Similar	3,548	283	105	15	-	3,951
Certificates of Deposit	1,786	94	-	-	-	1,880
Debentures	2,089	747	1	-	-	2,836
Shares of Public Companies	903	13	13	-	27	956
Promissory Notes	967	263	367	-	-	1,598
Other	1,036	2,378	245	27	3	3,689
Subtotal	**10,329**	**3,777**	**731**	**42**	**30**	**14,910**
Credit Operations(*)	27,788	65,694	26,013	6,937	11,259	137,691
Total	**38,117**	**69,471**	**26,744**	**6,979**	**11,289**	**152,601**
% of Total	**25.0%**	**45.5%**	**17.5%**	**4.6%**	**7.4%**	**100.0%**

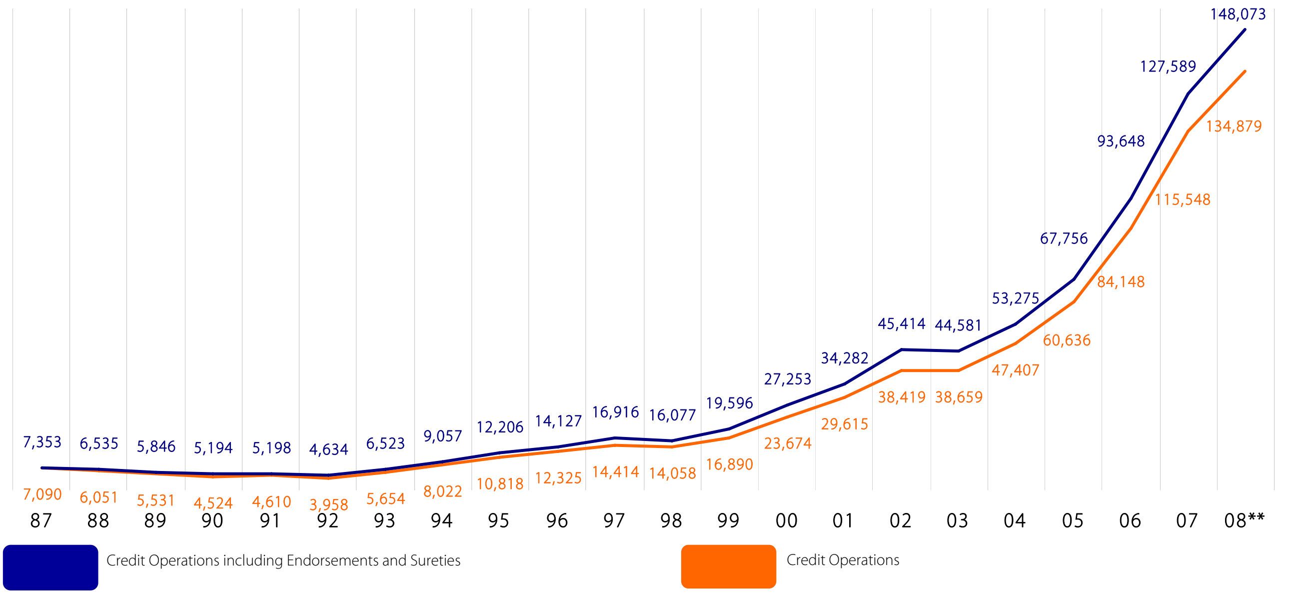
(*) Endorsements and Sureties included.

Credit Portfolio

The annual performance of the credit portfolio since 1987 is shown below.

R$ million (*)

Credit Operations



(*) In constant currency as of December 31, 1995 up to that date; in nominal amounts thereafter. (**) At Jun 30, 2008.

Consolidated Balance Sheet

The loan portfolio, comprising both individuals and companies, continued to grow in the second quarter of 2008. Within the individuals segment, vehicle financing transactions are to be highlighted, while loans and financing to micro, small and mid-sized companies stood out within the business segment. The volume of credit linked to foreign currencies decreased by 0.5% in the quarter and represented 19.4% of the total portfolio. The share of loans rated "AA" to "C" increased by 0.1 percentage point in the quarter, corresponding to 91.9% of the total portfolio.

The Food and Beverages industry showed the highest concentration risk, accounting for 4.5% of the total portfolio. The industries which posted the most significant growth in the quarter were: Electricity Generation, Transmission and Distribution (23.7%, or a R$ 651 million increase), Real Estate (17.1% or a R$ 493 million increase): Finance (9.8%, or R$ 463 expansion): Electric-Electronic Products (13.6%, or R$ 442 million growth), and Metallurgy and Steel (11.5%, or a R$ 433 million rise). The share of the 100 largest debtors in the portfolio declined from 16.2% to 16.0% in the second quarter of 2008.

Credit Portfolio Development Consolidated by Client Type and Currency

R$ million

				Variation			
Local Currency	Jun/08	Mar/08	Jun/07	Jun/08 - Mar/08		Jun/08 - Jun/07	
	Balance	Balance	Balance	Balance	%	Balance	%
Individuals	**62,133**	**57,869**	**44,993**	**4,264**	**7.4%**	**17,140**	**38.1%**
Credit Card	11,076	10,463	8,867	613	5.9%	2,209	24.9%
Personal Loans	15,017	14,679	13,844	338	2.3%	1,173	8.5%
Vehicles	36,040	32,727	22,282	3,313	10.1%	13,758	61.7%
Businesses	**50,237**	**44,427**	**34,202**	**5,810**	**13.1%**	**16,035**	**46.9%**
Corporate	24,838	22,994	18,940	1,844	8.0%	5,898	31.1%
Micro, Small and Medium-Sized Companies	25,398	21,432	15,261	3,966	18.5%	10,137	66.4%
Mandatory Loans	**7,232**	**6,767**	**5,711**	**465**	**6.9%**	**1,520**	**26.6%**
Rural Loans	4,052	3,892	3,236	160	4.1%	816	25.2%
Mortgage Loans	3,180	2,875	2,476	305	10.6%	705	28.5%
Argentina/Chile/Uruguay	-	-	-	-	-	-	-
Total	**119,601**	**109,063**	**84,906**	**10,538**	**9.7%**	**34,696**	**40.9%**
Foreign Currency							
Individuals	**143**	**37**	**42**	**106**	**282.7%**	**101**	**241.3%**
Credit Card	-	-	-	-	-	-	-
Personal Loans	143	37	42	106	282.7%	101	241.3%
Vehicles	-	-	-	-	-	-	-
Businesses	**19,071**	**18,189**	**12,684**	**882**	**4.8%**	**6,387**	**50.4%**
Corporate	14,707	14,386	10,041	321	2.2%	4,666	46.5%
Micro, Small and Medium-Sized Companies	4,364	3,803	2,642	560	14.7%	1,722	65.2%
Mandatory Loans	**-**	**4**	**-**	**(4)**	**-**	**-**	**-**
Rural Loans	-	4	-	(4)	-	-	-
Mortgage Loans	-	-	-	-	-	-	-
Argentina/Chile/Uruguay	**9,258**	**10,397**	**7,190**	**(1,139)**	**-11.0%**	**2,068**	**28.8%**
Total	**28,472**	**28,627**	**19,916**	**(156)**	**-0.5%**	**8,556**	**43.0%**

Note: Includes endorsements and sureties.

Consolidated Credit Portfolio by Client Type and Risk Level

R$ million

Jun 30, 08	AA	A	B	C	D	E	F	G	H	Total
Individuals	**0**	**39,091**	**10,995**	**3,124**	**3,261**	**1,595**	**1,184**	**556**	**2,470**	**62,276**
Credit Card	0	2,743	5,321	951	906	359	203	133	459	11,076
Personal Loans	0	4,870	4,009	1,044	1,864	961	778	275	1,359	15,160
Vehicles	-	31,478	1,664	1,129	491	275	203	148	652	36,040
Businesses	**24,734**	**24,953**	**14,785**	**2,527**	**956**	**557**	**180**	**119**	**496**	**69,308**
Corporate	20,579	15,318	3,375	144	24	20	42	2	41	39,545
Small and Medium-Sized Companies	4,155	9,636	11,409	2,383	932	537	138	116	455	29,762
Mandatory Loans	1,678	3,846	1,085	193	117	185	40	17	70	7,232
Argentina/Chile/Uruguay	3,986	3,444	342	1,322	62	34	11	14	43	9,258
Total	**30,398**	**71,335**	**27,206**	**7,167**	**4,396**	**2,370**	**1,415**	**705**	**3,079**	**148,073**

Note: Includes endorsements and sureties.

Consolidated Balance Sheet

Quality of Credit Assets

The chart below presents a set of performance indicators associated with the quality of our credit assets.

Asset Quality Credit *R$ million*

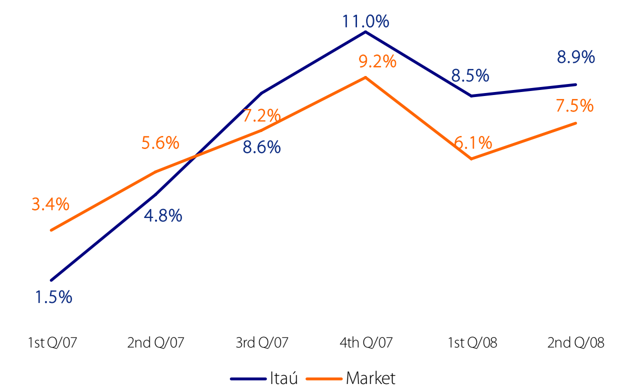
	Jun 30, 08	Mar 31, 08
Loans	134,879	125,660
Loans E-to-H	7,563	7,207
NPL (+60 days)	5,850	5,452
Provision Balance	8,388	8,147
Provision in Excess of Minimum	2,150	2,150
Charge-offs	1,679	1,624
Recoveries	296	247
Expenses for Provisions for Loan Losses	1,958	1,830
Loans E-to-H / Loans	5.6%	5.7%
NPL / Loans	4.3%	4.3%
Provision Balance / NPL	143%	149%
Provision Balance / Loans E-to-H	111%	113%
Provision Balance / Loans	6.2%	6.5%
Excess Provision / Loans	1.6%	1.7%
Charge-offs / Avg. Loans	1.5%	1.3%
Charge-offs / Avg. Loans E-to-H	23.0%	22.6%
Expenses for Provision / Avg. Loans	1.8%	1.5%
Result from Loan Losses / Avg. Loans	1.2%	1.3%

Note: Endorsements and Sureties not included.

Credit Portfolio Growth

The chart below shows that our credit portfolio growth has outperformed the market, resulting in an increase in our market share.

Quarterly Growth of Credit Portfolio - Itaú vs Market



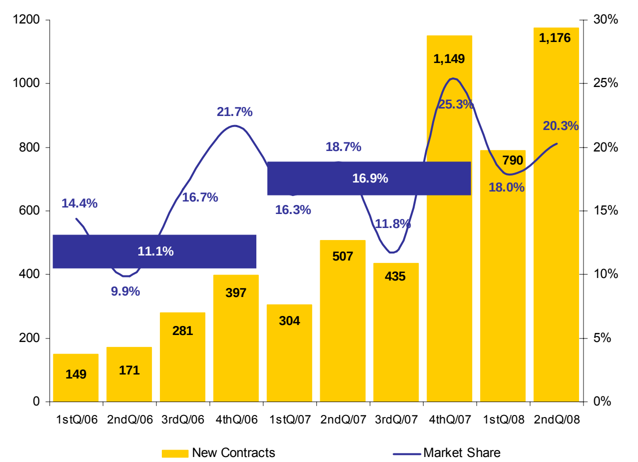
Note: Does not include sureties and endorsements. Do not considers the Argentina, Chile and Uruguay operations.

Source: Brazilian Central Bank

Real Estate Credit

During the second quarter of 2008, the real estate credit portfolio reached R$ 3,180 million, a 10.6% growth quarter-on-quarter. Between April and June, the volume of new real estate financing contracts with individuals added up to R$ 408 million, growing by 38.5% compared to the prior quarter. Within the company segment, the total contract amount was R$ 768 million, up 57.7% from the previous quarter.

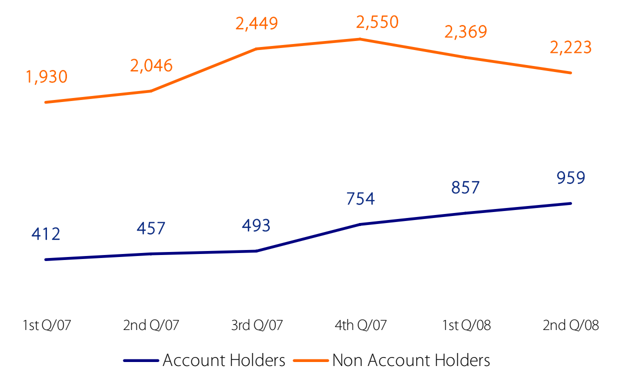
Real Estate Portfolio *R$ million*



Payroll Credit

The payroll credit portfolio added up to R$ 3,182 million at the end of June 2008, decreasing by 1.4% compared to the prior quarter. The balance of transactions carried out with current account holders increased by 11.9% in the period, to reach R$ 959 million. On the other hand, the balance of transactions with non-account holders declined by 6.2% compared to the prior quarter, chiefly as a result of the termination of our agreement with BMG for the acquisition of new payroll credit transactions.

Payroll Credit *R$ million*

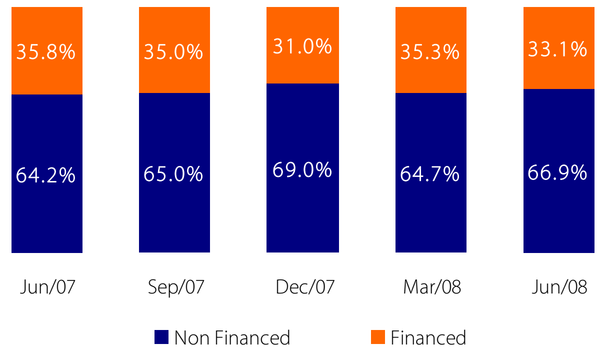


Consolidated Balance Sheet

Credit Card

During the second quarter of 2008, the financed portion of credit card transactions as a percentage of the total portfolio balance slightly decreased, as shown in the opposite chart that depicts the evolution of this relationship over the past quarters.

Credit Card Portfolio



Funding from customers

In the second quarter of 2008, funds obtained totaled R$ 146,471 million, up 12.2% from the prior quarter. Such increase was primarily driven by the 19.4% expansion in time deposit balance and 19.8% in debentures and mortgage notes.. The Bank leverages its large customer base to obtain the funds required to support the expansion in the volume of credit transactions. During one year, total funding grew by 35.6%, while time deposits increased by 42.7%. In the same period, debentures and mortgage notes increased by 57.6%. The funding profile is closely related to liquidity management, where: (a) cash flow is managed so that funds obtained from customers support their credit transactions; (b) with the higher demand for credit assets, Itaú meets its marginal funding needs through funds obtained in the market.

Funding from Customers

R$ million

	Jun 30, 08	%	Mar 31, 08	%	Jun 30, 07	%	Variation (%)	
							Jun/08-Mar/08	Jun/08-Jun/07
Demand deposits	19,120	13.1%	19,847	15.2%	19,224	17.8%	-3.7%	-0.5%
Savings deposits	28,881	19.7%	28,388	21.8%	24,075	22.3%	1.7%	20.0%
Time deposits	34,200	23.3%	28,634	21.9%	23,974	22.2%	19.4%	42.7%
Debentures / Mortgage notes	64,269	43.9%	53,648	41.1%	40,770	37.7%	19.8%	57.6%
Total	146,471	100.0%	130,517	100.0%	108,043	100.0%	12.2%	35.6%

Stockholders' Equity

At June 30, 2008, the stockholders' equity totaled R$ 30,341 million, increasing by 3.7% from the first quarter of the year. The Basel ratio stood at 16.4% in June, corresponding to a 0.2 percentage point decreased from the prior period. Finally, if changes in the weighting of certain assets and in the determination of the benchmark equity in economic/ financial consolidated terms, as introduced by the Central Bank effective July 1, 2008, were considered, the ratio would have remained unaltered at 16.4%.

Balance Sheet by Currency (*)

The Balance Sheet per Currency shows the balances linked to the local and foreign currencies. At June 30, 2008, the net foreign exchange position, including investments abroad and disregarding the portion of minority interests, was a liability totaling US$ 5,041 million. It should be pointed out that the gap management policy adopted by the Bank takes into consideration the tax effects on this position. As the profits from exchange rate variation on investments abroad are not taxed, we have set up a hedge (a liability in foreign exchange derivatives) for a sufficient amount, so that the total foreign exchange exposure, net of tax effects, is virtually nil and consistent with our strategy of low exposure to risk.

R$ million

	Jun 30,08					Mar 31,08
Assets	Consolidated	Business in Brazil			Business Abroad	Business in Brazil
		Total	Local Currency	Foreign Currency		Foreign Currency
Cash and Cash Equivalents	5,601	4,305	3,716	589	1,327	550
Short Term Interbank Deposits	68,067	61,739	61,577	162	9,996	25
Securities	71,309	64,030	62,618	1,412	13,839	1,017
Loans	134,879	116,780	108,726	8,054	20,887	6,918
(Allowance for Loan Losses)	(8,388)	(8,132)	(8,132)	0	(256)	0
Other Assets	68,534	72,241	58,430	13,811	2,937	17,767
Foreign Exchange Portfolio	19,600	25,666	12,243	13,423	557	17,329
Other	48,934	46,575	46,187	388	2,379	438
Permanent Assets	3,868	13,098	2,703	10,395	1,170	11,100
TOTAL ASSETS	343,870	324,060	289,637	34,422	49,900	37,378
DERIVATIVES - PURCHASED POSITIONS						
Futures				14,091		15,519
Options				5,225		13,429
Swaps				11,135		11,254
Other				6,880		8,403
TOTAL ASSETS AFTER ADJUSTMENTS (a)				71,755		85,982

	Jun 30,08					Mar 31,08
Liabilities	Consolidated	Business in Brazil			Business Abroad	Business in Brazil
		Total	Local Currency	Foreign Currency		Foreign Currency
Deposits	83,496	65,122	65,059	63	18,820	33
Funds Received under Securities Repurchase Agreements	96,220	94,865	94,865	0	1,358	0
Funds from Acceptances and Issue of Securities	7,741	9,669	3,579	6,090	4,268	6,755
Borrowings and On-Lendings	17,857	14,764	7,294	7,470	9,455	7,988
Derivative Financial Instruments	4,773	3,575	3,575	0	1,244	0
Other Liabilities	74,619	77,563	62,388	15,176	4,330	17,398
Foreign Exchange Portfolio	20,256	26,092	12,116	13,976	783	15,966
Other	54,364	51,471	50,272	1,200	3,548	1,433
Technical Provisions of Insurance, Pension Plans and Capitalization	26,637	26,637	26,637	0	0	0
Deferred Income	71	58	58	0	13	0
Minority Interest in Subsidiaries	2,115	1,466	1,466	0	17	0
Stockholders' Equity	30,341	30,341	30,341	0	10,395	0
TOTAL LIABILITIES	343,870	324,060	295,262	28,798	49,900	32,175
DERIVATIVES - SOLD POSITIONS						
Futures				23,738		23,522
Options				5,068		14,008
Swaps				17,908		18,543
Other				3,479		4,322
TOTAL LIABILITIES AFTER ADJUSTMENTS (b)				78,990		92,570
Foreign Exchange Position (c = a - b)				(7,236)		(6,588)
Foreign Exchange Position of Minority Stockholders (d)				(789)		(871)
Net Foreign Exchange Position after Minority Stockholders (c + d) R$				(8,025)		(7,459)
Net Foreign Exchange Position after Minority Stockholders (c + d) US$				(5,041)		(4,264)

(*) Excludes transactions between local and foreign business.

Banco Itaú Holding Financeira S.A.

Value at Risk
Activities Abroad
Ownership Structure
Performance in the Stock Market

Value at Risk (VaR)

VaR of the Business Units of Itaú

We show below tables with the VaR of the units of Itaú.

Banco Itaú

As the fixed rate market is expected to maintain its trend, Itaú continued to pursue its strategy of optimizing the risk/return ratio.

The Structural Gap, including commercial transactions and related financial instruments, declined in almost all risk factors which comprise this portfolio, except for the fixed-rate risk factor, that was affected by the increase in the benchmark interest rate established by the Brazilian Monetary Policy Committee, as well as by uncertainties regarding the potential length of the inflation fighting cycle, which impacted Global VaR at the end of the quarter.

Structural Gap Banco Itaú VaR (*)

R$ million

	Jun 30, 08	Mar 31, 08
Fixed Rate	96.4	87.1
Benchmark Rate (TR)	6.7	6.8
Inflation Rates	4.0	6.3
Dollar Coupon Rate	7.0	11.5
Foreign Exchange (**)	0.4	0.1
Equities	5.4	2.0
Diversification Impact	(18.1)	(23.3)
Global VaR (**)	**101.8**	**90.5**

(*) VaR refers to the maximum potential loss in 1 day, with a 99% confidence level.
(**) Considering the effects of tax adjustments.

During the quarter, the portfolio Average Stress VaR reached R$ 84.3 million. At June 30, 2008, the Global Stress VaR stood at R$ 68.6 million. In the period, the major exposures underlying this position were those taken in the domestic dollar market.

Stress VaR of the Proprietary Desk of Banco Itaú

R$ million

	Jun 30, 08	Mar 31, 08
Global Stress VaR	**(68.6)**	**(56.6)**
Maximum Global Stress VaR in the quarter	(163.1)	(144.6)
Average Global Stress VaR in the quarter	(84.3)	(72.4)
Minimum Global Stress VaR in the quarter	(57.8)	(32.2)

Itaú BBA

The second quarter of 2008 saw increasing concerns over inflation from food and fuel prices, which drove monetary policy expectations worldwide, increasing projections for domestic and international interest rate curves. The financial markets continued under pressure on account of the subprime crisis in the US, overshadowing the positive impact of the assignment of investment grade to Brazil by the risk-rating agencies Standard&Poor's and Fitch.

Itaú BBA is always rigorous in the application of a prudent market risk management policy, so that even in this more volatile environment, its values at risk remained negligible in comparison to the institution's net equity. Average VaR for the quarter corresponds to a mere 0.5% of the Bank's tier 1 capital.

Banco Itaú BBA VaR

R$ million

	Jun 30, 08	Mar 31, 08
Fixed Rate	9.1	7.1
Dollar Coupon Rate	1.7	5.7
Foreign Exchange (*)	0.1	6.8
Equities	2.9	1.7
Sovereign	9.7	5.4
Inflation Rates	1.6	3.4
Foreign Interest Rates	1.3	5.8
Commodities	0.3	1.0
Foreign Exchange - Other Currencies	0.7	1.2
Other	1.0	1.3
Diversification Impact	(13.8)	(24.0)
Global VaR (*)	**14.5**	**15.4**

(*) Considering the effects of tax adjustments.

Itaú

The next table shows Banco Itaú Holding Financeira consolidated Global VaR, comprising the portfolios of Itaú BBA, Banco Itaú Europa, Banco Itaú Argentina, Banco Itaú Chile, and Itaú's structural portfolio. Itaú's and Itaú BBA's portfolios are analyzed together and segregated by risk factor. It can be seen that the diversification of business units' risks is significant, which enables the group to maintain an overall exposure to market risk at very low levels when compared to its equity.

Banco Itaú continues to adhere to its policy of operating within relatively low limits. The maintenance of Total Global risk levels in the quarter was driven by changes in the portfolio mix. No significant growth in these levels was seen, even with the increased volatility of the fixed-rate risk factor and

Itaú VaR (*)

R$ million

	Jun 30, 08	Mar 31, 08
Fixed Rate	99.8	93.4
Benchmark Rate (TR)	6.7	6.8
Inflation Rates	3.0	4.9
Dollar Coupon Rate	6.7	16.8
Foreign Exchange (**)	0.4	6.7
Private and Sovereign Securities	14.7	22.3
Equities	8.9	1.4
Foreign Interest Rates	2.8	10.4
Commodities	0.3	1.0
Foreign Exchange - Other Currencies	0.7	1.2
Other	1.0	1.3
Banco Itaú Europa	3.8	3.1
Banco Itaú Buen Ayre	3.0	1.4
Banco Itaú Chile	0.4	1.1
Diversification Impact	(41.2)	(64.8)
Global VaR (**)	**110.8**	**107.0**

(*) Not considering the Proprietary Desk Portfolio.
(**) Considering the effects of tax adjustments.

Find out more on risk management in Note 20 to the Financial Statements or in our Investor Relations website, www.itauri.com.br, in the Corporate Governance / Risk Management section, and also in Form 20-F, available in the Financial Information/SEC Files section.

Activities Abroad

Financial Statements

Below we present the financial statements of our main units abroad.

On June 30, 2008

R$ million

ASSETS	Consolidated Itaú Europa	Banco Itaú Argentina S.A.	Consolidated Chile	Consolidated Uruguay
Current and Long Term Assets	**10,490**	**2,108**	**8,221**	**2,106**
Cash and Cash Equivalents	121	84	252	570
Short Term Interbank Deposits	4,038	214	268	356
Securities	1,532	115	1,303	80
Loans	4,518	1,351	6,239	1,099
(Allowance for Loan Losses)	(39)	(29)	(89)	(61)
Other Credits	168	156	177	54
Other Assets	152	217	71	6
Permanent Assets	**605**	**41**	**115**	**23**
Investments	389	7	1	0
Fixed Assets	10	29	74	21
Deferred Changes	206	5	40	2
TOTAL ASSETS	11,095	2,149	8,337	2,128

LIABILITIES	Consolidated Itaú Europa	Banco Itaú Argentina S.A.	Consolidated Chile	Consolidated Uruguay
Current and Long Term Liabilities	**10,085**	**1,976**	**7,376**	**1,893**
Deposits	6,146	1,770	5,047	1,587
Deposits Received under Securities Repurchase Agreements	157	68	173	-
Funds from Acceptances and Issue of Securities	2,116	-	800	-
Borrowings and On-lendings	995	1	846	13
Derivative Financial Instruments	147	1	209	-
Other Liabilities	525	136	301	293
Deferred Income	**8**	**0**	**0**	**-**
Minority Interest in subsidiaries	**0**	**-**	**0**	**0**
Stockholders' Equity of Parent Company	**1,001**	**173**	**960**	**235**
TOTAL LIABILITIES	11,095	2,149	8,337	2,128

Statement of Income

R$ million

2nd Quarter/08	Consolidated Itaú Europa	Banco Itaú Argentina S.A.	Consolidated Chile	Consolidated Uruguay
Financial Margin	**37**	**39**	**55**	**25**
Result from Loan Losses	**(4)**	**(2)**	**(12)**	**2**
Provision for Loan and Lease Losses	(4)	(2)	(14)	1
Recovery of Credits Written Off as Losses	-	0	2	2
Net Result from Financial Operations	**33**	**38**	**43**	**27**
Other Operating Income/(Expenses)	**9**	**(34)**	**(26)**	**(14)**
Banking Service Fees	35	14	11	34
Non-interest Expenses	(58)	(51)	(39)	(57)
Equity in the Earnings of Associated Companies	22	1	(0)	-
Other Operating Income	11	3	1	10
Operating Income	**42**	**4**	**17**	**13**
Non-operating Income	-	1	(1)	(1)
Income before Tax and Profit Sharing	**42**	**5**	**16**	**12**
Income Tax and Social Contribution	**(0)**	**(0)**	**(1)**	**(1)**
Profit Sharing	**(1)**	**(1)**	**-**	**-**
Minority Interests	**(0)**	**-**	**(0)**	**0**
Recurring Net Income	**41**	**3**	**15**	**11**
Return on Equity - Annualized (%py)	**15.6%**	**7.1%**	**6.1%**	**19.5%**
Efficiency Ratio	**70.1%**	**92.2%**	**56.8%**	**83.9%**

Note: From the first quarter of 2008 we are incluiding the following companies in the Europe Consolidated: Itaúsa Europa-Investimentos SGPS, Itaúsa Portugal-SGPS, Itaú Europa-SGPS, IPI-Itaúsa Portugal Investimentos SGPA Lda., BIEL Holdings AG and Itaú Europa Luxembourg Advisory Holding Company S.A.

Europe (Lisbon, London and Luxembourg)

We are active in foreign trade, placement of euronotes, offer of more sophisticated financial instruments (Structured Notes), and private banking.

Net income was favorably impacted by treasury operations with higher gains on the derivative financial instruments.

Argentina

During the quarter, our consolidated assets grew by R$ 67 million (3.2%), funded by increased deposits as a result of the expansion and acquisition of new customers in the Argentine market. During the quarter, 9 thousand current accounts were opened and 2 new branches were opened in that country.

Net income reached R$ 3 million due to the increased financial margin arising from the higher volumes and spread on transactions with the Corporate segment customers, as well as higher gains on treasury transactions, partly offset by increased costs brought about by the new workers' union agreement.

Activities Abroad

On March 31, 2008

R$ million

ASSETS	Consolidated Itaú Europa	Banco Itaú Argentina S.A.	Consolidated Chile	Consolidated Uruguay
Current and Long Term Assets	**10,758**	**2,040**	**9,791**	**2,156**
Cash and Cash Equivalents	183	96	258	322
Short Term Interbank Deposits	4,354	199	154	526
Securities	1,681	85	1,638	104
Loans	4,378	1,367	7,305	1,137
(Allowance for Loan Losses)	(37)	(30)	(106)	(66)
Other Credits	120	114	273	129
Other Assets	79	209	270	4
Permanent Assets	**628**	**42**	**147**	**22**
Investments	386	6	1	0
Fixed Assets	12	36	97	20
Deferred Changes	231	-	49	2
TOTAL ASSETS	11,386	2,082	9,938	2,177

LIABILITIES	Consolidated Itaú Europa	Banco Itaú Argentina S.A.	Consolidated Chile	Consolidated Uruguay
Current and Long Term Liabilities	**10,266**	**1,903**	**8,902**	**1,947**
Deposits	6,342	1,675	5,990	1,606
Deposits Received under Securities Repurchase Agreements	171	-	265	-
Funds from Acceptances and Issue of Securities	2,151	-	985	-
Borrowings and On-lendings	955	86	872	10
Derivative Financial Instruments	108	-	303	-
Other Liabilities	540	142	488	330
Deferred Income	**9**	**-**	**0**	**-**
Minority Interest in subsidiaries	**0**	**-**	**0**	**0**
Stockholders' Equity of Parent Company	**1,110**	**179**	**1,035**	**230**
TOTAL LIABILITIES	11,386	2,082	9,938	2,177

Statement of Income

R$ million

1st Quarter/08	Consolidated Itaú Europa	Banco Itaú Argentina S.A.	Consolidated Chile	Consolidated Uruguay
Financial Margin	**40**	**29**	**107**	**27**
Result from Loan Losses	**(4)**	**(2)**	**(28)**	**(3)**
Provision for Loan and Lease Losses	(4)	(2)	(31)	(4)
Recovery of Credits Written Off as Losses	-	0	4	1
Net Result from Financial Operations	**36**	**27**	**80**	**24**
Other Operating Income/(Expenses)	**(15)**	**(28)**	**(46)**	**(26)**
Banking Service Fees	36	17	20	33
Non-interest Expenses	(73)	(46)	(70)	(64)
Equity in the Earnings of Associated Companies	6	1	0	-
Other Operating Income	17	-	4	5
Operating Income	**21**	**(1)**	**34**	**(2)**
Non-operating Income	-	1	2	1
Income before Tax and Profit Sharing	**21**	**0**	**36**	**(1)**
Income Tax and Social Contribution	**(4)**	**-**	**(5)**	**(1)**
Profit Sharing	**(2)**	**-**	**-**	**-**
Minority Interests	**0**	**-**	**(0)**	**0**
Recurring Net Income	**14**	**0**	**30**	**(2)**
Return on Equity - Annualized (%py)	5.1%	0.3%	13.3%	-3.0%
Efficiency Ratio	79.2%	99.9%	53.3%	97.8%

Chile

The significant 16.1% decline in our total consolidated assets directly reflects the impacts of the 24.3% depreciation of the Chilean peso against the real. Accordingly, real growth in the quarter amounted to 8.2%, supported by a 2.4% increase in the individuals segment customer base.

Net income was negatively impacted by foreign exchange effects on derivative financial instruments with counterparties on the treasury gains in Brazil, partly offset by a lower provision for doubtful accounts and lower personnel expenses.

Uruguay

Our banking operations rank third among all private financial institutions in Uruguay in terms of consolidated assets which, during the past quarter, declined by 2.3% as a result of the 5.0% devaluations of the Uruguayan peso against the real. Therefore, real growth stood at 2.7%, driven by a 5.9% expansion in our customer base.

Net income totaled R$ 11 million, chiefly due to the reversal of provisions for doubtful accounts as a result of changes in the local law and lower personnel expenses.

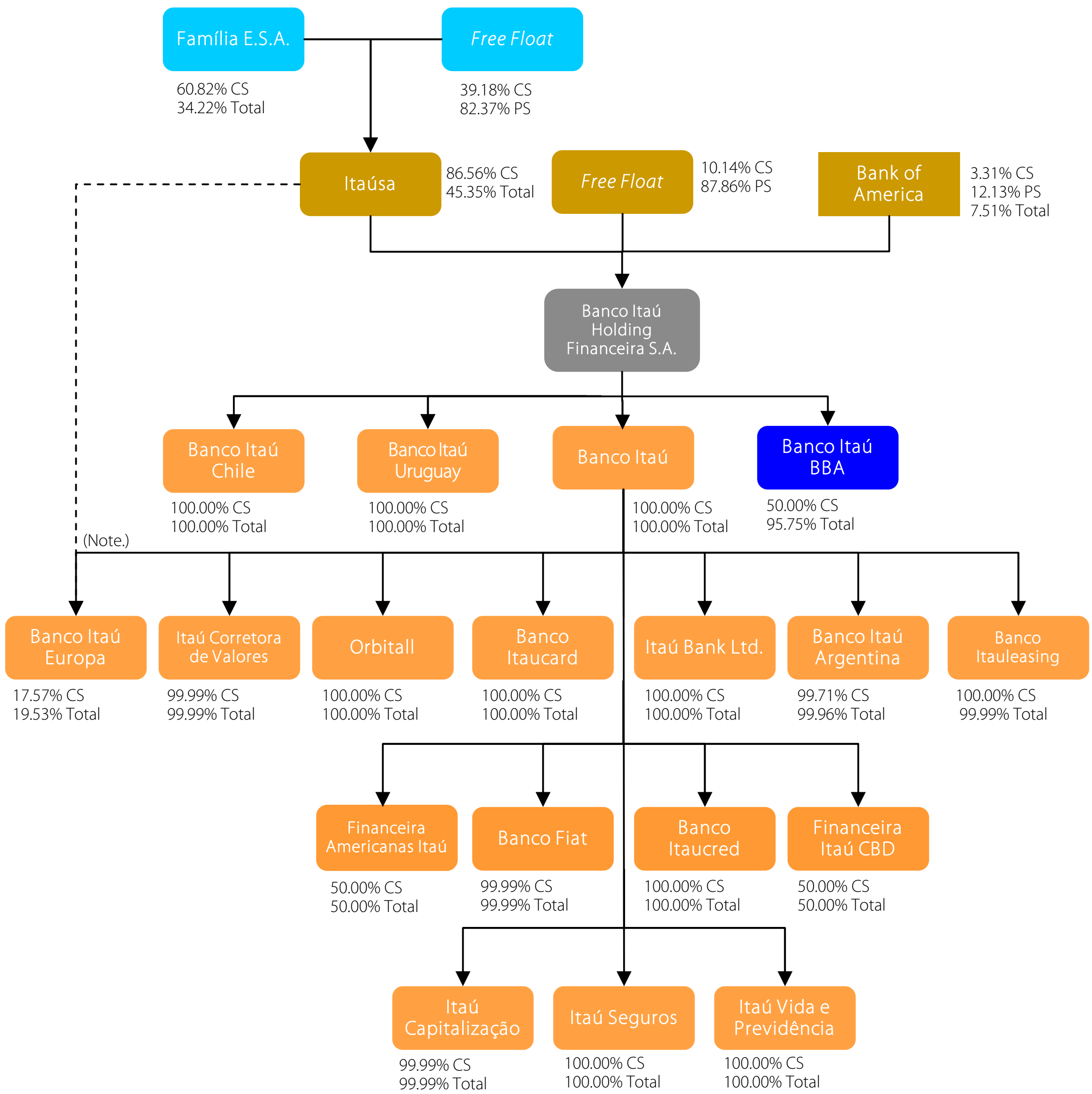
Ownership Structure

Management of our ownership structure is intended to optimize the capital allocation to the various segments comprising the conglomerate.

Note 15 to the consolidated Financial Statements sets out the average acquisition cost of treasury shares, as well as the activity in options granted to conglomerate executives under the “Option Plan”.

BANCO ITAÚ HOLDING FINANCEIRA S.A.			
Total Shares (in thousands)	Common	Preferred	Total
Balance at March 2008	1,253,000	1,190,992	2,443,992
Canceled	(10,266)	(15,000)	(25,266)
Bonus Shares (25%)	310,684	293,998	604,682
Balance at June 2008	1,553,418	1,469,990	3,023,408
Treasury shares - June 2008 (in thousands)	-	(58,142)	(58,142)
Total Shares (-) Treasury (in thousands)	1,553,418	1,411,848	2,965,266
Number of shareholders - June 2008			74,131

The organization chart below summarizes our current ownership structure.



Note: Itaúsa’s direct and indirect interest in Banco Itaú Europa is 89.33%.

Performance in the Stock Market

On June 30, 2008, our preferred shares (ITAU4) were traded at R$ 32.60 per share, while common shares (ITAU3) were traded at R$ 30.25 per share. Our ADRs (ITU), traded on the New York Stock Exchange (NYSE), closed the second quarter of 2008 with a 14.3% appreciation quarter-on-quarter, quoted at US$ 20.31 per ADR. At the end of the second quarter of 2008, Itaú Holding's market capitalization was R$ 96.7 billion.

Stock Market Performance (São Paulo Stock Exchange) - R$

Second Quarter - 2008	Preferred Shares	Common Shares
Maximum in the quarter (a)	38.50	36.00
Average in the quarter	35.80	32.22
Minimum in the quarter (b)	31.64	29.52
Variation % (a/b)	21.7%	22.0%
Last Price (*)	32.60	30.25

(*) On June 30, 2008.

It should be pointed out that in the second quarter of 2008:
A) The average financial volume of trading of our shares and ADRs reached R$ 395.4 million, growing by an impressive 70.5% compared to the second quarter of 2007.
B) The financial volume traded on NYSE amounted to R$ 16.1 billion and corresponded to 64.4% of the total volume of shares and ADRs.

Share Buyback Program

The program to repurchase shares for treasury is primarily intended to optimize the utilization of capital, considering the price opportunities and the Bank's stock option program. These shares, when not used in the program of remuneration of directors, are usually canceled. Volumes traded and minimum, average and maximum prices charged by Itaú Holding in transactions with its own shares are disclosed on a monthly basis to regulatory bodies and can be found on the Investor Relations website ("Corporate Governance" section).
Pursuant to a resolution of the Extraordinary General Meeting on April 23 2008, in the first half of 2008, 25,265,646 shares were canceled, comprising 15,000,000 common and 10,265,546 preferred shares.

Share Buyback

Year	Preferred Shares	Common Shares	Total of Shares
2003	5,101,019	23,005,584	28,106,603
2004	20,056,200	2,494,930	22,551,130
2005	59,257,400	9,333,666	68,591,066
2006	-	1,217,800	1,217,800
2007	6,482,400	272,200	6,754,600
2008 (*) (**)	31,379,900	-	31,379,900
Total	122,276,919	36,324,180	158,601,099

(*) Year-to-date position as of June 30;
(**) In November 2007, the Board of Directors extended for one more year the acquisition term, and authorized the Bank to acquire up to 83,000,000 book-entry own shares, with no par value, comprising up to 5,600,000 common and up to 77,400,000 preferred shares. Repurchased shares will be kept in treasury, canceled or placed again on the market.

Apimec 2008 Cycle – 1st Half of the Year

Under the Apimec 2008 Cycle throughout the country, nine meetings were held in the period: three in May (Florianópolis, Juiz de Fora and Rio de Janeiro), and six in June (Salvador, Recife, Santos, Uberlândia, Ribeirão Preto and Goiânia). The total audience of these meetings reached approximately 1,200 people. It should be noted that, in addition to the 12 meetings held in the first half of the year, Itaú made a presentation for the second consecutive year at Caxias do Sul, on July 14. The meeting to be held in the city of São Paulo is scheduled for September 1.

Number of Stockholders

In the second quarter of 2008, the number of Itaú stockholders was 74,131.
When compared to the same period of the prior year and the first quarter of 2008, this figure represents increases of 30.2% and 6.3%, respectively.

Itaú rating upgrade

Standard & Poor's and Fitch Ratings, two of the largest international risk rating agencies, upgraded by one notch the investment grade of Banco Itaú Holding Financeira S.A., Banco Itaú S.A., and Banco Itaú BBA S.A., from BBB- to BBB. Such upgrade reflects, among other factors, the enhanced credit quality, as well as the support of the conglomerate controlling stockholders and improvements in the operating environment.

Form 20-F

During the quarter, Itaú filed its 2007 Form 20-F with the U.S. Securities and Exchange Commission (SEC). The Form 20-F comprises the financial statements prepared under accounting principles generally accepted in the United States (US GAAP), as well as information on the Bank operations. The Portuguese translation of the Form 20-F was filed with the Brazilian Securities Commission (CVM) and the São Paulo Stock Exchange (Bovespa). For additional information, please access Itaú's Investor Relations website (www.itauri.com.br).

Corporate Governance Policy

In May 2008, Banco Itaú Holding S.A.'s Corporate Governance Policy was approved. The Policy:
- Is intended to reflect the current corporate structures in order to protect the interests of shareholders and the market in general, that guide Itaú's management.
- Refers to the By-law, Charters of the Board of Directors and other statutory bodies and Committees, the Code of Ethics and other internal regulations of Itaú Holding, in addition to the concept of Independent Member of the Board.

The fundamental principle on which Itaú Holding's Policy relies is the pursuit of excellence in Corporate Governance, with a view to strengthening and promoting the best conditions for the development of its subsidiaries. The full text of Itaú's Corporate Governance Policy can be found on our Investor Relations website (www.itauri.com.br).

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Report of Independent Accountants on Supplementary Information

To the Board of Directors and Stockholders
Banco Itaú Holding Financeira S.A.

1. In connection with our audits of the financial statements of Banco Itaú Holding Financeira S.A. and Banco Itaú Holding Financeira S.A. and its subsidiaries as of June 30, 2008 and 2007 and for the six-month periods then ended, on which we issued an unqualified opinion dated August 4, 2008, we performed a review of the supplementary information included in the Management Discussion and Analysis Report on the Consolidated Operations of Banco Itaú Holding Financeira S.A. and its subsidiaries for the second quarter of 2008.

2. Our work was performed in accordance with specific rules set forth by the Institute of Independent Auditors of Brazil (IBRACON), in conjunction with the Federal Accountancy Council, for the purpose of reviewing the accounting information contained in the supplementary information of Management Discussion and Analysis Report on the Consolidated Operations of the Banco Itaú Holding Financeira S.A. and its subsidiaries, and mainly comprised: (a) inquiry of, and discussion with, management responsible for the accounting, financial and operational areas of the Bank with regard to the main criteria adopted for the preparation of the accounting information presented in the supplementary information and (b) a review of the significant information and of the subsequent events which have, or could have, significant effects on the financial position and operations of the Bank and its subsidiaries. The supplementary information included in the Management Discussion and Analysis Report on the Consolidated Operations is presented to permit additional analysis. Notwithstanding, this information should not be considered an integral part of the financial statements.

3. On the basis of our review, we are not aware of any material modifications that should be made to the accounting information contained in this supplementary information, in order for it to be adequately presented, in all material respects, in relation to the financial statements at June 30, 2008 taken as a whole.

São Paulo, August 4, 2008

CRC 2SP000160/O-5
PricewaterhouseCoopers
Auditores Independentes

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