



Estácio

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1Q10 Results

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CEO

GROW WITH ESTÁCIO AND WRITE YOUR OWN STORY.



1Q10 Highlights

LONG-TERM VISION

Structure and quality for organic growth and consolidation

- ◆ *Textbooks included in monthly tuition fees:* approved quality and logistics
- ◆ *Distance Learning:* 16.4 thousand students enrolled and high levels of satisfaction
- ◆ *Variable Remuneration :* 1,600 faculty members and 220 management executives
- ◆ *Dividend Payment:* 50% payout
- ◆ *Acquisitions:* continuous search for opportunities

Results' Highlights

BETTER MANAGEMENT OF FACULTY COSTS

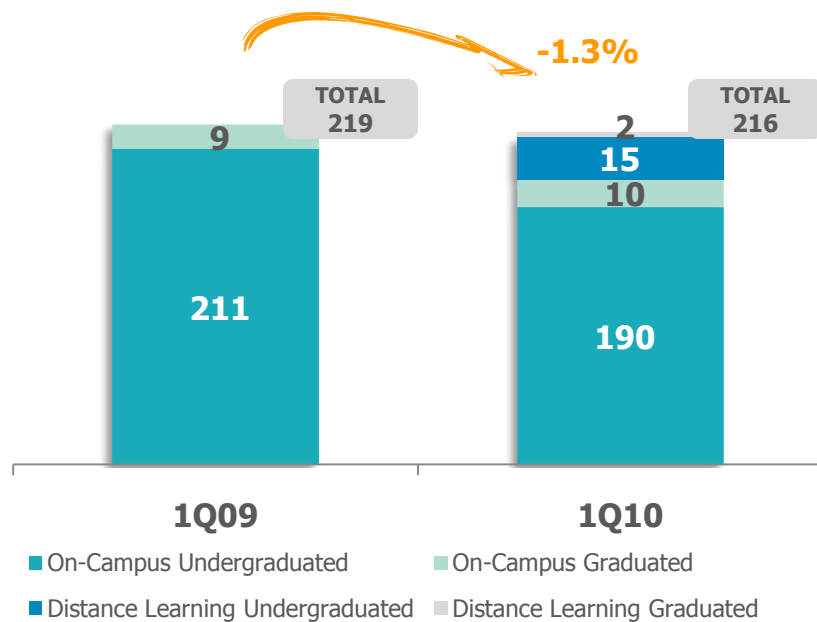
Gross margin gain of 0.8 p.p. in the quarter

Main Indicators	1Q09	1Q10	Change
Net Revenue (R\$ MM)	264.6	256.0	-3.2%
Gross Profit (R\$ MM)	89.3	88.4	-1.0%
Gross Margin	33.7%	34.5%	0.8 p.p.
EBITDA (R\$ MM)	43.1	39.6	-7.9%
EBITDA Margin	16.3%	15.5%	-0.8 p.p.
Net Income (R\$ MM)	32.7	28.8	-12.0%

Operating Performance

DIVERSIFICATION OF STUDENT MIX EAD performance proves the quality

Student Base ('000)



- ◆ Delay in ENEM
- ◆ Launch of textbooks
- ◆ EAD student satisfaction

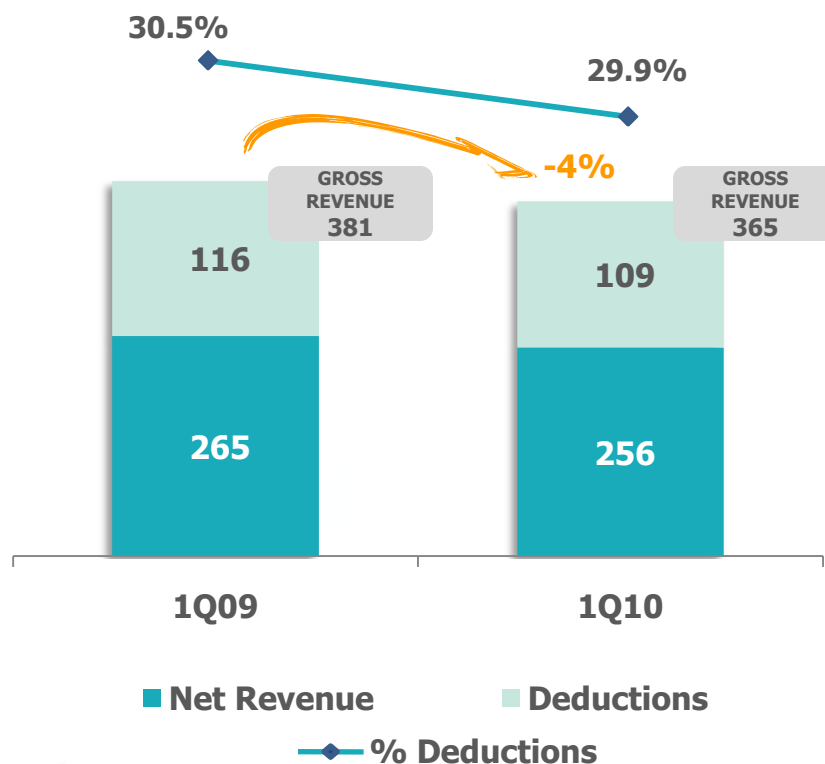
Evolution of On-Campus Undergraduate Base

'000	1Q09	1Q10	Change
Students - Starting Balance	206.7	186.9	-9.6%
Graduates	(18.0)	(19.5)	8.1%
Renewable Base	188.7	167.4	-11.3%
Enrollment Renewals	157.6	143.1	-9.2%
% Enrollment Renewals of Renewable Base	83.5%	85.5%	1.9 p.p.
Enrollments	53.1	47.3	-11.1%
Students - Ending Balance	210.7	190.3	-9.7%

Operating Revenue

INCREASE IN AVERAGE TICKET Maintenance of control over grant of allowances

Operating Revenue (R\$ MM)



- ◆ Reduction in the student base
- ◆ Non-recurring price increases

Average Ticket

(R\$)	1Q09	1Q10	Change
Average Ticket	401.6	410.2	2.1%
On-Campus	401.6	412.9	2.8%
Distance Learning	-	167.0	-

Cost of Services

STABILITY OF PERSONNEL COST

Management of faculty costs offset the step-up of INSS and inflation

Vertical Analysis (% of Net Operating Revenue)	1Q09	1Q10	Change
Cost of Services	62.9%	62.8%	-0.1 p.p.
Personnel and Payroll Charges (excluding INSS)	41.1%	39.9%	-1.2 p.p.
Brazilian Social Security Institute (INSS)	7.1%	8.1%	1.0 p.p.
Rentals / Real Estate Taxes Expenses	9.7%	9.2%	-0.5 p.p.
Textbooks Materials	0.0%	0.9%	0.9 p.p.
Third-Party Services and Others	5.0%	4.7%	-0.3 p.p.

Note: Excluding non-recurring and depreciation.

Selling, General & Administrative Expenses (SG&A)

INCREASE IN COMMERCIAL EXPENSES

Advertising expenses for new textbook campaigns

Vertical Analysis (% of Net Operating Revenue)	1Q09	1Q10	Change
Selling, General and Administrative Expenses	21.8%	23.2%	1.4 p.p.
Selling Expenses	6.7%	8.4%	1.7 p.p.
Provisions for Doubtful Debts	2.4%	2.0%	-0.4 p.p.
Marketing	4.3%	6.4%	2.1 p.p.
General and Administrative Expenses	15.1%	14.8%	-0.3 p.p.
Personnel and Payroll Charges	5.4%	5.5%	0.1 p.p.
Others	9.7%	9.3%	-0.4 p.p.

Note: Excluding non-recurring and depreciation.

PDD and Receivables

CONTROL OF PDD AND RECEIVABLES

Strict renegotiation policy continues to prove beneficial

PDD Evolution	1Q09	1Q10	Change
PDD (R\$ MM)	6.2	5.0	-19.3%
% of Net Revenue	2.4%	2.0%	-0.4 p.p.

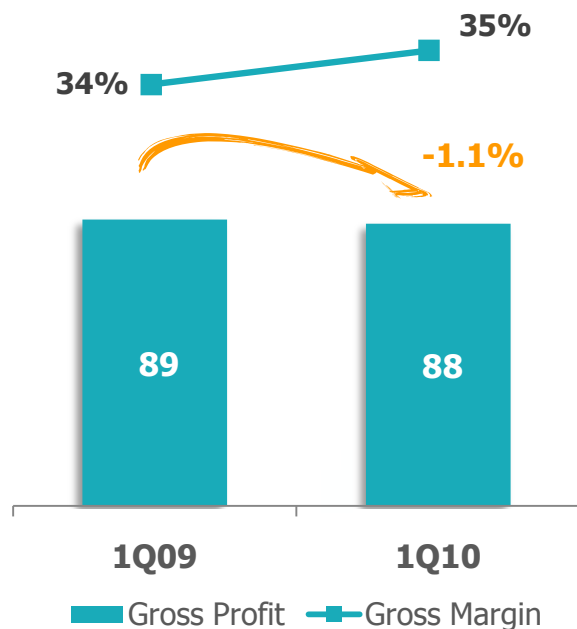
Accounts Receivable Evolution	1Q09	1Q10	Change
Accounts Receivable, Net (R\$ MM)	104.9	114.4	9.1%
Accounts Receivable (Days)	36	40	N.A.

Financial Performance

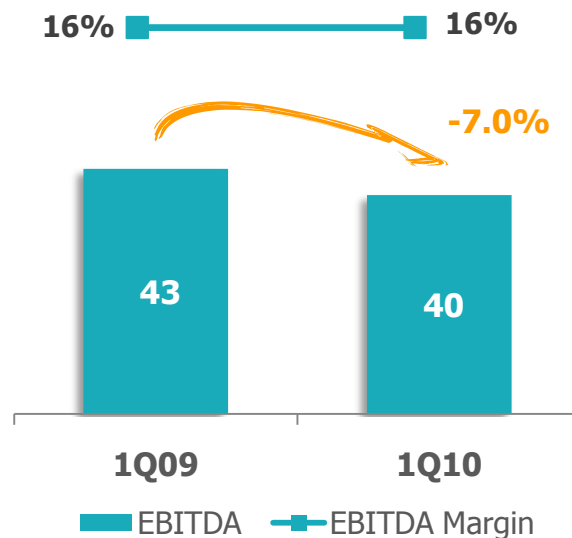
CONTROL OF COSTS AND EXPENSES

Reduced revenue partially offset by reduced costs

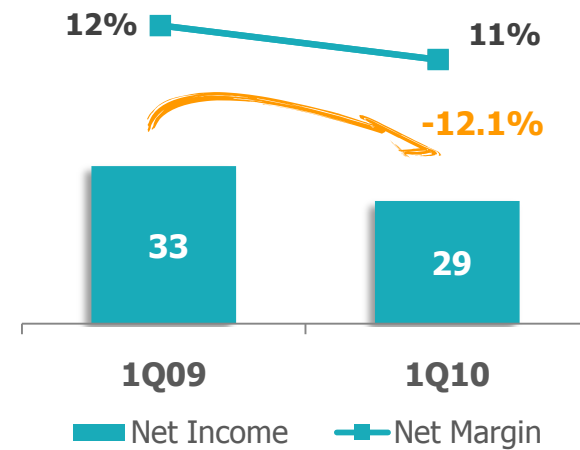
Gross Profit (R\$ MM)



EBITDA (R\$ MM)



Net Income (R\$ MM)

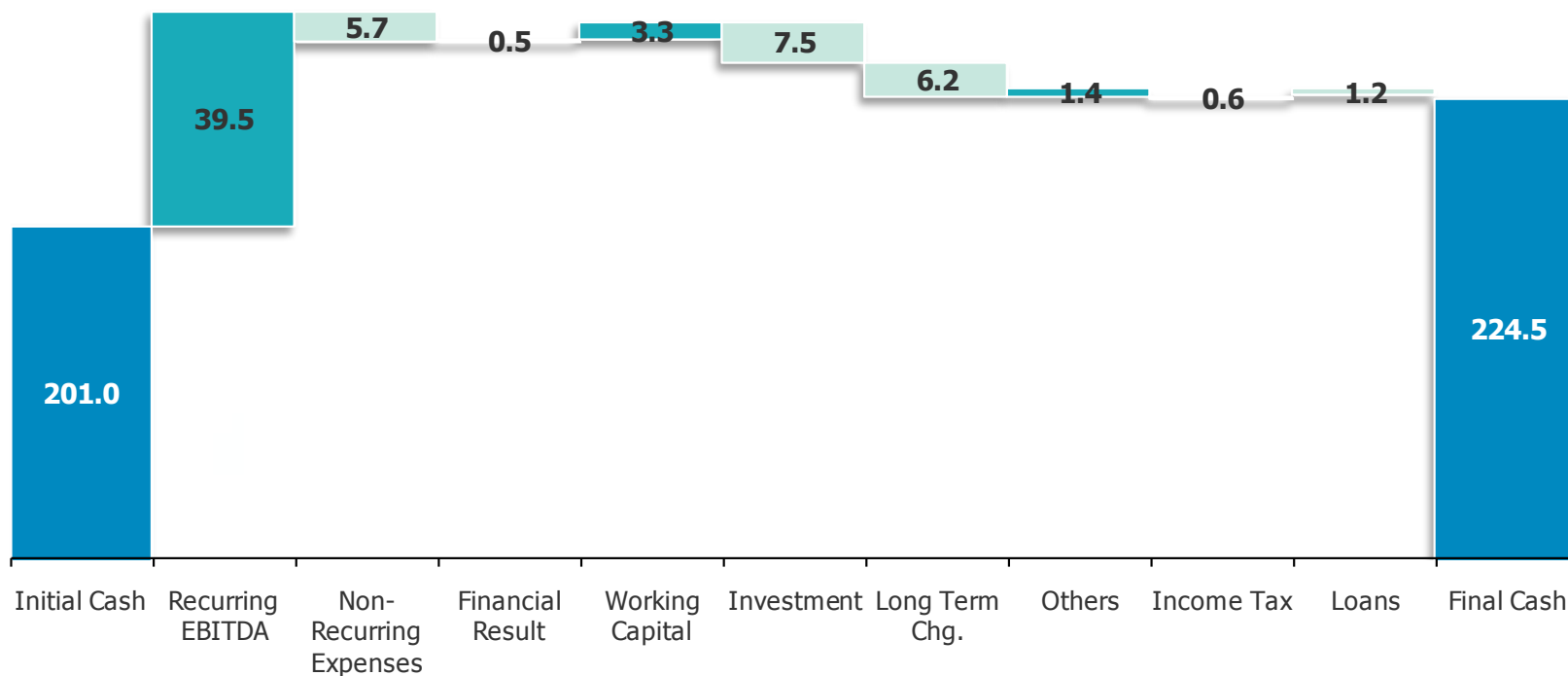


Cash Flow

SOLID BALANCE SHEET FOR STRATEGIC ACQUISITIONS

Performance also measured by strong cash generation

Cash Flow (R\$ MM)



■ Initial / Final Cash ■ Positive Variation ■ Negative Variation

Next Steps

- ◆ *Revenue Growth:* student base and new programs diversification
- ◆ *Costs and Expenses:* rigid budget control
- ◆ *National Textbooks:* boost enrollment for the 2nd half of 2010
- ◆ *Acquisitions:* new opportunities analysis

Share Buyback Program

- ◆ *Term:* 365 days (ending on May 11, 2011)
- ◆ *Outstanding Shares to be Acquired:* 1,527,788 shares
- ◆ *Acquisition Price:* market price
- ◆ *Brokerage Firms:* Santander, Credit Suisse and BTG Pactual

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