

MATERIAL FACT

Pursuant to § 4 of Article 157 of Law no 6,404, dated December 15th, 1976 and according to CVM (Brazilian Securities and Exchange Commission) Regulation 358, dated January 3rd, 2002, and in addition to the Material Fact released on February 5th, 2009, Banco do Brasil and BANESTES S.A. - Banco do Estado do Espírito Santo inform that:

1. Banco do Brasil S.A. and the State of Espírito Santo Government agreed to call off the negotiation which aimed at the shareholder control acquisition of BANESTES S.A. - Banco do Estado do Espírito Santo by BB.
2. Notwithstanding, both parts involved reaffirm the willingness to strength the partnership that had characterized the relationship between Banco do Brasil and the State of Espírito Santo Government.

Brasília (DF) and Vitória (ES), June 22nd, 2009.

Banco do Brasil S.A
Ivan de Souza Monteiro
CFO

Banco do Estado do Espírito Santo
Ranieri Feres Doellinger
Finance and Investor Relations Director