



ESTÁCIO PARTICIPAÇÕES S.A.

ANNOUNCEMENT TO THE MARKET

Estácio Starts Procedures to Acquire a University in Paraguay

ESTÁCIO PARTICIPAÇÕES S.A. (Bovespa: ESTC3; "Company"), pursuant to Article 157 of Brazilian Corporate Law, hereby informs the market that its Board of Directors has authorized the Executive Board to start the procedures for the acquisition of 99.99% of Sociedad de Enseñanza Superior S.A. ("SESSA"), headquartered in the city of Asunción, Paraguay, the controlling institution of Universidad de la Integración de las Americas – UNIDA.

The acquisition price shall be equivalent to SESSA's book value of approximately R\$ 2.4 million, in accordance with a Memorandum of Understanding executed between the Company and SESSA's controlling shareholders on April 7, 2007.

UNIDA offers graduation programs in business administration, marketing, law, education, information technology, physical education, medicine and nursing, among others, and had 2,176 enrolled students at the end of the first half of 2008.

The Company will release a Material Fact as soon as the acquisition procedures are concluded.

Rio de Janeiro, July 28, 2008.

**João Carlos de Castro Rosas
Investor Relations Officer
Estácio Participações S.A.**

About Estácio Participações

Estácio Participações S.A. (BOVESPA: ESTC3), the largest private post-secondary education institution in Brazil in number of students, has approximately 198,000 undergraduate students enrolled in its programs (March/2008) and reported a net revenue of R\$238 million in the first quarter of 2008.

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