

NOTICE

In fulfillment of the obligation set forth in article 12, caput and §4, of CVM Normative Ruling n°358, dated January 3rd, 2002, as amended ("CVM 358"), Carmignac Gestion acting on behalf the FCP Carmignac Investissement and Carmignac Patrimoine, organized and existing in accordance with the laws of France, headquartered at 24, Place Vendome, 75001 Paris, as a shareholder of Banco do Estado do Rio Grande Do Sul S.A., open company, enrolled CNPJ n° 92.702.067/0001-96 ("Company"), notifies it has reduced its shareholding dated, 19th October 2009, from 5.63% to 4.67% of total PNB shares.

The number of shares we hold as of 19th October 2009 is 9 343 400 shares issued by the Company, which correspond to 4.67% of the capital of the Company.

We request the Investor's relationship officer to kindly take the necessary provisions for the immediate transmission of the information contained herein to CVM and BOVESPA.

We confirm that our investment in Banco do Estado do Rio Grande Do Sul S.A. is for trading reasons, and we will not alter the composition of the control or the administrative structures of the Company.



CARMIGNAC GESTION
Eric HELDERLE
Managing Director