

NOTICE

In compliance with the provisions of article 12, paragraph 4, of CVM Instruction 358 of January 3, 2002, Capital Research and Management Company, a company established and existing in accordance with the laws of the United States of America, headquartered in 333, South Hope Street, Los Angeles, California 90071, United States of America ("CRMC"), in the capacity of overseas investment manager, announces that by means of transactions carried out in the stock exchange, through its clients, New World Fund Inc., Corporate Taxpayer's ID (CNPJ/MF) no. 07.746.061/0001-41 and American Funds Insurance Series – New World Fund, Corporate Taxpayer's ID (CNPJ/MF) no. 05.479.617/0001-55, has reduced their stake in class-B preferred shares ("Class-B PN shares") issued by Banco do Estado do Rio Grande do Sul S.A., an open-capital company, Corporate Taxpayer's ID (CNPJ/MF) no. 92.702.067/0001-96 ("Company"). On August 6, 2007, CRMC managed 15.34% of the Company's Class-B PN shares, and it currently manages a total of 17,135,000 Class-B PN shares, corresponding to 8.53% of this type of shares, of which 16,835,000 Class-B PN shares are held by New World Fund Inc., and 300,000 Class-B PN shares are held by American Funds Insurance Series – New World Fund. Besides holding interest in the aforementioned Company, Capital Group International Inc., a company that belongs to the same economic group as CRMC, in the capacity of holding of overseas investment manager, manages 6,688,300 Class-B PN shares, corresponding to 3.34% of this type of shares. It is a minority investment that does not change the Company's shareholding or management structure. Currently, CRMC does not aim at any specific amount of the Company's shares. There are no debentures convertible into shares that are directly or indirectly held by CRMC or any person linked to it, nor is there any agreement or contract regulating the exercise of voting rights or the purchase and sale of securities issued by the Company of which CRMC or any person linked to it is part of.

April 11, 2008

CAPITAL RESEARCH AND MANAGEMENT COMPANY