

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 3rd QUARTER OF 2019

We inform Shareholders that, in accordance with the Dividend and Interest on Equity Payment Policy, the payment of quarterly interest on equity for the 3rd quarter of 2019 was approved in the meeting of the Board of Directors held on August 07, 2019, in the amount of R\$111,998,030.06 (one-hundred eleven million, nine-hundred ninety eight thousand, thirty reais and six cents), with the amount per class/type of share being R\$0.27381450 for ON shares, R\$0.28460707 for PNA shares and R\$0.27381450 for PNB shares.

Shareholders registered in the Company's records on August 12, 2019 (date of declaration) will benefit, and the shares will be traded "ex-right" as of August 13, 2019.

The payment will occur on September 27, 2019 at the net amount of R\$0.23274233 per ON shares, R\$0.24191601 per PNA shares and R\$0.23274233 per PNB shares, after the 15% (fifteen per cent) income tax withholding, except for shareholders legal persons exempt from said taxation and that prove their status as immune or exempt until September 03, 2019, being then entitled to receiving the declared amount.

The payment to the shareholders will occur 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.

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 2018.

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, August 07, 2019.

Regards,

Marcus Vinícius Feijó Staffen
CFO & IRO

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.

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