

Itaúsa - Investimentos Itaú S.A.

CNPJ. 61.532.644/0001-15 A Publicly Listed Company

Notice to Stockholders

INCREASE IN CAPITAL STOCK THROUGH THE SUBSCRIPTION OF SHARES

We wish to announce to Stockholders that at the Annual General and Extraordinary General Meeting held on April 29, 2005, an increase in the capital stock of ITAÚSA from R\$ 4,900,000,000.00 to R\$ 5,000,000,000.00 was approved through the issue of 25,000,000 book entry shares with no par value, being 9,353,207 common and 15,646,793 preferred shares, for private subscription according to the conditions described below:

- 1) the shares will be subscribed at the unit price of R\$ 4.00, proportional to 0.7752997% of the shares of the same type held on April 29, 2005; the subscribed shares must be paid in by June 8, 2005 in cash or through the offsetting credits originating from interest on equity (JCP) declared by ITAÚSA. In the latter case, any amounts that may exceed those used in payment of the subscription will normally be credited to the stockholder's current account according to the personal details held by the bank;
- 2) the term for exercising preemptive subscription rights will run from May 3 to June 1, 2005 inclusive; the stockholders will receive pre-completed forms, through which they may subscribe the shares as well as opt to subscribe non-allocated shares, by signing and delivering the forms to any Banco Itaú S.A. branch. For their greater convenience, Banco Itaú S.A. current account holders may exercise their subscription rights using the Bankline system;
- 3) the stockholders that choose to subscribe unallocated shares may do so on June 13, 2005, proportionally to the subscription already effected at the same price and under the same conditions through any Banco Itaú S.A. branch, Bank Itaú S.A. current account holders having the option of using the Bankline system;
- 4) the balance of unallocated shares still not subscribed will be sold through the Stock Exchange pursuant to Article 171, Paragraph 7, "a", of Law 6404/76;
- 5) as from May 2, 2005, the company's shares will be traded "ex-subscription rights";
- 6) the shares relating to this issue will enjoy full rights to dividends and/or interest on equity for the fiscal year 2005 that may be distributed as from July 1, 2005, inclusive.

Eventual doubts may be clarified through Investfone 55 11 5029-7780.

HENRI PENCHAS

Investor Relations Director