

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 4th QUARTER OF 2011

We hereby inform the Shareholders that we will carry out the payment of interest on equity related to the forty quarter of 2011, in the amount of **R\$ 59,068,531.56** (fifty-nine million, sixty-eight thousand, five hundred and thirty-one Reais and fifty-six cents) which, after Income Tax withholding at source, results on net interest on equity of **R\$ 50,208,251.83** (fifty million, two hundred and eight thousand, two hundred and fifty-one Reais and eighty-three 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 **November 22, 2011** will be entitled to these payments.

Initial Payment: December 16, 2011

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\$ 0.14434502	R\$ 0.02165175	R\$ 0.12269326
PNA	R\$ 0.15402929	R\$ 0.02310439	R\$ 0.13092489
PNB	R\$ 0.14434502	R\$ 0.02165175	R\$ 0.12269326

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 2011.

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 **November 30, 2011** 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.

Porto Alegre, November 22, 2011.

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