

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.
Corporate Taxpayer's ID (CNPJ) No. 92.702.067/0001-96

MATERIAL FACT

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A. (“**Banrisul**”), pursuant to the Brazilian Securities Commission (*Comissão de Valores Mobiliários*) (“**CVM**”) Instruction No. 358, dated January 3, 2002, as amended, Instruction No. 476, dated January 16, 2009, as amended (“**CVM Instruction 476**”) and pursuant to Section 157, §4° of Law No. 6,404, dated December 15, 1976, as amended, in addition to the Material Fact disclosed on September 9, 2019, hereby informs its shareholders and the market that the State of Rio Grande do Sul (*Estado do Rio Grande do Sul*) (“**Selling Shareholder**”) decided to modify the number of common shares being offered by the Selling Shareholder in this offering to 71,350,686 common shares (the “**Shares**”).

In addition, the Selling Shareholder has the right to exercise an option to sell, in a joint decision with the Brazilian placement agents, an aggregate of up to 24,972,740 additional common shares, which represent up to 35% of the common shares initially offered at the same offering price per share, totaling up to 96,323,426 common shares.

The Offering has not been and will not be registered under the Securities Act, or any other U.S. federal or state securities laws, and the Shares may not be offered, sold, pledged or otherwise transferred in the United States or to U.S. investors, unless they are registered, or exempt from, or not subject to, registration under the Securities Act.

This material fact notice is disclosed for informative purpose only and shall not, in any circumstances, be construed as an investment recommendation. This material fact notice does not constitute an offer to sell or a solicitation of an offer to buy the Banrisul's securities, including the Shares, neither by Banrisul nor by the Selling Shareholder, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

Banrisul will keep its shareholders and the market in general informed about the progress of the Offering through the disclosure of Notices to the Market or Material Facts on the web pages of CVM (www.cvm.gov.br), B3 (www.b3.com.br) and Banrisul (ri.banrisul.com.br).

Porto Alegre, September 17, 2019.

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.

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