

## Notice to the Market

BANRISUL - Banco do Estado do Rio Grande do Sul SA (BM&FBovespa: BRSR3; BRSR5; BRSR6) announced today that it concluded its first issue of financial bills in the amount of R\$1,600,000,000.00. The Issue was settled in three tranches, the 1<sup>st</sup> series of R\$700,000,000.00, and with a two-year tenor, the 2<sup>nd</sup> series of R\$870,000,000.00 and term of three years, and the 3<sup>rd</sup> series of R\$30,000,000.00 and with a term of four years.

The Financial Bills were subject to public distribution with restricted placement efforts, pursuant to Comissão de Valores Mobiliários (CVM – the Brazilian Securities) Instruction no. 476, of January 16, 2009, coordinated by Banco Itaú BBA SA, and were issued upon Banrisul's corporate ratings for long-term deposits "AA-(bra)" by Fitch, "Aaa.br" by Moody's and "brAAA" by Standard & Poor's.

*"We are extremely pleased with the results of the issue, which definitely marks the entry of Banrisul in the local fixed income segment. We were able to conduct the transaction at a time of high market volatility, both in the local and international markets. This confirms the credibility, strength and weight of the brand Banrisul. The demand of R\$2.35 billion was almost 1.5x of the amount we planned to issue. And, more importantly, the issue not only better positions Banrisul in the fixed income market, as it opens opportunities for future transactions with more elongated terms, without, however, impact our cost of funding, which, being a retail bank, is doubtlessly one of our main and most advantageous competitive features",* says Banrisul's CFO and Investor Relations Officer, João Emilio Gazzana.

The main features of the issue are listed below.

<u>Issuer</u>	<b>Banco do Estado do Rio Grande do Sul S.A. - Banrisul</b>
<u>Taxholder's Id (CNPJ/MF)</u>	<b>92.702.067/0001-96</b>
<u>Sole Bookrunner</u>	<b>Banco Itaú BBA S.A.</b>
<u>Securities object of the offer</u>	<b>8,000 (eight thousand) Financial Bills</b> , of which: (i) 3,500 (three thousand, five hundred) in the 1 <sup>st</sup> series; (ii) 4,350 (four Thousand, three hundred fifty) in the 2 <sup>nd</sup> series; and (iii) 150 (one hundred fifty) in the 3 <sup>rd</sup> series
<u>Kind</u>	<b>Not applicable to Financial Bills</b>
<u>Class</u>	<b>Not applicable to Financial Bills</b>
<u>Form</u>	<b>Book Entry</b>
<u>Series</u>	<b>3 (three)</b>
<u>Unit Price</u>	<b>R\$200,000.00 (two hundred thousand Reais)</b>
<u>Total subscribed amount</u>	<b>R\$1,600,000,000.00 (one billion, six hundred million Reais)</b> on the issuing date, i.e., August 01, 2013, of which: i. <b>R\$700,000,000.00 (seven hundred million Reais)</b> related to the Financial Bills of the 1 <sup>st</sup> Series; ii. <b>R\$870,000,000.00 (eight hundred, seventy million Reais)</b> related to the Financial Bills of the 2 <sup>nd</sup> Series; iii. <b>R\$30,000,000.00 (thirty million Reais)</b> related to the Financial Bills of the 3 <sup>rd</sup> Series
<u>Issuing date</u>	<b>June 17, 2013</b>
<u>Closing Date</u>	<b>August 05, 2013</b>

Porto Alegre, August 12, 2013.

**João Emílio Gazzana**  
**CFO & Investor Relations Officer**  
**Banco do Estado do Rio Grande do Sul S.A. – Banrisul**