



São Paulo, January 23, 2009

Dear Sir/Madam,

In agreement with the caput of the article 12 of the Instruction 358 of the CVM, under the current regulations, and in the capacity of legal representative, , we inform you that the position in preferred shares of emission of the Banco do Estado do Rio Grande do Sul (Company) detained by UBS AG, LONDON BRANCH, foreign investor in the terms of the Resolution 2.689/00, registered with the corporate roll of taxpayers (CNPJ/MF) under no. 05.448.018/0001-74, was reduced, on 01/14/2009, in the percentage of 1.5329 % of the capital of the Company, represented by 3,126,300 registered preferred shares, of a total of 203,941,883 preferred shares of the Company.

We inform that on the date 08/31/2007, previous to this reduction, the signatory had the amount of 4,828,952 UNITS, representative of 7.0324 % in nominative preferred shares, this position as a resultant of transactions carried out in several dates.

The signatory explains, according to information from the foreign investor, that this reduction has been carried out for investment purposes only, not aiming at altering the Administration, the composition of control or at regulating the management of the Company.

Regards,
Banco Itaúbank S.A.