



ESTÁCIO PARTICIPAÇÕES S.A.

## STATEMENT OF MATERIAL FACT

Rio de Janeiro, August 28, 2007 - ESTÁCIO PARTICIPAÇÕES S.A. ("Estácio"; Bovespa: ESTC11), the largest private post-secondary education institution in Brazil in terms of number of students enrolled, released today in Brazil a statement of Material Fact with the following terms:

The Company entered into a MOU (Memorandum of Understanding) on August 28, 2007 aiming the acquisition of the ownership control of Sociedade de Educação Continuada Ltda. and of Sociedade Técnica Educacional da Lapa S/C Ltda. ("Companies"), equivalent to 80% of these Companies' capital stock.

Sociedade de Educação Continuada Ltda. is a virtual learning broadcaster based in the city of Curitiba, state of Paraná, covering approximately 150,000 students from different states in Brazil, of which 140,000 are undergraduate students and 10,000 are graduate students, with an exclusive network of 300 educational hubs and another 1,500 associated centers. Sociedade Técnica Educacional da Lapa S/C Ltda. is a company that controls a college in Lapa, state of Paraná, which attends 600 on-site students and another 10,000 virtual learning students, the latter covered by Sociedade de Educação Continuada Ltda.

With this transaction, ESTÁCIO aims to consolidate its presence in the virtual learning industry, with continuous investments on education technology, so as to offer (i) programs with a heavy emphasis on virtual learning, enhancing both the quality of education and the overall learning experience and (ii) full virtual programs, which should allow the Company to enter a new market still untapped in Brazil, in addition to cost reduction with facilities and faculty.

The expected price of acquisition will be linked to the net revenues of these Companies for the years 2008, 2009 and 2010, with a minimum acquisition amount of R\$150 million to be paid in installments in the month of February following each respective year. The installments will be equivalent to 30% of the annual net revenue of such years, with a down payment of R\$30 million upon execution of the Final Agreement, which will be deducted from the first installment. An eventual value adjustment, as to reach the minimum acquisition amount, will be paid on the maturity date of the last installment, on February 15, 2011.

The conclusion of this transaction is contingent upon several conditions precedent, including legal, accounting and financial due diligence, in addition to a satisfactory negotiation by the parties of the final terms of the agreement. The date for conclusion of the due diligence is sixty days as of today's date, with an additional term of thirty days following the conclusion of the Due Diligence Period, for the conclusion of negotiations and execution of contracts, which shall be approved at a general shareholders' meeting summoned for this purpose, pursuant to the Brazilian Corporate Law.

César Lage da Silva  
Chief Financial Officer and Investor Relations Officer  
ESTÁCIO PARTICIPAÇÕES S.A.

