



**UNIBANCO**

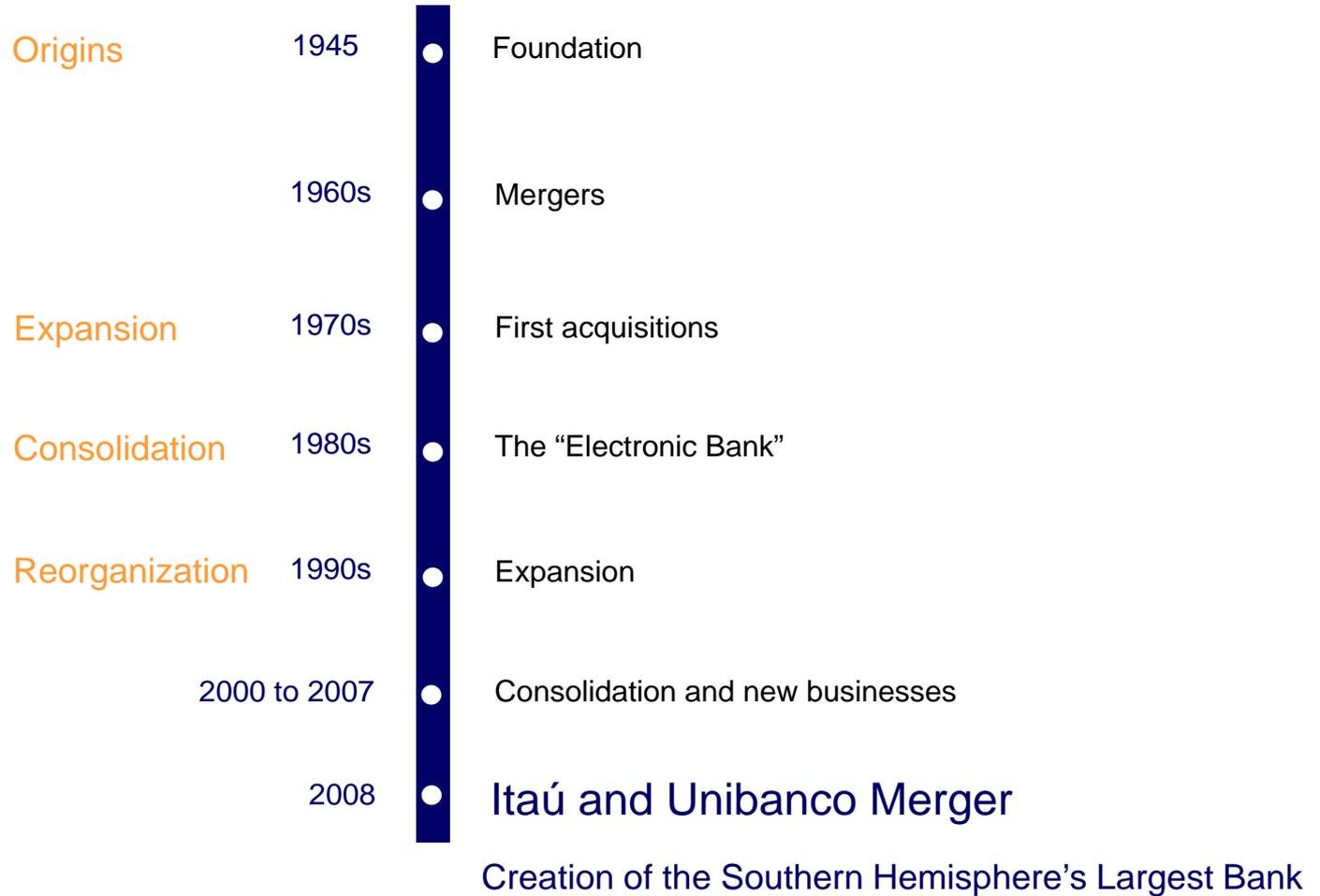
Itaú Unibanco Banco Múltiplo S.A.



# 63 years achieving targets as a pioneer



Itaú is a result of more than 100 mergers & acquisitions



## Itaú Unibanco in numbers

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- ✓ 35 million customers
- ✓ 108 thousand employees
- ✓ 46 thousand suppliers
- ✓ 33 thousand points of sale
- ✓ 4.9 thousand branches and banking services outlets
- ✓ Presence in 12 countries

### **Financial Highlights**

- ✓ Consolidated Net Income: US\$ 4.2 billion
- ✓ Total Assets: US\$ 266.1 billion
- ✓ Consolidated Shareholders' Equity: US\$ 18.4 billion
- ✓ Return on Average Shareholders' Equity: 23.4%
- ✓ Efficiency Ratio: 48.7%

# Competitive Advantages - International Presence



Market Capitalization: U\$ 33.1 Billion  
(ranked 11th)  
Source: Bloomberg  
Date: 3/5/2009

To be the industry's best performing bank, built to last, renowned for being sound and ethical, and distinguished by highly motivated teams committed to customer satisfaction, to the community and to generating competitive advantages.

2004

## CONTEXT:

- ✓ Recovery in Brazil's economic growth
- ✓ Expectations for robust expansion in demand for personal and corporate credit
- ✓ The population in general unprepared for a plentiful supply of credit



## Program for the Rational Use of Personal Credit

### Goal:

- ✓ Financial education
- ✓ Ensure that the credit customer's experience is positive
- ✓ Transparency and product tailored to customer needs → long term relationship
- ✓ Leverage the credit portfolio

### POSITIONING:

“Credit to make your dreams come true, not to give you sleepless nights.”

“Credit. Use it with moderation.”

- ✓ A major communication campaign involving the sales force, dispatch of the booklet to consumer protection agencies and journalists, internet, 4 films, and print advertisements.



## Advertisements

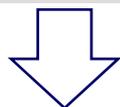
- ✓ More than 1 million booklets distributed
  - Family budget and rational leverage
  - Choice of the most appropriate credit line
  - Credit analysis, interest and contracts
  - How to improve your financial position
  - How to clear your name from the debtors' black list



2005

### CONTEXT:

- ✓ Economic growth
- ✓ Financing needs for expanding companies



## Rational Use of Credit for small companies

2005-2006

CONTEXT:

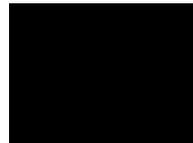
✓ Corporate option for education in consumption and more effective use of the financial institutions.



Launch of the “Itaú wants to hear from you” campaign



Encouraging contact with the bank in the mass media for stimulating suggestions and complaints



Generated inputs for expanding project reach

2007-2008

✓ Evolution of the “Responsible Practices” project

- Booklet “Rational Use of Credit” (republished)

- Booklet “Accessibility” in Braille and TV advertising with closed captions

- Booklet “More security program” [Announcement](#) [Direct Mailing Shots](#)

- Booklet “Rational Use of the Checking Account” (launch)

- Booklet “To hear you”

✓ Around one million booklets distributed

✓ Communication campaign with direct mailing shots, seminars to the employees of the Bank’s corporate customers and dispatch of booklets to the main consumer protection agencies.

2008 - 2009

## CONTEXT:

- ✓ The world economic crisis and Brazil
- ✓ Need for better financial planning
- ✓ Reduction in supply of credit



- ✓ Expanded project to meet the specific needs of each moment in a customer's life



### Family Budget

Guidance on the importance of budgeting for family finance control. Suggestions on how to evaluate impacts of choice of consumption and how to achieve financial independence.



### Talking about Money with your children

Information on the importance of financial guidance since infancy. Suggestions on the correct use of money and the consequences of the way we choose to consume.



### Improving financial condition

Information on financial products and services for restoring financial stability. Suggestions on types of credit lines and how to avoid indebtedness.



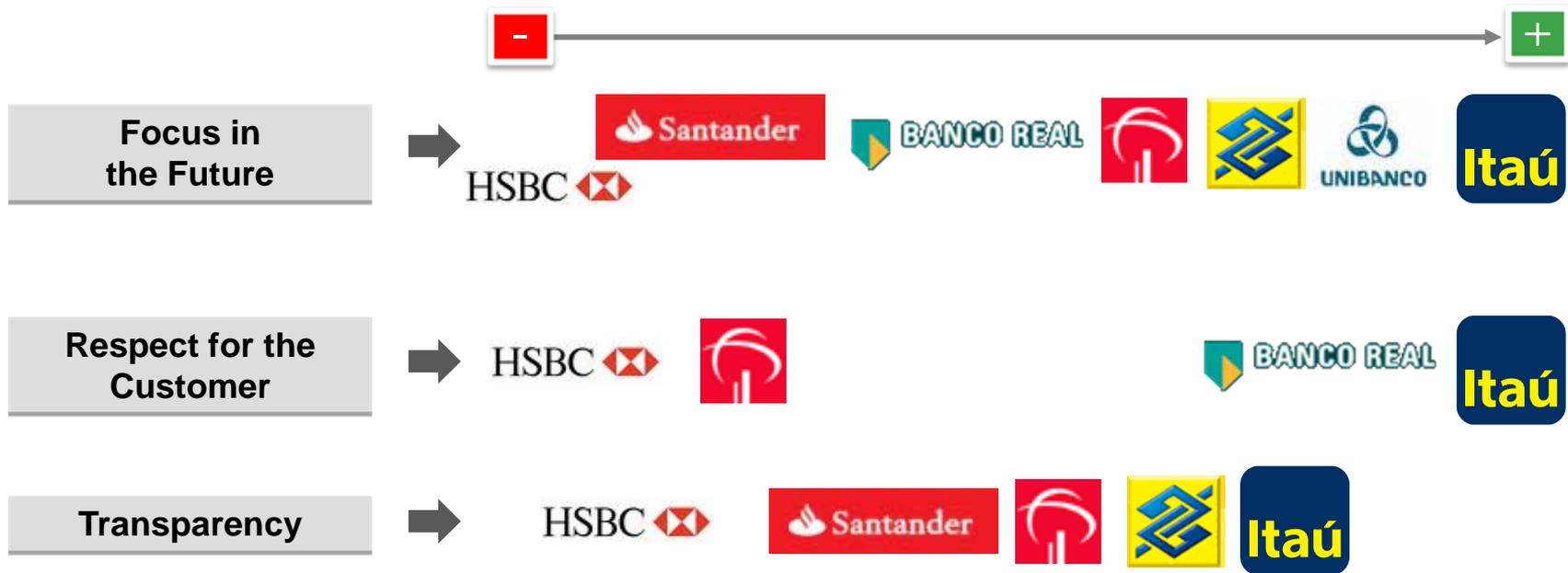
### Time to invest

Guidance on all types of investment in the market, how to analyze your profile, whether the customer is already an investor or just beginning.

Booklets  
Totems and Ads  
In-house stakeholders

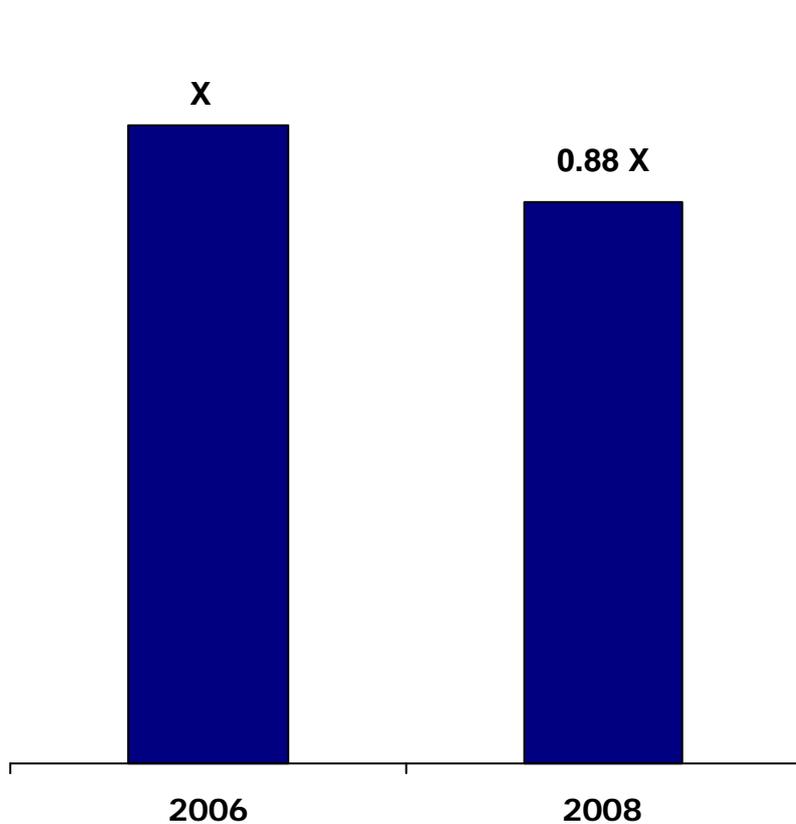


Image consistent with Itaú's vision: "... renowned for being sound and ethical, and distinguished by highly motivated teams committed to customer satisfaction..."

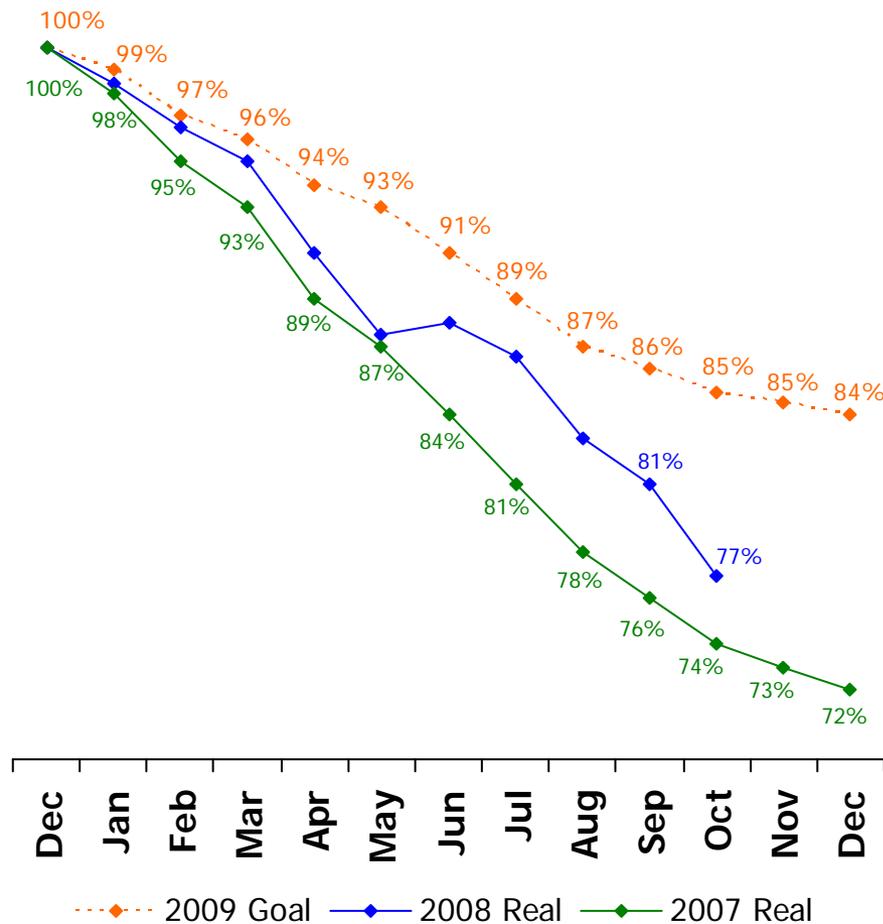


# Results: Customer Retention

## Churn (% per month)



## Retention (as % of the default customer base in Dec)



\* Average of January, February and March

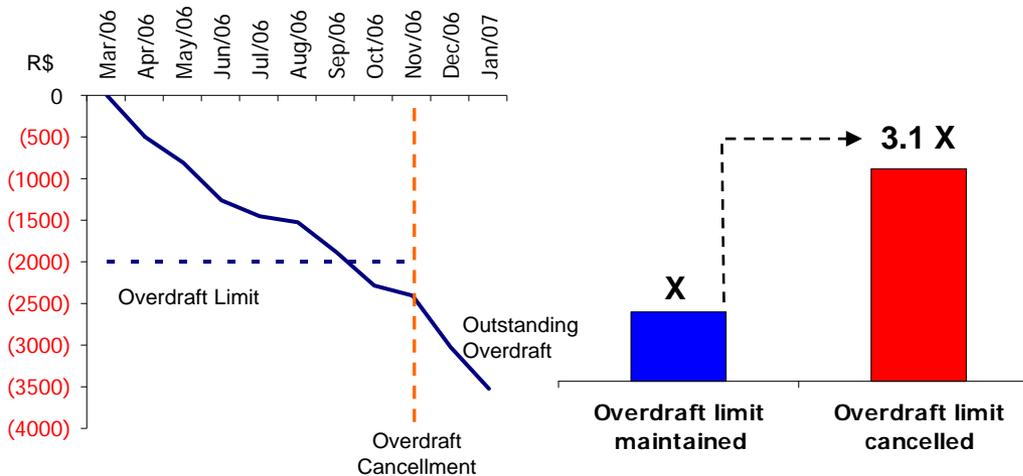
# Managing overdraft credit balances

Results attributed not only to Rational Use of Money campaign, but also to other initiatives such as **Overdraft Management**

## Former Scenario - Overdraft

Example: overdraft utilization

Likelihood of churn\*



- Goals:**
- ✓ Help our customers in their financial planning;
  - ✓ Improve customer retention indices;
  - ✓ Reduce default ratio.

## Process:

Statistic model defines customers' risk based on their overdraft consumption pattern

Customers with adequate level of overdraft utilization

Customers with unsustainable utilization

Overdraft Management

1. Offer loan in the same amount of overdraft used (monthly repayment)
2. Reduction in the overdraft limit
3. Return of the overdraft limit as payback occurs

\* in 24 months

# Thank You!

## Questions?

### Contact Info

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