

NOTICE TO THE MARKET

Estácio Participações S.A. ("Estácio" or "Company" - Bovespa: ESTC3) hereby timely presente clarifications requested by BM&FBOVESPA S.A. – Securities, Commodities and Futures Exchange ("BM&FBOVESPA") through Official Letter GAE 1959-14, sent to the Company on May 20, 2014 ("Official Letter"), which is transcribed below:

"GAE 1959-14

May 20, 2014

Estácio Participações S.A.

Investor Relations Officer

Mr. Virgílio Deloy Capobianco Gibbon

The news released by Agência Estado – Broadcast, on May 20, 2014, states, among other information, that:

- Estácio's EBITDA expectation for 2017 is now to reach between R\$1.176 billion and R\$1.246 billion, with an EBITDA margin between 28% and 30%;*
- Estácio expects a 10% per annum increase in the number of on-campus students in the next three years.*

We request, until May 21, 2014, clarifications regarding the referred news, as well as other information considered to be important.

We remind that the Reference Form (item 11 – Projections) should be updated in up to 7 (seven) working days after the change or disclosure of new projections or estimates (section IX of Paragraph 3 and section V of Paragraph 4 of Article 24 of CVM Instruction No. 480/09), notwithstanding the disclosure of Material Fact, pursuant to Article 3 of CVM Instruction No. 358/02.

Besides, we remember that, in case projections and estimates are disclosed, the issuer ought to, quarterly, update the proper section in the financial quarterly information (ITR) and in the annual financial statements (DFP), confront the projections disclosed in the Reference Form with the effective results for the quarter, indicating the reasons for eventual differences (Paragraph 4 of Article 20 of CVM Instruction No. 480/09).

This request is part of the scope of the Cooperation Agreement, signed by CVM and BM&FBOVESPA on December 13, 2011, and its non-compliance may result to the Company financial penalties applied by the Corporate Relations Superintendence, according to the CVM Instruction No. 452/07.

Sincerely,

Nelson Barroso Ortega

Companies Monitoring Department

BM&FBOVESPA S.A. Securities, Commodities and Futures Exchange

c.c. CVM – Securities and Exchange Commission

Mr. Fernando Soares Vieira – Corporate Relations Office

Mr. Waldir de Jesus Nobre – Market Relations and Intermediates Office"

In response to the request cited above, the Company clarifies that the referred information in the Official Letter extracted from news published by Agência Estado – Broadcast on May 20, 2014 (“News”) have origin in clarifications made by the Company during “Estácio Day”, which took place on May 19, 2014, in response to enquiries made by investors in the said event, arising primarily from information disclosed by the Company referring to the acquisition of UNISEB União de Cursos Superiores SEB Ltda. (“Uniseb”), operation which is currently underway and which was broadly disclosed to the market, pursuant to CVM Instruction No. 358/02.

The Company clarifies that, on May 14 and May 19, respectively, it disclosed Material Facts informing (i) CADE’s approval of acquisition of the totality of quotas of TCA Investimentos e Participações Ltda. (“TCA”), controlling institution of Uniseb (“Operation Uniseb”) through the execution of the Concentration Control Agreement, by means of which the Company undertook to restrict the intake of new students over the next four academic semesters, and (ii) the disclosure of financial information of Uniseb for Fiscal Years 2012 and 2013 and operational information related to Uniseb for the first semesters for 2014 and 2013, being the referred Material Fact accompanied by TCA’s valuation report (currently denominated Uniseb Holdings S.A.) which includes details for the scenarios used for the study to be used for shareholders’ resolution in the Extraordinary Shareholders’ Meeting.

Thus, these clarifications are based solely on the combination of (i) Estácio indicators, (ii) financial and operational indicators of Uniseb, disclosed in Material Facts and (iii) possible scenarios of increase/decrease in demand for Higher Education, with the purpose of addressing analysts’ questions on the sensibility analysis regarding the potential that the Company could reach if Operation Uniseb is to be concluded. This does not mean in any way an intention to formalize or configure either an official projection for the future financial result of the Company or promise of future performance.

Additionally, it is worth mentioning that, in line with the information disclosed in the News and observing applicable regulation (notably CVM Instruction No. 483/10), market analysts who follow Estácio have their own modeling methodologies to evaluate and make projections for the Company’s future results, independently publishing their estimates and conclusions.

Virgílio Deloy Capobianco Gibbon
Investor Relations Officer