



NOTICE TO THE MARKET

The Meeting of the Executive Board held on December 14th, 2007 approved, based on Banrisul's bylaws, the prepayment of dividends for the fiscal year of 2007 given the earnings in the first half of the year of R\$0.17470530 per ON share, R\$0.19217583 per PNA share and R\$0.17470530 per PNB share, with the amount calculated towards the dividend distribution for the fiscal year of 2007.

The dividends will be credited on an individual basis for each stakeholder based on their shareholdings as of December 14th, 2007 with financial settlement on December 27th, 2007.

Porto Alegre, December 14th, 2007

[original signed by]

Ricardo Richiniti Hingel
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Banco do Estado do Rio Grande do Sul S.A.