MATERIAL FACT
Uniseb Acquisition

Estácio Participações S.A. ("Estácio" or "Company" - Bovespa: ESTC3), in compliance with provision of Paragraph 4, Article 157 of Law nº 6404/76 and CVM Rule 358/02 and further amendments, in addition to the Material Fact disclosed on May 14, 2014, hereby informs that:

1. Uniseb's Financial Statements indicate the result for Fiscal Year 2013, highlighted in the table below, was within the threshold required for the purchase price not to be adjusted, so that, pursuant to the Contracts signed for the Operation, the purchase price of R$615,318,088.06 remains the same, as disclosed upon the announcement of this acquisition.

R$ million	2012	2013	Change
Net Revenue	107.8	114.5	6.2%
EBITDA (pro forma)	47.3	49.0	3.5%
EBITDA Margin	*43.9%*	*42.8%*	*-1.1 p.p.*
Net Income (pro forma)	30.1	31.9	6.1%

2. The intake for the first semester of 2014 reached 8,400 new enrollments, a 31%-increase over the 6,400 enrollments registered in the same period last year.

3. In the following days we shall call the Extraordinary Shareholders' Meeting for shareholder resolution on the acquisition of Uniseb Holdings S.A. (current denomination of TCA Holding Ltda.), the controlling institution of Uniseb. To serve as legal and accounting base for the approval of the referred acquisition, the Company contracted Valuation Report prepared by Banco Santander (Brasil) S.A., now available to the market according to Annex I of this Material Fact.

Rio de Janeiro, May 19, 2014.

Virgílio Deloy Capobianco Gibbon
Investor Relations Officer

TCA Investimentos e Participações Ltda.

Valuation Report

May 15, 2014

This document is a free translation of the “Laudo de Avaliação” (in Portuguese) furnished by Banco Santander (Brasil) S.A. on May 15, 2014

Santander
GLOBAL BANKING & MARKETS

Important Note

1. Banco Santander (Brasil) S.A. ("Santander") was engaged by Estácio Participações S.A. ("Contracting Party" or "Estácio") to prepare an economic and financial valuation (the "Valuation") of TCA Investimentos e Participações Ltda. ("TCA" or "Company"), majority shareholder of UNISEB União dos Cursos Superiores SEB Ltda. ("UNISEB") ("Valuation Report"), to be submitted to the general shareholder's meeting of Estácio, pursuant to the terms set forth in article 256, § 1º of Law nº. 6.404, dated of December 15, 1976, as altered from time to time ("Corporation Law"), in relation to the acquisition of the totality of TCA's shares by Estácio.

2. The Valuation is intellectual property of Santander and was prepared by Santander, at the request of the Contracting Party's Board of Directors, exclusively for the resolution of Estácio's general shareholders' meeting within the Transaction scope, and for no other scope, and for no other purpose whatsoever. The Valuation shall not be used by the Contracting Party, the Company or any third parties, for any other purposes, and shall not be disclosed or made available to third parties or distributed, reproduced or utilized for any other purposes without prior written consent of Santander, except for the Valuation's disclosure to the shareholders and investors of the Contracting Party and the remittance of the electronic version of the Valuation to CVM and the Stock Markets (Bolsas de Valores) in which securities issued by the Contracting Party are listed, pursuant to the respective applicable laws.

3. This Valuation Report is not, and shall not be used as an opinion concerning the Transaction or as an opinion about the adequacy or reasonableness of the Transaction (fairness opinion). This Valuation Report, including its analysis and conclusions, does not constitute a proposal, solicitation, suggestion or recommendation of Santander to any of Estácio's shareholder or to any member of Estácio's Board of Directors or Board of Executive Office or to any third party, as how they should vote or act in any matter related to the Transaction.

4. This Valuation Report does not intend to be the only base for TCA's valuation, since it does not include all necessary information for such valuation. Any decision undertaken by Estácio, its managers and shareholders will be at their exclusively and solely responsibility. The risk and benefits analysis involved in the Transaction's implementation and approval shall be exclusively and independently conducted by Estácio, its managers or shareholders, as the case may be.

5. The Valuation Report shall be read and interpreted under the premises, restrictions, qualifications and other conditions herein mentioned. Any person that uses this Valuation Report, since duly authorized to use it, shall consider in it analysis the restrictions and characteristics of the information's sources used herein.

6. If it is necessary to disclose the Valuation in accordance to the Corporation Law and/or as per the applicable regulation, these materials shall only be disclosed if its content is reproduced in its entirety, and any description or reference to Santander shall be made in a reasonable form and expressly approved by Santander and its consultants. Excepted by prior and express authorization, no other person beyond the members of Estácio's Board of Directors and its shareholders, is authorized to use any statement, advice, opinion or conduct of Santander, and Estácio will not disclose any of these declarations, advices, opinions and conducts to third parties, except in the form required by the applicable law and the applicable regulation.

7. Excepted for the provision set forth in article 256, § 1º of the Corporation Law or any express requirement pursuant to the applicable law and regulation, this material has been prepared exclusively for the use by some individuals, and not to be disseminated or publically disclosed or in conformity with any standard of release established by federal, state or local rules of the stock exchange market or any other applicable regulation.

8. The Portuguese version of the Valuation Report shall always prevail.

Important Note (cont'd)

9. Santander did not and does not render any recommendation, or express any opinion, either explicitly or implicitly, regarding the terms and conditions of the Transaction. The analysis does not contain any valuation element that may result from the Transaction's implementation or expectation, if any, as well as does not intend to reflect a price for the sale of TCA's shares. The Valuation does not constitute a judgment, opinion or recommendation to the management of the Contracting Party, the Company, its shareholders or any third party regarding the convenience and opportunity, or regarding the decision to perform any transaction involving the assets and liabilities of the Company, including, without limitation, the Transaction, as well as is not destined to support any investment or divestment decision.

10. The results presented herein are exclusively related to TCA and are not applicable to any other matter or operation, on the date hereof or in the future, related to Estácio, to the Company or to the economic group which they are part of or to the sector they operate. Additionally, this Valuation Report does not address the Transaction's strategic and commercial merits, neither Estácio's eventual strategic and commercial decision or of its shareholders, to participate, analyze or complete the Transaction, or of any other strategies or other transactions which may be available to Estácio. The application of the values set forth in this Valuation Report to any other valuation related to Estácio or to the Company, or to any other purpose not contemplated herein, shall be of exclusivity and sole responsibility of Estácio.

11. Pursuant to the Contracting Party's instructions, the reference date utilized for the Valuation is December 31, 2013. Santander did not perform a comparative analysis, nevertheless had become aware of some variations between the financial statements pro-forma of UNISEB, used in the Valuation and the audit financial statements as of December 31, 2013. As informed by the Contracting Party, such variations refer to non-recurring expenses (some of them related to other business of the group) or practices that have been or will be discontinued until the closing of the transaction, constituting, according to the Contracting Party, a more coherent history to the projections for purposes of Valuation.

12. The Company was valued as a stand-alone operation and, therefore, does not include operational benefits or losses, tax or of any other nature, including capital gain, nor any synergies, incremental value and/or costs, if any, which Estácio or the Company may incur due to the Transaction's completion. The eventual success or not success of any operation, including the Transaction, involving the Company, or any of its controlled or affiliated entities, was not considered on the results of this Valuation. The Valuation also does not consider eventual operational and financial earnings or losses which may occur after the Transaction due to business commercial alterations that currently exists between Estácio and the Company or any modification on the management of such companies.

13. Santander does not express any opinion regarding the effects that potentially may be incurred by the Company upon the consummation of any transactions regarding the Company or any of its controlled or affiliated entities. This Valuation does not consider any previous valuations of the Company, or of its controlled or affiliated entities or even of any securities issued by these entities, drawn up by Santander or by any other institution, within the scope of any past transactions, offers or negotiations involving the Company, or any of its controlled or affiliated entities. In the preparation of this Valuation, Santander performed exclusively an economic and financial valuation of the Company, considering, for the purposes of such analysis, solely the contingencies and accruals indicated in the Financial Statements pro-forma of UNISEB (as defined herein below), and, as such, all other contingencies of any nature, including, without limitation, contingencies of corporate or judicial natures, were not analyzed, reviewed or considered for the purposes of this Valuation.

14. The Company was valued utilizing the discounted cash flow, the trading multiple and transaction multiple valuation methodologies. The Valuation Report shall not be used as a ground to justify the right of vote of any person in relation to any matter, including in relation to shareholders and Board of Director's members or Board of Executive Officer's members or Estácio or TCA, as applicable.

Important Note (cont'd)

15. The Valuation was prepared by Santander based upon the information prepared or made available by the Contracting Party and the Company and submitted to Santander by the Contracting Party or discussed with the representatives of the Contracting Party and/or the Company, as indicated by the Contracting Party ("Indicated Representatives"), as well as other publicly available information, and projections, estimates and analysis arising from Santander's expertise and experience. No information utilized in the Valuation was considered inconsistent by Santander.

16. The Valuation performed by Santander was based on, amongst others, the following information or documents that were made available by the Contracting Party to Santander until 05/15/2014, which, jointly with the public information, estimates, projections, business plans, budgets, discussions and other information referred to in the items set forth herein below and utilized in the Valuation, are hereinafter jointly referred to as "Information": (a) financial statements pro-forma as of December 31, 2012 and December 31, 2013 of UNISEB (as "Financial Statements"); (b) public information regarding the business sectors in which the Company and its controlled and affiliated entities operate; (c) public information regarding macroeconomic parameters in locations in which the Company has relevant business presence; (d) historical financial and operational information of the Company; (e) Company's consolidated Net Debt, proportionally adjusted for the respective equity stakes held; and (f) discussions with the Indicated Representatives regarding past performances and expectations for the future business of the Company. Santander did not receive any financial statement of TCA, nevertheless was informed by Indicated Representatives that TCA does not have any operational or non operational asset or liability, neither any income, costs or expenses which may be considered relevant for the Valuation, except UNISEB's shares or quotas.

17. When preparing the Valuation, Santander contemplated other financial and market studies and analysis and considered other aspects it deemed necessary, including the judgment of economic, monetary and market conditions.

18. The demographic, macroeconomic and regulatory Information of the markets in which the Company, and its controlled and affiliated entities mentioned in the Valuation have activities, when not supplied by the Contracting Party, by the Company or by the Indicated Representatives, were based, amongst others, in publicly renowned sources, considered trustworthy (class entities, governmental authorities and specialized publications) such as Brazilian Central Bank, Ministry of Education, National Institute of Educational Studies and Researches Anísio Teixeira, Bloomberg, Thomson Reuters, International Monetary Fund and Santander's Economic Department.

19. The Valuation reflect the financial and accounting conditions received until 05/15/2014, therefore any alteration in these conditions or regarding any Information arising in a posterior date may alter the results presented herein. Santander is not obliged to, at any time, update, review, correct or restate any information contained in the Valuation, or supply any additional information regarding the Valuation.

20. Santander assumes and trusts the correctness, truthfulness, integrity, consistence, sufficiency and precision of all Information, which were disclosed either in written form, or by means of discussions with the Indicated Representatives or because they are publicly available, and does not undertake any liability for the correctness, truthfulness, integrity, consistence, sufficiency and precision of the Information, nor regarding the manner in which they were elaborated. Santander assumes that all Information supplied to Santander or, in any form, made available by the Contracting Party or discussed between Santander and the Indicated Representatives are complete, correct and sufficient for the purposes of the Valuation, and that, as of the date the Information was supplied until the present date, there were no material alterations in the business, financial situation, assets, liabilities, business perspectives, commercial transactions or in the number of shares of the Company's capital stock, as well as there were no other significant facts that could potentially alter the Information, or caused the Information to become incorrect or imprecise in any material aspects or that could potentially have a material effect upon the results of the Valuation.

Important Note (cont'd)

21. Santander does not assume and did not assume, with your permission, responsibility for any independent investigation and did not independently verify, or was solicited to verify, any information that is publicly available or in any form disclosed to Santander, relating to Estácio and the Company, or in any form used in this Valuation Report, including, without limitation, any operation or financial information, provisions, ascertainment or projections, considered in the Company's financial valuation. Thus, when preparing the Valuation Report, Santander, with your permission, assumed and considered such information true, precise and complete. Santander did not conduct any physical inspections of properties or assets of the Company and did not prepare nor receive any independent due diligence or valuation report of any asset or obligation (including any contingency, responsibility or unrecorded debt) of the Company. Santander did not also valuate the solvency or the Company's fair value or of Estácio according to any federal, state or municipal laws related to bankruptcy, insolvency or similar issues.

22. Based on the Contracting Party's and the Company's statement, Santander adopts the following premises: (i) the financial projections that were informed by the Contracting Party reflects the best existing estimates on the date hereof, and were the best business judgments by the Company's management, regarding the expectations of the Company's and/or UNISEB future performances, and (ii) the estimates and projections that were informed by the Contracting Party to Santander or discussed between Santander and the Contracting Party and/or the Company, especially those of which occurrence depend on future and uncertain events (including incomes, expenses, investments, operational profit or net profit) were based on the best business judgment of the Company's and Contracting Party's management.

23. Santander assumed, with your permission, that all governmental or regulatory authorizations, or any necessary and relevant consents regarding the execution of the business plan proposed in this Valuation Report shall be obtained and, that regarding the obtainment of such authorizations and consents, or any alterations, modifications or waiver to any agreements, instruments or order in which the Company is part or is subject to or is bound to, no limitation, restriction, term or condition, that would be relevant to our analysis, shall be imposed.

24. The economic value of the TCA presented in the present Valuation Report, as well as the ranges of values derived from the Valuation Report, were prepared based on the discounted cash flow, trading multiples and transaction multiples valuation methodologies. It is established that any valuations, financial projections or other provisions and/or estimates or projections and other premises contained in this Valuation Report (including, without limitation, over the operational and financial performance), were prepared by the Estácio or the Company's management, based on information (whether oral or written) supplied by Estácio or the Company's management, or derived from other public sources, without any independent verification by Santander, and evolve a significant number of subjective definitions and premises adopted by Estácio or the Company's management, which may not be correct. Therefore, it is expected that there is a difference between the actual result and the estimated or projected result, and the actual results can vary materially in comparison to those demonstrated in this Valuation Report. Furthermore, in relation to any information supplied to Santander and used in its analysis, Santander assumes, with your permission, that such information were reasonably prepared reflecting the best estimates and judgments currently available for the management of Estácio or of the Company, as applicable, in relation to the issues approached in this Valuation Report.

25. Santander did not undertake the responsibility of conducting, and did not conduct, (i) any valuation of the assets and liabilities (contingent or not) of the Company, its controlled or affiliated entities; (ii) review or due diligence of the Company's financial statements, or its controlled or affiliated entities; (iii) technical due diligence of the Company's or its controlled or affiliated entities; (iv) valuation of Company's or its controlled or affiliated entities' solvency, in accordance with the terms set forth in any legislation related to bankruptcy, insolvency, judicial or extrajudicial restructuring, or any similar matters; or (v) any physical inspections of properties, installations or assets of the Company or of its controlled or affiliated entities.

Important Note (cont'd)

26. Neither Santander, nor any officers, members of the board of directors, employees, consultants, agents, representatives or any other person related to Santander makes nor shall make, expressly or implicitly, any representation, declaration or warranty regarding the supplied information, including studies, projections or provisions of the Company, its controlled or affiliated entities, or assumptions and estimates in which such projections and predicaments are based on, used for the drafting of the Valuation, nor assume any responsibility or obligation to indemnify regarding the content, accuracy, veracity, integrality, consistency, sufficiency and precision of such Information, which are of the Contracting Party's full and exclusive responsibility. Thus, in what refers to the liabilities and contingencies of the Company, it is worth clearing out that Santander considered only the amount duly provisioned for in the financial statements pro-forma of UNISEB, provided that it did not consider the possibility of its eventual inaccuracy or insufficiency neither the effects of any judicial claims and/or administrative proceedings (civil, environmental, fiscal, labor, social security or of any other nature) in course involving such Company or that may impact the value of the shares issued by TCA.

27. Santander does not provide due diligence, accounting or legal services and the preparation of the Valuation Report by Santander does not include any service or counseling of such nature.

28. Santander is not held liable for any direct or indirect losses or losses of profits eventually incurred from the Valuation, except for the cases expressly provided for in articles 8°, § 6º of the Corporation Law and/or in the hypothesis of fault, gross negligence or willful misconduct of Santander (as determined in a final and non-appealable court decision or by judicial agreement) which were not derived from Estácio's orientations or instructions to Santander. In any case, Santander is not to be held liable for losses or losses of profits (consequential losses) eventually arising from the inappropriate or non authorized use of the Valuation Report.

29. The drawing up of economic and financial valuations is a complex process that involves judgments and is not susceptible to a partial analysis or a summary description. Santander does not attribute specific importance to certain factors contemplated in the Valuation, on the contrary, it performed a qualitative analysis of the importance and relevance of the totality of the factors considered herein. In this sense, Santander came to a final conclusion based on the results of all the analysis made, considered as a whole, and did not come to conclusions based on, or related to, any of the factors or methods used individually in the analysis. In this sense, the Valuation must be analyzed as a whole and the analysis of selected parts, summaries or specific aspects of the Valuation, without the knowledge and analysis of the Valuation in its entirety, may result in an incomplete and incorrect understanding of the analysis performed by Santander and the conclusions contained in the Valuation.

30. The estimates and projections contemplated in the Valuation are intrinsically subject to uncertainties and various events or factors that are beyond the control of the Contracting Party, the Company, as well as Santander, especially regarding those estimates and projections that depend on future and uncertain events. There is no manner to assert that the estimates and projections utilized in the Valuation will be effectively achieved. The real results verified in the future may differ significantly from those suggested in the Valuation. The estimates of the analysis of this Valuation Report and the valuation resulting from any specific analysis are not necessarily indicators of the actual values or of the projection of results or future values, which may be significantly more or less favorable in relation to those suggested by this analysis, as well as it does not include nor takes into consideration any aspect of the Transaction or eventual implication of the Transaction or any other contract, agreement or understanding agreed in relation to the Transaction. In this sense, Santander does not undertake any responsibility or obligation to indemnify in case any of the future results are different from the estimates and projections presented in the Valuation and does not represent or warrant, in any manner, the above referred estimates and projections. Santander does not undertake any responsibility regarding the referred estimates and projections, including the manner in which these were drawn up.

31. There is no warranty that the future TCA's results and/or UNISEB's shall correspond to the financial projections that were analyzed and applied as a base for our analysis, and any difference between the projections and future results of the Company and/or UNISEB may be relevant. The future results of TCA and/or UNISEB can also be affected by economic and market conditions, that can be significantly different of the assumptions included in our projections.

Important Note (cont'd)

32. Nothing that is in this material is, or can be considered as a promise, warranty or declaration in relation to the past or future. Santander did not render accounting or due diligence services nor legal, tax, competition or regulatory services in relation to this Valuation Report or the Transaction and, in with regards to such subjects, Santander applied the analysis made by the management of Estácio, by the management of the Company and/or its consultants.

33. The role of Santander in drawing up this Valuation Report is of an independent contractor and no disposition established in the present shall create or may be interpreted as a creation of a fiduciary relation between Santander and Estácio, Company, any of its shareholders, stakeholders or holders of securities issued by Estácio or by the Company.

34. Other valuations of companies and sectors also elaborated by Santander may deal with market premises in a different way of the approach applied in the Valuation, in a way that the research departments and other departments of Santander and related companies can apply in their analysis, reports and publications, different estimates, projections and methodologies than the ones applied in the Valuation, and such analysis, reports and publications may contain different conclusions than the ones described in the Valuation.

35. Santander has rendered, directly or by means of related companies, certain financial services and investment banking services to the Contracting Party, the Company, its controlled and affiliated entities, as well as to its controlling companies, by means of which it received remuneration, continues to render the referred services and may, at any moment, render them again. Santander, directly or by means of related entities, is or may become a creditor of the Contracting Party, the Company, its controlled or affiliated entities, as well as its controlling companies, in certain financial transactions, as well as may increase or reduce the volume of the financial transactions with these entities.

36. In its ordinary course of activities, Santander may render investment banking services and other financial services to the companies and its affiliates, as well as negotiate, directly or by means of related entities, securities issued by the Contracting Party, its controlled and affiliate entities, as well as its controlling companies, on its behalf or on behalf of its clients and, consequently, may, at any time, hold equity positions, bought or sold, of the above referred securities. Furthermore, the professionals of its department of equity research and other divisions may base its analysis and publications in different operational and market premises and in different methodologies of analysis when compared to those used in the preparation of this Valuation Report, in a way that the research reports and other publications prepared by them may contain different results and conclusions than the ones presented herein. Santander adopts policies and proceedings to preserve the independency of its securities analysts, who may have different perspectives than the ones adopted in its investment banking department. Santander also applies policies and proceedings to preserve the independency between the investment bank and the other areas and departments of Santander, including, but not limiting to, asset management, trading desk, bonds, securities and other financial instruments. Other companies related to Santander may also hold directly or indirectly, through funds managed by it, shares or other securities issued by Estácio.

37. Santander declares that it does not have any interest, directly or indirectly, in Estácio, in TCA, its related parties or in the Transactions, which decreases the necessary independence for the performance of its obligations regarding the drawing up of the Valuation.

38. Santander shall be remunerated by the Contracting Party for the rendering of services regarding the drawing up of this Valuation. The fees owed by the Contracting Party to Santander are not subject to the results of the Valuation. The Contracting Party has agreed to indemnify Santander for certain obligations and liabilities that may arise from the rendering of services that resulted in this Valuation, except for the cases of proven fault, negligence or willful misconduct provided for in article 8, § 6º, of the Corporations Law.

Important Note (cont’d)

39. Santander is not aware of any conflicts of interest that may affect the drawing up of the Valuation Report. By means of the services rendered regarding the drawing up of the Valuation Report, Santander shall be remunerated by Estácio, independently of the accomplishment of the Transaction, considering that such remuneration is not based and is does not have any, direct or indirect relation, with the values reported herein.

40. Santander declares that did not receive, from the Contracting Party or the Company, as remuneration for consulting, valuation, advising and similar services rendered in the last twelve (12) months.

41. Santander still declares that: (i) is not a related party, as defined by CVM Resolution n° 642 of October 07th, 2010, to Estácio or to its shareholders and managers or to the Companies; (ii) the Valuation Report did not support the negotiation of the price to be paid by Estácio in the scope of the Transaction (“Price”); and, (iii) the Valuation Report was prepared after the definition of Price and signing of the Transaction’s agreements.

42. The controlling shareholder and the managers of the Contracting Party and/or the Company did not direct, limit, difficult or practice any acts which compromised or may have compromised the access, utilization or knowledge of information, goods, documents or work methodologies relevant for the quality of the respective conclusions contained in this work.

43. Some calculation presented in this Valuation Report may not result in an exact value, due to the rounding of numbers.

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1. Executive Summary

Introduction

Initial considerations

- As publicly disclosed on the material fact of September 12th, 2013 ("Material Fact"), Estácio Participações S.A. informed its shareholders and the market in general that, on that date, formalized the commitment to purchase all the shares of TCA Investimentos e Participações Ltda., controlling shareholder of UNISEB União dos Cursos Superiores SEB Ltda.

- Santander was engaged by Estácio to prepare a valuation based on the economic and financial criteria of TCA, controlling shareholder of UNISEB. Once the Contracting Party defined the economic and financial criteria, Santander, based on its expertise and specialization, defined the valuation methodologies which, according to its view, adequately reflect the value of TCA in accordance with the criteria established by the Contracting Party

- This Valuation Report assessed the value of TCA based on a stand-alone valuation of UNISEB, without synergies, benefits or Transaction costs

- Santander was informed that TCA does not have any operational or non operational asset or liability, neither any income, costs or expenses which may be considered relevant for the Valuation, except UNISEB's shares or quotas

- The valuation methodologies listed below were used in the assessment of the economic value of TCA:
  - Valuation using Discounted Cash Flow ("DCF")
  - Valuation using Trading Multiples of Comparable Listed Companies
  - Valuation using Transaction Multiples involving Comparable Companies

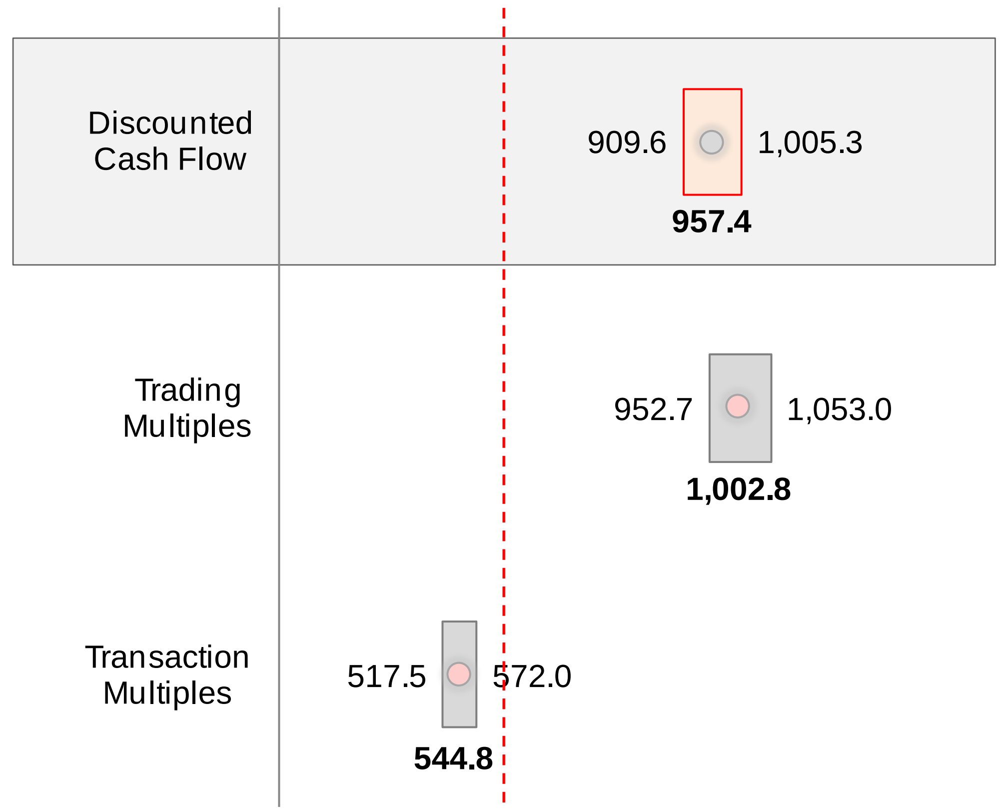
Executive Summary

The Equity Value of TCA ranges between BRL 910 million and BRL 1,005 million, based on the discounted cash flow methodology, the most appropriate according to Santander

Methodologies

- The preparation of the Valuation Report was based on the following methodologies and criteria:
  - Valuation using Discounted Cash Flow
  - Valuation using Trading Multiples
  - Valuation using Transaction Multiples
- We understand that the DCF methodology allows the analysis of UNISEB's operations future results, being this one the methodology considered to be the most appropriate for assessing the economic and financial value of TCA
- The DCF took into consideration:
  - Business Plan for the period 2014 - 2020 (7 years), which was prepared, reviewed and approved by the management of the Contracting Party
  - Information from public sources of the market, the sector and comparable companies
  - Discount rate of 14.97% in Brazilian *Reais* and nominal terms
- We understand that the transaction multiples valuation methodology is not appropriate to value TCA since sector recent transactions involved companies that had on-campus operations as main business, presenting, among others, growth, margins and consequently, multiples different from UNISEB, that have the distance learning as main business

Valuation Summary (BRL MM)



615.3
Estimated Transaction value announced on September 12th, 2013 [1]

(1) According to the material fact disclosed by Estácio on September 12th, 2013, the estimated value of the Transaction, subject to adjustment, was R$ 615.3 million, to be paid part in cash (number of TCA's shares equivalent to 50% of TCA's total share capital), part in shares of the Company (incorporation of TCA with consequent issuance of 17,853,127 ordinary shares, nominative and without nominal value issued by Estácio, to be subscribed by the shareholders of TCA)

2. Santander Credentials

Santander Credentials

Santander, through its Corporate Finance division, has extensive experience as financial advisor in transactions involving the preparation of Valuation Reports

Internal Approval Process for Valuation Reports

- The internal approval process for Valuation Reports issued by Santander involves external legal advisors with the purpose of assisting in its review and discussion, and approval by an internal committee composed by professionals from the Corporate Finance, Corporate Banking, Compliance and Legal Department, in which the main assumptions and methodologies are discussed and explained

Recent Valuation Reports and Fairness Opinions Prepared by Santander in Brasil

May 2014	Autometal	Valuation report for the cancellation of the registration as Publicly-Held company and exit from the Novo Mercado	**Undisclosed**	Financial Advisor
May 2014	São Martinho	Fairness Opinion to São Martinho S.A. shareholders	**BRL 887,700,000**	Financial Advisor
March 2014	Odebrecht Ambiental	Valuation Report of Odebrecht Engenharia Ambiental S.A.	**Undisclosed**	Financial Advisor
February 2014	ALL / Rumo	Valuation Report in connection with ALL and Rumo's merger	**BRL 10,959,904,110**	Financial Advisor
March 2014	CEMIG	Valuation Report in connection with CEMIG's acquisition of Andrade Guiterrez's stake in Madeira Energia S.A	**BRL 835,384,911**	Financial Advisor
February 2014	Oi / PT	Valuation Report of Portugal Telecom on the merger with Oi	**BRL 27,338,533,939**	Financial Advisor
January 2014	Braskem / Odebrecht Ambiental	Fariness Opinion to Braskem on the sale of 100% of Triunfo's Petrochemical Complex Water Treatment Unit to	**BRL 315,000,000**	Financial Advisor
November 2013	Eletrobras	Development of a Restructuring Plan for Eletrobras's distribution companies	**Undisclosed**	Financial Advisor
August 2013	Petrobras / GPE	Sale of 20% of Companhia Energético Potiguar S.A. common shares to	**BRL 38,000,000**	Financial Advisor
June 2013	Petrobras / Renova Energia / CEMIG	Sale of ownership interest in Brasil PCH, equivalent to 49% of the common shares, to Chipley SP Participações S.A.	**BRL 710,925,759.07**	Financial Advisor
February 2013	Petros / San Antonio / Lupatech	Valuation report on San Antonio Brasil to Petros in connection with the incorporation of San Antonio by Lupatech	**Undisclosed**	Financial Advisor
December 2012	Invepar / Petros	Valution report of invepar to Petros	**Undisclosed**	Financial Advisor
December 2012	Braskem / Cetrel	Fariness Opinion to Braskem on the sale of 54.2% of Cetrel and 100.0% of UTA to Foz do Brasil	**BRL 652,000,000**	Financial Advisor
June 2012	Camargo Corrêa	Valuation report for the cancellation of the registration as Publicly-Held company and exit from the Novo Mercado (New Market) for Camargo Corrêa Desenv. Imobiliário SA	**BRL 210,372,311**	Financial Advisor
March 2011	Telefónica / Vivo	Merger of shares between Telesp and Vivo Participações	**BRL 33.200,000,000**	Financial Advisor
August 2010	Apax Partners / Tivit	Valuation report to support a tender offer to acquire up to the totality of the shares of Tivit	**USD 441,400,000**	Financial Advisor

Information on the Professionals Responsible for the Valuation Report

Flávio Tavares Valadão *Managing Director, Head of Corporate Finance*	▪ Flávio Valadão joined Santander in 2008 as Head of Corporate Finance for the Americas. Mr. Valadão joined the Corporate Finance team of Banco Real in 1998 and in 2006 was appointed Head of M&A for Latin America. Before joining Banco Real, worked for 8 years at Paribas Bank, originating and leading the advisory of several public offerings, privatizations and mergers and acquisitions projects in Latin America, mainly in the Energy & Resources, Water & Sewage, Telecom, Natural Gas Transportation & Distribution and Financial Services. ▪ BS in Electrical Engineering from Escola de Engenharia Mauá and Masters in Electrical Engineering from Université de LiIle in France
Marcos Faccioli *Executive Director, Corporate Finance*	▪ Marcos Faccioli is an Executive Director of the Corporate Finance team responsible for the Education, Heallthcare and Financial Sponsors sectors since 2012. Before that he was involved in the origination and execution of ECM and M&A transactions in different sectors ▪ Before joining the Corporate Finance team Marcos lead the LATAM International Cash Management implementation team, providing GTB solutions to corporate/multinational clients in the region from 2002 to 2006 (ABN AMRO at that time) ▪ BS in Computer Science from Unicamp, a specialization in Business Management from FGV-CEAG and a Master of Science in Business Management from the GSB-Stanford in California (Sloan Fellow). Marcos is fluent in Portuguese, English and Spanish
Rodrigo Guedes *Executive Director, Corporate Finance*	▪ Rodrigo Guedes joined Santander in 2007 and is currently responsible for Autoparts, Aviation, Education, P&P, Cement within the Corporate Finance team. Former head of TMT, Agribusiness, Aviation and Industrials cluster. Mr. Guedes has over 16 years of investment banking experience, having advised more than 30 transactions with an aggregate value of ~US$ 35 billion. Before joining Santander, worked in the Corporate Finance team of ABN AMRO, in the Investment Banking team of Brookfield Financial (Brascan Bank) and in M&A at Coopers&Lybrand. He began his career in the International Equity Trading Desk of Banco FonteCindam and in marketing & sales at Bayer Animal Health in the USA ▪ BS in Business Administration from Pontifícia Universidade Católica of São Paulo and has specialization courses in Finance, including the In-House MBA program from IBMEC (São Paulo). He is fluent in Portuguese and English, and has working knowledge of Spanish and French
Pol Font *Vice President, Corporate Finance*	▪ Pol Font joined Santander's Corporate Finance team Brazil in August 2010. Previously, Pol worked since January 2008 at Santander's M&A Team in Madrid. Pol also worked as an intern in the Investment Fund Department of Banque Privée Edmond de Rothschild in Geneva ▪ BS in Business Administration from ESADE (Barcelona) and a Master of Science in Finance and Investments from Rotterdam School of Management - Erasmus University (Rotterdam). He is fluent in Spanish, English and Portuguese
Gustavo Duarte *Associate, Corporate Finance*	▪ Gustavo Duarte joined Santander's Brazil Corporate Finance team in 2013. Previously, Gustavo worked as associate at Integra Associados Reestruturação Empresarial and as an analyst at the Corporate Development department of Banco Santander in Brazil ▪ BS in Business Administration from the Fundação Getulio Vargas.

3. Scope of the Valuation

UNISEB

Overview

UNISEB History

- Started its activities 50 years ago in Primary and Secondary Education operating with brands such as COC, Pueri Domus, Dom Bosco, among others
- Began its Undergraduate and Graduate Programs in 1999
- Launch of the distance learning program in 2006
- The group realized its IPO in 2007 and acquired Dom Bosco in 2008
- Sale of the Learning Systems to Pearson and de-listing in 2010
- Undergraduate and Graduate Programs portfolio
  - 23 on-campus courses
  - 19 distance learning courses
  - 33 undergraduate programs, 15 post-graduate/MBA programs in partnership with FGV and 107 extension courses (completely online)
- Quality recognition:
  - OAB's seal for Law course in 2010
  - UNISEB’s Distance Learning program is in the top 10 for two consecutive years (2011 e 2012) in Brazil, according to satisfaction survey from ABED

Transaction perimeter

UNISEB INTERATIVO

UNISEB CENTRO UNIVERSITÁRIO

Source: Estácio

Scope of the Valuation

The scope of the Valuation Report encompasses the valuation based on the economic and financial criteria of TCA, controlling shareholder of UNISEB

Businesses Acquired by Estácio

TCA

UNISEB

UNISEB INTERATIVO

UNISEB CENTRO UNIVERSITÁRIO

DL

UNISEB Interativo [1]

- Offered by Centro Universitário UNISEB (IGC 3)
- 111 active educational centers
- 29.2 thousand undergraduate students and 5.3 thousand graduation students
- Educational centers with idle capacity (expectation to improve the utilization rate)
- Average ticket: BRL 172 / month

On-Campus

Centro Universitário UNISEB [1]

- Located in Ribeirão Preto (IGC 3)
- 1 campus
- 2.1 thousand undergraduate students
- Excellent infrastructure
- Premium average ticket : BRL 979 / month

Partnership with Fundação Getulio Vargas (“FGV”) [1]

- Partnership with FGV in post-graduation
- 2.0 thousand post-graduate students
- Double degree in the business administration program (undergraduate)
- Average Ticket: BRL 613 / month

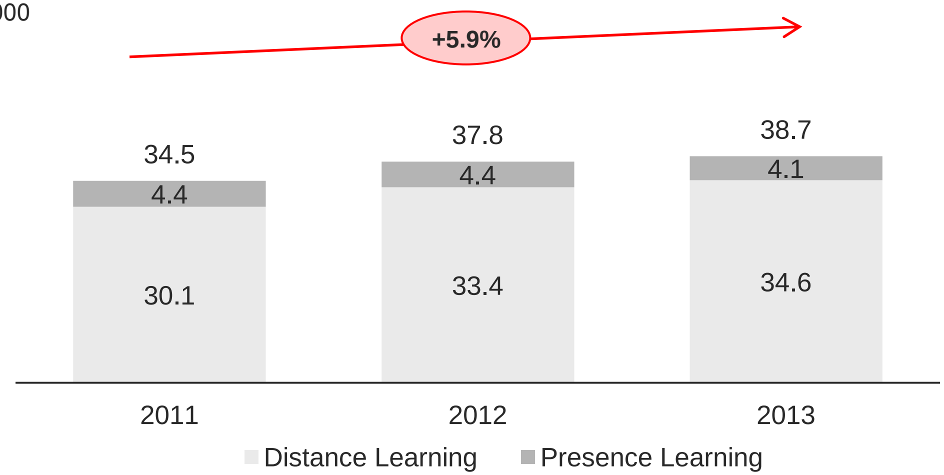
(1) Educational centers, campi, students and average ticket referring to 2013 year
Source: Estácio

Scope of the Valuation (cont'd)

Main operating and financial indicators of UNISEB's businesses acquired by Estácio

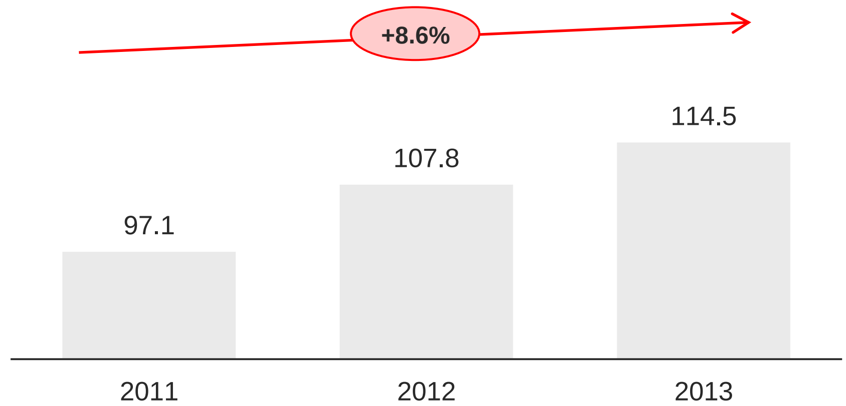
Students Base – Undergraduate and Post-Graduate

'000



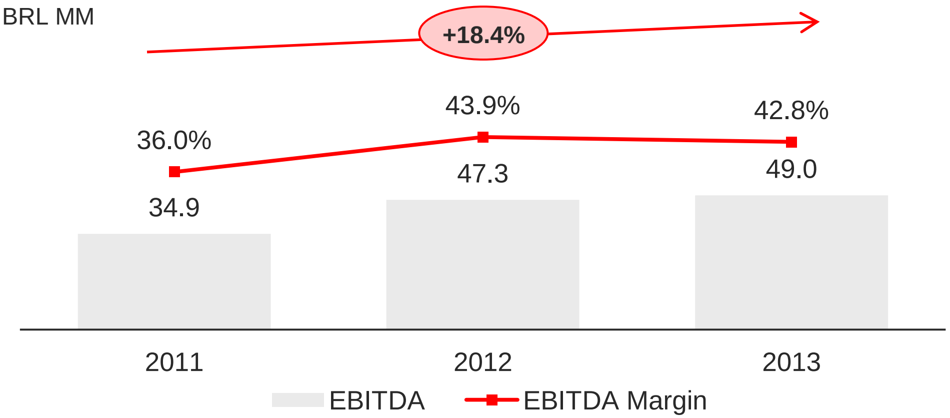
Net Revenue

BRL MM



EBITDA and EBITDA Margin

BRL MM



Estácio + UNISEB (pro-forma 2013)

BRL MM	Estácio	UNISEB	Estácio + UNISEB
Net Revenue	1,731.0	114.5	1,845.5
Gross Profit	694.5	57.1	751.6
Gross Margin	*40.1%*	*49.9%*	*40.7%*
EBITDA	320.3	49.0	369.3
EBITDA Margin	*18.5%*	*42.8%*	*20.0%*
Net Profit	244.7	31.9	276.6
Net Margin	*14.1%*	*27.9%*	*15.0%*

Source: Estácio

4. Valuation of TCA

Valuation Methodologies

Description of the Valuation Methodologies used in this Valuation Report

Methodology	Description and Information Used	Considerations
Discounted Cash Flow	▪ Fundamental analysis based on long-term financial projections of UNISEB ▪ Analysis supported by a long-term business plan prepared, reviewed and approved by the management of the Contracting Party	▪ Reflects the best estimates of the Contracting Party as to the expected future financial performance (stand-alone) of UNISEB ▪ Capture long-term growth prospects ▪ Identifies key value creation factors and allows to value the sensitivity of each of these factors ▪ Projections may be affected by subjective considerations
Trading Multiples Valuation	▪ Valuation based on the implied multiples of comparable listed companies ▪ Market prices reflect investors' expectations about the future performance of the industry ▪ Multiples applied on historical and/or projected UNISEB's results	▪ Simplest and widely used methodology ▪ Assumes that the company to be valued presents growth prospects, operating efficiency, cost of capital, etc. similar to the selected comparable companies ▪ Difficult to find truly comparable companies
Transaction Multiples Valuation	▪ Valuation based on multiples of comparable transactions ▪ Reflects factors such as control premium, strategic value and supply/demand ▪ Multiples applied on UNISEB's historical and/or projected results	▪ Simplest and widely used methodology ▪ Limitation of information about aspects of the transactions such as subjective valuations, synergies, escrow accounts, and payment conditions ▪ Reflects market and industry conditions, as well as parties' positioning and its motivations in the moment of the transaction ▪ Difficult to find truly comparable transactions

Santander favored the discounted cash flows methodology for considering that this is the one that best captures the future performance of UNISEB, in line with best estimates of the management of the Contracting Party

4. Valuation of TCA

Discounted Cash Flow

Assets Valued by Discounted Cash FLow

For the DCF analysis, Santander used economic-financial projections for each of the operations owned by UNISEB

Operation Valued by DCF

UniSEB

DL

UNISEB INTERATIVO

UNISEB Interativo [1]

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- 111 active educational centers
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- Average ticket : BRL 172 / month

On-Campus

UNISEB CENTRO UNIVERSITÁRIO

Centro Universitário UNISEB [1]

- Located in Ribeirão Preto (IGC 3)
- 1 campus
- 2.1 thousand undergraduate students
- Excellent infrastructure
- Premium average ticket : BRL 979 / month

+

Partnership with FGV [1]

- Partnership with FGV in graduation
- 2.0 thousand graduation students
- Dual seal in Business course (undergraduate)
- Average Ticket: BRL 613 / month

(1) Poles, campi, students and average ticket referring to 2013 year
Source: Estácio

Discounted Cash Flow Valuation Methodology

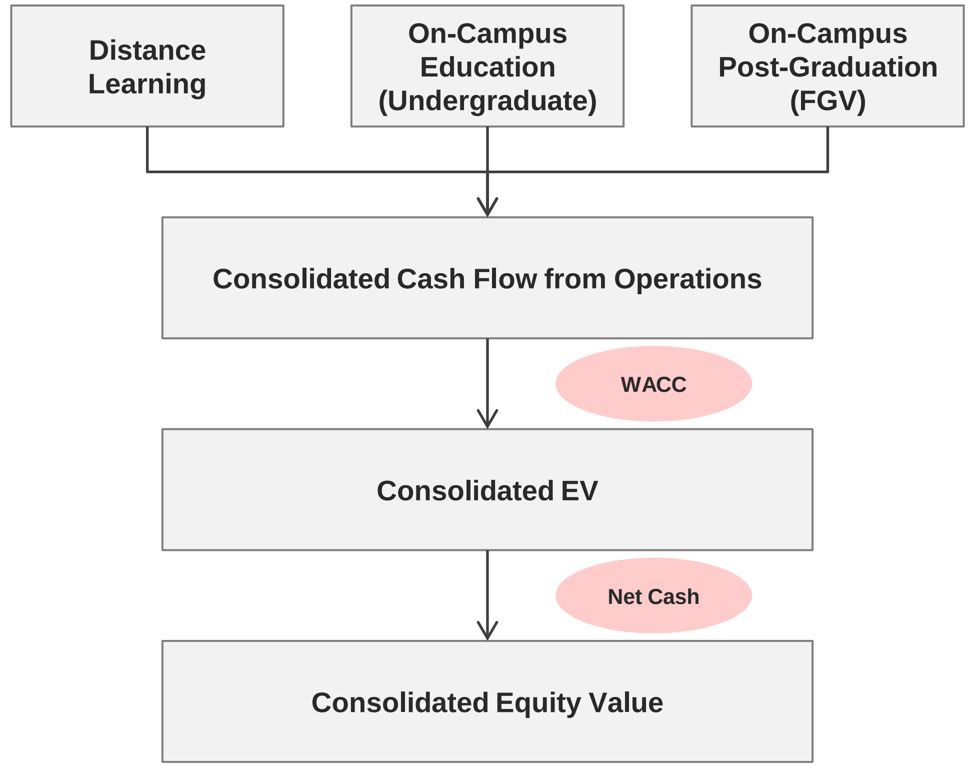
General overview of the criteria used in the valuation

Description

- The DCF methodology consists of calculating the value of a company as the present value of its future free cash flows, discounted at a rate that corresponds to its weighted average cost of capital ("WACC")
- For the DCF analysis, Santander used financial projections for each of UNISEB's operations:
  - The free cash flows to the firm were obtained from the business plan prepared, reviewed and approved by the management of the Contracting Party for the period between 2014 - 2020
  - The Business Plan is based on the consolidation of cash flows projected for each of the operations shown on the previous page
- To calculate the valuation midpoint, it was used a discount rate (WACC), in Brazilian Reais and nominal terms, based on market parameters and information from comparable companies to UNISEB
- The valuation date used for cash flows discounting purposes was December 31st, 2013

Cash Flows Being Valued

- For the DCF valuation, all the projections provided in the Company's Business Plan were consolidated



Discount Rate - WACC

WACC in Brazilian Reais and nominal terms

Cost of Equity (Ke)		
Risk Free Rate	2.69%	- Average return of the 10-year U.S. Treasury Bond (last 90 days)
Market Risk Premium	6.70%	- Spread between the return of the S&P-500 and the return of long-term US Treasury Bond from 1926 to 2012 (Ibbotson 2013 [1])
Size Premium	1.85%	- Premium according to the size of UNISEB based on Ibbotson 2013 (Risk Premia Over Time Report)
Unlevered Beta	0.72	- Average of the unlevered betas of comparable companies [2] (5 years weekly)
Taxes	6.78%	- Long-term income tax rate according to Contracting Party, considering specifics of the education sector (i.e. PROUNI)
Target Leverage - D/E	2.04%	- Average leverage of comparable companies [3]
Levered Beta	0.74	- Average of the unlevered betas of comparable companies [2] adjusted by target leverage
Ke, USD Nominal	**9.49%**	
Country Risk Premium	2.28%	- Brazilian country risk (average of the last 90 days of JPMorgan Brazil EMBI+)
Ke, USD Nominal Adjusted to Brazil	**11.77%**	
Brazilian Inflation	5.00%	- Brazilian long term inflation projection (Santander)
U.S. Inflation	2.00%	- U.S. long term inflation projection (Santander)
Inflation Differential	2.94%	- Differential between Brazilian and U.S. long term inflation projections
Ke, BRL Nominal	**15.06%**	

Cost of Debt (Kd)		
Kd, USD Pre-Taxes	7.87%	- Comparable companies' [3] average cost of debt pre-tax in U.S. Dollars
Taxes	6.78%	- Long-term income tax rate according to Contracting Party, considering specifics of the education sector (i.e. PROUNI)
Kd, USD Post-Taxes	**7.34%**	
Inflation Differential	2.94%	- Differential between Brazilian and U.S. long term inflation projections
Kd, BRL Post-Taxes	**10.49%**	

WACC		
Target Leverage - D/(D+E)	2.00%	- Average leverage of comparable companies [3]
Target Leverage - E/(D+E)	98.00%	- Average leverage of comparable companies [3]
WACC, USD nominal Adjusted to Braz	**11.68%**	
Inflation Differential	2.94%	- Differential between Brazilian and U.S. long term inflation projections
WACC, BRL nominal	**14.97%**	

(1) International Cost of Capital Report
(2) Anhanguera, Kroton and Estácio
(3) Anhanguera, Kroton, Estácio, Anima and Ser Educacional
Source: Bloomberg, Ibbotson 2013, Santander (macroeconomic projections as of May 05th, 2014)

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Main Assumptions Considered in the Discounted Cash Flow Valuation

Macroeconomic and operating assumptions

Assumptions of the Valuation

	2012A	2013A	2014E	2015E	2016E	2017E	2018E	2019E	2020E	CAGR 13-20E
Macroeconomic										
Inflation (IPCA) - Santander	5.8%	5.9%	6.5%	6.5%	6.3%	5.0%	5.0%	5.0%	5.0%	**n.a.**
Operational										
Student Base (unit)		**38,685**	**43,076**	**50,915**	**56,115**	**61,213**	**67,027**	**72,755**	**78,991**	**10.7%**
Uniseb - DL		34,564	36,793	43,133	48,736	54,144	59,723	65,185	71,250	10.9%
Uniseb - On-Campus		2,129	3,946	5,550	5,088	4,744	4,939	5,166	5,297	13.9%
FGV		1,991	2,338	2,231	2,291	2,324	2,365	2,404	2,444	3.0%
Average Ticket per Month (BRL)		**239**	**278**	**313**	**336**	**352**	**367**	**384**	**395**	**7.4%**
Uniseb - DL		172	191	206	222	234	246	258	271	6.7%
Uniseb - On-Campus		979	935	1,019	1,212	1,438	1,611	1,762	1,839	9.4%
FGV		613	662	700	748	787	826	867	910	5.8%
Personnel Expense (% of Net Revenue [1])		**27.4%**	**26.9%**	**26.7%**	**25.1%**	**23.4%**	**23.0%**	**23.0%**	**22.8%**	**n.a.**
Uniseb - DL		25.9%	24.6%	22.3%	20.0%	17.7%	17.1%	17.1%	17.1%	n.a.
Uniseb - On-Campus		41.0%	40.2%	39.5%	38.7%	38.0%	37.8%	37.8%	37.8%	n.a.
FGV		8.6%	8.3%	8.2%	8.0%	7.9%	7.8%	7.8%	7.8%	n.a.
SG&A (% of Net Revenue [1])		**29.7%**	**33.2%**	**31.8%**	**32.1%**	**32.4%**	**32.1%**	**31.7%**	**31.6%**	**n.a.**
Uniseb - DL		27.0%	33.3%	34.4%	34.8%	35.1%	34.8%	34.5%	34.2%	n.a.
Uniseb - On-Campus		18.2%	19.3%	17.9%	18.3%	18.9%	18.9%	18.6%	18.6%	n.a.
FGV		65.4%	63.3%	63.6%	63.7%	63.9%	63.9%	63.9%	63.8%	n.a.
Capex (% of Net Revenue [1])			**11.7%**	**10.4%**	**9.3%**	**8.2%**	**7.1%**	**7.2%**	**7.2%**	**n.a.**
Uniseb - DL			14.3%	12.9%	11.4%	10.0%	8.6%	8.6%	8.6%	n.a.
Uniseb - On-Campus			8.0%	7.3%	6.5%	5.8%	5.0%	5.0%	5.0%	n.a.
FGV			8.0%	7.3%	6.5%	5.8%	5.0%	5.0%	5.0%	n.a.

(1) In case of DL operations net revenue is already net of payment to third parties (*repasses*)
Source: Estácio and Santander (macroeconomic projection as of May 05th, 2014)

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Discounted Cash Flow Valuation

Based on the DCF methodology, the Enterprise Value of TCA was valued between BRL 907 million and BRL 1,003 million

Summary of the Valuation

BRL MM	2012A	2013A	2014E	2015E	2016E	2017E	2018E	2019E	2020E	Perpetuidade
Net Revenue	107.8	114.5	144.8	190.8	231.4	264.0	302.3	344.1	384.1	403.3
Costs and Expenses	(60.4)	(65.5)	(87.0)	(111.5)	(132.3)	(147.4)	(166.6)	(188.3)	(208.9)	(219.4)
EBITDA	**47.3**	**49.0**	**57.8**	**79.3**	**99.1**	**116.5**	**135.7**	**155.8**	**175.1**	**183.9**
EBITDA Margin	*43.9%*	*42.8%*	*39.9%*	*41.5%*	*42.8%*	*44.2%*	*44.9%*	*45.3%*	*45.6%*	*45.6%*
Depreciation	(7.2)	(8.2)	(9.8)	(11.7)	(13.7)	(15.8)	(17.8)	(20.1)	(17.1)	(17.9)
EBIT	**40.1**	**40.8**	**48.0**	**67.6**	**85.4**	**100.8**	**117.9**	**135.7**	**158.1**	**166.0**
EBIT Margin	*37.2%*	*35.6%*	*33.1%*	*35.4%*	*36.9%*	*38.2%*	*39.0%*	*39.4%*	*41.2%*	*41.2%*
(-) Taxes [1]			(3.9)	(5.0)	(6.2)	(7.1)	(8.2)	(9.3)	(10.7)	(11.3)
(+/-) Changes in Working Capital			(3.4)	(6.9)	(5.5)	(4.2)	(5.5)	(6.1)	(5.6)	-
(+) Depreciation			9.8	11.7	13.7	15.8	17.8	20.1	17.1	17.9
(-) Capex			(17.0)	(19.8)	(21.6)	(21.8)	(21.6)	(24.6)	(27.7)	(17.9)
Free Cash Flow			**33.6**	**47.5**	**65.9**	**83.4**	**100.5**	**115.8**	**131.1**	**154.7**
PV of Free Cash Flow			**31.3**	**38.5**	**46.5**	**51.2**	**53.7**	**53.8**	**53.0**	**627.1**

Enterprise Value		
WACC	**14.97%**	
Perpetuity Growth	**5.00%**	
PV of the Projected Cash Flows	328.0	34.3%
PV of the Perpetuity / Terminal Value	627.1	65.7%
Enterprise Value	**955.1**	**100.0%**

Implied Multiples	**2013**	**2014E**	**2015E**
EV / Student (BRL)	**24,689**	**22,172**	**18,759**
EV / EBITDA	**19.5x**	**16.5x**	**12.1x**

Range of Values [2]	**Bottom Range**	**Midpoint**	**Top Range**
EV (BRL MM)	**907.2**	**955.1**	**1,003.0**

- The cash flow presented above is the consolidation of financial and economic projections of each of UNISEB's operations
- The Perpetuity considers the assumption that, in the long run, WACC is equal to ROIC and, therefore, the growth rate does not create value. In this sense, it was considered the maintenance of the invested capital (Depreciation = CAPEX and, in this case, Working Capital) and constant cash flows in real terms (g = inflation, in other words, g is equal to zero in real terms)

(1) Calculations based on a weighted average corporate tax rate ("IRPJ" – Corporate Income Tax and "CSSL" – Social Contribution on the Net Profit), considering 5.5% for Distance Learning and On-campus Undergraduate (as informed by Contracting Party) and 34.0% for On-campus Post-Graduation (FGV)
(2) Value range built by applying a +/- 5% variation to the *Equity Value*

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TCA Equity Value

Based on UNISEB's Business Plan, Santander valued the Equity Value of TCA between BRL 910 million and BRL 1,005 million

Summary of the Valuation	BRL MM
Enterprise Value	**955.1**
(+) Net Cash [1]	2.4
(-) Other Adjustments	0.0
Equity Value	**957.4**

Range of Values [2]	Bottom Range	Midpoint	Top Range
Equity Value (BRL MM)	**909.6**	**957.4**	**1,005.3**

The Equity Value of TCA is equal to Equity Value of UNISEB, since TCA does not have any operational or non operational asset or liability, neither any income, costs or expenses which may be considered relevant for the Valuation, except UNISEB's shares or quotas

(1) Was considered the net cash of BRL 2.35 million
(2) Values range built by applying variations of +/- 5% on the *Equity Value*

4. Valuation of TCA

Trading Multiples

Trading Multiples

Trading multiples of selected comparable listed companies

Companies	Country	Market Cap (BRL MM)	EV (BRL MM)	Students (Unidade)	EV/Student (BRL)	EV / EBITDA			P / E		
					2013	2013	2014E	2015E	2013	2014E	2015E
Anima Educação	Brazil	2,320	2,045	46,398	44,065	24.5x	15.4x	11.4x	42.6x	17.4x	13.7x
Anhanguera Educacional	Brazil	6,989	7,616	425,850	17,884	20.5x	16.7x	13.1x	37.8x	26.9x	19.5x
Kroton Educacional	Brazil	15,101	15,373	518,508	29,649	22.9x	15.6x	12.6x	29.6x	19.2x	14.7x
SER Educacional	Brazil	2,685	2,511	98,813	25,407	16.3x	11.9x	9.6x	23.4x	15.6x	12.4x
Estácio Participações	Brazil	7,890	7,460	315,700	23,630	22.0x	15.9x	11.9x	30.3x	20.1x	15.4x
Average Excluding Estácio					**29,251**	**21.0x**	**14.9x**	**11.6x**	**33.3x**	**19.8x**	**15.1x**
Median Excluding Estácio					**27,528**	**21.7x**	**15.5x**	**12.0x**	**33.7x**	**18.3x**	**14.2x**
Overall Average					**28,127**	**21.2x**	**15.1x**	**11.7x**	**32.7x**	**19.8x**	**15.1x**
Overall Median					**25,407**	**22.0x**	**15.6x**	**11.9x**	**30.3x**	**19.2x**	**14.7x**

Source: Reuters, Bloomberg as of May 13th, 2014

Trading Multiples Valuation

Based on the trading multiples methodology, the Equity Value of TCA was valued between BRL 953 million and BRL 1,053 million

		Enterprise Value (BRL MM)		*Equity Value* (BRL MM)[1]			Implied multiples 2013 (midpoint)	
				Mínimo	Médio	Máximo	EV / EBITDA	EV / Aluno
1 EV / Student Multiples	2013	1,033.6	1,142.6	1,035.9	1,090.4	1,145.0	22.2x	28,127
2 EV / EBITDA Multiples	2013	988.1	1,092.4	990.5	1,042.6	1,094.7	21.2x	26,890
	2014E	829.3	916.9	831.7	875.5	919.2	17.8x	22,570
Average Range		**950.3**	**1,050.6**	**952.7**	**1,002.8**	**1,053.0**	**20.4x**	**25,862**

Comments

- Methodology based on comparable listed companies
- Enterprise Value is calculated by applying the multiple EV/EBITDA and EV/Student from selected peers to UNISEB's EBITDA and student base
- Average range calculated as the average of the EV midpoints
- Assumes a total adjustment from Enterprise Value to Equity Value for UNISEB of BRL 2.4 million (net cash)

The Equity Value of TCA is equal to Equity Value of UNISEB, since TCA does not have any operational or non operational asset or liability, neither any income, costs or expenses which may be considered relevant for the Valuation, except UNISEB's shares or quotas

(1) Values range built by applying a +/- 5% variation to the *Equity Value*

Source: Santander, Reuters, Bloomberg

Santander GLOBAL BANKING & MARKETS

4. Valuation of TCA

Transaction Multiples

Transaction Multiples

Transaction multiples of selected comparable deals

Announcement	Target	Buyer	Stake	Equity Value (BRL MM)	Net Debt (BRL MM)	EV (BRL MM)	Students (Unit)	EBITDA (BRL MM)	Earnings (BRL MM)	EV/Student (BRL)	EV/EBITDA	P/E
23/8/2013	FMU	Laureate	100%	n.a.	n.a.	1,000	68,000	80	n.a.	14,706	12.6x [1]	n.a.
9/5/2013	Unifran	Unicsul	100%	n.a.	n.a.	120	20,000	n.a.	n.a.	6,000	n.a.	n.a.
14/1/2013	Juspodium	Anhanguera	100%	18	0	18	3,100	n.a.	3	5,806	n.a.	7.2x [1]
29/5/2012	Uniasselvi	Kroton	100%	510	0	510	86,241	39	33	5,914	13.2x [2]	15.3x [2]
27/4/2011	Unirondon	Kroton	100%	28	30	58	5,470	n.a.	n.a.	n.a.	n.a.	n.a.
15/12/2011	UNOPAR	Kroton	100%	1,300	0	1,300	161,900	n.a.	n.a.	8,030	n.a.	n.a.
21/9/2011	USE	Kroton	100%	5	2	7	1,302	n.a.	n.a.	5,376	n.a.	n.a.
18/9/2011	Grupo UNIBAN	Anhanguera	100%	392	-9	383	55,100	n.a.	n.a.	6,943	n.a.	n.a.
28/7/2011	Luiz Rosa	Anhanguera	100%	3	2	5	1,000	n.a.	n.a.	4,950	n.a.	n.a.
27/7/2011	UNIFEC	Anhanguera	100%	49	6	56	9,000	n.a.	n.a.	6,221	n.a.	n.a.
14/7/2011	UEVV	Kroton	100%	8	0	8	1,486	n.a.	n.a.	5,384	n.a.	n.a.
25/5/2011	CEAMA	Kroton	100%	24	19	43	5,007	n.a.	n.a.	n.a.	n.a.	n.a.
18/5/2011	ESN	Anhanguera	100%	34	7	40	6,713	n.a.	n.a.	6,000	n.a.	n.a.
29/4/2011	AESE	Anhanguera	100%	22	17	39	6,480	n.a.	n.a.	6,018	n.a.	n.a.
1/4/2011	Grupo Anchieta	Anhanguera	100%	75	0	75	12,276	n.a.	n.a.	6,093	n.a.	n.a.
3/3/2011	Uirapuru & Imap	Anhanguera	100%	5	0	5	1,509	n.a.	n.a.	3,359	n.a.	n.a.
Average										**6,486**	**12.9x**	**11.2x**
Median										**6,000**	**12.9x**	**11.2x**

(1) Estimated EBITDA and/or earnings in 2013
(2) Actual EBITDA and/or earnings in 2011
Source: Reuters, Bloomberg, Factset, public information

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Transaction Multiples Valuation

Based on transaction multiples methodology, the Equity Value of TCA was valued between BRL 518 million and BRL 572 million

		Enterprise Value (BRL MM)	*Equity Value* (BRL MM)[1]			Implied multiples 2013 (midpoint)	
			Mínimo	Médio	Máximo	EV / EBITDA	EV / Aluno
1 EV / Student Multiples	2013	238.2 – 263.6	240.6	253.3	265.9	5.1x	6,486
2 EV / EBITDA Multiples	2013	599.9 – 663.3	602.2	633.9	665.6	12.9x	16,326
	2014E	707.4 – 782.1	709.7	747.1	784.4	15.2x	19,251
Average Range		**515.2 – 569.6**	**517.5**	**544.8**	**572.0**	**11.1x**	**14,021**

Comments

- Methodology based on comparable transactions
- Enterprise Value is calculated by applying the multiple EV/EBITDA and EV/Student from selected comparable transactions to UNISEB's EBITDA and student base
- Average range calculated as the average of the EV midpoints
- Assumes a total adjustment from Enterprise Value to Equity Value for UNISEB of BRL 2.4 million (net cash)
- **Education sector recent transactions are not considered to be comparable**

The Equity Value of TCA is equal to Equity Value of UNISEB, since TCA does not have any operational or non operational asset or liability, neither any income, costs or expenses which may be considered relevant for the Valuation, except UNISEB's shares or quotas

(1) Values range built by applying a +/- 5% variation to the *Equity Value*
Source: Santander, Reuters, Bloomberg, Factset, public informations

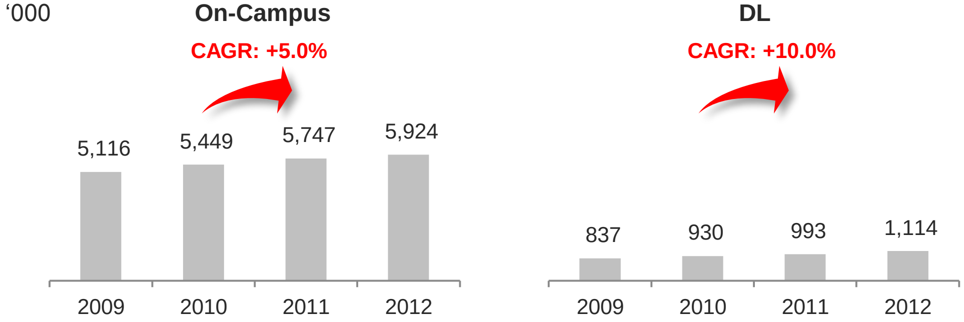
Considerations on Transactions Multiples Valuation

It is considered that the transaction multiples valuation methodology is not appropriate to value TCA, once recent transactions in the sector involved companies focused on on-campus operations while UNISEB is focused on DL

Considerations

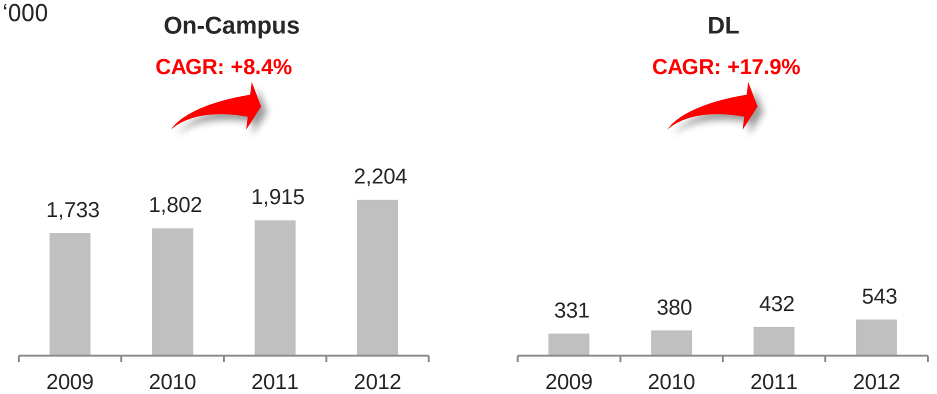
- Valuation based in transaction multiples of mergers and acquisition of comparable companies
- Difficulty in obtaining real comparable transactions
  - Reflects factors such as control premium, strategic value, demand/offer, market and industry conditions, as well positioning of parties and its motivations with the transaction
  - Limitation of information about aspects of the transactions such as subjective valuations, synergies, escrow accounts, and payment conditions
- In education sector there is relevant difference between on-campus and DL operations, which presents different growth and margins

Registrations in the Undergraduate and Post-Graduate Market[1]



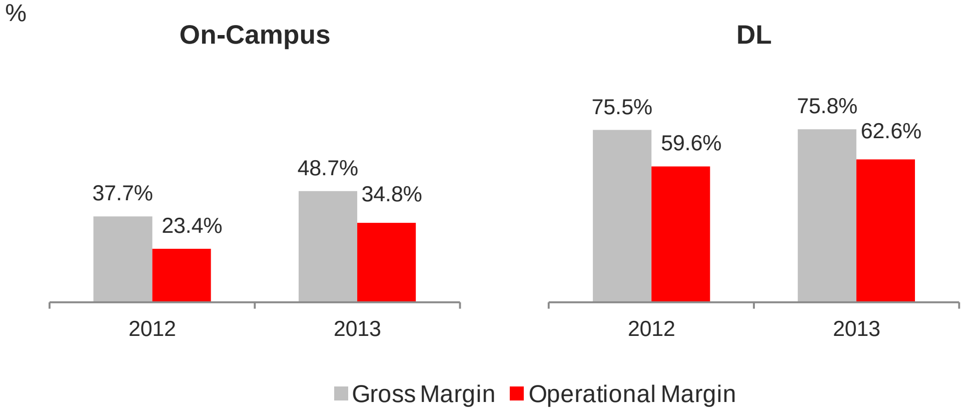
- **DL registrations grow at a faster rate than on-campus registrations**

New Entrants in the Undergraduate and Post-graduate Market[1]



- **The number of entrants in DL operations is higher than on-campus operations**

Gross Margin & Operational Margin of a Comparable Player (Kroton)



- **DL operations present superior margins than on-campus operations**

(1) Most recent market data provided by INEP
Source: Inep, Kroton, Santander

5. Appendix

a) Weighted Average Cost of Capital (WACC)

Discounted Cash Flow Valuation Methodology

WACC

Description

- The WACC is determined as the weighted average of UNISEB costs of equity and debt
- We estimate the WACC of UNISEB reflecting the country risk, the cost of debt, and borrowing capacity in order to determine an optimal capital structure
- Such costs are weighted by the respective proportion of equity and debt in UNISEB capital structure, according to the following formula:

$$WACC = \left(\frac{E}{D+E}\right) \times Ke + \left(\frac{D}{D+E}\right) \times Kd$$

D : Net Debt Amount
E : Equity Amount
Ke : Cost of Equity
Kd : Cost of Debt

- Our calculations of cost of equity are derived from the CAPM formula:

$$Ke = Rf + \beta \times (Rm - Rf) + Z + S$$

Ke : Cost of Equity
Rf : Risk Free Rate
Rm – Rf : Market Risk Premium
ß : Estimated beta for the non-diversifiable risk of a company measured by the correlation of its return versus market return
Z : County Risk
S : Premium according to company's size and/or liquidity

Source: Santander

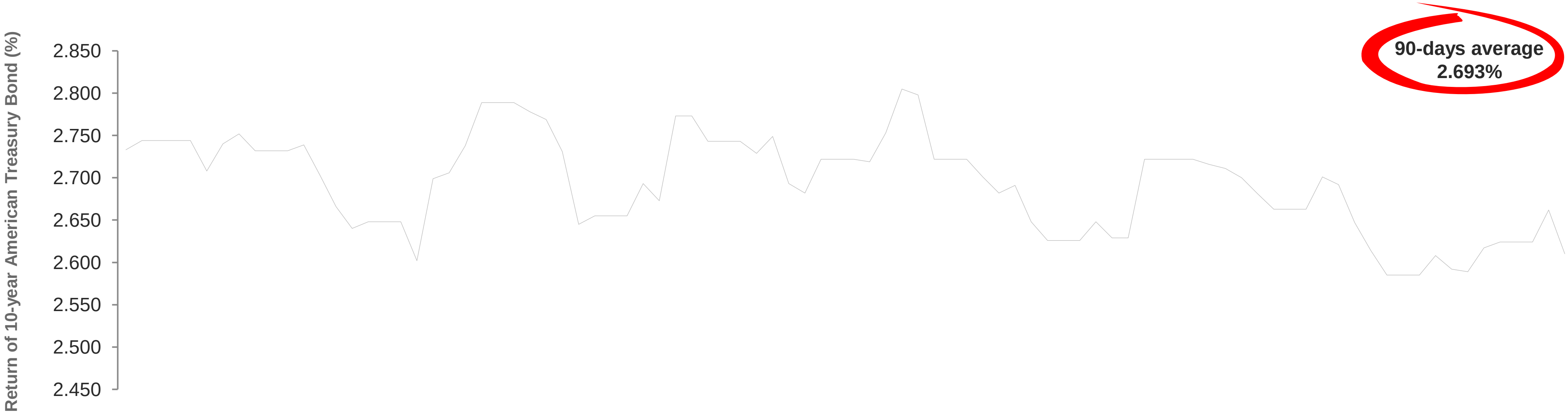
Discounted Cash Flow Valuation Methodology (cont'd)

Risk Free Rate (Rf)

Description

- We believe the yield of the American government bond is the best estimate for the risk-free rate of return in US-dollars. We use the 10-year US-Treasury Bond because:
  - It is a fixed income security whose long-term yield reflects investors' expectations about future expected returns
  - The 10-year Bond, unlike short-term rates, it is not used as an instrument of monetary policy
- Reference date: May 13th, 2014

Return of US-Treasury *Bond* – 90 days (%)



Source: Santander and Bloomberg

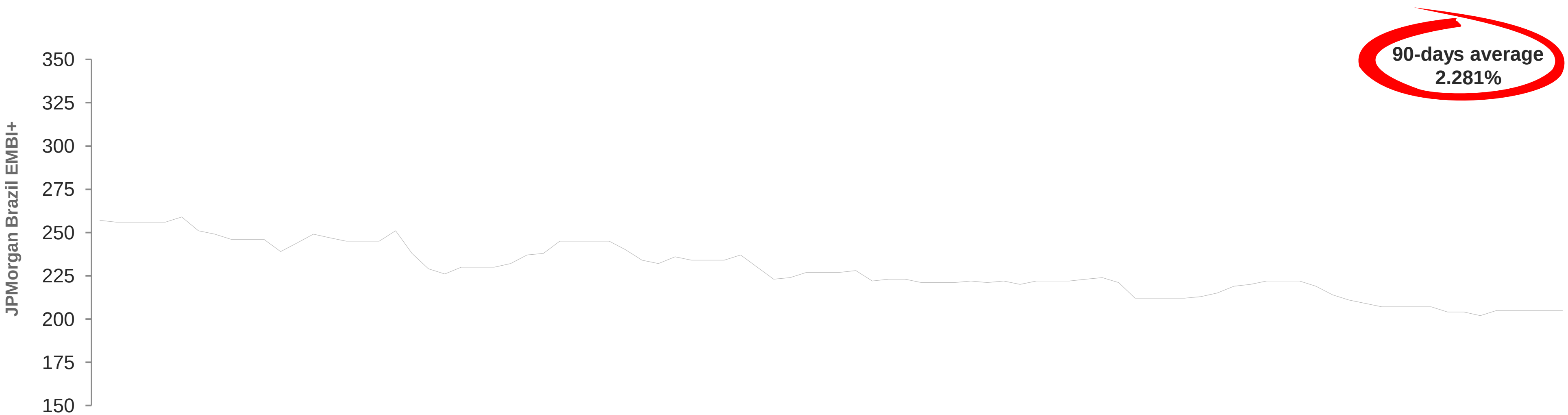
Discounted Cash Flow Valuation Methodology (cont'd)

Country risk(Z)

Description

- We believe the average spread between a diversified portfolio of Brazilian assets and US-Treasury Bond is the best estimate for the country risk
- This spread is the best representation of the perceived risk of the international investor community on any given date, different from country risk classifications that are adjusted annually. This assumption is aligned with the fact that the cost of capital of a company should reflect, at any time, the opportunity cost of the investor to invest in assets with similar risk
- We used JPMorgan Brazil EMBI+ Brazil, which corresponds to the weighted average of premiums paid for securities of Brazilian foreign debt compared to securities of equivalent term of American Treasury considered risk free
- Reference date: May 13th, 2014

Country Risk Premium – 90 days (%)



Source: Santander and Bloomberg

Discounted Cash Flow Valuation Methodology (cont'd)

Market risk premium (Rm – Rf)

Description

- The Market Risk Premium refers to the additional return required by investors to compensate for the higher risk involved in equities vis-à-vis investments in US Treasury bonds (risk free investment)
- An estimate of the Market Risk Premium is the historical average of the spread between the return of the Standard & Poors – 500 index (S&P-500) and the return on long-term bonds of the US government during the period between 1926 and 2012
- We prefer a historical approach rather than predictions of future behavior, since we do not believe that the Market Risk Premium is predictable beyond a period of three to four years. As the Market Risk Premium presents a random behavior, historical information are considered the best estimates of the future
- We use historical data since 1926 because:
  - This period reflects events that impacted the economic environment, such as wars, depressions and "booms", which would not be reflected if we use shorter periods
  - Variations in the risk premium are random. Thus, using historical long-term data is considered the best way to estimate the future behavior
- We used Market Risk Premium of **6.70%** (arithmetic average of the period 1926-2012)

Source: Ibbotson and Santander

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Discounted Cash Flow Valuation Methodology (cont'd)

Beta definition (β)

Description

- Beta measures the market risk / systematic risk / non-diversifiable risk. It is a coefficient that attempts to indicate to what extent the volatility of a company's share price may be explained by the volatility in the market portfolio
- It is calculated through a linear regression between the series of variations in the share price and the series of variations in the market portfolio (Index)
- Beta is composed of operational and financial risk. In order to factor the operational risk of the business, the "full" beta ($ß_L$) is unlevered based on the selected companies debt/equity structure and income tax
- The average unlevered beta ($ß_U$) of the set of comparable companies is then levered according to the estimated target capital structure and income tax of the assessed company

$$ß_U = ß_L / [1+(1 – \text{Tax Rate})*(\text{Debt/Equity})]$$

$$ß_L = ß_U * [1+(1 – \text{Tax Rate})*(\text{Debt/Equity})]$$

Source: Santander

Discounted Cash Flow Valuation Methodology (cont'd)

Beta calculation (β)

Description

- Santander believes that the most appropriate methodology to determine the non-diversifiable risk of UNISEB is to use the Beta of comparable companies that operate in the education sector in Brazil, since, in the opinion of the appraiser, these companies are those that better reflect the characteristics and particularities of operating market of UNISEB and represent a sufficiently relevant and diverse sample universe
- For the calculation of the average deleverage beta it was excluded Anima Educação and Ser Educacional due to the lack of sufficient historical information available considering the recent IPO of those companies
- It was considered the beta in USD for the period of 5 years with weekly changes

Companies	Country	Market Cap (BRL MM)	Net Debt (BRL MM)	Leverage (D / E)	Taxes	Levered Beta	Unlevered Beta
Anima Educação	Brazil	2,320	-267	0.0%	1.3%	0.95	0.95
Anhanguera Educacional	Brazil	6,989	627	9.0%	7.5%	0.88	0.81
Kroton Educacional	Brazil	15,101	272	1.8%	4.9%	0.68	0.66
SER Educacional	Brazil	2,685	-174	0.0%	5.2%	0.27	0.27
Estácio Participações	Brazil	7,890	-430	0.0%	7.8%	0.70	0.70
Overall Average						**0.70**	**0.68**
Overall Median						**0.70**	**0.70**
Average Excluding Anima and Ser Educacional						**0.75**	**0.72**
Median Excluding Anima and Ser Educacional						**0.70**	**0.70**

Source: Bloomberg and company's audited financial reports

5. Appendix

b) Glossary

Glossary

Terms used

BRL	Acronym for values in Brazilian Real
CAGR	Compound Annual Growth Rate
CAPEX	Capital Expenditures
CAPM	Capital Asset Pricing Model
CVM	*Comissão de Valores Mobiliários*, it is the Brazilian Securities and Exchange Commission
DCF	Valuation methodology based on Discounted Cash Flow
DL	Distance Learning
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
Enterprise Value	Total economic-financial value
Equity Value	Economic-financial value of shareholders capital of a company
EV	Acronym for Enterprise Value
IGC	*Índice Geral de Cursos* (Courses General Index)
INEP	Instituto Nacional de Estudos e Pesquisas Educacionais Anísio Teixeira
Kd	Cost of Debt
Ke	Cost of Equity
Market Cap	Market Capitalization
MM	Acronym for million
PV	Present Value
ROIC	Return on Invested Capital
Stand Alone	Equivalent to independent
WACC	Weighted Average Cost of Capital