



## 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 2,500 (two thousand, five hundred) class A preferred shares into class B preferred shares, the Company's capital stock was altered, as shown below:

Capital Stock on the date of last modification, 05/09/2008.

Common Shares:	205,017,861
Class A Preferred shares:	3,923,885
Class B Preferred shares:	<u>200,032,731</u>
Total	408,974,477

Capital Stock after Conversions, on 05/21/2008.

Common Shares:	205,017,861
Class A Preferred Shares:	3,921,385
Class B Preferred Shares:	<u>200,035,231</u>
Total	408,974,477

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