

## NOTICE TO SHAREHOLDERS

### INCREASE IN CAPITAL BY PRIVATE SUBSCRIPTION OF SHARES AS PER OF THE BOARD OF DIRECTORS ON FEBRUARY 19, 2018

(ATTACHMENT 30-XXXII OF CVM INSTRUCTION N. 481/09)

**1. State the amount of the increase and of the new capital stock**

Capital stock increased by R\$ 1,370,000,002.80, from R\$ 37,145,000,015.80 to R\$ 38,515,000,018.60.

**2. Inform whether the increase will be made by means of: (a) conversion of debentures into shares or other debt securities in shares; (b) exercise of subscription rights or warrants, (c) contribution of profits or reserves; or (d) subscription of new shares**

The increase in capital stock will be executed through a subscription of new shares.

**3. Explain in detail the reasons for such increase and its legal and economic consequences**

The capital increase is justified by the intention of the management to maintain an adequate level of liquidity and to provide additional working capital support for the Company.

We do not expect any legal consequences. As to the economic consequences, management considers that, since the shareholders are secured preemptive rights in the subscription of new shares on a pro rata basis to the shares currently held by them, they may be favored with the possibility of a gain from the difference between the market price and subscription value.

**4. Provide a copy of the Fiscal Council Report, if applicable:**

**“OPINION OF THE FISCAL COUNCIL**

The effective members of the Fiscal Council of **ITAÚSA - INVESTIMENTOS ITAÚ S.A.** have examined the Proposal to increase the capital stock, within the limit of the Authorized Capital, of R\$ 37,145,000,015.80 to R\$ 38,515,000,018.60 through the issue of 175,641,026 new book entry shares with no par value, being 66,355,919 common and 109,285,170 preferred shares, for private subscription in the period from February 28, 2018 to March 29, 2018 at the unit price of R\$ 7.80; in accordance with the aforesaid proposal, the establishment of the price has been made pursuant to the criteria set forth in item III, Paragraph 1 Article 170 of Law 6,404/76 as amended by Law 9,457/97, having as parameter the average weighted quotation of the preferred shares on the B3 for the period from October 6, 2017 to February 2, 2018, adjusted with a discount of approximately 30%.

Pursuant to the legal and normative provisions, the members of the Fiscal Council are of a favorable opinion of approving this proposal to increase the capital Board of Directors of ITAÚSA. São Paulo (SP), February 19, 2018. (signed) Tereza Cristina Grossi Togni – President; Flavio Cesar Maia Luz, José Maria Rabelo and Paulo Ricardo Moraes Amaral – Councilors.”

**5. In case of capital increase by means of subscription of shares****a. Describe the use of funds**

The proceeds of this capital increase will be used to provide additional working capital support and to maintain an adequate level of liquidity.

**b. State the number of shares issued of each type and class**

175,641,026 new book-entry shares with no par value will be issued, of which 66,355,919 will be common shares and 109,285,170 preferred shares, in proportion to the common and preferred shares representing the capital stock.

**c. Describe the rights, advantages and restrictions ascribed to the shares to be issued**

The subscribed shares shall be entitled to full benefits including dividends and/or interest on capital that may be declared for account of the fiscal year 2018.

**d. State whether related parties, as defined by accounting rules that regulate the subject, will subscribe shares in the capital increase, specifying the respective amounts when such amounts are already known**

The controlling interests intend to exercise their preemptive rights, being entitled to subscribe 60,490,513 new book entry shares, of which 41,975,248 are common shares and 18,515,265 are preferred shares.

**e. State the issue price of the new shares**

The shares issued will be subscribed at the price of R\$ 7.80 per share.

**f. State the par value of the shares issued or, in case of shares with no par value, the portion of the issue price that shall be allocated to the capital reserve**

The shares issued do not have a par value and all the amount of the issue price shall be allocated to the capital reserve.

**g. Provide the opinion of the management members regarding the effects of the capital increase, especially regarding the dilution caused by the increase**

Since this is a private subscription, upon adherence of all shareholders, there will be no dilution. The table below shows the history of the three prior issues and the adherence of all shareholders during the preemptive rights period:

Year	Type	Shares Issued	Shares Subscribed in the Preemptive Right Period	%
2017	ON	46,341,899	40,833,814	88.1%
	PN	74,969,579	71,976,717	96.0%
2015	ON	17,210,555	16,994,805	98.7%
	PN	27,565,565	26,640,973	96.6%
2014	ON	32,340,304	31,632,632	97.8%
	PN	51,659,969	49,392,011	95.6%

**h. State the criterion for the calculation of the issue price and justify, in detail, the economic aspects that determined the choice**

The price (R\$ 7.80 per share) was determined in compliance with the criteria provided in clause III of Paragraph 1 of Article 170 of Law No. 6,404/76, as amended by Law No. 9,457/97, having as parameter the weighted average quoted price of the preferred shares on the B3 in the period between **October 6, 2017 to February 2, 2018** (120 days as in previous years).

As to the setting of a single issue price for common and preferred shares, the Company notifies that it has met the recommendations of CVM Guidance Opinion 5/79. This examines the matter extensively, concluding that the difference is only acceptable when two conditions are present on a cumulative basis: different pricing and significant liquidity.

In the specific 120 days period adopted for establishing the average, the trading volume in common shares exceeded R\$ 1 million on only thirty five days while the average daily trading volume of preferred shares exceeded R\$ 175 million.

Finally, the trading volume in common shares amounted to just 33.96% of the amount transacted in preferred shares if the full 120 days period is taken into account.

Setting the quoted price at stock exchange of preferred shares as a criterion for determining the only issue price takes into consideration the high liquidity of this type of the Company's shares, which trading volume and figures are substantial, thus being a representative parameter to properly determine the price of all shares.

***i. In case the issue price has been set at a premium or a discount in relation to market price, identify the reason for such premium or discount and explain how it was determined***

The issue price was set at a discount of approximately 30% of R\$ 11.17, which is the weighted average quoted price of preferred shares at B3 in the period from **October 6, 2017 to February 2, 2018**, resulting in a price of R\$ 7.80 per share.

The discount is justified by the volatility of the Brazilian capital market and with the purpose of encouraging the adherence of non-controlling interests to the subscription of their rights.

Historically, the Company considers the weighted average for the 120 days period in order to estimate the issue price of the shares, applying a discount to avoid nullifying the effect of the increase in capital during troughs in share prices on the Stock Market.

Also worthy of consideration is that from the economic point of view, the discount is practically neutral since if the entire spectrum of shareholders adheres to the capital call (or sells preemptive rights), no one loses and no one wins. The practical effect is that the same equity is divided into a greater number of shares, detrimental to neither company nor shareholders. Nor the market which automatically self-adjusts to events.

This neutrality can be observed when the degree of adherence to ITAÚSA's capital calls is verified in practice – over recent years being above 88%.

***j. Provide copies of all reports and studies that provided grounds for the determination of the issue price***

**Study for the determination of the issue price**

The table below comprises the quoted prices of the common and preferred shares traded at B3.

To determine the price, we adopted the weighted average quoted price over the 120 days immediately prior to February 2, 2018 of the preferred shares that have greater liquidity with a free float of over 83% of the total preferred shares as at January 31, 2018, reflecting the optimum market price of the company.

Considering the volatility of the Brazilian capital markets with the possibility of variations in the stock price during the subscription preemptive period, and with the purpose of encouraging the adherence of non-controlling interests to the subscription of their rights, Itaúsa has decided to set the issue price at a discount of approximately 30% in relation to the average price of the last 120 days prior to February 2, 2018. This level of discount is in line with the discounts set in the capital increases of the last three years.

**Weighted average quoted price of preferred shares over the 120 days before February 2, 2018:**

Weighted average quoted price of Itaúsa PN				
Start Date	End Date	Amount	Volume R\$	Average R\$
October 6, 2017	February 2, 2018	1,222,868,200	13,663,671,236.00	11.17

Source: Economatica.

## ITAÚSA – INVESTIMENTOS ITAÚ S.A.

Increase in Capital by private subscription of shares as per of the Board of Directors on February 19, 2018

page 4

ON					PN				
Date	Number of transactions	Qty of securities	Volume R\$	Closing R\$	Date	Number of transactions	Qty of securities	Volume R\$	Closing R\$
10/6/2017	255	52,000	558,655.00	10.80	10/6/2017	17,655	10,945,800	123,422,607.00	11.33
10/9/2017	148	46,700	496,971.00	10.66	10/9/2017	15,650	11,060,700	123,434,520.00	11.16
10/10/2017	262	51,700	558,671.00	10.82	10/10/2017	14,335	12,086,500	136,917,558.00	11.39
10/11/2017	299	86,200	936,765.00	10.86	10/11/2017	27,892	14,818,500	168,062,903.00	11.36
10/13/2017	178	43,600	474,649.00	10.94	10/13/2017	29,710	15,605,900	177,107,294.00	11.35
10/16/2017	307	102,000	1,113,848.00	10.94	10/16/2017	26,269	9,286,500	104,803,406.00	11.30
10/17/2017	205	42,300	457,580.00	10.79	10/17/2017	24,640	9,478,100	106,171,597.00	11.17
10/18/2017	115	72,900	786,985.00	10.73	10/18/2017	32,208	18,859,700	211,510,861.00	11.22
10/19/2017	116	26,700	285,402.00	10.73	10/19/2017	17,899	10,703,600	118,848,282.00	11.15
10/20/2017	87	28,900	310,200.00	10.70	10/20/2017	11,404	6,279,700	70,115,412.00	11.15
10/23/2017	233	100,000	1,057,561.00	10.56	10/23/2017	16,862	12,542,000	137,524,005.00	10.89
10/24/2017	377	124,800	1,321,147.00	10.63	10/24/2017	15,516	20,012,900	220,615,460.00	11.13
10/25/2017	334	134,700	1,439,398.00	10.80	10/25/2017	20,874	28,014,000	313,499,812.00	11.30
10/26/2017	337	94,300	1,008,249.00	10.79	10/26/2017	15,814	11,634,500	130,904,217.00	11.18
10/27/2017	289	100,900	1,077,425.00	10.67	10/27/2017	17,811	12,593,600	140,813,076.00	11.15
10/30/2017	383	148,600	1,566,418.00	10.36	10/30/2017	27,912	24,427,400	266,311,721.00	10.84
10/31/2017	461	165,900	1,696,073.00	10.08	10/31/2017	47,921	26,909,900	284,968,204.00	10.48
11/1/2017	317	73,600	744,490.00	10.16	11/1/2017	46,444	22,967,800	240,375,503.00	10.40
11/3/2017	400	177,200	1,805,929.00	10.15	11/3/2017	44,626	27,729,700	290,202,824.00	10.50
11/6/2017	203	48,000	488,951.00	10.19	11/6/2017	35,525	22,135,900	233,947,011.00	10.53
11/7/2017	704	267,300	2,669,696.00	9.92	11/7/2017	50,197	21,212,500	220,370,128.00	10.30
11/8/2017	360	80,100	806,098.00	10.25	11/8/2017	31,035	19,807,900	207,718,631.00	10.64
11/9/2017	369	132,200	1,333,076.00	10.08	11/9/2017	24,799	15,706,300	164,875,857.00	10.47
11/10/2017	106	38,500	386,128.00	10.07	11/10/2017	14,795	9,409,800	98,213,430.00	10.47
11/13/2017	206	93,100	928,309.00	10.02	11/13/2017	20,852	12,191,200	127,047,305.00	10.47
11/14/2017	145	56,600	569,349.00	9.97	11/14/2017	29,442	19,180,600	200,666,289.00	10.32
11/16/2017	119	48,600	488,268.00	10.10	11/16/2017	21,745	10,692,700	111,966,051.00	10.48
11/17/2017	191	94,500	958,080.00	10.20	11/17/2017	19,778	16,070,000	169,840,245.00	10.60
11/21/2017	149	70,000	726,811.00	10.33	11/21/2017	29,003	16,545,100	179,050,277.00	10.76
11/22/2017	104	27,600	285,136.00	10.35	11/22/2017	27,060	15,772,800	169,387,642.00	10.73
11/23/2017	106	43,400	446,393.00	10.28	11/23/2017	12,316	6,037,300	64,465,242.00	10.72
11/24/2017	61	13,500	138,798.00	10.29	11/24/2017	13,643	7,787,100	83,171,390.00	10.62
11/27/2017	130	58,300	593,306.00	10.26	11/27/2017	19,702	8,065,200	85,962,204.00	10.79
11/28/2017	179	61,100	632,195.00	10.28	11/28/2017	18,566	10,244,600	110,807,557.00	10.75
11/29/2017	146	62,200	628,079.00	10.09	11/29/2017	23,543	12,851,600	136,102,943.00	10.49
11/30/2017	281	147,900	1,476,180.00	9.95	11/30/2017	56,719	29,657,600	307,523,561.00	10.38
12/1/2017	213	103,400	1,029,856.00	10.09	12/1/2017	25,522	13,785,200	142,851,388.00	10.46
12/4/2017	169	71,500	725,350.00	10.10	12/4/2017	15,760	10,999,400	116,324,870.00	10.50
12/5/2017	165	52,700	534,302.00	10.00	12/5/2017	14,709	10,996,500	115,864,249.00	10.45
12/6/2017	151	73,900	739,641.00	10.20	12/6/2017	19,897	12,702,400	132,547,821.00	10.60
12/7/2017	152	68,600	683,681.00	10.06	12/7/2017	20,591	18,466,700	192,224,010.00	10.48
12/8/2017	98	35,800	363,660.00	10.18	12/8/2017	21,002	9,028,900	95,666,734.00	10.52
12/11/2017	55	17,300	176,112.00	10.19	12/11/2017	20,230	10,298,800	108,930,257.00	10.57
12/12/2017	142	33,000	332,714.00	10.20	12/12/2017	18,196	15,989,600	168,219,099.00	10.68
12/13/2017	169	67,500	689,451.00	10.19	12/13/2017	28,883	23,586,100	250,997,162.00	10.53
12/14/2017	729	802,800	8,222,550.00	10.40	12/14/2017	20,944	37,084,800	386,839,726.00	10.50
12/15/2017	423	432,675,800	4,543,081,623.00	10.44	12/15/2017	26,073	26,035,900	274,396,155.00	10.55
12/18/2017	487	233,800	2,463,676.00	10.44	12/18/2017	20,250	15,853,100	167,917,068.00	10.50
12/19/2017	352	69,800	722,770.00	10.26	12/19/2017	18,178	13,887,800	144,772,930.00	10.40
12/20/2017	206	40,700	423,540.00	10.41	12/20/2017	17,177	7,747,000	81,468,307.00	10.56
12/21/2017	189	69,600	733,754.00	10.62	12/21/2017	20,602	17,404,500	188,050,002.00	10.95
12/22/2017	185	49,500	526,944.00	10.70	12/22/2017	14,887	8,761,600	95,597,552.00	10.96
12/26/2017	74	47,600	504,293.00	10.59	12/26/2017	12,287	6,673,300	72,660,716.00	10.84
12/27/2017	175	62,900	669,053.00	10.55	12/27/2017	12,314	10,911,200	118,722,127.00	10.81
12/28/2017	85	28,700	302,804.00	10.52	12/28/2017	16,810	14,683,300	158,955,618.00	10.82
1/2/2018	679	125,800	1,360,574.00	10.94	1/2/2018	21,522	12,764,400	140,345,867.00	11.03
1/3/2018	188	110,400	1,205,608.00	10.90	1/3/2018	18,337	12,254,200	136,101,835.00	11.16
1/4/2018	221	129,700	1,437,817.00	11.15	1/4/2018	33,313	12,958,400	146,441,420.00	11.37
1/5/2018	162	116,900	1,305,889.00	11.15	1/5/2018	22,289	9,859,100	111,721,235.00	11.39
1/8/2018	169	116,100	1,295,102.00	11.27	1/8/2018	23,343	10,022,500	113,547,560.00	11.38
1/9/2018	390	195,500	2,185,659.00	11.10	1/9/2018	21,367	22,599,100	254,113,725.00	11.20
1/10/2018	170	220,800	2,447,285.00	11.11	1/10/2018	16,514	11,031,700	123,218,314.00	11.20
1/11/2018	126	109,600	1,233,543.00	11.26	1/11/2018	22,584	12,787,300	144,744,785.00	11.38
1/12/2018	99	137,500	1,551,844.00	11.30	1/12/2018	36,947	19,687,900	223,500,864.00	11.41
1/15/2018	123	82,200	937,172.00	11.48	1/15/2018	10,515	7,261,800	83,456,933.00	11.55
1/16/2018	164	58,800	679,598.00	11.53	1/16/2018	20,762	14,521,400	169,362,824.00	11.70
1/17/2018	142	130,700	1,529,314.00	11.73	1/17/2018	20,366	13,643,900	161,028,994.00	11.88
1/18/2018	443	221,300	2,651,314.00	11.91	1/18/2018	29,235	19,844,100	236,832,505.00	11.94
1/19/2018	857	971,100	11,537,749.00	11.79	1/19/2018	11,702	9,182,200	109,865,898.00	11.98
1/22/2018	153	76,200	916,880.00	12.16	1/22/2018	16,776	18,267,400	221,908,036.00	12.28
1/23/2018	170	108,500	1,316,872.00	12.01	1/23/2018	20,914	14,692,200	179,371,967.00	12.14
1/24/2018	371	151,100	1,874,428.00	12.61	1/24/2018	37,108	25,604,400	321,908,076.00	12.91
1/26/2018	295	161,000	2,126,924.00	13.29	1/26/2018	46,208	34,469,500	458,190,806.00	13.45
1/29/2018	160	69,400	914,643.00	13.11	1/29/2018	25,954	14,779,600	194,759,721.00	13.10
1/30/2018	231	140,300	1,817,415.00	13.02	1/30/2018	29,318	22,504,200	292,808,545.00	13.18
1/31/2018	198	81,100	1,078,501.00	13.15	1/31/2018	31,225	23,765,400	316,034,606.00	13.25
2/1/2018	199	95,300	1,256,683.00	13.12	2/1/2018	32,298	20,364,400	269,621,865.00	13.21
2/2/2018	248	271,000	3,531,669.00	13.05	2/2/2018	22,871	15,782,000	205,054,039.00	13.00

Fonte: Economatica

Weighted Average Quoted Price of Itaúsa ON					Weighted Average Quoted Price of Itaúsa PN				
Beginning date	End date	Qty of securities	Volume R\$	Average R\$	Beginning date	End date	Qty of securities	Volume R\$	Average R\$
10/6/2017	2/2/2018	441,501,100	4,640,369,526.00	10.51	10/6/2017	2/2/2018	1,222,868,200	13,663,671,236.00	11.17

Fonte: Economatica

**k. State the quoted price of each type and class of share of the company in the markets where they are traded, identifying:**

The tables below show, for the periods indicated, the quoted prices adjusted by events, such as reverse split, bonus and subscription.

**i - Minimum, average and maximum quoted price of each year, for the past three years:**

Year	ON (R\$)			PN (R\$)		
	Minimum	Average	Maximum	Minimum	Average	Maximum
2015	6.28	7.61	8.99	6.14	7.54	9.03
2016	5.70	7.52	8.92	5.95	7.70	9.57
2017	7.90	9.50	11.00	8.11	9.88	11.57

Source: Economatica.

**ii - Minimum, average and maximum quoted price of each quarter, for the past two years:**

Quarter	ON (R\$)			PN (R\$)		
	Minimum	Average	Maximum	Minimum	Average	Maximum
1Q/2016	5.70	6.52	7.79	5.65	6.49	7.89
2Q/2016	6.79	7.24	7.86	6.86	7.38	8.05
3Q/2016	7.08	8.05	8.59	7.33	8.32	8.81
4Q/2016	7.45	8.23	8.92	7.81	8.57	9.57
1Q/2017	7.90	9.11	10.20	8.11	9.46	10.52
2Q/2017	8.30	8.93	9.91	8.53	9.34	10.41
3Q/2017	8.63	9.61	10.94	8.92	9.98	11.33
4Q/2017	9.87	10.39	11.00	10.25	10.78	11.57

Source: Economatica.

**iii - Minimum, average and maximum quoted price of each quarter, for the past six months:**

6 months	ON (R\$)			PN (R\$)		
	Minimum	Average	Maximum	Minimum	Average	Maximum
Ago-17	9.05	9.61	10.20	9.36	9.94	10.42
Set-17	9.89	10.40	10.94	10.24	10.90	11.33
Out-17	10.08	10.68	11.00	10.48	11.16	11.57
Nov-17	9.89	10.14	10.50	10.26	10.55	10.92
Dez-17	9.87	10.30	10.85	10.25	10.60	10.97
Jan-18	10.55	11.79	13.45	10.85	11.89	13.52

Source: Economatica.

**iv – Average quoted price for the past 90 days:**

90 days	ON (R\$)			PN R(\$)		
	Minimum	Average	Maximum	Minimum	Average	Maximum
November 6, 2017 to February 2, 2018	9.87	10.88	13.45	10.25	11.13	13.52

Source: Economatica.

**l. State the issue prices of shares in capital increases performed in the last three (3) years**

Year	Issue price	Issued price adjusted
2017	R\$ 6.10	R\$ 6.10
2015	R\$ 6.70	R\$ 5.54
2014	R\$ 6.25	R\$ 4.70

(\*) for the sake of better comparability, consider the stock bonus

***m. Present the percentage of potential dilution resulting from the issue***

The percentage of potencial dilution resulting from the issue is 2.296180% for common as well as for preferred shares.

***n. State the terms, conditions and forms of subscription and payment of the shares issued***

The shareholders may exercise their preemptive right to subscribe from **February 28, 2018 to March 29, 2018**, in the proportion of 2.3501435% of the shares of the same type they hold as of February 22, 2018.

The shares subscribed must be paid at the time of subscription in cash or by offsetting credits resulting from the second installment of the “Additional Dividends” declared by the Company on February 19, 2018, will be paid on April 5, 2018.

The shareholders with the securities custody of Itaú will receive prints already filled out, by means of which they may subscribe shares and elect to subscribe unsubscribed shares remaining, by executing and delivering these prints in any branch of Itaú, together with the corresponding payment or authorization to debit their respective checking accounts. For convenience purposes, holders of accounts in Itaú may also exercise their subscription rights through *Bankline service* (business days from 9 a.m. to 6 p.m.).

The shareholders who hold shares deposited in the Central Depositária de Ativos (Depository Center) of B3 must exercise their respective rights through their custodians and in accordance with the rules and terms established by the B3's Depository Center itself.

Subscribed shares will be free for negotiation in up to 3 business days following the meeting of the Board of Directors which shall verify this subscription and ratify the increase in the capital stock.

***o. State whether the shareholders will be entitled to preemptive right to subscribe the new shares issued and provide details about the terms and conditions to which such right is subject***

The shareholders may exercise their preemptive right to subscribe from **February 28, 2018 to March 29, 2018**, in the proportion of 2.3501435% to the shares of the same type they hold as at February 22, 2018.

The shareholders who do not wish to exercise their preemptive rights to subscribe may assign them or negotiate them on the Stock Exchange.

***p. Inform the proposal of the management for the treatment of potential remaining unsubscribed shares***

The shareholders that opted for subscription of share fractions may do so at the same price and under the same conditions, exclusively on the following dates: **1<sup>st</sup> apportionment, April 5 and April 6, 2018**, in the proportion of the subscribed shares in the period for exercising preemptive rights; and **2<sup>nd</sup> apportionment, April 12 and April 13, 2018** in the proportion of the subscribed shares in the 1st apportionment together with those subscribed during the period for the exercising of preemptive rights, the shareholders with shares registered in book entry form at Itaú being able to contact any branch of Itaú, shareholders using the *Bankline service* (business days from 9 a.m. to 6 p.m.), while shareholders with shares registered at B3's Central Asset Depository subscribing the shares through their custody agents (Brokerage Houses).

***q. Describe in detail the procedures to be adopted in case there is a provision for partial ratification of the capital increase***

There is no provision for partial ratification of the capital increase.

***r. In case the issue price of the shares is, totally or partially, realized on assets***

***i. Provide a full description of the assets will be accepted***

***ii. Clarify the relation between the assets and its corporate purpose***

***iii. Provide a copy of the appraisal report on the assets, if available***

Not applicable.

ALFREDO EGYDIO SETUBAL  
Investor Relations Officer