



**Estácio**

# 1Q13 Results

Rogério Melzi | CEO  
Virgílio Gibbon | CFO

- ◆ *New enrollment record: 117,000 new students (+23% YoY)*
- ◆ *EBITDA totals R\$87 million in 1Q13, 50% up*
- ◆ *Opening of new unit (Parangaba), and process conclusion in Angra dos Reis and Teresópolis*
- ◆ *Acquisition of FACITEC*
- ◆ *Public Offering conclusion*

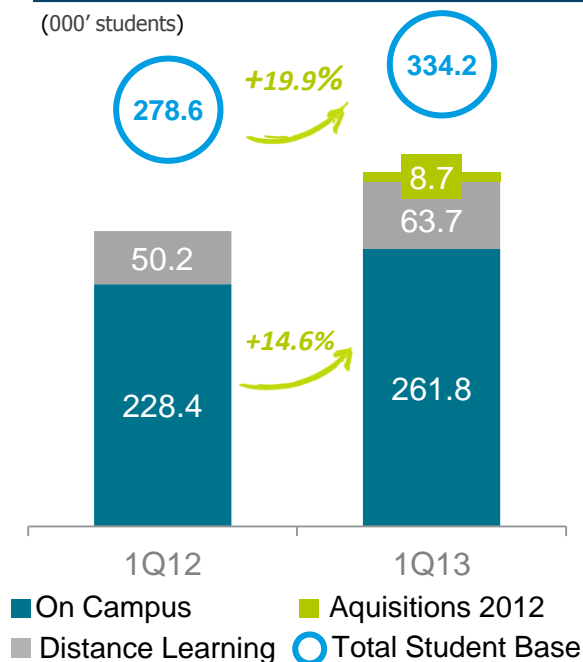


Main Indicators (R\$ MM)	1Q12	1Q13	Change
Net Revenue	330.6	413.3	25.0%
EBIT	46.3	69.0	49.0%
EBITDA <sup>1</sup>	57.9	87.1	50.4%
EBITDA Margin	17.5%	21.1%	3.6 p.p.
Net Income	39.9	66.6	66.9%
EPS (R\$)	0.49	0.69	40.8%
Operational Cash Flow	12.5	21.7	73.6%

<sup>1</sup>EBITDA in accordance with the CVM instruction 527, does not consider Operating Financial Result

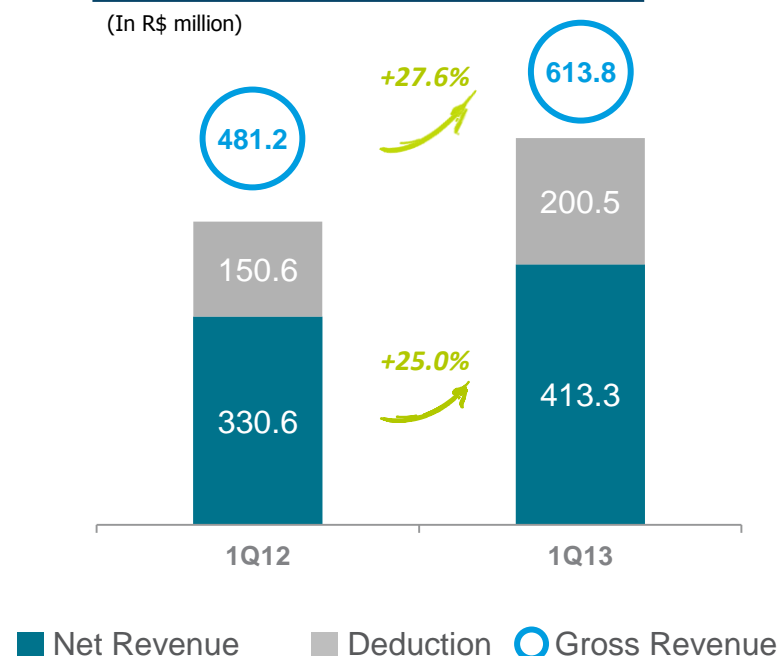
## STUDENT BASE

(000' students)



## NET REVENUE

(In R\$ million)



### Average Ticket (In R\$)

On-campus

Distance Learning

1Q12

1Q13

Change

463.2

490.0

5.8%

173.5

193.7

11.6%

Vertical Analysis (% of Net Operating Revenue)	1Q12	1Q13	Change
<b>Cash Cost*</b>	<b>-58.0%</b>	<b>-55.9%</b>	<b>2.1 p.p.</b>
Personnel	-35.7%	-35.7%	0.0 p.p.
Brazilian Social Security Institute (INSS)	-7.8%	-7.7%	0.1 p.p.
Rentals. Condominium Fees and Municipal Property Tax	-9.0%	-7.4%	1.6 p.p.
Textbooks Materials	-1.7%	-1.7%	0.0 p.p.
Others	-3.8%	-3.4%	0.4 p.p.
<b>Selling Expenses</b>	<b>-11.3%</b>	<b>-10.4%</b>	<b>0.9 p.p.</b>
PDA	-4.2%	-3.6%	0.6 p.p.
FIES Provisioning	0.0%	-0.3%	-0.3 p.p.
Marketing	-7.1%	-6.5%	0.6 p.p.
<b>G&amp;A Expenses*</b>	<b>-13.1%</b>	<b>-12.6%</b>	<b>0.5 p.p.</b>

\*Cost of Services and G&A expenses excluding depreciation.

Accounts Receivables (R\$ MM)	1Q12	2Q12	3Q12	4Q12	1Q13
<b>Gross Accounts Receivables</b>	<b>358.5</b>	<b>350.9</b>	<b>351.6</b>	<b>362.3</b>	<b>428.5</b>
FIES	55.4	36.5	45.0	55.7	82.2
Tuition Monthly Fees	246.6	261.7	251.5	267.7	289.9
Agreement Receivables	33.7	32.8	29.8	19.9	29.3
Others	16.6	14.3	20.0	12.8	23.5
Provision for Doubtful Accounts	(73.9)	(77.2)	(81.9)	(76.4)	(77.6)
<b>Net Accounts Receivables</b>	<b>278.5</b>	<b>268.0</b>	<b>264.4</b>	<b>279.7</b>	<b>347.4</b>
<b>Net Revenues (Last 12 months)</b>	<b>1,203.2</b>	<b>1,254.7</b>	<b>1,316.1</b>	<b>1,383.3</b>	<b>1,466.0</b>
<b>Days Receivables</b>	<b>83</b>	<b>77</b>	<b>72</b>	<b>73</b>	<b>85</b>
<b>Net Revenue Ex. FIES (Last 12 months)</b>	<b>1,085.4</b>	<b>1,096.9</b>	<b>1,098.1</b>	<b>1,111.3</b>	<b>1,133.3</b>
<b>Days Receivables Ex. FIES and FIES Revenue</b>	<b>74</b>	<b>76</b>	<b>72</b>	<b>73</b>	<b>84</b>

<b>FIES Accounts Receivable (R\$ MM)</b>	<b>1Q12</b>	<b>2Q12</b>	<b>3Q12</b>	<b>4Q12</b>	<b>1Q13</b>
<b>Opening Balance</b>	<b>36.5</b>	<b>55.4</b>	<b>36.5</b>	<b>45.0</b>	<b>55.7</b>
(+) FIES Net Revenue	42.4	60.7	78.7	90.2	103.1
(-) Transfer	21.1	75.6	70.1	81.0	74.7
(-) FIES PDA	2.3	4.1	1.0	1.8	(2.0)
(+) Acquisitions	-	-	0.8	(0.3)	-
<b>Ending Balance</b>	<b>55.4</b>	<b>36.5</b>	<b>45.0</b>	<b>55.7</b>	<b>82.2</b>

<b>FIES Carry-Forward Credits (R\$ MM)</b>	<b>1Q12</b>	<b>2Q12</b>	<b>3Q12</b>	<b>4Q12</b>	<b>1Q13</b>
<b>Opening Balance</b>	<b>13.7</b>	<b>8.0</b>	<b>2.3</b>	<b>10.9</b>	<b>1.1</b>
(+) Transfer	21.1	75.6	70.1	81.0	74.7
(-) Tax payment	22.3	33.0	43.0	48.5	44.7
(-) Repurchase auctions	4.5	50.2	18.5	42.7	30.6
(+) Acquisitions	-	1.9	-	0.4	-
<b>Ending Balance</b>	<b>8.0</b>	<b>2.3</b>	<b>10.9</b>	<b>1.1</b>	<b>0.4</b>

<b>FIES Average Days Receivables</b>	<b>1Q12</b>	<b>2Q12</b>	<b>3Q12</b>	<b>4Q12</b>	<b>1Q13</b>
FIES Days Receivables	194	88	92	75	89

**Breakdown of accounts receivable by age (R\$ millions)**

FIES
Not yet due
Overdue up to 30 days
Overdue from 31 to 60 days
Overdue from 61 to 90 days
Overdue from 91 to 179 days
Overdue more than 180 days
<b>Total</b>

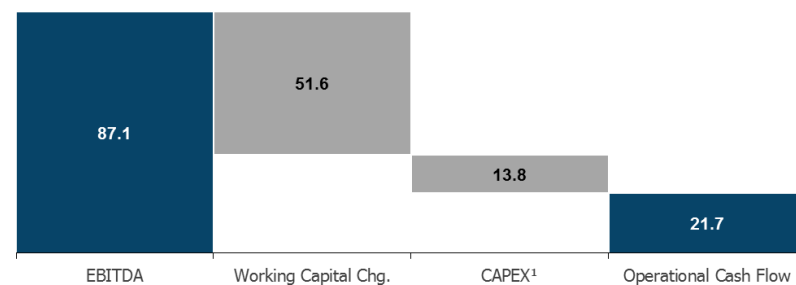
**Breakdown of agreements by age (R\$ millions)\***

Not yet due
Overdue up to 30 days
Overdue from 31 to 60 days
Overdue from 61 to 90 days
Overdue from 91 to 179 days
Overdue more than 180 days
<b>TOTAL</b>
% over Gross Accounts Receivable

1Q12	%	1Q13	%
55.4	15%	82.2	19%
101.4	28%	91.6	21%
52.9	15%	88.8	21%
20.8	6%	26.6	6%
6.9	2%	13.7	3%
47.2	13%	48.0	11%
73.9	21%	77.6	18%
<b>358.5</b>	<b>100%</b>	<b>428.5</b>	<b>100%</b>
1Q12	%	1Q13	%
19.5	58%	18.4	63%
2.5	7%	2.8	10%
1.2	4%	1.0	3%
1.3	4%	0.6	2%
4.1	12%	2.1	7%
5.1	15%	4.5	15%
<b>33.7</b>	<b>100%</b>	<b>29.3</b>	<b>100%</b>
9%		7%	

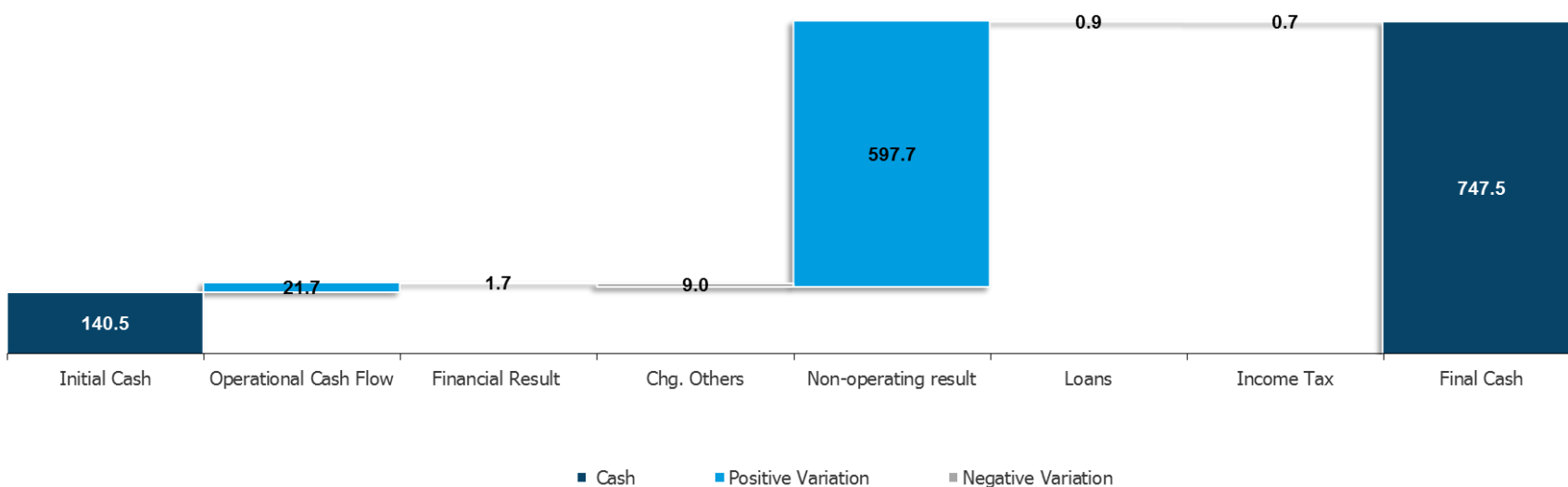
\* Does not consider credit card agreements.

## Operational Cash Flow



## CASH FLOW 1Q13

(R\$ million)





In million	1Q12	1Q13
<b>Initial Cash Position</b>	<b>169.4</b>	<b>140.5</b>
<b>EBITDA</b>	<b>57.9</b>	<b>87.1</b>
<b>Working Capital Change</b>	<b>(20.6)</b>	<b>(51.7)</b>
Increase (Decrease) in Accounts receivable	(34.4)	(67.7)
Increase (Decrease) in Carry-Forward credits	5.7	0.6
Increase (Decrease) in Advance to employees / third-parties	2.7	1.8
Increase (Decrease) in Prepaid expenses	(8.8)	(6.2)
Increase (Decrease) in Taxes and contributions	(4.1)	1.0
Increase (Decrease) in Suppliers	-	(6.3)
Increase (Decrease) in Salaries and payroll charges	21.2	28.2
Increase (Decrease) in Taxes payable	(0.9)	3.0
Increase (Decrease) in Prepaid monthly tuition fees	(3.6)	(4.1)
Increase (Decrease) in Advances under partnership agreement	2.9	-
Increase (Decrease) in Commitments payable	(1.2)	(1.8)
<b>CAPEX</b>	<b>(24.8)</b>	<b>(13.8)</b>
Permanent Assets Change	(13.1)	4.3
Depreciation and amortization	(11.6)	(18.0)
<b>Operational Cash Flow</b>	<b>12.5</b>	<b>21.7</b>
Financial Result	(4.1)	(1.7)
Share Buyback Program	(0.2)	-
Other Assets and Liabilities	(4.5)	(9.0)
Shareholders' Equity Change	0.9	597.7
Loans	10.9	(0.9)
Income Tax	(2.3)	(0.7)
<b>Final Cash Position</b>	<b>182.7</b>	<b>747.5</b>

“Culture is not a support to the strategy. Culture is the strategy”.

- ◆ **Protocols to open 19 new campuses:** Option for growth with high returns throughout Brazil via greenfields.
- ◆ **Increased coverage of DL:** Advanced Phase in the process of course recognition.
- ◆ **New Business and Expansion Areas:** Conclusion of the organization of both areas, in order to increase growth and integration capability
- ◆ **M&A:** Active pipeline
- ◆ **Strategic Planning:** Hospitality, Alumni Program, Innovation, Corporate University, Branding, Sustainability, EVA Phase II, New Graduate Segment, Operation Benchmarking, Applied Research, Academic Model & Distance Learning 2.0



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