

04.19.2007 - BESC Incorporation Study

Pursuant to § 4 of Article 157 of Law no 6,404, dated December 15, 1976 and according to CVM (Brazilian Securities and Exchange Commission) Regulation 358, dated January 03, 2002, Banco do Brasil and Banco do Estado de Santa Catarina S.A. - BESC hereby inform that:

1. Both institutions were informed, on the present date, by the National Treasury Secretariat, that it has decided, after conversations kept with state of Santa Catarina Finance Secretariat, to develop studies aiming at the incorporation of Banco do Estado de Santa Catarina S.A. (BESC) and of Besc S.A. - Crédito Imobiliário (BESCRI) by Banco do Brasil.

2. Additional facts will be released to the market as soon as both institutions are informed.

Brasília (DF) and Florianópolis (SC), April 19th 2007.

Aldo Luiz Mendes

Finance, Capital Markets and Investor Relations Vice President

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Luis Mário Lepka

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