



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 2,200 (two thousand and two hundred) class A preferred shares into class B preferred shares, the Company's capital stock was altered, as shown below:

Capital Stock on June 14, 2011, date of last modification.

Common Shares:	205,043,374
Class A Preferred Shares:	3,630,459
Class B Preferred Shares:	200,300,644
Total	408,974,477

Capital Stock after Conversions as of June 29, 2011.

Common Shares:	205,043,374
Class A Preferred Shares:	3,628,259
Class B Preferred Shares:	200,302,844
Total	408,974,477

João Emílio Gazzana
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