

Itaúsa - Investimentos Itaú S.A.

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

NOTICE TO SHAREHOLDERS

We wish to advise shareholders that at an extraordinary general meeting held on March 24 1999, an increase in the capital stock of "ITAÚSA", from R\$ 1,300,000,000.00 to R\$ 1,360,000,000.00 was approved through the issue of 71,428,572 dematerialized shares with no face value in the form of 23,809,524 common shares and 47,619,048 preferred shares through private subscription under the following conditions:

1) the shares will be subscribed at the price of R\$ 0.84 per share proportional to 2.286321551% of the shares of the same type held on March 24 1999; the subscribed shares will be paid in with immediate effect in cash;

2) the term for exercising preemptive rights will run from March 25 to April 23 1999, inclusive;

3) for the purposes of greater convenience, the shareholders will receive pre-completed forms, through which they may subscribe - the said forms to be duly signed and returned to any branch of Banco Itaú S.A., together with the corresponding payment. According to legal provisions, the assignment of rights is permitted;

4) additionally the shareholders may choose through the pre-completed forms, to place a reserve on any remaining unsubscribed shares following the period for exercising preemptive rights, the latter shares to be distributed proportionally to the shares already taken up. These remaining shares may be subscribed on April 27 or 28 1999 at the same price and under the same conditions of the initial subscription, exclusively through the following branches of Banco Itaú S.A.:

- Rua XV de Novembro, 318 - Térreo - São Paulo-SP;

- Rua Sete de Setembro, 99 - Subsolo - Rio de Janeiro-RJ;

- Av. João Pinheiro, 195 - Mezanino - Belo Horizonte-MG;

- Rua Sete de Setembro, 746 - Sobreloja - Porto Alegre-RS;

- Rua João Negrão, 65 - Curitiba-PR;

- Av. Estados Unidos, 50 - 2º andar - Salvador-BA;

- SCS Quadra 3 - Edifício D'Ângela - Sobreloja - Brasília-DF;

5) from March 25 1999, the shares will be traded "ex-subscription rights";

6) the shares relative to this issue will not enjoy dividends for the 1998 fiscal year and will participate on a pro rata basis in eventual dividends that may be declared for the fiscal year 1999.

HENRI PENCHAS

Director Investor Relations