

Itaúsa - Investimentos Itaú S.A.

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

Notice to Shareholders

INCREASE IN CAPITAL STOCK THROUGH SUBSCRIPTION OF SHARES

We wish to advise shareholders that at an extraordinary general meeting held on January 27 2000, an increase in the capital stock of "ITAÚSA", from R\$ 1,500,000,000.00 to R\$ 1,588,500,000.00 was approved through the issue of 68,076,923 dematerialized shares with no face value in the form of 24,963,305 common shares and 43,113,618 preferred shares through private subscription under the following conditions:

- 1) the shares will be subscribed at the price of R\$ 1.30 per share proportional to 2.34353328% of the shares of the same type held on January 27 2000; the subscribed shares will be paid in with immediate effect in cash;
- 2) the term for exercising preemptive rights will run from January 28 to February 28 2000, inclusive;
- 3) for the purposes of greater convenience, the shareholders will receive pre-completed forms, through which they may both subscribe as well as opt to take up any unsubscribed shares thereafter - the said forms to be duly signed and returned to any branch of Banco Itaú S.A., together with the corresponding payment or authority to debit to current account, in accordance with legal requirements;
- 4) the shareholders which choose to subscribe to those shares remaining unsubscribed following the period in which preemptive rights can be exercised, may do so from March 9 to March 20 2000 in the same proportion and price as the amount of the new shares already subscribed 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) the remaining balance of unsubscribed shares will be sold on the stock exchange, on behalf of the company;
- 6) from January 28 2000, the shares will be traded "ex-subscription rights";
- 7) the subscribed shares will enjoy full rights to declared dividends and/or interest on capital and corresponding to the fiscal year 2000.

HENRI PENCHAS

Director Investor Relations