



**BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.**  
**Corporate Taxpayer's ID (CNPJ/MF) 92.702.067/0001-96**

**MATERIAL FACT**  
**INTEREST ON EQUITY PAYMENT RELATED TO THE 1<sup>st</sup> QUARTER OF 2017**

We inform Shareholders the payment of quarterly interest on equity for the 1<sup>st</sup> quarter of 2017, in accordance with the Dividend and Interest on Equity Payment Policy, defined in the Board of Directors meeting held on May 6, 2008, for the amount of R\$81,061,067.53 (eighty-one million, sixty-one thousand, sixty-seven Reais, fifty-three cents) which will result in the net amount of R\$68,901,907.40 (sixty-eight million, nine hundred and one thousand nine hundred and seven Reais, forty cents) after withholding of income tax.

The interest on equity per class/type of share will amount to R\$0.19820569 for ON shares, R\$0.19820569 for PNA shares and R\$0.19820569 for PNB shares, whereas the net amounts will be R\$0.16847483 for ON shares, R\$0.16847483 for PNA shares and R\$0.16847483 for PNB shares, after income tax withholding at source (15%), except for corporate shareholders with proof of immune or exempt condition, which should be produced until March 18, 2017 and delivered at the following address:

**Banco do Estado do Rio Grande do Sul - Unidade de Relações com Investidores**  
**Rua Caldas Júnior, 108 – 7º Andar – Centro – Porto Alegre – RS – Brazil - CEP: 90018-900**  
Phone: +55 51 3215-3232 / Facsimile: +55 51 3215-3200 / E-mail: ir@banrisul-ri.com.br

The payment to the shareholders registered in our records as of March 13, 2017 will take place on March 30, 2017, as follows:

- Credited to the accounts of the shareholders holding accounts in Banrisul, subject to updating their register, if applicable. For the remaining shareholders, the payment will be made at any branch of Banrisul, upon shareholder's identification, or
- The holders of shares in custody at BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros will receive the interest on equity payments through the brokerage firm where they carry out the respective deposit.

The Company's shares will be traded "ex-right" of Interest on Equity for 1Q17 as of March 14, 2017.

As stated in article 79 of the Company's Bylaws, in article 9 of Law No. 9,249/95 and in item V of the Instruction No. 209/96 of the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários – CVM), the net amount of Interest on Equity will be credited to the dividend referring to fiscal year 2017.

Pursuant to the pertinent legislation, Law No. 6404 - article 287, unclaimed interest on equity payments expires in three years, as from the date they were made available to the shareholder.

Porto Alegre, March 08, 2017.  
**Ricardo Richiniti Hingel**  
**CFO & Investor Relations Officer**  
**Banco do Estado do Rio Grande do Sul S.A - Banrisul**