



Notice to the Market

1H09/2Q09 Results Other Operating Expenses

We hereby announce that of the R\$ 102 million booked under Other Operating Expenses in 2Q09, R\$ 39 million was related to expenses to meet reserve requirements relating to savings deposits. These expenses are non-recurring and will not impact the following quarters. In addition, approximately R\$ 18 million was related to the increase in labor provisions for retirement benefits recognized in the same line (but distributed throughout 1H09), contributing to the effective control of personnel expenses.

Consequently, excluding the impact of expenses with reserve requirements relating to savings deposits, for the purpose of analyzing and considering the temporary nature of this recognition, Return On Average Shareholders' Equity stood at 16.3% p.a.

Sincerely,

Ricardo Richiniti Hingel
Chief Financial and Investor Relations Officer
BANCO DO ESTADO DO RIO GRANDE DO SUL S.A. – Banrisul