



Estácio

**EDUCAR PARA
TRANSFORMAR**

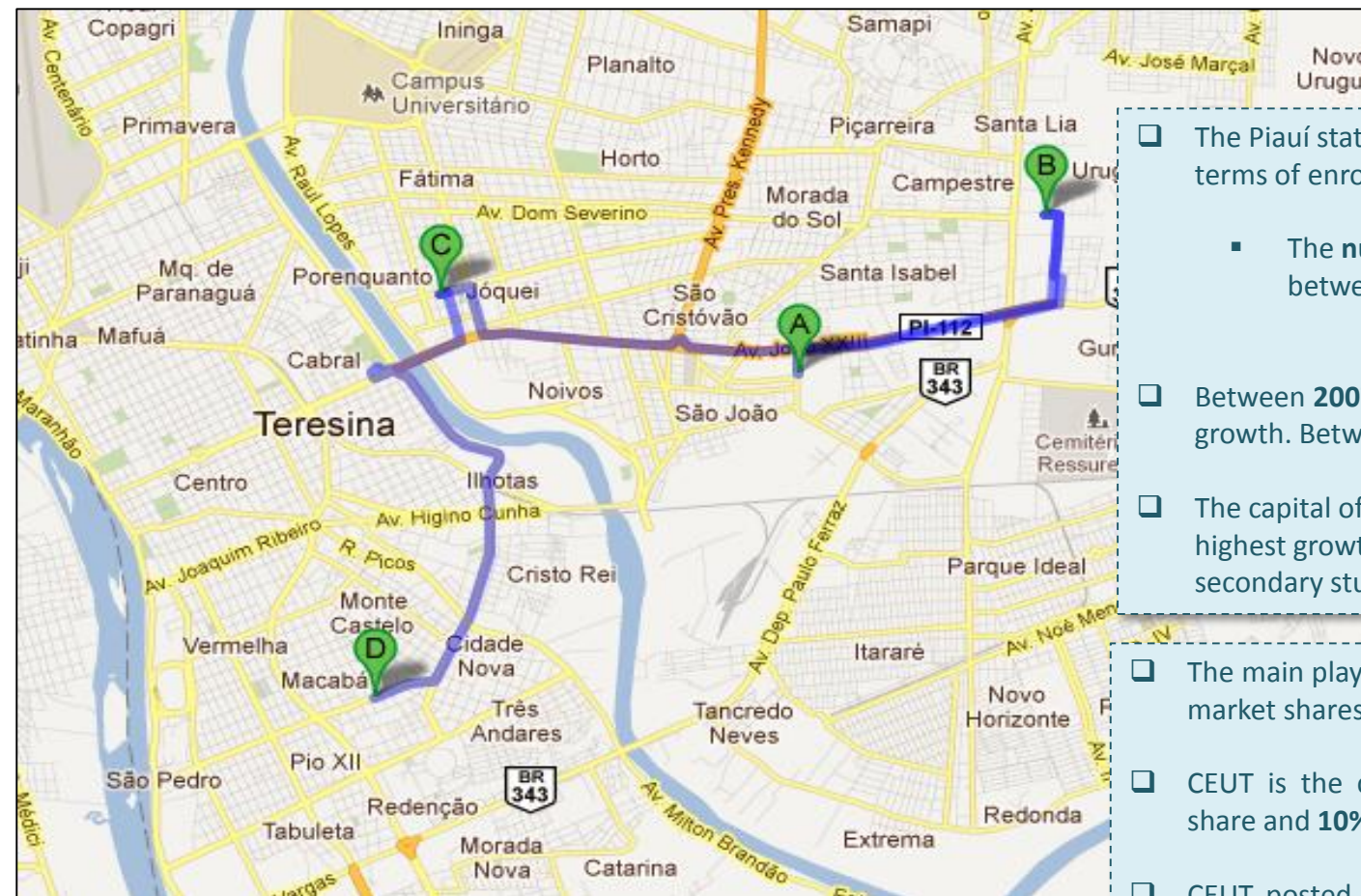
Nossa Cultura, Nossa Estratégia



CEUT PRESENTATION

The Teresina Market

Location Status



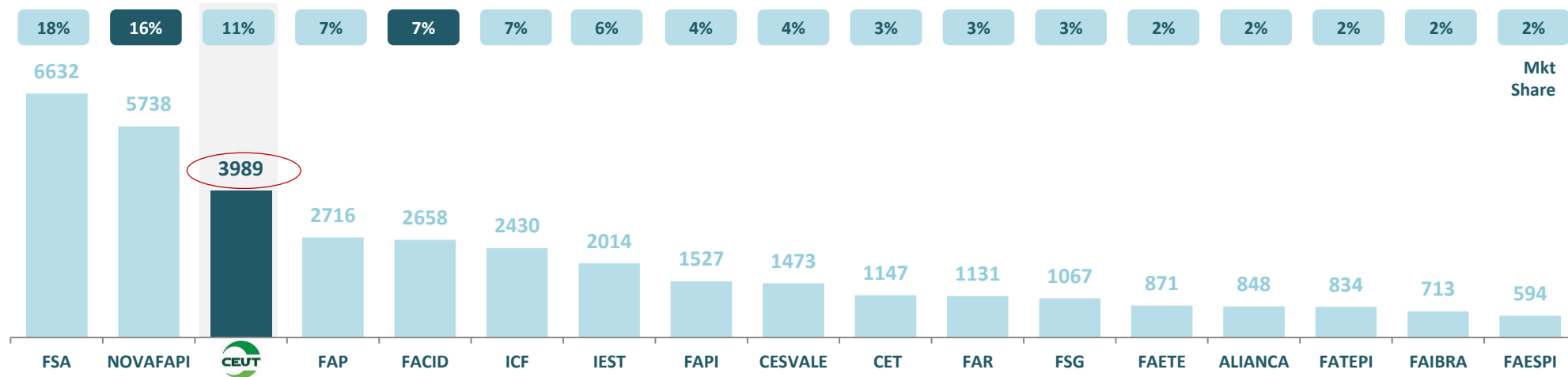
- | | |
|-------------------|--------------|
| A CEUT | C |
| B NOVAFAPI | D FSA |

- ❑ The Piauí state is the **19th** largest post-secondary market in terms of enrollments and **23rd** in relation to new students
 - The **number of entrants** increased 12% in Piauí between 2010-11
 - ❑ Between **2007** and **2011**, Teresina posted a **10.6%**-enrollment growth. Between **2011** and **2012**, growth was of **6%**.
 - ❑ The capital of Piauí is the state's largest city and has the 2nd highest growth rate. Teresina has 81% of Piauí's post-secondary students
-
- ❑ The main players of the city are FSA and NOVAFAPI, which have market shares of 18% and 16%, respectively.
 - ❑ CEUT is the city 3rd largest institutuion with a **11%** market share and **10%** share of **new entrants**.
 - ❑ CEUT posted a growth of 4% in new entrants between 2010 and 2011.
 - ❑ CEUT's student enrollment **CAGR** (07-11): **11%**.

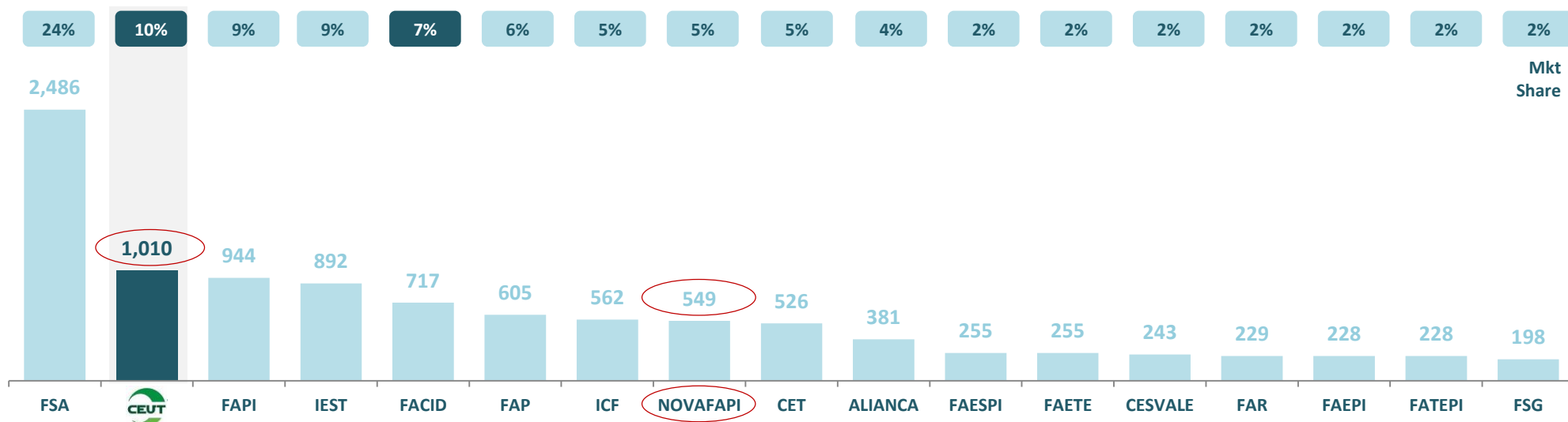
The Teresina Market

Positioning

Share in Total Enrollments



Share in New Enrollments (Entrants)



The Company

- Located in **Teresina**
- **Controlling Institution:** Centro de Ensino Unificado de Teresina
- **Higher Education Institution:** Faculdade de Ciências, Saúde, Exatas e Jurídicas de Teresina – Faculdade CEUT
- **For-profit** institution
- 3,500 students
- **10 undergraduate programs:**

Top programs:

- ✓ Business Administration
- ✓ Accounting
- ✓ Law
- ✓ Nursing

- **20 graduate programs**

Ministry of Education

Index	Grade	Year
CI - Institutional Concept	3	2009
IGC -General Course Index	3	2012
Continuous IGC	2.38	2012

Infrastructure



Figure 1: Main Building

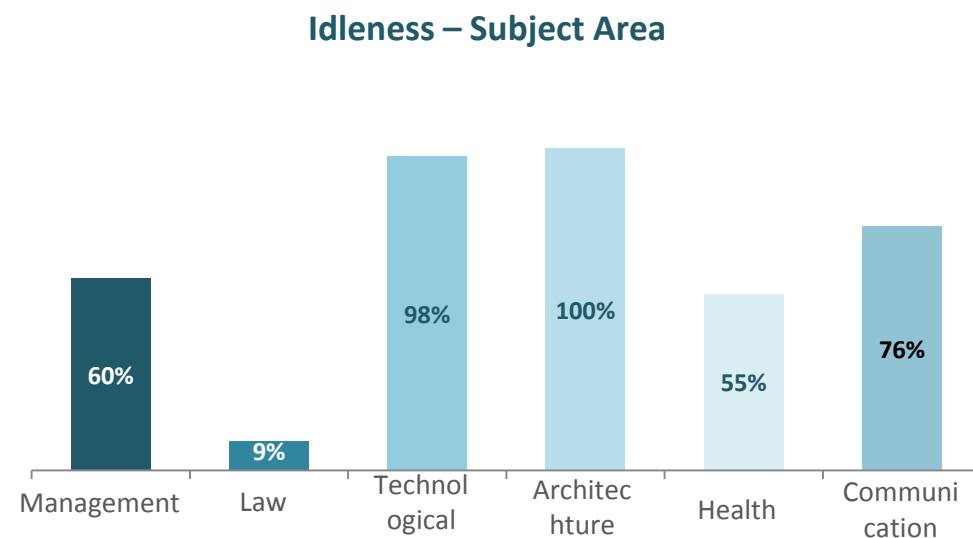
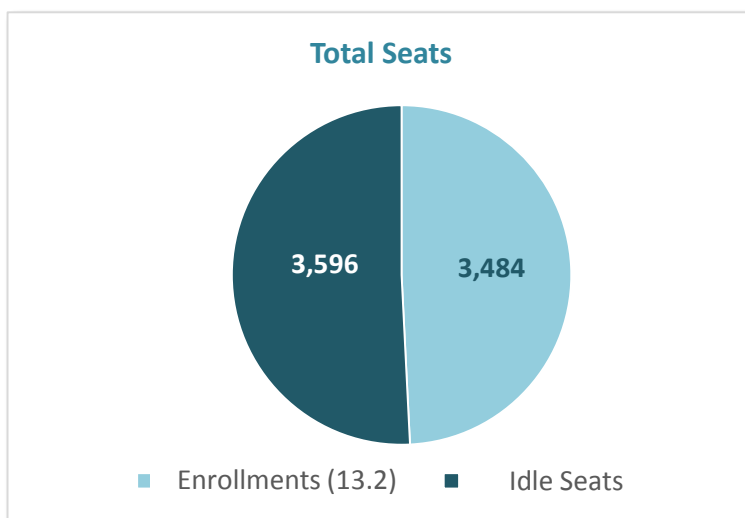


Figure 2: Nutrition Lab



Figure 2: Studio

Regulatory							
Courses	Annual Seats	Total Seats	ENADE	CPC	CC	# Students 2013.2	Idleness
Business Administration	150	600	4	3	-	229	62%
Computer Science	100	400	2	2	3	169	58%
Accounting	150	600	2	3	-	248	59%
Law	450	2250	3	3	-	2042	9%
Nursing	100	400	SC	-	4	221	45%
Physioterapy	100	400	3	3	4	152	62%
Journalism	100	400	3	3	4	78	81%
Nutrition	100	400	2	2	4	169	58%
Advertising	150	600	4	3	-	163	73%
Executive Secretarial Course	80	280	2	2	3	13	95%
Architecture and Urbanism	100	500	-	-	-	0	100%
Fashion Design	100	250	-	-	-	0	100%
Total	1,680	7,080				3,484	51%



Strategic Rationale

"Paint the Map"	<ul style="list-style-type: none"> - Priority target #3 in our list of states where we still did not operate. Teresina is the 20th largest city of Brazil, with approximately 1 million inhabitants. The Gross Domestic Product (GDP) of Teresina represents about 45% of Piauí state's GDP.
Location	<ul style="list-style-type: none"> - The institution is well-located in a fast-growing area of the city, which can be easily accessed, besides being close to one of the city's main avenues.
Infrastructure	<ul style="list-style-type: none"> - Currently has 01 operating campus, - Expansion is possible since the campus lot offers further space for construction
Recently authorized courses	<ul style="list-style-type: none"> - 02 new courses authorized by the Ministry of Education (Architecture and Urbanism, and Fashion Design)
Idleness	<ul style="list-style-type: none"> - 51% of total seats are idle. - Most of the idle seats come from the following courses: Business Administration, Accounting, Journalism and Advertising, which have a combined idleness of 48% (more than 1,700 seats), besides the recently authorized courses described above.
Growth	<ul style="list-style-type: none"> - Student enrollment CAGR (2007-12): 8.4%

P&L Statement	2013 (pro forma)	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Average Student Base	3,484	3,748	3,950	4,175	4,394	4,513	5.3%
YoY	na	7.6%	5.4%	5.7%	5.2%	2.7%	
Gross Revenue	31,285	33,966	36,934	40,862	45,092	48,638	9.2%
<i>Deductions</i>	<i>(5,131)</i>	<i>(8,783)</i>	<i>(9,920)</i>	<i>(11,390)</i>	<i>(13,026)</i>	<i>(14,538)</i>	
Net Revenue	26,154	25,183	27,014	29,472	32,065	34,100	5.4%
Personnel	(18,117)	(20,113)	(16,975)	(16,339)	(15,886)	(15,297)	
<i>Faculty</i>	<i>(13,323)</i>	<i>(14,534)</i>	<i>(12,769)</i>	<i>(12,407)</i>	<i>(12,123)</i>	<i>(11,621)</i>	
<i>Administrative Staff</i>	<i>(4,794)</i>	<i>(5,578)</i>	<i>(4,206)</i>	<i>(3,932)</i>	<i>(3,763)</i>	<i>(3,675)</i>	
Real Estate	0	(2,040)	(2,173)	(2,303)	(2,430)	(2,551)	
Other G&A	(1,857)	(1,950)	(2,150)	(2,409)	(2,690)	(2,934)	
Selling & Marketing	(668)	(1,259)	(1,351)	(1,474)	(1,603)	(1,705)	
PDA	(1,308)	(1,259)	(1,321)	(1,409)	(1,498)	(1,556)	
EBITDA	4,205	(1,438)	3,045	5,539	7,958	10,057	
<i>Tax</i>	<i>0</i>	<i>0</i>	<i>(152)</i>	<i>(277)</i>	<i>(398)</i>	<i>(503)</i>	
<i>Working Capital</i>	<i>0</i>	<i>(2,114)</i>	<i>(540)</i>	<i>(589)</i>	<i>(641)</i>	<i>(682)</i>	
<i>Capex</i>	<i>0</i>	<i>(2,000)</i>	<i>(540)</i>	<i>(589)</i>	<i>(641)</i>	<i>(682)</i>	
Free Cash Flow	0	(5,552)	1,812	4,083	6,278	8,190	
Net Revenue	100%	100%	100%	100%	100%	100%	
Personnel	-69%	-80%	-63%	-55%	-50%	-45%	
<i>Faculty</i>	<i>-51%</i>	<i>-58%</i>	<i>-47%</i>	<i>-42%</i>	<i>-38%</i>	<i>-34%</i>	
<i>Administrative Staff</i>	<i>-18%</i>	<i>-22%</i>	<i>-16%</i>	<i>-13%</i>	<i>-12%</i>	<i>-11%</i>	
Real Estate	0%	-8%	-8%	-8%	-8%	-7%	
Other G&A	-7%	-8%	-8%	-8%	-8%	-9%	
Selling & Marketing	-3%	-5%	-5%	-5%	-5%	-5%	
PDA	-5%	-5%	-5%	-5%	-5%	-5%	
EBITDA	16.1%	-5.7%	11.3%	18.8%	24.8%	29.5%	

Perp.
89,581

Result

- PV - 2024
R\$7.5 million
- PV – Perpet.:
R\$48.5 million
- Total EV:
R\$ 56.0 million
- IRR: 30.0%