

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

NOTICE TO SHAREHOLDERS
INTEREST ON EQUITY PAYMENT RELATED TO THE 1st QUARTER OF 2014

We hereby inform the Shareholders that we will carry out the payment of interest on equity related to the first quarter of 2014, in the amount of R\$66,126,342.82 (sixty-six million, one hundred twenty-six thousand, three hundred forty-two reais and eighty-two cents) which, after Income Tax withholding at source, results on net interest on equity of R\$56,207,391.40 (fifty-six million, two hundred and seven thousand, three hundred and ninety-one reais, forty cents) according to the decision made at the Board of Director's Meeting held on May 06, 2008.

All shareholders registered with this company as owners or beneficial owners of these shares on February 25, 2014 will be entitled to these payments.

Initial Payment: March 21, 2014

Class / Type of Share	Interest on Equity's Gross Value, per Share	Income Tax Withholding at Source (15%)	Interest on Equity's Net Value, per Share
ON	R\$0.16168819	R\$0.02425323	R\$0.13743496
PNA	R\$0.16168819	R\$0.02425323	R\$0.13743496
PNB	R\$0.16168819	R\$0.02425323	R\$0.13743496

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 2014.

Income Tax:

The payments will be subject to Income Tax withholding at source, pursuant to the pertinent legislation, except for corporate shareholders with proof of immune or exempt condition, which should be produced until March 10, 2014 and delivered at the following address:

Banco do Estado do Rio Grande do Sul
Unidade de Relações com Investidores, Mercado de Capitais e Governança
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

Forms of Payment:

The payments will be credited to the current accounts of the shareholders holding current accounts with BANRISUL. For the remaining shareholders, the payment will be carried out in any bank branch agency, upon identification.

The holders of shares in custody will receive the interest on equity payments through the brokerage firm where they carry out the respective deposit.

Limitation Period:

Pursuant to the pertinent legislation, Law 6404 - art. 287, unclaimed interest on equity payments expires in three years, as from the date they were made available to the shareholder.

February 25, 2014.
João Emilio Gazzana
CFO & Investor Relations Officer
Banco do Estado do Rio Grande do Sul S.A - Banrisul