



NOTICE TO THE MARKET

SHARE CONVERSION

Banco do Estado do Rio Grande do Sul S.A. (Banrisul), considering the option to convert its class A preferred (PNA) shares into common (ON) shares or class B preferred (PNB) shares, issued by the Company, hereby notifies, for knowledge and disclosure, that, after conversion of 10,700 class A preferred shares into class B preferred shares, and 43,800 class A preferred shares into common shares, the Company's capital stock was altered, as shown below:

Capital Stock before Conversions, on 07/30/2007.

Common Shares:	204,974,060
A Preferred Shares:	4,000,417
B Preferred Shares:	<u>200,000,000</u>
Total	408,974,477

Capital Stock after Conversions, on 11/20/2007.

Common Shares:	205,017,860
Class A Preferred Shares:	3,945,917
Class B Preferred Shares:	<u>200,010,700</u>
Total	408,974,477

Ricardo Richiniti Hingel
CFO and Investor Relations Officer
Banco do Estado do Rio Grande do Sul S.A. - Banrisul