

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 2018

We inform shareholders that the Board of Directors, in the meeting held on this date, approved of the distribution of interest on equity for the 3rd quarter of 2018 in the amount of R\$88,300,000.00 (eighty-eight million and three hundred thousand reais), in accordance with the Dividend and Interest on Equity Quarterly Payment Policy. The interest on equity will amount to R\$0.21590589 for ON shares, R\$0.21590589 for PNA shares and R\$0.21590589 for PNB shares.

Approved conditions:

- shareholders registered in the Company's records on August 15, 2018 will be benefited, and shares traded "ex-right" as of August 16, 2018; and
- the payment will take place on September 27, 2018 at the net amount of R\$0.18352001 per ON shares, R\$0.18352001 per PNA shares and R\$0.18352001 per PNB shares, after the withholding of Income Tax at source at the rate of 15%, except for shareholders that declare their tax exemption status until September 10, 2018, will receive the declared amount.

The payment will be made as informed below:

- credited to the accounts of shareholders holding accounts in Banrisul, subject to the updating of 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. 9249/95 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 article 287 of Law No. 6404 - article 287, unclaimed interest on equity payments expires within three years from the date they were made available to the shareholder.

Porto Alegre, August 09, 2018.

Júlio Francisco Gregory Brunet
Chief Planning, Service Channels and Investor Relations Officer
BANRISUL

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