Company Participants

- Candido Botelho Bracher, Deputy Chief Executive Officer

Other Participants

- Carlos G Macedo, Analyst
- Jason Mollin, Analyst
- Jorge Kuri, Analyst
- Philip J. Finch, Analyst
- Tito LaBarta, Analyst

MANAGEMENT DISCUSSION SECTION

Operator

Good morning, ladies and gentlemen. Welcome to Itaú Unibanco Holding Conference Call to Discuss 2017 First Quarter Results. At this time, all participants are in a listen-only mode. Later, we'll conduct a question-and-answer session and instructions will be given at that time.

As a reminder, this conference is being recorded and broadcasted live on the Investor Relations website at www.itau.com.br/investor-relations. The audio webcast works with Internet Explorer 9 or above and Chrome, Firefox and mobile devices, iOS 8 or above and Android 3.0 or above. A slide presentation is also available on this site. The replay of this conference call will be available until May 10 by phone on 5511-3193-1012 or 2820-4012, access code 1775156#.

Before proceeding, let me mention that forward-looking statements are being made under the Safe Harbor of the Securities Litigation Reform Act of 1996. Actual performance could differ materially from that anticipated in any forward-looking comments as a result of macroeconomic conditions, market risks and other factors.

With us today in this conference call in São Paulo are Mr. Candido Bracher, Executive President and CEO, Chief Executive Officer; Mr. Caio Ibrahim David, Executive Vice President, CFO, Chief Financial Officer; and CRO, Chief Risk Officer; and Mr. Marcelo Kopel, Investor Relations Officer.

First, Mr. Candido Bracher will comment on 2017 first quarter results. Afterwards, management will be available for a question-and-answer session.

It is now my pleasure to turn the call over to Mr. Candido Bracher.

Candido Botelho Bracher {BIO 3158644 <GO>}

Good morning, everybody. It's a pleasure to be with you to talk about our first quarter results. I would like to begin in page 3 before going to the results, actually, to talk about an important evolution in our governance. It relates to our risk appetite. This is a framework we've been using since 2009 and which had an important evolution now, one which is being prepared – has been prepared for more than one year.

It's approved by the board of directors. It's based on our statement which includes – I mean being an ethical institution, aiming at having high and growing results with low volatility by means of a long-lasting relationship with clients and with a well-distributed funding. From this statement, we derived our principles of risk management, which are based on sustainability of results and customer satisfaction, broad risk culture internally, pricing adequately our risks and adequate diversification of our risks, looking to have operational excellence and an ethic behavior in all parts of our operations.

From there, we come to five dimensions of risk which we mentioned: capitalization risks, liquidity risks, composition of results, operational risks and reputation. These risks are distributed into 43 metrics which we follow permanently. All of these metrics have limits or warning levels which are followed monthly by the board of management of the bank and daily by the executives of the bank.

Going now to page 4, (04:40) results and the recurring net income reached BRL 6.2 billion in the quarter, increasing 6.2% when compared to the last quarter and 19.6% when compared to the same period of the previous year.

Recurring net income from Brazilian operations was BRL 6 billion in the quarter, 7.3% higher than the previous quarter and the same 19.6% higher than the previous year. So, the annualized return on equity was 22% in the first quarter and for the consolidated figures and 23.5% for Brazil alone.

Regarding credit quality, we observed stability on the 90-day NPL ratio for both consolidated and Brazil operations as compared with the previous quarters and both indicators improved when compared to the same period of the previous year.

On page 5, we demonstrate the evolution of our returns on shareholders' equity and return on assets. We can observe relative stability in the last quarters. Consolidated ROE increasing from 20.7% to 22% in the first quarter in the consolidated and in Brazil from 21.7% to 23.5% ROE.

On page 6, we see our results in more detail, and we highlight here on a quarter-on-quarter variation. First, the 5.8% reduction in operating revenues, which is mainly explained by an 8% reduction in the financial margin with clients. I will get into detail in this reduction later.

The favorable variation in the results for loan losses and impairments, down 17.9% in the quarter and see a significant decrease in non-interest expenses, mainly explained by the difficult seasonality of the period.

So, if we compare now with the first quarter of 2016, we have a 2.7% decrease in the financial margin with clients, a solid growth of 7% in commissions and fees, plus results from insurance, a significant reduction of 28.5% in the results for loan losses and impairments and an increase of 0.8% in non-interest expenses.

This 0.8%, if we adjust the exchange rate impacts, would be 4%, would have been 4%, still below the inflation in Brazil for the period. As a result of all this, recurring net income grew almost 20%, 19.6% year-over-year.

On page 7, we separate our results in Brazil and Latin America. So as you may notice, our results composition is still heavily concentrated in the Brazilian operation. Our Latin America net income was approximately 3% to 4% of our total net income in the past quarters as has been stated.

Page 8. Page 8, we show our business model. Here, as you know, we divide our results in those derived from credit and from trading, from insurance and services, and the left fourth column, the results of our excess capital.

Here, some important points to observe. First, that a large portion of our results are related to insurance and service. That's 53% of our total net income in the first quarter 2017 from (08:59).

In credit results, we have stated our goal of delivering a return equal or higher than our cost of capital. In the fourth quarter of 2016, this figure was – ROE was 8.2% for credit. Now, it has evolved to 13.2%. So we are already getting closer to our goal of having this figure equal or higher to the cost of debt.

It's worth mentioning that we have observed in this first quarter a reduction in the financial margin in the insurance and services products when compared to the fourth quarter of 2016. This reduction – mainly related to lower activity in the acquiring business which is seasoned very strong in the fourth quarter and the lower Selic rate that impacted mainly our margins and liabilities.

Going to page 9, our credit portfolio, we see that we are not yet observing growth in our credit portfolio, but we can mention that we have observed an acceleration in origination concentrated in our retail operation in these months of March and April for individuals and for SMEs, not for the wholesale part.

Page 10, here we see our financial margin with clients. We see on the grey line on the top, the Selic rate, and then the green line is our financial margin, which decreased from 10.8% to 10.3%. And in the blue line, we have our expanded financial margin to include the effects of loan losses which have improved from 6.6% to 6.7%.

The compression in the margin was mainly related to the reduction of the Selic rate in the period. This Selic reduction impacted mainly our liabilities margin, but also impacted the remuneration of our working capital. We were also impacted here by a seasonal effect related to a lower number of calendar days. This impact was approximately BRL 311 million. And there was an increase in our risk-adjusted financial market with clients, from 6.7% to 6.6%, mainly explained by the provision for loan losses which improved in this quarter. We expect this trend of improvement in the risk-adjusted financial margin to continue in the following quarters.

Page 11, we show our financial margin with the market. This was another good quarter in the financial margin with markets. And as you can notice, the one-year moving average has been quite stable in the past few quarters, improving slightly.

Moving now to credit quality in page 12, we see that the 90-day non-performing loan ratios were stable for both consolidated and Brazil figures. For Latin America, there was a 10 bps increase in the quarter. Regarding our Brazilian operations, we observed, again, reductions in the 90 days non-performing loan ratios for individuals and SMEs. We expect individual NPLs to slowly improve until the end of the year.

For SMEs, we expect to finish 2017 in a similar level as that of the fourth quarter last year, but with some volatility during the year. Regarding large corporates 90-day NPLs, we expect to continue to observe volatility here related to economic groups that could get overdue for more than 90 days.

On page 13, moving to the 15-day to 90-day NPL ratio, this one increased to 3.2% from 2.5% in the quarter, with increases in both Brazil and Latin America operations.

Here, we must separate the corporate side from SMEs and individuals. In SMEs and individuals, as you can see in the lower chart, this is a seasonal move. I mean, always in the first quarter, we have witnessed this increase in the 15- to 90-day NPL ratio, which is due to the accumulation of taxes and the credit card deals of the purchases of the last quarter of the year.

In the corporate segment, we had an increase of 1.3% in the quarter, mainly due to two corporate clients from the construction sector. Both these cases were already met and adequately provisioned. In the scenario of (14:39) migrating to 90-day non-performing loans, we should transfer provisions for potential losses to our provisions for overdue loss, which will end in a reduction of our coverage ratio.

Page 14, NPL creation. We see these (15:00) figures continue to reduce. It has reduced to BRL 4.9 billion from BRL 5.3 million in the quarter, reaching the lowest level since the first quarter of 2015. This was mainly driven by a consistent improvement in retail banking NPL creation.

On page 15, you see the amount of our provision for loan losses. This provision for loan losses reached BRL 5.4 billion in the quarter. It's important to tell that we don't think this figure should be annualized and compared with our guidance because it has a non-linear distribution among quarters. We expect this figure to remain more or less in the same magnitude next quarter, but to reduce significantly in the second half of the year.

So we reiterate our guidance for our provision expenses, which implies that we expect reductions in our provision expenses for the following quarters. And regarding cost of credit which is in the lower chart of the slide, we expect the improving trend to continue in the following quarters.

Page 16, total provisions by type of risk. Consolidated, we see that we had a slight increase in total allowance to BRL 37.6 billion from BRL 37.4 billion. And this includes BRL 1.9 billion of provisions related to financial guarantees provided, which are allocated in provisions for potential losses. This provision for potential losses have, as its main component, provisions in the wholesale segment as you can see in the breakdown which is provided.

On page 17, this appears again, when you see that the coverage ratio for this large coverage is at 553%. For retail, 165%. Combined coverage ratio at 231%. This is the highest coverage ratio since the merger with Unibanco. And when analyzing the expanded coverage, we have enough allowance to cover all overdue non-performing loans and all of the renegotiated portfolio.

Important to point once again that this very high coverage level is due to the anticipation of provisioning we have been doing recently especially in the wholesale segment. And when this these (18:06) credits become overdue, the consumption of this coverage is expected to happen.

On page 18, we see our commissions and fees and results from insurance. We observed the reduction compared to the fourth quarter 2016 which is due to difficult seasonality related to credit cards. And when compared to the first quarter 2016, we see a significant increase of 6.3%.

Page 19, we see the noninterest expenses. We see, as I mentioned, an increase of 0.8% when compared to the first quarter 2016 which, excluding the effect of foreign exchange of our operations abroad, the increase would have been around 4%, which is a level below still the Brazilian (19:07). We see that the number of employees increased this quarter, but this was mainly due to a larger number of replacements of available positions.

And in terms of branches, we've had a net reduction of 100 branches in Brazil as part of the permanent process of reviewing our branch network. We expect this reduction to reach approximately 180 branches this year, so we have concentrated disclosures in the first quarter. In parallel, we have opened in the quarter nine digital branches and we expect to open 20 - little over 20 digital branches in the whole year.

Going now to our core capital ratio on page 20. We had a reduction in our Basel ratio in the quarter mainly due to higher deductions related to the phase-in schedule of the Basel III and also by the additional payment of interest on own capital. Each of this phenomenon impacted our capturing (20:18) 0.7%.

If we consider full application of Basel III rules and the impact of the consolidation of operations of Citibank in Brazil and the payout which we have increased from 25% to 40%, our Common Equity Tier 1 would have reached 13.8% in the quarter, as we've highlighted in the slide.

So coming to our guidance now, to page 21. We reiterate the guidance for the year. But going item-by-item, total credit portfolio, we expect to end the year around the middle of the guidance we have provided. Financial margin with clients ex-impairment, here we think that we will be within the guidance but in the lower part of the range.

Result from loan losses and impairment, we reaffirm the guidance and our expectation is to be in the middle of the range. Commission and fees and result from insurance operations, we also reaffirm the guidance and expect to be in the upper side of the range. In noninterest expenses, we also reaffirm the guidance and our expectation is to be in the middle of the range by the end of the year.

Here in page 22, it is just to present that the new model which we announced last week regarding changes in the disclosures of discounts granted which was – these changes were previously classified as a component of our financial margin with clients and will now be classified as a component of the cost of credit in the managerial income statement. This change is in line with our management information regarding discounts granted.

Page 23, just to show the performance of our stock, stock market performance and to highlight the increase in the dividend yield observed in 2016 and 2017. (22:47-22:51) close the presentation and we open now for your questions.

Q&A

Operator

Ladies and gentlemen, we'll now begin the question-and-answer session. Our first question comes from Philip Finch, UBS.

Q - Philip J. Finch {BIO 3252809 <GO>}

Yeah. Now, given that this is really (23:43) set to come down further, is there a risk that your current guidance for financial margin or NII growth is too optimistic? My second question is regarding your capitalization where we're seeing continued improvement. Your Common Equity Tier 1 ratio at around 15.4%, and you just mentioned your Basel III fully loaded Core Tier 1 at 13.8%.

Do you think you have too much capital? And if so, what do you plan to do with the excess capital, especially as you show just now in your presentation in the slide 8 that the ROE on excess capital is only 9.4%? Thank you.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Okay. Thank you, Philip. I'm not sure I heard all your first question. But if I understood well, you asked whether we are not being too optimistic in our forecast of the financial margin with clients given that the Selic rate is bound to fall more in the year. Was that it?

Q - Philip J. Finch {BIO 3252809 <GO>}

Yes. Exactly. Thank you.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Okay. So here, no. We don't think we are being too optimistic here. It is a fact that we expect the Selic rate to fall more. But there are other effects which also happened. I mean, especially – I mean, the question of the working day is of the number of days in the quarter, which is not going to be repeated. So, I mean, looking at our – in detail at our forecast, I mean, we came to this figure in the lower part of our expectation. What changed mainly in relation to when we meet our forecast, when we provided the guidance were two events (25:36).

One was the Selic rate, as you mentioned, I mean, which is the average rate will be significantly lower than what we had anticipated and the second one are the changes in credit cards operations in Brazil. Regarding the new resolution, the installments and the revolving credit. So these two effects bring our expectation from the mid of the range to the bottom of the range, but we think – I mean, this is a reasonable expectation now.

On your question concerning capital, yes, I mean, 13.8% is probably more capital than would be needed should the situation remain as it is. But there are some changes which are possible and even expected. I mean, we expect the Brazilian economy to recover at some point in time, and this – we will use more capital in this.

And there is still some regulatory uncertainties. Basel 4, I mean, it has been postponed, but it has not been forgotten. And so we don't know yet what will come from this, but we think it's prudent to have capital to cover for these two potential events.

I should also mention, I mean, that to deal with excess capital, I mean, we have also taken to measure. I mean, we have elevated the payout ratio and we continue to buy back share in the market.

Q - Philip J. Finch {BIO 3252809 <GO>}

Just a follow-up on that, please. Are you considering at all to do a special dividend going forward?

A - Candido Botelho Bracher {BIO 3158644 <GO>}

No, we are not considering to do a special dividend going forwards. I mean, what we consider is to continue our buyback activity.

Q - Philip J. Finch {BIO 3252809 <GO>}

Okay. Perfect. Thank you very much indeed.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Thank you.

Operator

The next question comes from Carlos Macedo, Goldman Sachs.

Q - Carlos G Macedo {BIO 15158925 <GO>}

Thank you. Good morning. Good afternoon. (28:10) gentlemen? I have a couple of questions. First question, you talked about margins, but one of the things that was a little bit higher than the, say, the straight line guidance for the quarter was your market-related income at BRL 1.8 billion. Your guidance for the year is BRL 6 billion. Annualizing, this will be ahead of that. How should we think about that? Are you positioned with your ALM so that you'll benefit from the decline in rates and as a result, that can offset part of the pressure that you're getting on your book otherwise? Should we think that maybe your results on the trading line or the market-related income line will be higher than the guidance that you gave in the fourth quarter?

Second question, when you look at your auto loan book, it used to be a very significant part of your overall book and now it's a small fleeter (29:09). It's something like this has happened in some of your competitors, but there are a few competitors, I think Santander here stands out, that has been expanding this book at a meaningful pace and finding demand and being able to lend. Is there something they're seeing you're not? I mean what - can you talk a little bit about the dynamics in the auto segment? I think that's the best way to put it. Thank you.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Carlos, thanks for your questions. Your first question regarding monthly-related (29:37) income, as you know, I mean, this is possibly the line most difficult to forecast, the one with the highest volatility. We have been able to keep reasonable stability in the results there, but this is not guaranteed. So the fact that we are, I mean, slightly above the average expected for the year which would be BRL 1.5 billion is a reason for comfort, but does not authorize us yet, I mean, to forecast a higher margin than the BRL 6 billion which we have - guidance we have provided. As to being positioned in our ALM for the reduction of interest rates, yes, we are adequately positioned there.

But this is already included in this forecast. On the auto loan book, yes, I mean, your observation is correct. We have been reducing our auto loan book. This reduction is not - doesn't tell that we have been - I mean, we have been making less loans, but we have also been financing a smaller portion of the acquisitions. So, this explains also the reduction of this book.

Another explanation why we are not growing here especially if you compare us with other banks is related to the fact that we have our operational agreement here in Brazil with Fiat. And so the growth - the behavior of our portfolio has a close connection with the performance of Fiat sales which has not been outstanding recently.

Q - Carlos G Macedo {BIO 15158925 <GO>}

Okay. Thanks. But you're not seeing - just a follow-up on the second question, you're not - are you seeing increased demand? Is the quality of the applications that you receive improving, approval rates are going up or going down? Has there been any change recently?

A - Candido Botelho Bracher {BIO 3158644 <GO>}

I think there have been no change. I mean, it stopped worsening, but it has not started to improve yet.

Q - Carlos G Macedo {BIO 15158925 <GO>}

Okay. Thank you. Just one follow-up question then on the first question, Candido, sorry. You mentioned that you are positioning the ALM and that your guidance for the market-related income considers that. Would that mean that once rates are stabilized at a much lower level, we should think about a lower market-related income because you won't be able to benefit from the decline in rates, or would that be looking forward too much?

A - Candido Botelho Bracher {BIO 3158644 <GO>}

I think this will be looking forward too much. It's possible. As I told you, I mean, this is one of the most volatile lines that we have to forecast. But I wouldn't risk making any further forecast there.

Q - Carlos G Macedo {BIO 15158925 <GO>}

Okay. Thank you.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Thank you.

Operator

The next question comes from Jorge Kuri, Morgan Stanley.

Q - Jorge Kuri {BIO 3937764 <GO>}

Hi. Good morning, everyone. Candido, could you expand a little bit on the comment you mentioned about origination in the retail segment starting to pick up? Given that unemployment continues to go up, and overall the job situation isn't great and the consumer leverage is still pretty high, what type of demand are you seeing, from what client segment, what type of products? Just some more color on that would be great.

And then the second question, just simple one. What interest rate is embedded in your guidance for financial margin with clients? What Selic rates are you forecasting for the year? Thank you.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Thanks Jorge for the question. Concerning the demand, I mean the origination of credit that we had witnessed an increase in individuals and in SMEs in March and April. We were surprised by that – positively surprised. We were not expecting it among the first signs of recovery that we are seeing.

They are – mainly, all the lines of products are concentrated in the higher segments of income in individuals and in the higher segment of companies also. But we have not changed our models. We have not changed our risk appetite yet. We are keeping the same stance with the same policy as we had before. And what interest rates do we – your second question, we are in line with the market expectations (35:05) Selic rates. I think our average rate considered for the year is 10.2%, 10.4%.

Q - Jorge Kuri {BIO 3937764 <GO>}

All right. Thank you very much.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

You're welcome.

Operator

The next question comes from Jason Mollin, Scotiabank.

Q - Jason Mollin {BIO 1888181 <GO>}

Hello, everyone. Thanks for the opportunity to ask a question. Mine is related to the profitability analysis that Itaú discloses by business as presented in your business model slide, page number 8. Can you talk about this breakdown? Specifically, how is the credit business segment defined, how are income and costs related to credit defined or calculated here? For instance, are fees related to credit included in the credit business or in the services segment? What about distribution channel costs like the branch network or another way of asking this could be what about transfer pricing in this analysis?

And then, as a corollary, you show the value creation or disruption based on the capital and the earnings, I guess, in the segment. Can you talk about your cost of – I'm imagining you have an implicit cost of capital estimate in that calculation. You've talked about that in the past, but maybe you can update on your thoughts of the cost of capital given that the 10-year Brazilian sovereign bond in reais is down, not at historical lows, but pretty close. Thanks.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Okay. Thanks, Jason, for that question. I will start by the cost of capital. By saying that, I mean, this is a figure we did not disclose even because - I mean, we have different cost of capital for different activities according to their VaR. But what I can tell you is that our average cost of capital is slightly above the cost of capital we have been seeing in buy-side and sell-side houses in general.

So how is this structured? We have a full product approach here in this chart. So the commissions, the credit fees, every fee related to credit comes under the credit column here. You can see here we have commissions and fees, BRL 2.4 billion in this quarter in the credit column, these are the credit, the fees related to credit. We try to separate completely each of this activity. In the trading column, we have - in the trading column, we have exclusively the trading activity with market risk. For instance, in the credit column, the interchange in credit cards comes also under this column.

And, I mean, so insurance and services or the (38:34) fees we receive which we think are unrelated, they have no direct relation with credit, everything from asset management, for instance, comes here, fees in our funding activity and liability funding from here, cash management, the private banking, investment banking. This is where it comes, all our advisory fees come here.

Q - Jason Mollin {BIO 1888181 <GO>}

And in terms of costs, in terms of transfer pricing, it must be difficult to allocate. We've seen - all banks, it's always difficult to allocate costs. But how do you allocate the cost for the branch network? I mean, is it - I mean, this is - is this - I'm imagining this is somewhat of an art, rather than just the science. This is an analysis to the best of your ability, I guess. Is that an accurate statement, or this analysis is very clear-cut?

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Well, this is a very accurate statement in the sense that two things, first transfer fees. Transfer fees (39:40) is made at market rates. We use market rate for everything. There are no spreads charged for instance by our funding activity from the business areas. It all goes and comes at market rates. And the cost allocation, I mean, we have, I mean, extensively invested in having precise cost allocation.

But as you know, there are always many different ways to allocate cost. What you can see is that we have had stable criteria for this for a few years already now and so this is perfectly comparable quarter-after-quarter.

Q - Jason Mollin {BIO 1888181 <GO>}

Very helpful. Thank you.

Operator

The next question comes from Tito LaBarta, Deutsche Bank.

Q - Tito LaBarta {BIO 20837559 <GO>}

Hi. Good morning. Thanks for the call. A couple of questions also. Sorry to follow up on your margins, but just - when compared to some of your peers, they didn't face as much margin pressure as you did. And you mentioned there was lower interest rates and some seasonality as well. So given the seasonality, does that mean that your margin can maybe pick up a little bit as that sort of subsides in the next quarters? And are you seeing some more pressure on spreads, on loans?

Just want to understand kind of the difference between you and your peers. Is it they're still maybe re-pricing some of their loans and you don't have loans left to reprice, I just (41:20) want to get a little bit more color on, I guess, why you suffered a bit more on the margins than your peers. And then the second question, also following up on loan growth, I mean, you talk about origination picking up, but loan rates are still falling. So where do you think the inflection point is? When do you start to see loan growth picking up? Could that be in the second quarter or is it still more third quarter? Just want again a sense of when you see that pickup in origination actually increase your loan book. Thank you.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Thanks for your question, Tito. Before, I would just like to complement (41:54) on Jason's question regarding our criteria for cost allocation. The criteria used in this column is the same criteria which we use for our internal evaluation of all the areas of business, of remuneration (42:08) and everything. So it's consistent across the board.

Now coming to your question, Tito, on our margins. We have not yet started to feel a pressure on spreads. The reduction of margins, because of the Selic reduction, is especially in our funding activities, it's in the margin of liabilities and not in the margin of assets. As I've said, I mean, we have seen some recovery in the activity of credit in March and April. This is still the very beginning.

We are not expecting anything vibrant for the next quarter, but I think we may start to see some more intense recovery in the second half of the year. Our guidance here is from 0% to minus 5%, so I said that we are looking at being closer to the minus 5% figure, we had in the first quarter minus 2.7% compared to the first quarter of last year. So we still see margins going down a little bit during the year in the guidance. But this is exactly what our guidance reflects.

Q - Tito LaBarta {BIO 20837559 <GO>}

Okay. Thank you. It's very helpful.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

Thank you.

Operator

This concludes today's question-and-answer session. Mr. Candido Bracher, at this time, you may proceed with your closing statements.

A - Candido Botelho Bracher {BIO 3158644 <GO>}

I would just like to thank everybody for your presence and for your questions. This was the first time I presented the quarterly results of the bank. I expect to come back in the next quarters also with some positive results that I think has been mutual (44:34). Thank you very much.

Operator

That does concludes our Itaú Unibanco Holding Earnings Conference for today. Thank you very much for your participation. You may now disconnect.