



## 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 600 (six 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, 12/22/2009*

<i>Common Shares:</i>	205,043,374
<i>Class A Preferred Shares:</i>	3,847,192
<i>Class B Preferred Shares:</i>	200,083,911
<i>Total</i>	408,974,477

Capital Stock after Conversions on 12/30/2009

Common Shares:	205,043,374
Class A Preferred Shares:	3,846,592
Class B Preferred Shares:	200,084,511
Total	408,974,477

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