



Estácio

PARTICIPAÇÕES

2007 Earnings Release



itag
Bolsa de Valores do Rio de Janeiro

- **70,000 new students in 2007 / 178,000 students at the end of the year;**
- **33 new courses authorized by MEC;**
- **Conclusion of the IPO, resulting in R\$ 251 million net proceeds;**
- **Acquisition of Radial (R\$ 56 million), resulting in the entry into São Paulo Capital and Curitiba markets;**
- **8 new units, totaling 62 campuses in 12 states;**
- **Restructuring and administrative rationalization;**
- **EBITDA reached R\$ 101 million in 2007, despite the R\$ 60 million additional taxes in the year;**
- **Net income 36% higher than in 2006, totaling R\$ 81 million;**
- **Adjusted EBITDA margin of 12%;**
- **Low Capex (R\$930 per student) / Return on Equity of 20%.**

Key Points

1. Reduction of Service Costs

- Common Courses
- Modularization
- Distance Learning

Target → Increase the Number of Students per Class

2. Reduction in Administrative Expenses

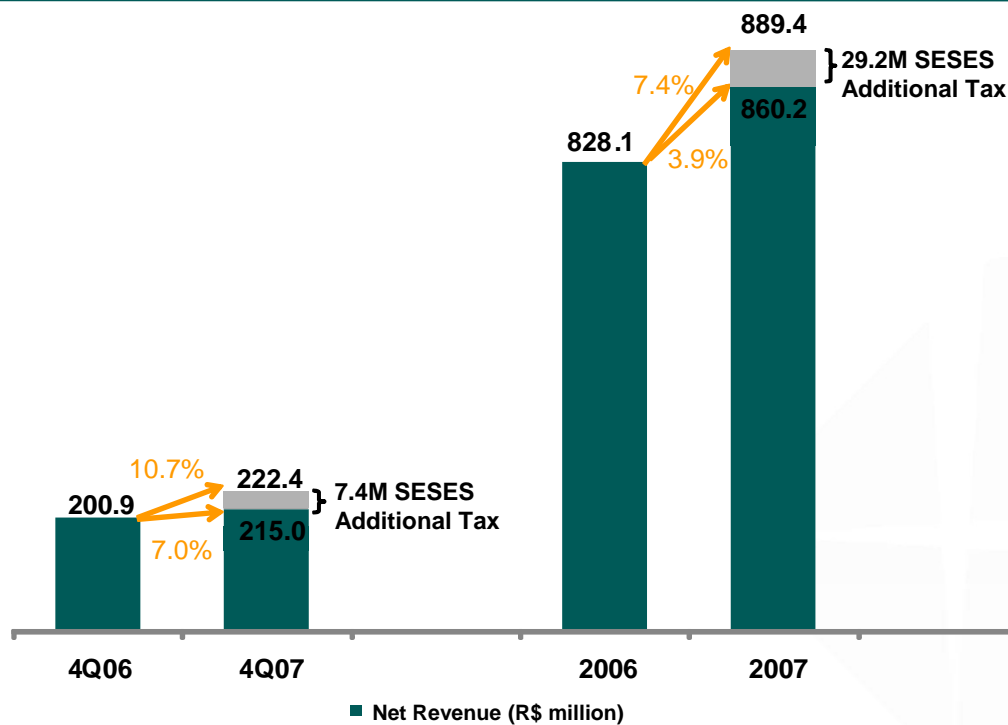
- National Integration
- Shared Services Center

3. Organic and Acquisition Growth

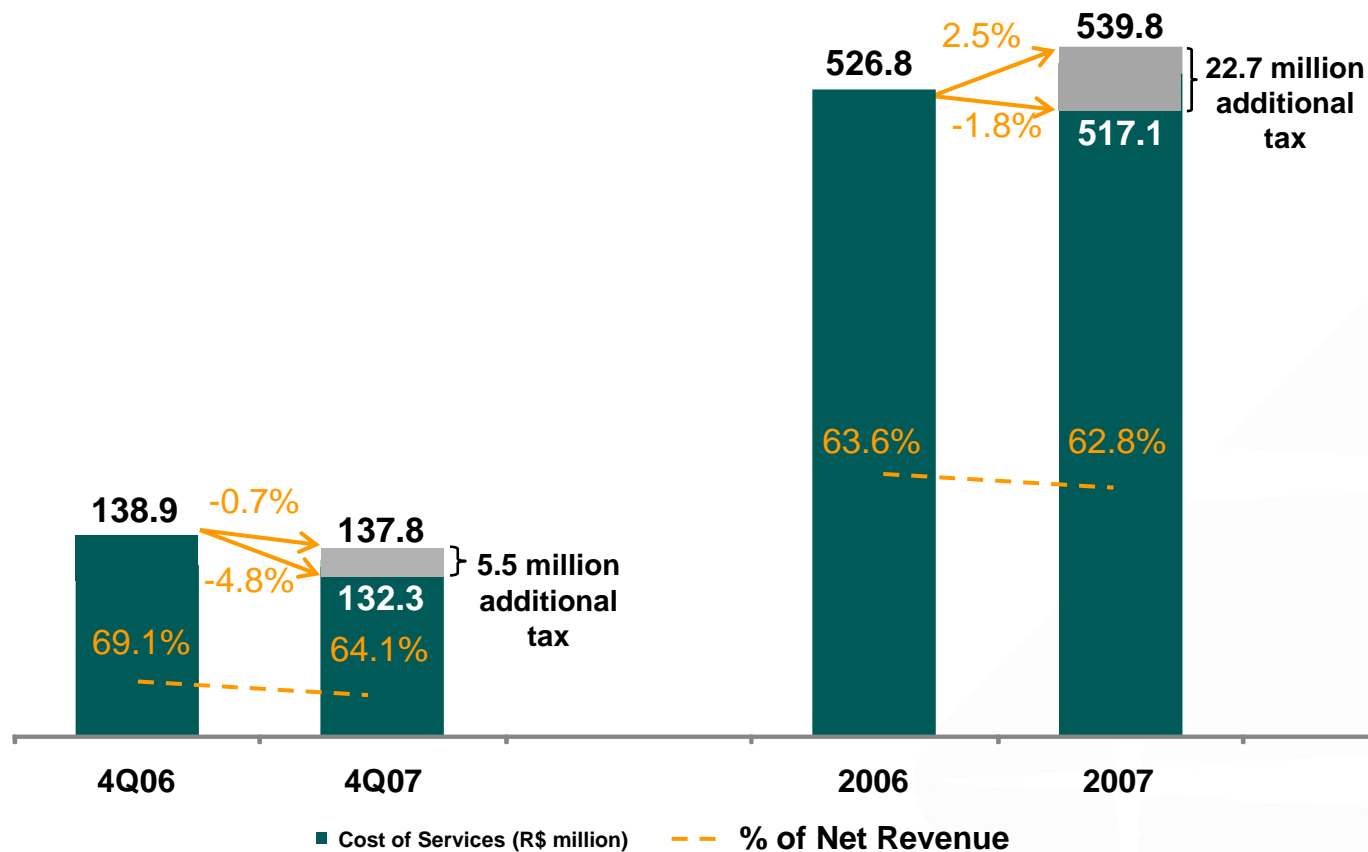
	2007	2006	Chg. %
Enrolled Students (thousands)	175	172	1.7%
Average Ticket	410	401	2.2%

Gross Revenue 2007 → R\$ 1.3 billion (+5.4%)

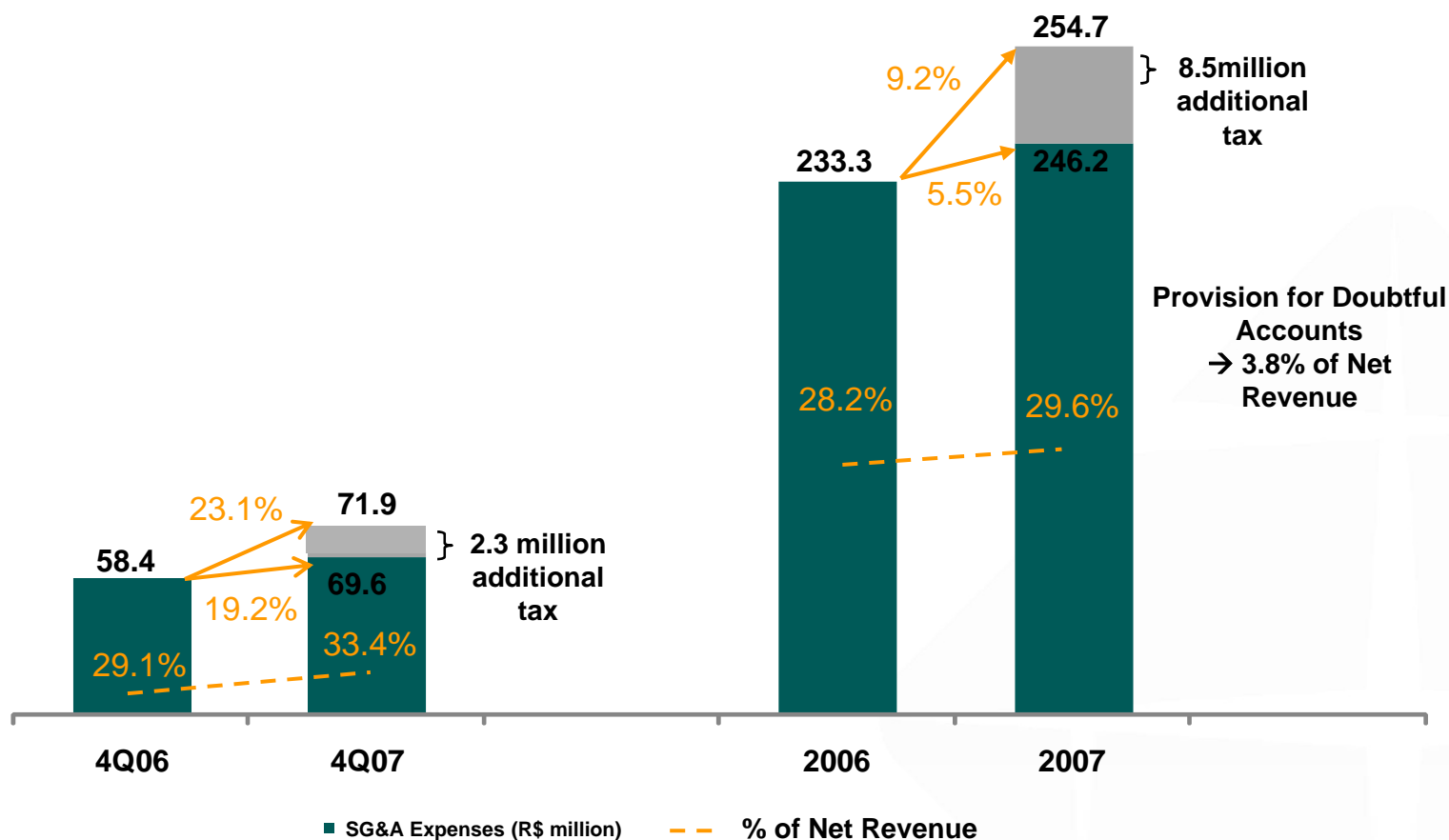
Net Revenue (R\$ million)



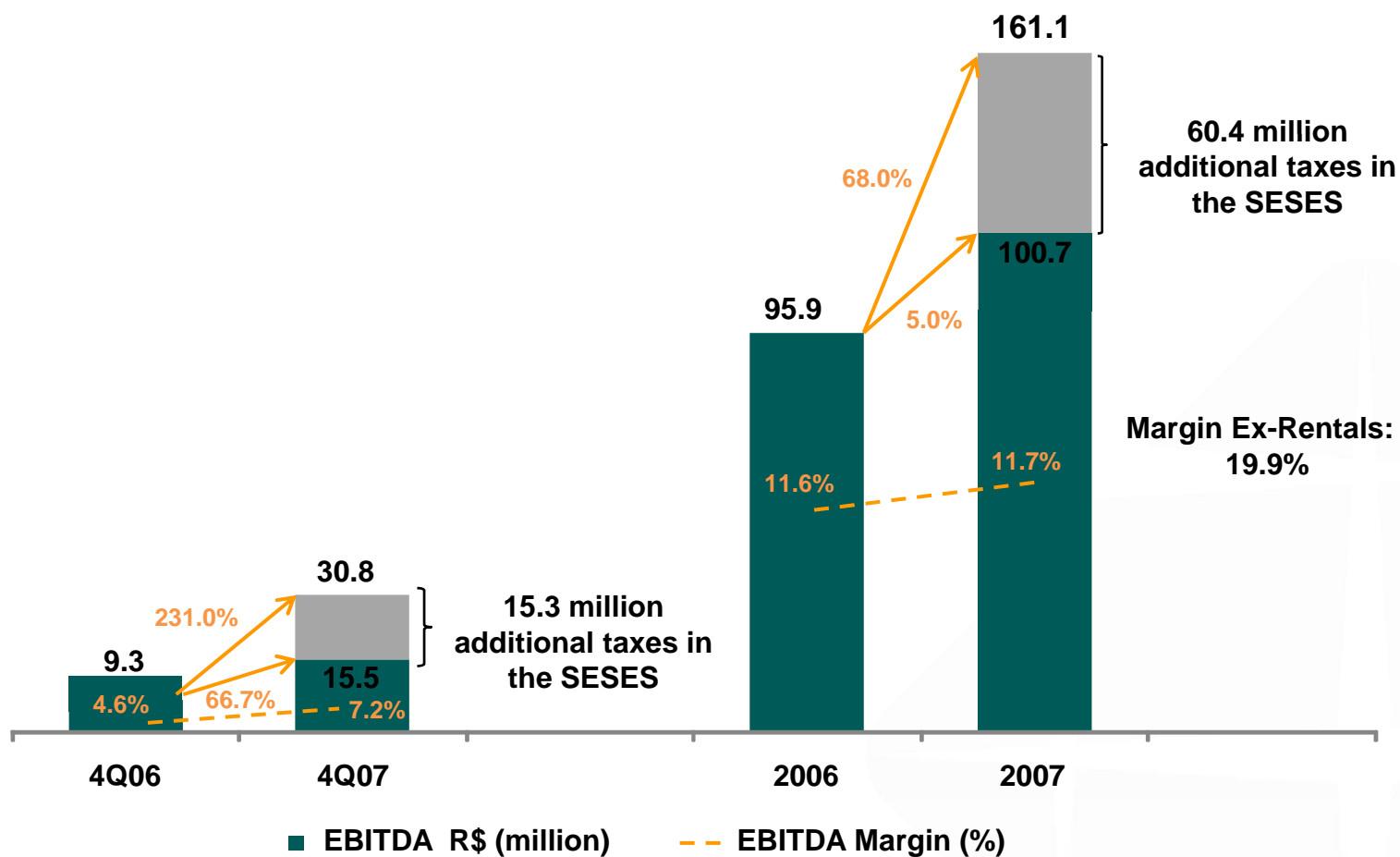
Cost of Services (R\$ million)

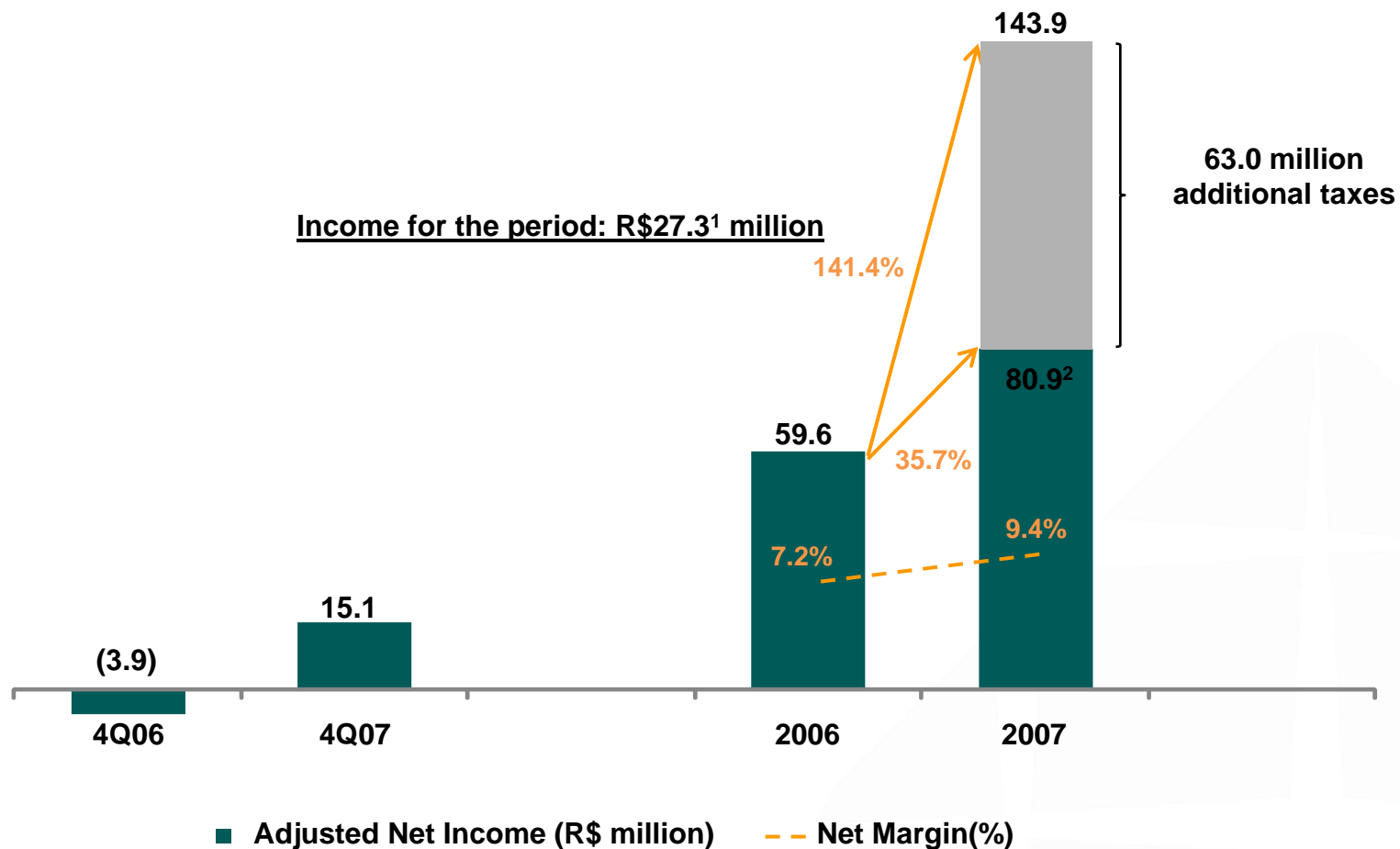


Selling, General and Administrative Expenses (R\$ million)



EBITDA (R\$ million)

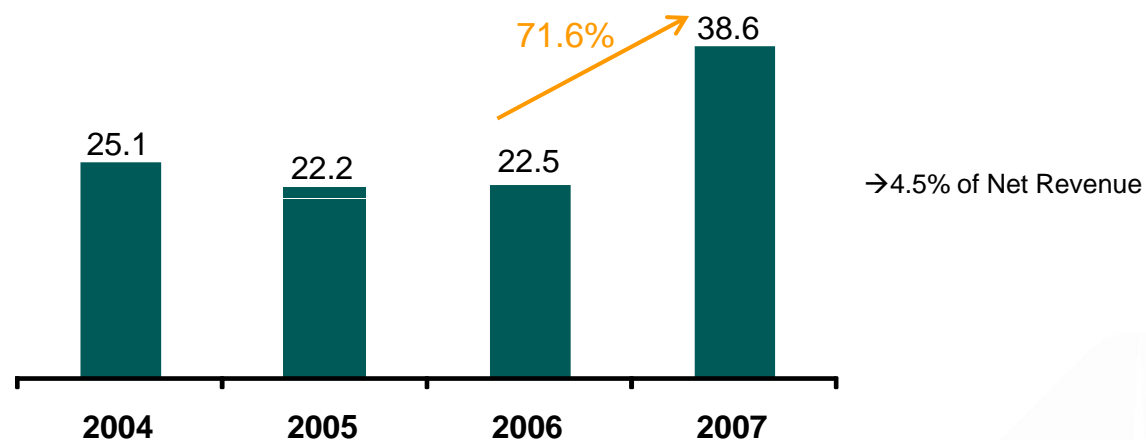




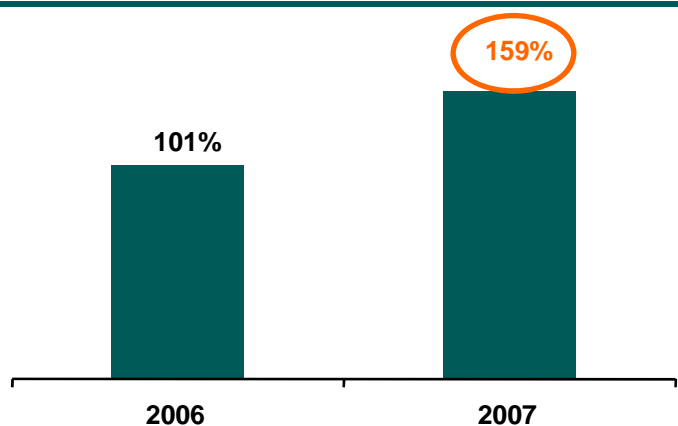
¹ Considering Estácio Participações Incorporation on March 31, 2007

² Excluding the extraordinary IPO expenses (R\$0.2 million in the 4Q07 and R\$17. million in 2007) and goodwill from acquisitions (R\$1.8 million in the 4Q07 and R\$2.4 million in 2007)

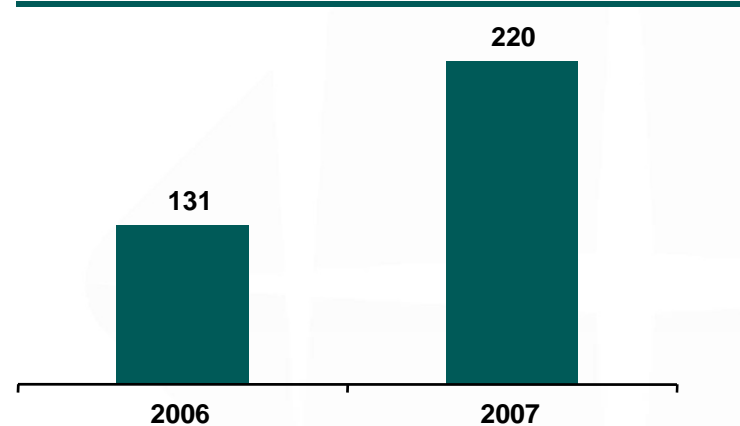
Organic Capex (R\$ million)



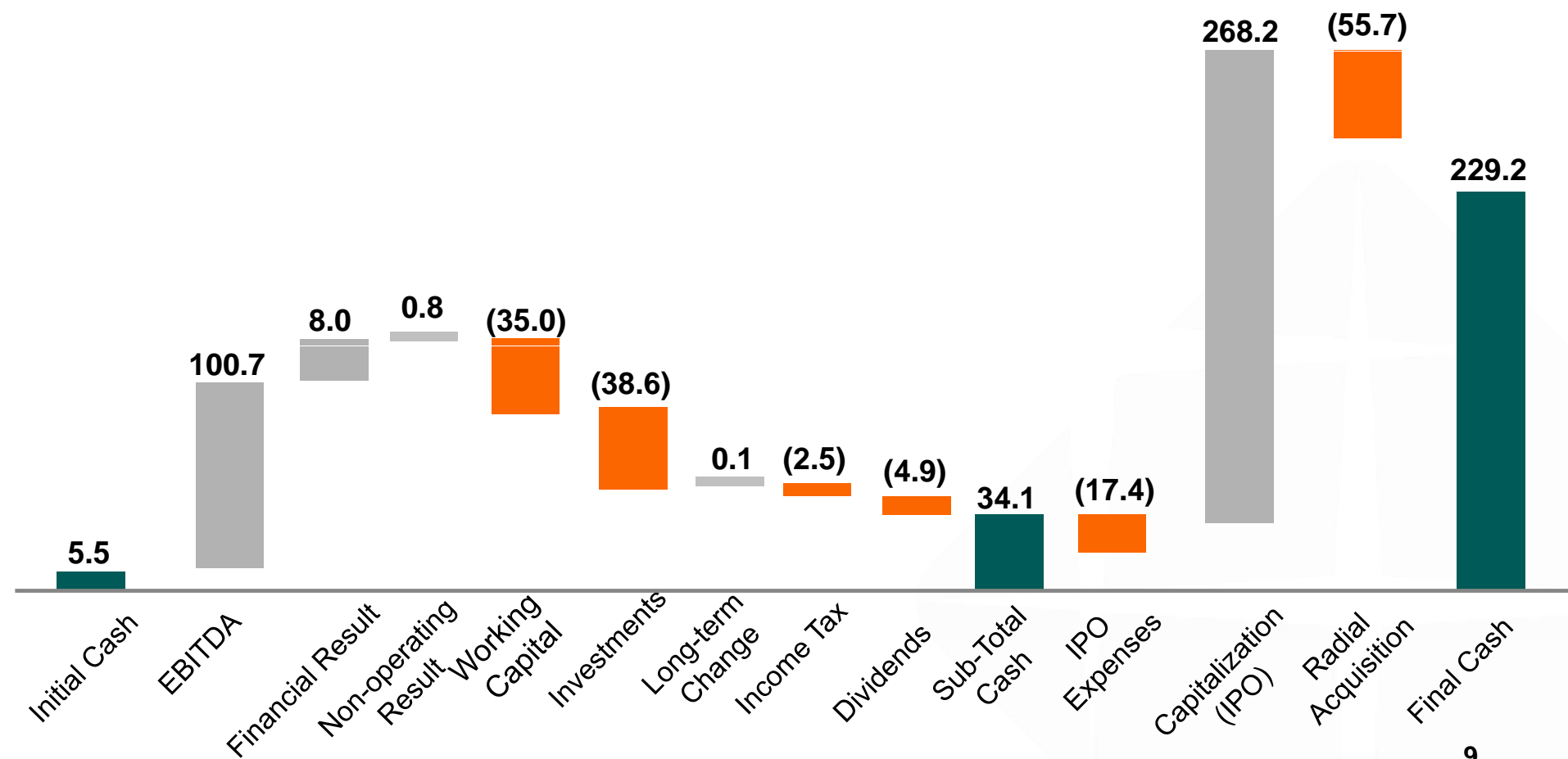
Capex / Depreciation



Capex (R\$)/ Student



Cash Flow (R\$ million)





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**Questions &
Answers**

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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 presentation 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. 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, will be subject to the applicable taxation rules applied to the remaining legal entities, 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.