



Estácio Announces Consolidated Results: EBITDA of R\$32 million in the 3Q07 (14.8% margin) and R\$83 million in the 9M07 (12.9% margin)

3Q07 Results

November 14
(unaudited)

HIGHLIGHTS

Considering that the Company was organized on March 31 2007, the information presented herein is for comparison purposes only, on a proforma unaudited basis, relative to the first nine months of 2006, 2007 and third quarter of 2006, as if the Company had been organized on January 1 2006.

Additionally, information was presented on an adjusted basis, in order to reflect the payment of taxes on SESES, our largest subsidiary, which from February 2007, after becoming a for-profit company, is subject to the applicable taxation rules applied to corporations, except for the exemptions arising out of the PROUNI - University for All Program ("PROUNI"). Information presented for comparison purposes should not be considered as a basis for calculation of dividends, taxes or for any other corporate purposes.

- **Conclusion of the IPO** and listing of our shares on GovernanceLevel 2 of the Bovespa on 07/30/2007, resulting in R\$ 268 million proceeds.
- **Acquisition of Centro Universitário Radial**, with 6 campuses in São Paulo city, 1 campus in São Paulo's ABC Paulista region, and 1 campus in Curitiba, with more than 10 thousand students, for R\$56 million.
- EBITDA of R\$ 32 million in the 3Q07, with a 14.8% margin and R\$ 83 million in the 9M07, with a 12.9% margin. **After deduction of non-recurring severance expenses, EBITDA in the 3Q07 totals R\$34 million (15.6% margin).** Considering the growth model adopted by Estácio, with low investments in real assets and heavily based on rentals ("asset light"), it is worth mentioning that EBITDA margin ex-rentals was 23.4% in the 3Q07.
- **Net Income of R\$ 13 million in the 3Q07, and R\$48 million in the 9M07.** Excluding the extraordinary IPO expenses, Net Income totaled R\$28 million in the 3Q07, and R\$65 million in the 9M07.

Conference Calls

English

November 14, 2007

2:00 pm (Brasília)

11:00 am (US EST)

Tel.: +1(973) 935-8893

Code: 9452471

Replay: +1(973) 341-3080

Portuguese

November 14, 2007

12:00 pm (Brasília)

9:00 am (US EST)

Tel.: +55 (11) 2101-4848

Code: Estácio

Replay: +55 (11) 2101-4848

ri@estacioparticipacoes.com

www.estacioparticipacoes.com/ir

Table 1 – Financial Indicators

3Q07	3Q06 ¹	Chg. %	R\$ million	9M07	9M06 ¹	Chg. %
214.8	199.2	7.8%	Net Revenue	645.1	606.5	6.4%
84.6	72.7	16.3%	Gross Profit	243.1	201.3	20.7%
39.4%	36.5%	2.9 p.p.	Gross Margin (%)	37.7%	33.2%	4.5 p.p.
31.8	25.8	23.0%	EBITDA	83.2	42.4	96.2%
14.8%	13.0%	1.8 p.p.	EBITDA Margin (%)	12.9%	7.0%	5.9 p.p.
50.3	43.8	14.8%	EBITDA ex-Rentals	136.5	94.5	44.4%
23.4%	22.0%	1.4 p.p.	EBITDA Margin ex-Rentals	21.1%	15.6%	5.5 p.p.
28.4	18.0	57.9%	Net Income ²	65.2	15.7	315.9%
13.2%	9.0%	4.2 p.p.	Net Margin (%)	10.1%	2.6%	7.5 p.p.

¹ Adjusted to income taxes

² Excluding IPO extraordinary expenses, as detailed on Table 7 of this report

IR Contacts

César Lage
+55(21) 2433-9700
cesar.lage@estacio.br

Carlos Lacerda
+55(21) 3410-7250
carlos.lacerda@estacio.br

Pedro Alvarenga
+55(21) 3410-7298
pedro.alvarenga@estacio.br

MESSAGE FROM MANAGEMENT

IPO Conclusion

The performance of Estácio Participações in the third quarter of 2007 is in line with the set goals, and confirms the management's commitment to the growth and operating efficiency of our subsidiaries.

We concluded the IPO, with the listing of our shares on Bovespa's governance level 2 on July 30, with R\$252 million net proceeds which, combined to the company's solid financial position, will allow for the carrying out of the our investments plan.

Acquisition of Centro Universitário Radial

The acquisition of UniRadial is a first step in this direction. With a university center in the city of São Paulo and a college in ABC region, this acquisition allows Estácio to accelerate its growth in this important market of the country. Radial Curitiba also represents the expansion to an important market for Estácio. Acquired by the end of August, UniRadial was already merged into our group. With the acquisition of eight new units in the quarter, we now have 62 campuses in 12 Brazilian states, and about 180,000 students regularly enrolled with our regular graduation programs.

Increase from 54 to 62 campuses

We also entered a MOU, for the purpose of acquiring Sociedade de Educação Continuada and Sociedade Técnica Educacional da Lapa, both focused on distance learning – which due diligence is still under way – reaffirming our focus on Estácio's sustainable growth and development of new businesses in the education sector.

Acceleration of the turnaround process

According to our academic and operating rationalization plan in progress, we recently created the Chief Operating Officer (COO) position, to which the executive João Rosas was appointed, whose goals are to accelerate the operating efficiency process and the company's growth. As part of the turnaround process, there was a reduction of 544 administrative employees during the quarter.

In the 3Q07, our average number of students enrolled was stable compared to the 3Q06. Due to the increase in the average tuition in the period, Revenue increased year-over-year, even with the new tax burden.

Solid Financial Results in the Quarter

As expected, in 2007 Estácio has been subject to a substantially higher tax burden, as a result of the turning of our main subsidiary SESES into a for-profit company. However, the action plan in progress has been presenting consistent results, leading our current performance to fully overcome the pressure from costs related to the additional taxes. The impact on the 9M07 was R\$ 45 million on EBITDA (53% of EBITDA in the period), and R\$ 55 million on Net Income.

Our cash balance grew by R\$ 22 million in the quarter, with a R\$ 65 million net cash. After the IPO, total cash reached R\$ 264 million, after deduction of the payment related to the acquisition of UniRadial.

Focus on middle and low-income segments

It is also worth highlighting the growth in the number of scholarships under the federal government's *Program Universidade para Todos* (University For All) – PROUNI – showing the total commitment of Estácio to the government's goals of expanding education levels and creating of opportunities and employability for the lower-income youths in our society. We are confident that the country's long term sustained growth will be based on the improvement of education levels in the whole society, in which private post-secondary education will play a key role.

Operations' Optimization

The solid results recorded in the quarter and in the 9M07 confirm the success of the initiatives adopted. The management expects to achieve in 2007 a cash flow generation (EBITDA) close to the levels reached in 2006, notwithstanding the substantial increase in tax burden this year, of estimated R\$60 million on EBITDA.

Increasing returns

We remain focused on the optimization and sustainable growth of our operations and profitability, seeking new business opportunities in the education sector. This strategy reflects our value proposition for the students, focused on price, quality and convenience, aiming to consolidate our leadership in the private post-secondary education sector in the country, and guarantee continuous value generation for our shareholders. In this sense, it is worth highlighting that our growth model remains based on low investments ("asset light"), seeking to achieve a higher return on invested capital.

ANALYSIS OF 3Q07 RESULTS

In order to allow the analysis of the main results on a comparable basis, the *proforma* results in the 3Q06 and 9M06 are presented on an adjusted basis, considering the same hypothetical tax rates on SESES for those periods. The tables with the financial statements in the 3Q07 and 9M07 are on pages 15 and 16 of this report.

All analyses reflect the acquisition of UniRadial, which was carried out in the end of August 2007.

Table 2 – Operating Indicators

	3Q07	3Q06	Chg. %
Average Enrolled Students	172.2	172.5	-0.2%
Average tuition	415.8	400.0	3.9%

REVENUE

In order to allow for the analysis of the variations on a comparable basis, table 3 below presents the 3Q06 and 9M06 revenue on an adjusted basis, considering the same tax burden on SESES for those periods.

Table 3 – Revenue Breakdown

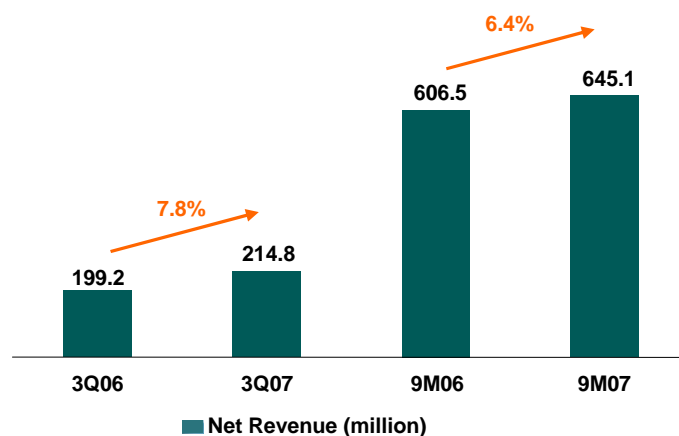
3Q07	3Q06	Chg. %	R\$ million	9M07	9M06	Chg. %
309.4	295.6	4.7%	Tuition Fees	935.4	898.6	4.1%
7.5	9.8	-23.1%	Other	20.8	20.9	-0.5%
316.9	305.4	3.8%	Gross Revenue	956.3	919.5	4.0%
(102.2)	(106.2)	-3.8%	Deductions	(311.1)	(313.0)	-0.6%
(81.3)	(87.2)	-6.8%	Gratuities - Scholarships	(254.8)	(258.1)	-1.3%
(1.0)	(1.2)	-13.0%	Monthly Tuition Fees and Charges Returned	(2.7)	(3.0)	-9.9%
(10.0)	(8.4)	18.3%	Allowances	(26.6)	(26.7)	-0.4%
(9.9)	(9.4)	6.2%	Taxes	(27.0)	(25.2)	7.4%
214.8	199.2	7.8%	Net Revenue	645.1	606.5	6.4%

Gross revenue grew 3.8%, to R\$316.9 million in the 3Q07. In the 9M07, gross revenue grew 4.0%, reaching R\$956.3 million.

Deductions from gross revenue totaled R\$102.2 million in the 3Q07, with a 3.8% drop in relation to 3Q06. This variation was chiefly due to the reduction in gratuities and scholarships, considering: (i) the turning of SESES – from a charitable organization - when the practice in force was the granting of scholarships in the aggregated amount equivalent to 20% of revenues - into a for-profit company; and (ii) a commercial pricing policy entitled to lower discounts.

In summary, the net revenue annual variation was 7.8% in the 3Q07 and 6.4% in the 9M07.

Chart 1 – Net Revenue (R\$ million)



COST OF SERVICES

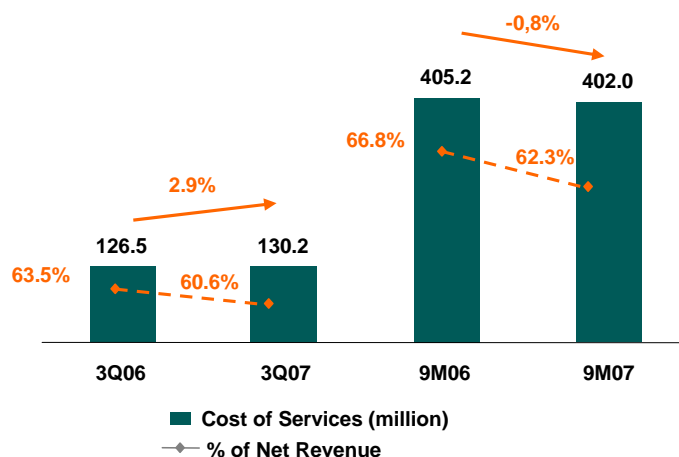
The Cost of Services is mainly comprised of faculty payroll and rental costs, considering that the growth model adopted by Estácio is based on low investments, and focused on real estate partnerships ("asset light"). The goal is to reduce Capex needs and dilute the expansion risks, in order to optimize the return on investment.

In the 3Q07, such costs amounted to R\$130.2 million (R\$126.5 million in 3Q06), of which R\$93.7 million relates to faculty payroll (43.6% of Net Revenue versus 45.8% in 3Q06), and R\$18.5 million to rentals (8.6 % of Net Revenue versus 9.0% in 3Q06).

In the 9M07, cost of services reached R\$ 402.0 million (R\$405.2 in 9M06), and faculty payroll and rentals represented 45.6% and 8.2% of Net Revenue in the period, respectively, as opposed to 46.7% and 8.6%, during the 9M06.

The changes of the Cost of Services and its share in our Net Revenue are presented in chart 2 below:

Chart 2 – Cost of Services (R\$ million)



GROSS PROFIT

In the 3Q07, gross profit reached R\$ 84.6 million (39.4% margin) and R\$ 243.1 million in the 9M07 (37.7% margin).

When adjusted to the same tax basis, gross profit in the 3Q07 grew 16.3% year over year, and 20.7% in the 9M07, versus the 9M06, as shown in table 4 below.

Table 4 – Gross Profit

3Q07	3Q06 ¹	Chg. %	R\$ million	9M07	9M06 ¹	Chg. %
214.8	199.2	7.8%	Net Revenue	645.1	606.5	6.4%
(130.2)	(126.5)	2.9%	Cost of Services Rendered	(402.0)	(405.2)	-0.8%
84.6	72.7	16.3%	Gross Profit	243.1	201.3	20.7%
39.4%	36.5%	2.9 p.p.	Gross Margin (%)	37.7%	33.2%	4.5 p.p.

¹ Adjusted to income taxes

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (SG&A)

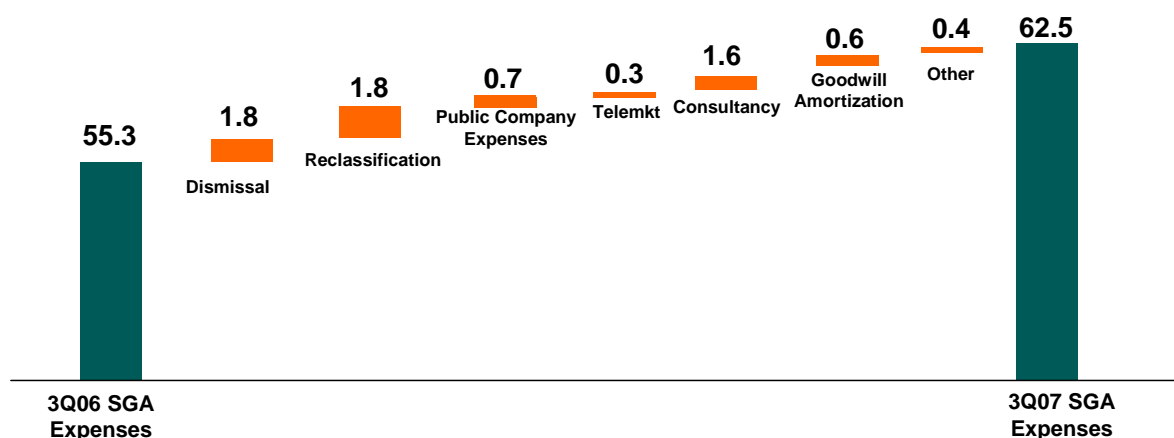
SG&A expenses, which are mainly comprised by administrative staff payroll (13.4% of Net Revenue), third-party services (5.0% of Net Revenue) and provisions for doubtful accounts (2.3% of Net Revenue), reached R\$ 62.5 million in the 3Q07.

When adjusted to the same tax burden, these expenses grew by 12.9% (R\$ 7.2 million) over 3Q06. The main impacts on the quarter were:

- administrative payroll, which rose R\$4.1 million (+16.7%), impacted by extraordinary expenses with the layoff of 544 employees, of R\$ 1.8 million, as well as by the reclassification of personnel expenses - in the 3Q06 - from administrative expenses to cost of services, of R\$1.8 million, through the reclassification of administrative personnel in the cost of services (activities directly related to education), with a R\$ 3.6 million combined impact.
- third-party services expenses, which grew by R\$4.2 million (+68.3%), affected by expenses with consultancy services for management optimization, due diligences and acquisitions, of R\$ 1.6 million, in addition to the expenses with the turning of the company into a publicly-held company (Estácio Participações), which did not exist in the 3Q06 (R\$0.7 million).

Chart 3 below summarizes the main variations.

Chart 3 – Selling, General and Administrative Expenses (R\$ million)



In the 9M07, these expenses totaled R\$ 182.8 million (28.3% of Net Revenue) with a 0.9% rise in relation to the R\$181.3 million recorded in the 3Q06 (29.9% of Net Revenue).

DEPRECIATION AND AMORTIZATION

Depreciation and amortization amounted to R\$ 6.4 million in the quarter (+16.0% on the 3Q06) corresponding to 3.0% of Net Revenue. It reached R\$17.7 million in the 9M07 (5.1% up on the 9M06). It is important to note that the business model adopted by the company is based on cost variability and low real estate investment, with a focus on the Return on Invested Capital.

Net FINANCIAL RESULT

Financial Revenues and Expenses

Financial revenues climbed by 109.4%, from R\$4.8 million in the 3Q06 to R\$10.0 million in the 3Q07, while financial expenses dropped by 6.6%, from R\$4.7 million in the 3Q06 to R\$4.4 million in the 3Q07.

Therefore, financial result increased by R\$5.5 million, from R\$0.1 million in the 3Q06, to R\$5.6 million in the 3Q07, as a consequence of higher cash availabilities and lower debt resulting from the improvement in the Company's operating results and IPO proceeds (R\$252 million). In the 9M07, net financial result totaled R\$8.6 million (+R\$ 13.5 million over 9M06 result)

Table 5 – Financial Result

3Q07	3Q06	R\$ million	9M07	9M06
10.0	4.8	Financial revenues	16.3	10.2
(4.4)	(4.7)	Financial expenses	(7.7)	(15.1)
5.6	0.1	Financial result	8.6	(4.9)

OPERATING INCOME

On the same tax basis, operating income amounted to R\$27.8 million in the 3Q07, a 58.4 % growth year-over-year. In the 9M07, operating income stood at R\$68.9 million (+353.5%).

EBITDA

The evolution of the Company's EBITDA, reconciled to the operating income, is shown in the table below.

Table 6 – EBITDA

3Q07	3Q06	Chg. %	R\$ million	9M07	9M06	Chg. %
27.8	17.5	58.4%	Operating Income	68.9	15.2	353.5%
6.4	5.5	16.0%	Depreciation and Amortization	17.7	16.9	5.1%
(2.4)	2.8	n/a	Financial Result*	(3.4)	10.3	n/a
31.8	25.8	23.3%	EBITDA	83.2	42.4	96.2%
14.8%	13.0%	1.8 p.p.	EBITDA Margin	12.9%	7.0%	5.9 p.p.
50.3	43.8	14.8%	EBITDA ex-Rentals	136.5	94.5	44.4%
23.4%	22.0%	1.4 p.p.	EBITDA Margin ex-Rentals	21.1%	15.6%	5.5 p.p.

* excluding fines and banking charges

EBITDA totaled R\$31.8 million in the quarter, with a 14.8% margin.

Considering the severance expenses with layoffs of administrative staff in the 3Q07 (R\$1.8 million), **EBITDA on a recurring basis amounted to R\$ 33.6 million, with a 15.6% margin in the quarter.**

In the 9M07, EBITDA totaled R\$83.2 million (12.9% margin), a 96.2% increase over the 9M06 (5.9 p.p. margin growth).

EBITDA ex-rentals amounted to R\$ 50.3 million in the 3Q07 (23.4% margin) and R\$ 136.5 million in the 9M07 (21.1% margin).

Chart 4 – EBITDA (R\$ million) and EBITDA Margin (%)

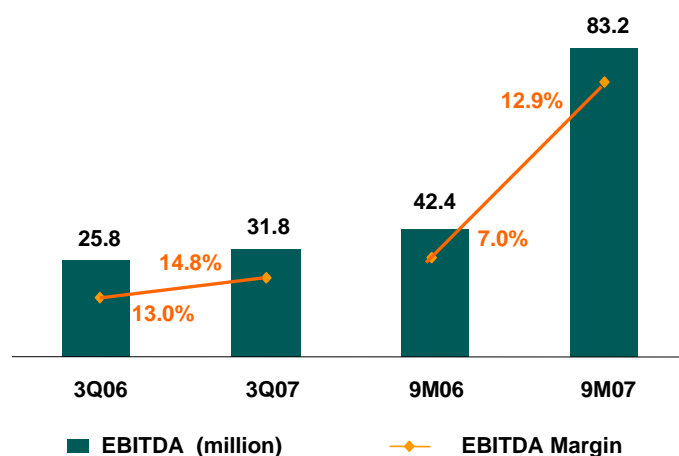
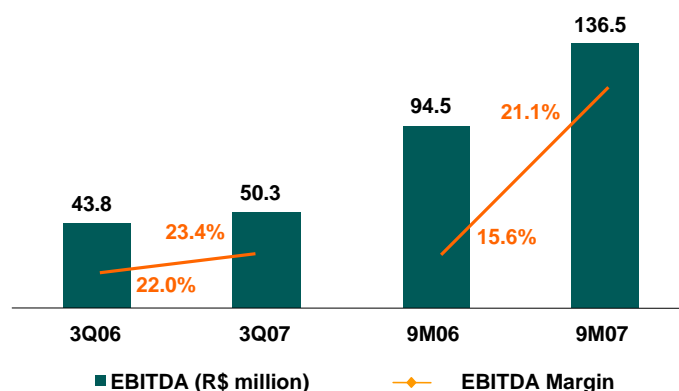


Chart 5 – EBITDA Ex-Rentals (R\$ million) and EBITDA Margin Ex-Rentals (%)



NON-OPERATING EXPENSES

Net non-operating expenses totaled R\$14.0 million in the 3Q07, and R\$19.4 million in the 9M07, chiefly due to IPO expenses, versus R\$0.7 million and R\$0.9 million revenues in the same periods in 2006. IPO non-recurring expenses totaled R\$ 15.5 million in the 3Q07, and R\$ 17.2 million in the 9M07.

NET INCOME

The subsidiaries of Estácio Participações have some tax benefits established in the PROUNI – a federal program that gives tax incentives in exchange for scholarships given to low-income students. Such benefits are recognized as capital reserves in the balance sheet of those subsidiaries while, at the holding company, it is booked as equity accounting result. For consolidation purposes, such revenue is settled against income tax and social contribution expenses.

Therefore, net income recorded in the period stood at R\$12.9 million, and R\$ 48.0 million in the 9M07.

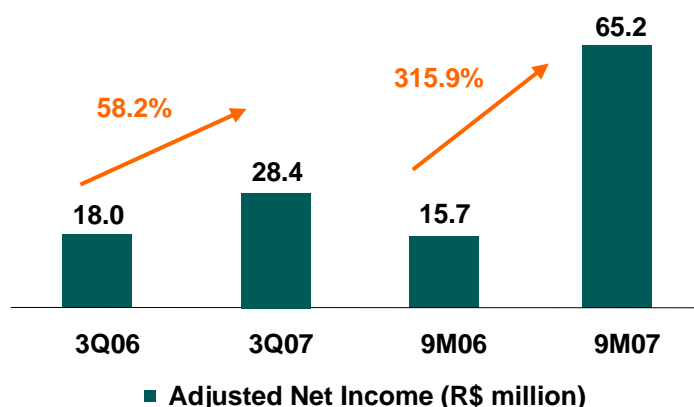
If we also consider the extraordinary expenses with IPO, of R\$15.5 million in the 3Q07, and R\$17.2 million in the 9M07, adjusted net income in the 3Q07 and 9M07 amounted to R\$ 28.4 million and R\$65.2 million, respectively.

Table 7 below shows the net income after extraordinary expenses.

Table 7 – Net Income

3Q07	3Q06	Chg. %	R\$ million	9M07	9M06	Chg. %
12.9	18.0	-28.5%	Net Income	48.0	15.7	206.2%
15.5	-	-	IPO Extraordinary Expenses	17.2	-	-
28.4	18.0	58.2%	Net Income ex-IPO	65.2	15.7	315.9%
13.2%	9.0%	4.2 p.p.	Adjusted Net Margin	10.1%	2.6%	7.5 p.p.

Chart 6 – Adjusted Net Income (R\$ million)



Considering that Estácio Participações was incorporated on 03/31/2007, net income in the fiscal year totals R\$ R\$14.3 million (from 04/01/2007 to 09/30/2007).

INDEBTEDNESS

In the 3Q07, total debt moved down by 96.9%. The Company's net cash – which had recorded a positive variation in the 2Q07 (R\$43 million), increased to R\$263.7 million in the 3Q07, principally due to R\$252 million in proceeds from the IPO concluded on July 27, 2007.

Table 8 - Indebtedness

R\$ million	3Q07	3Q06	Chg. %	2Q07	Chg. %
Short-term Indebtedness	0.2	6.5	-96.8%	1.9	-88.9%
Long-term Indebtedness	0.0	1.0	n/a	0.1	n/a
Total	0.2	7.4	-96.9%	2.0	-88.3%
Cash and cash equivalents	263.8	23.4	1,227.4%	43.2	620.5%
Net Cash	263.6	16.0	1,843.9%	41.2	654.2%

CAPITAL EXPENDITURES

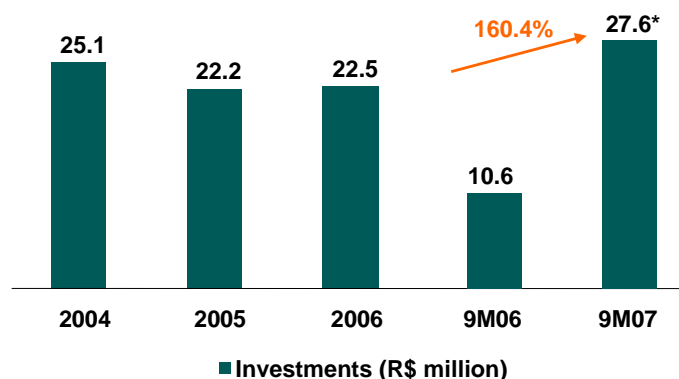
In the 3Q07, Capex amounted to R\$13.5 million, as opposed to R\$5.5 million in the 3Q06. The increase was principally due to the preparation of some of our colleges to become University Centers, and to comply with Ministry of Education (MEC) requirements for the opening of new courses.

Total investments amounted to R\$ 67.8 million in the quarter, considering the acquisition of UniRadial.

In the 9M07, total investments reached R\$27.6 million (organic Capex), representing only 4.3% of net revenue, and 32.6% of EBITDA in the period.

Capex per student was approximately R\$ 160.4 during the 9M07.

Chart 7 – Capital Expenditures (R\$ million)



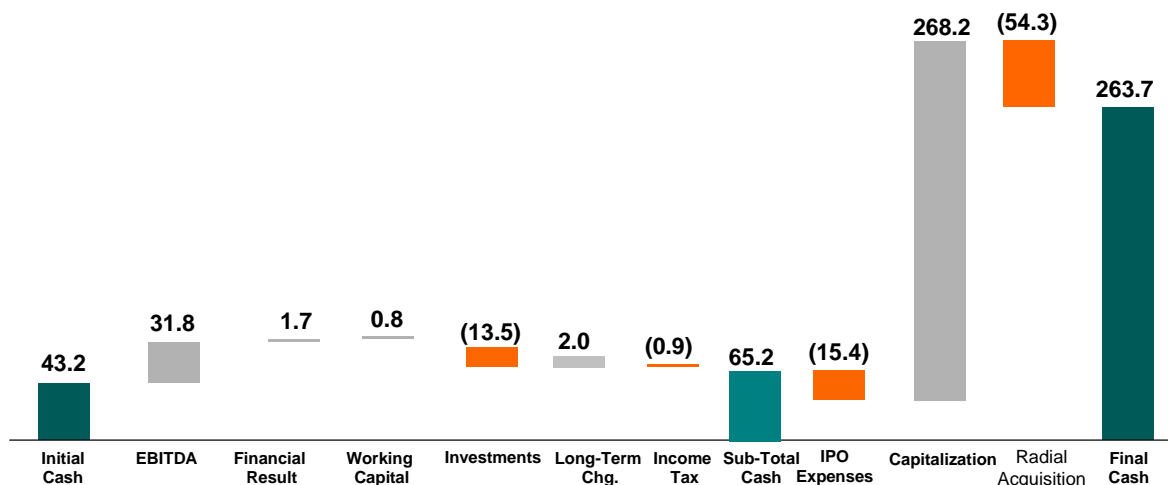
*excluding the acquisition of Radial.

CASHFLOW

In the 3Q07, the Company generated additional cash of R\$22.0 million, even after taxes.

The company ended the quarter with a R\$263.7 million cash position, of which R\$198.5 million corresponds to the IPO proceeds, net of the R\$54.3 million from the acquisition of Radial.

Chart 8 –Cash Flow (R\$ million)



CAPITAL MARKET

From the date of the IPO (07/30/2007) to 11/13/2007, the "units" of Estácio Participações were down by 15.6%, and the average daily traded volume was R\$ 4.8 million. In the same period, Ibovespa recorded a 18.9% appreciation, as can be seen from the following chart.

Price: R\$ 19.00/unit

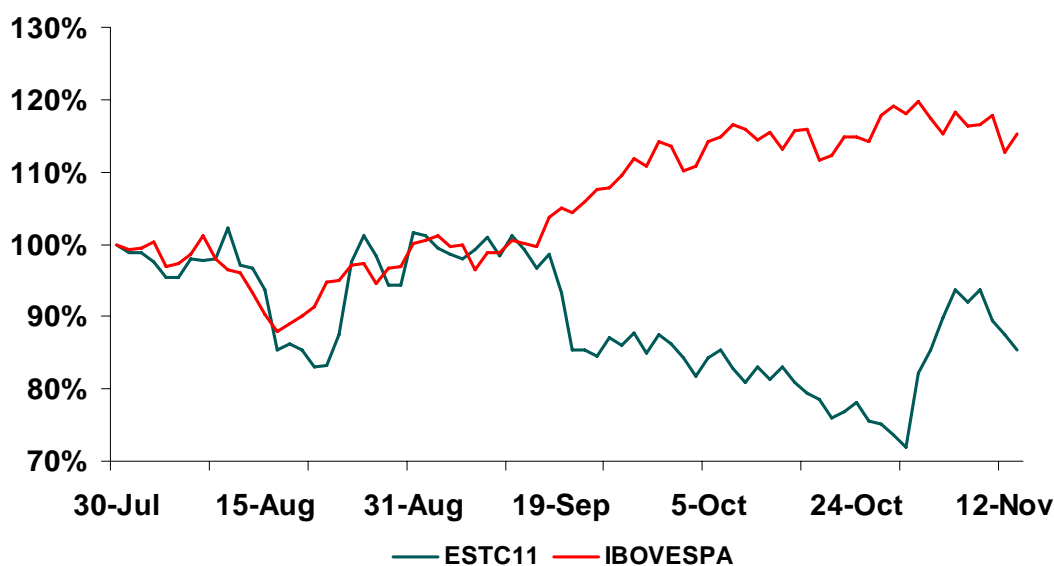
Closing: 11/13/2007

Market Value: R\$ 1,493 million

Average Daily Traded Volume (3Q07): R\$ 4.8 million

Variation since IPO (07/30/07): -15,6%

Chart 9 – ESTC11 x IBOVESPA Performance



IMPORTANT NOTICE (CVM INSTRUCTION 358)

Estácio Participações advises its shareholders about compliance with the terms of article 12 of CVM Instruction 358, however it is not responsible for disclosing information about the acquisition or sale, by third parties, of interest corresponding to 5% or more of the type or class of share representing its capital or rights over these shares and the remaining securities issued by the company. It is worth highlighting that each "Unit" represents one common share and two preferred shares.

Table 9 – Ownership Breakdown (in thousand shares)

Shareholders	ON	%	PN	%	Total	%
João Uchôa Cavalcanti Netto	137,554	85.0	32,609	44.2	170,163	72.2
Marcel Cleófas Uchoa Cavalcanti	1,500	0.9	500	0.7	2,000	0.8
André Cleófas Uchoa Cavalcanti	1,500	0.9	500	0.7	2,000	0.8
Monique Uchôa Cavalcanti de Vasconcelos	1,500	0.9	500	0.7	2,000	0.8
Managers and Directors*	0.0	0.0	0.0	0.0	-	0.0
Other (free float)	19,864	12.3	39,728	53.7	59,592	25.3
Total	161,918	100.0	73,837	100.0	235,755	100.0

*Board of Directors members own 03 ON and 05 PN, except Mr. Marcel Cavalcanti

OTHER EVENTS IN THE QUARTER

August 28

On August 28 2007, Estácio entered into a MOU, for the acquisition of the controlling stake of **Sociedade de Educação Continuada Ltda. and Sociedade Técnica Educacional da Lapa S/C Ltda.** equivalent to 80% of the shares of the said Companies.

Sociedade de Educação Continuada Ltda. is a distance learning distribution company, headquartered in Curitiba, which currently has about **150,000 students** in different states, of which 140,000 are graduation students and 10,000 are post-graduation students, with an exclusive network of approximately 300 core units and 1,500 associated centers. Sociedade Técnica Educacional da Lapa S/C Ltda. is the sponsoring entity of a faculty in Lapa, in the State of Paraná, with approximately 600 students enrolled with regular teaching programs and 10,000 with distance learning programs, provided by Sociedade de Educação Continuada Ltda.

August 29

On August 29 2007, Estácio Participações made the Announcement of conclusion of the Primary and Secondary Distribution of Units, which comprised the primary distribution of 11,918,400 new Units issued by the Company, and the secondary distribution of 7,945,600 Units issued by the Company, held by the Controlling Shareholder, at R\$ 22.50 per unit, amounting to R\$ 446,940,000.00.

The company intends to invest the IPO proceeds mostly in the expansion of our business, through: (i) potential acquisitions, (ii) opening of new campuses and (iii) expansion and maintenance of the existing campuses.

SUBSEQUENT EVENTS

October 10

Creation of the **Chief Operating Officer (COO)** position, directly reporting to Estácio's CEO, and responsible for managing the administration activities, supervising the members of the Executive Board and implementing the organizational, management, commercial and human resources policies, as well as elaborating and implementing the Company's Business Plan.

ABOUT ESTÁCIO PARTICIPAÇÕES S.A.

Estácio Participações S.A. (BOVESPA: ESTC11), the largest private pos-secondary education institution in Brazil in terms of number of enrolled students, has approximately 180,000 undergraduate students enrolled in its programs, with net revenue of R\$ 829 million in 2006.

We are a holding company, and our only assets are our interests in SESES, STB, SESPA, SESCE and SESPE, and we currently hold 99.9% of the capital stock of each of these subsidiaries. This report may contain forward-looking statements concerning the industry's prospects and Estácio Participações' estimated financial and operating results; these are mere projections and, as such, are based solely on the Company management's expectations regarding the future of the business and its continuous access to capital to finance Estácio Participações' business plan. These considerations depend substantially on changes in market conditions, government rules, competitive pressures and the performance of the sector and the Brazilian economy as well as other factors and are, therefore, subject to changes without previous notice.

The balance sheet as of September 30, 2007, as well as the income statement for the third quarter of 2007 (3Q07), consolidate the contributions of our wholly-owned subsidiaries in order to present the consolidated pro-forma equity and financial position of Estácio Participações S.A., as if these companies had been its subsidiaries since January 1, 2006. For this reason, the consolidated information is called proforma, having been prepared in order to ensure a better analysis and understanding of the combined balance sheet and income statement of these subsidiaries. The consolidated proforma financial statements should not be used as a basis for calculating dividends, taxes or for any other corporate purpose.

Balance Sheet (R\$ million)					
Assets	09/30/2007	09/30/2006	Chg. (%)	06/30/2007	Chg. (%)
Current Assets	375.5	111.5	236.8%	153.4	144.8%
Cash and equivalents	263.8	23.4	1025.3%	43.2	510.8%
Accounts receivable	81.6	67.3	21.2%	85.1	-4.1%
Accounts receivable—FIES system	2.8	3.5	-18.9%	2.8	1.0%
Advances to employees/third parties	3.5	3.1	13.9%	4.1	-14.7%
Related parties	18.7	11.6	61.5%	15.9	18.0%
Prepaid Expenses	0.4	-	n/a	-	n/a
Other	4.8	2.6	83.7%	2.4	95.8%
Long term receivables	1.2	10.8	-88.5%	0.3	357.9%
Related parties	-	8.8	n/a	-	n/a
Prepaid Expenses	0.7	-	n/a	-	n/a
Judicial deposits and other	0.5	2.0	-73.6%	0.3	94.5%
Permanent assets	218.6	156.7	39.5%	156.6	39.6%
Investments					
Goodwill, Net	54.3	-	n/a	-	n/a
Pieces of arts	0.2	0.2	6.2%	0.2	6.2%
Fixed assets	163.0	156.4	4.2%	156.4	4.2%
Deferred charges	1.1	0.1	1341.3%	0.0	n/a
Total Assets	595.4	278.9	113.4%	310.3	91.9%
Liabilities and Shareholders' Equity	09/30/2007	09/30/2006	Chg. (%)	06/30/2007	Chg. (%)
Current Liabilities	160.1	141.6	13.1%	157.7	1.5%
Loans and financings	0.2	6.5	-96.8%	1.9	-88.9%
Suppliers	15.1	11.5	31.2%	13.7	10.2%
Salaries and payroll charges	97.1	89.7	8.3%	101.3	-4.1%
Taxes payable	12.5	7.6	63.9%	11.0	13.9%
Prepaid monthly tuition fees	25.2	27.4	-7.9%	26.2	-3.6%
Taxes paid in installments	0.7	1.0	-28.4%	1.0	-23.6%
Commitments payable	5.7	-	n/a	-	n/a
Other	3.4	2.4	42.0%	2.6	29.2%
Non-current liabilities					
Long term receivables	17.1	16.5	3.7%	13.3	28.4%
Loans and financings	0.0	1.0	n/a	0.1	n/a
Provision for contingencies	16.9	12.6	33.5%	13.0	30.0%
Taxes paid in installments	0.3	0.9	-69.2%	0.3	-14.2%
Deferred revenues					
Advances under partnership agreement	12.2	12.2	0.0%	13.0	-6.1%
Shareholders' Equity	406.0	108.7	273.6%	126.3	221.5%
Capital	295.2	28.2	945.8%	27.1	990.5%
Capital reserve	96.5	6.4	1410.8%	97.8	8.5%
Retained earnings	14.2	74.1	-80.8%	1.4	n/a
Total Liability and Shareholders' equity	595.4	278.9	113.4%	310.3	91.9%

Income Statement (R\$ million)	3Q07	% VA	3Q06*	% VA	Chg. %	3Q06	% VA	Chg. %
Gross revenue	316.9	147.6%	305.4	153.3%	3.8%	305.4	147.6%	3.8%
Tuitions Fees	309.4	144.1%	295.6	148.4%	4.7%	295.6	142.8%	4.7%
Others	7.5	3.5%	9.8	4.9%	-23.1%	9.8	4.7%	-23.1%
Deductions	(102.2)	-47.6%	(106.2)	-53.3%	-3.8%	(98.4)	-47.6%	3.8%
Gratuities/scholarships	(81.3)	-37.8%	(87.2)	-43.8%	-6.8%	(87.2)	-42.2%	-6.8%
Monthly tuition fees and charges returned	(1.0)	-0.5%	(1.2)	-0.6%	-13.0%	(1.2)	-0.6%	-13.0%
Allowances	(10.0)	-4.6%	(8.4)	-4.2%	18.3%	(8.4)	-4.1%	18.3%
Taxes	(9.9)	-4.6%	(9.4)	-4.7%	6.2%	(1.6)	-0.8%	517.2%
Net revenue	214.8	100.0%	199.2	100.0%	7.8%	207.0	100.0%	3.8%
Cost of services	(130.2)	-60.6%	(126.5)	-63.5%	2.9%	(120.1)	-58.0%	8.4%
Gross profit	84.6	39.4%	72.7	36.5%	16.3%	86.9	42.0%	-2.6%
Operating (expenses) revenue	(56.8)	-26.5%	(55.2)	-27.7%	2.9%	(51.5)	-24.9%	10.3%
Selling, General and administrative expenses	(62.5)	-29.1%	(55.3)	-27.8%	12.9%	(53.0)	-25.6%	17.9%
Financial income	10.0	4.7%	4.8	2.4%	109.4%	4.8	2.3%	109.4%
Financial expenses	(4.4)	-2.0%	(4.7)	-2.3%	-6.6%	(3.3)	-1.6%	31.6%
Operating income	27.8	12.9%	17.5	8.8%	58.4%	35.4	17.1%	-21.5%
EBITDA	31.8	14.8%	25.8	13.0%	23.0%	42.3	20.5%	-24.8%
Non operating income (expenses), net	(14.0)	-6.5%	0.7	0.4%	n/a	0.7	0.3%	n/a
Income before social contribution and income tax	13.7	6.4%	18.2	9.1%	-24.7%	36.1	17.4%	-62.0%
Social contribution	(0.2)	-0.1%	(0.1)	0.0%	n/a	(0.1)	0.0%	n/a
Income tax	(0.6)	-0.3%	(0.2)	-0.1%	n/a	(0.2)	-0.1%	n/a
Net income	12.9	6.0%	18.0	9.0%	-28.5%	35.8	17.3%	-64.1%

* adjusted to taxes

Income Statement (R\$ million)	9M07	% VA	9M06*	% VA	Chg. %	9M06	% VA	Chg. %
Gross revenue	956.3	148.2%	919.5	151.6%	4.0%	919.5	146.6%	4.0%
Tuition Fees	935.4	145.0%	898.6	148.2%	4.1%	898.6	143.3%	4.1%
Others	20.8	3.2%	20.9	3.5%	-0.5%	20.9	3.3%	-0.5%
Deductions	(311.1)	-48.2%	(313.0)	-51.6%	-0.6%	(292.3)	-46.6%	6.4%
Gratuities/scholarships	(254.8)	-39.5%	(258.1)	-42.6%	-1.3%	(258.1)	-41.2%	-1.3%
Monthly tuition fees and charges returned	(2.7)	-0.4%	(3.0)	-0.5%	-9.9%	(3.0)	-0.5%	-9.9%
Allowances	(26.6)	-4.1%	(26.7)	-4.4%	-0.4%	(26.7)	-4.3%	-0.4%
Taxes	(27.0)	-4.2%	(25.2)	-4.1%	7.4%	(4.5)	-0.7%	498.7%
Net revenue	645.1	100.0%	606.5	100.0%	6.4%	627.2	100.0%	2.9%
Cost of services	(402.0)	-62.3%	(405.2)	-66.8%	-0.8%	(388.0)	-61.9%	3.6%
Gross profit	243.1	37.7%	201.3	33.2%	20.7%	239.2	38.1%	1.6%
Operating (expenses) revenue	(174.2)	-27.0%	(186.2)	-30.7%	-6.4%	(176.2)	-28.1%	-1.1%
Selling, General and administrative expenses	(182.8)	-28.3%	(181.3)	-29.9%	0.9%	(174.9)	-27.9%	4.5%
Financial income	16.3	2.5%	10.2	1.7%	58.7%	10.2	1.6%	58.7%
Financial expenses	(7.7)	-1.2%	(15.1)	-2.5%	-49.3%	(11.5)	-1.8%	-33.4%
Operating income	68.9	10.7%	15.2	2.5%	353.5%	63.0	10.0%	9.3%
EBITDA	83.2	12.9%	42.4	7.0%	96.2%	86.6	13.8%	-3.9%
Non operating income (expenses), net	(19.4)	-3.0%	0.9	0.1%	n/a	0.9	0.1%	n/a
Income before social contribution and income tax	49.4	7.7%	16.1	2.7%	207.3%	63.9	10.2%	-22.6%
Social contribution	(0.4)	-0.1%	(0.1)	0.0%	246.8%	(0.1)	0.0%	246.8%
Income tax	(1.1)	-0.2%	(0.3)	0.0%	250.2%	(0.3)	0.0%	250.2%
Net income	48.0	7.4%	15.7	2.6%	206.2%	63.5	10.1%	-24.4%

* adjusted to taxes