

**ESTÁCIO PARTICIPAÇÕES S.A.**

Corporate Taxpayer's ID (CNPJ/MF) No. 08.807.432/0001-10

State Registry (NIRE) No. 33.3.0028205.0

PUBLICLY-HELD COMPANY

**NOTICE TO THE DEBENTUREHOLDERS**

**ANNOUNCEMENT OF FULL OPTIONAL EARLY REDEMPTION**

**Estácio Participações S.A.** ("Estácio" or "Company" – BM&FBOVESPA: ESTC3; OTCQX: ECPCY) announces to the holders of simple debentures, not convertible into shares, in a single series, unsecured, for public distribution with restricted placement efforts, of the first issue of the Company ("Debentures" e "First Issue", respectively) that it will carry out, on November [9/10], 2016, the early redemption of all outstanding Debentures ("Full Optional Early Redemption") that have the active code ESTC11, pursuant to Section 5.3 and following the "Indenture for the First (1st) Public Issue of Simple Debentures, not convertible into shares, in a Single Series, Unsecured, for Public Distribution with Restricted Placement Efforts of Estácio Participações S.A." concluded on November 18, 2011, as amended on November 9, 2012 and May 20, 2014 ("Indenture of the First Issue"). The terms beginning in capital letter that are not expressly established in this Announcement of Full Optional Early Redemption will have the meaning assigned to them on the Indenture of the First Issue.

The Debentures will be redeemed at their Par Value (or the balance of the Par Value, as applicable), plus the (i) Compensation Interest, calculated *pro rata temporis* from the Cut Date or the expiration date of the last Capitalization Period, as applicable, up until the Date of the Full Optional Early Redemption; (ii) any charges due and unpaid; and (iii) a premium corresponding to 1.20% (one point twenty per cent) and incurring on the balance due and updated of the Debentures.

The settlement of the Full Optional Early Redemption will be carried out (i) through CETIP S.A. – Mercados Organizados (“CETIP”) for the Debentures under the electronic custodianship in the CETIP21 Module - Securities.

Oliveira Trust Distribuidora de Títulos e Valores Mobiliários S.A., as the trustee of the Debentures, was duly notified about the Full Optional Early Redemption and is available for further information, as well as our Investor Relations Department.

Rio de Janeiro, November 3, 2016.

**Pedro Thompson Landeira de Oliveira**

**Chief Executive Officer and Investor Relations Officer**