



**BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.**  
**Corporate Taxpayer's ID (CNPJ/MF) 92.702.067/0001-96**

**MATERIAL FACT**  
**INTEREST ON EQUITY PAYMENT RELATED TO THE 4<sup>th</sup> QUARTER OF 2017**

We inform Shareholders the credit for additional payment of quarterly interest on equity for the 4<sup>th</sup> quarter of 2017, in accordance with the Dividend and Interest on Equity Payment Policy, defined in the Board of Directors meeting held on May 6, 2008, for the amount of R\$124,217,472.92 (one hundred twenty four million, two hundred seventeen thousand, four hundred seventy two reais and ninety two cents) which will result in the net amount of R\$105,584,851.98 (one hundred and five million, five hundred eighty four thousand, eight hundred fifty one reais and ninety eight cents) after withholding of income tax.

The interest on equity per class/type of share will amount to R\$0.30348774 for ON shares, R\$0.33159171 for PNA shares and R\$0.30348774 for PNB shares, whereas the net amount will be R\$0.25796458 for ON shares, R\$0.28185295 for PNA shares and R\$0.25796458 for PNB shares, after income tax withholding at source (15%), except for corporate shareholders with proof of immune or exempt condition, which should be produced until January 22, 2018 and delivered at the following address:

**Banco do Estado do Rio Grande do Sul - Unidade de Relações com Investidores**  
**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](mailto:ir@banrisul-ri.com.br)

The payment to the shareholders registered in our records as of January 04, 2018 will take place on February 20, 2018, as follows:

- credited to the accounts of the shareholders holding accounts in Banrisul, subject to updating their register, if applicable. For the remaining shareholders, the payment will be made at any branch of Banrisul, upon shareholder's identification, or
- holders of shares in custody at B3 S.A. – Brasil, Bolsa, Balcão will receive the payment of interest on equity through the brokerage firm where they maintain the respective deposit.

The Company's shares will be traded "ex-right" of additional Interest on Equity for 4Q17 as of January 05, 2018.

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 2017.

Pursuant to the pertinent legislation, Law No. 6404 - article 287, unclaimed interest on equity payments expires in three years, as from the date they were made available to the shareholder.

Porto Alegre, December 28, 2017.

**Ricardo Richiniti Hingel**  
**CFO & Investor Relations Officer**  
**Banco do Estado do Rio Grande do Sul S.A - Banrisul**