



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 17,900 (seventeen thousand and nine hundred) class A preferred shares into class B preferred shares, the Company's capital stock was altered, as shown below:

Capital Stock on April 01, 2011, date of last modification.

Common Shares:	205,043,374
Class A Preferred Shares:	3,650,659
Class B Preferred Shares:	200,280,444
Total	408,974,477

Capital Stock after Conversions as of April 11, 2011.

Common Shares:	205,043,374
Class A Preferred Shares:	3,632,759
Class B Preferred Shares:	200,298,344
Total	408,974,477

João Emílio Gazzana
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