



## 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 152 (one hundred and fifty-two) class A preferred shares into class B preferred shares, the Company's capital stock was altered, as shown below:

Capital Stock on September 19, 2012, date of last modification.

Common Shares:	205,043,374
Class A Preferred Shares:	3,544,029
Class B Preferred Shares:	200,387,074
Total	408,974,477

Capital Stock after Conversions as of October 29, 2012.

Common Shares:	205,043,374
Class A Preferred Shares:	3,543,877
Class B Preferred Shares:	200,387,226
Total	408,974,477

Porto Alegre, October 29, 2012.

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