3Q11 Results

More students, higher EBITDA, better margin, more profit…

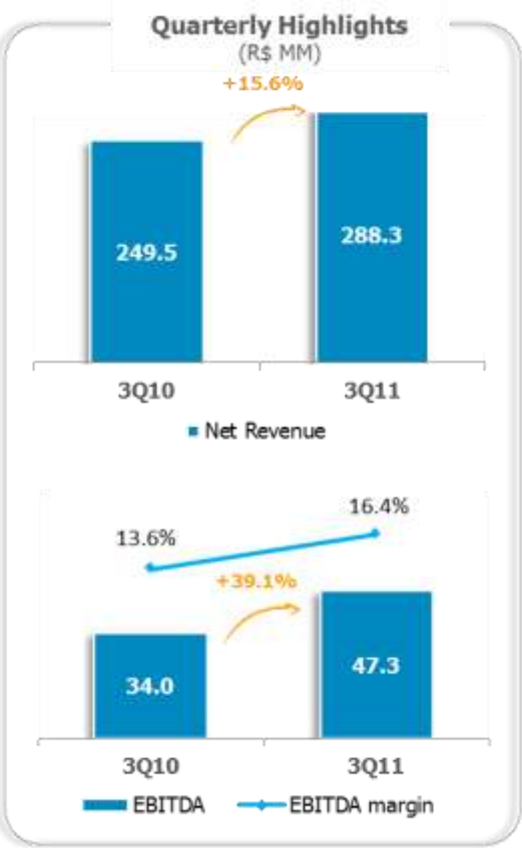
…zero non-recurring items

Record high enrollments of 61,500 students, EBITDA of R$47.3 million, EBITDA margin of 16.4% (+2.8 p.p.) and Net Income up 22.9% from 3Q10

Rio de Janeiro, Brazil, November 10, 2011 – **Estácio Participações S.A.** – "Estácio" or "Company" (BM&FBovespa: ESTC3; Bloomberg: ESTC3.BZ; Reuters: ESTC3.SA) announces its results for the third quarter of 2011 (3Q11) in comparison with the same period of the previous year (3Q10). Except where stated otherwise, the following financial and operating information is presented in accordance with International Financial Reporting Standards ("IFRS") and on a consolidated basis.

Highlights

- Third consecutive cycle of **record high enrollments** (up 26.2% on 3Q10), with more than 61,500 on-campus and distance undergraduate new students in 3Q11. Total base of 247,800 students at the end of 3Q11 (up 14.6% on 3Q10).
- **Net operating revenue** was R$288.3 million in 3Q11, growing 15.6% from previous year, mainly due to the expansion of the total student base and monthly tuition adjustments.
- Starting this quarter, our analyses will no longer be based on **recurring EBITDA**, but only **EBITDA** adjusted by the operating financial result, further increasing the transparency of our statements.
- Consolidated adjusted **EBITDA** came at R$47.3 million, up 39.1%, a margin expansion of 2.8 p.p. over 3Q10.
- **Net income** totaled R$31.1 million in 3Q11, a 22.9% increase over the same period 2010.
- At the close of 3Q11, **cash and cash equivalents** stood at R$62.3 million.



ESTC3
(At 11/09/2011)

Price: R$18.55 / share
Number of shares: 82,251,937
Market Cap: R$1.5 billion
Free Float: 76%

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Key Indicators

	Consolidated			Excluding Acquisitions		
Financial Highlights	**3Q10**	**3Q11**	**Change**	**3Q10**	**3Q11**	**Change**
Net Revenue (R$ million)	**249.5**	**288.3**	**15.6%**	**249.5**	**274.1**	**9.9%**
Gross Profit (R$ million)	**84.7**	**100.4**	**18.5%**	**84.7**	**94.8**	**11.9%**
Gross Profit margin	*33.9%*	*34.8%*	*0.9 p.p.*	*33.9%*	*34.6%*	*0.7 p.p.*
EBIT (R$ million)	**22.0**	**32.1**	**45.9%**	**22.0**	**28.6**	**30.0%**
EBIT Margin	*8.8%*	*11.1%*	*2.3 p.p.*	*8.8%*	*10.4%*	*1.6 p.p.*
EBITDA (R$ million)	**34.0**	**47.3**	**39.1%**	**34.0**	**43.6**	**28.2%**
EBITDA Margin	*13.6%*	*16.4%*	*2.8 p.p.*	*13.6%*	*15.9%*	*2.3 p.p.*
Net Income (R$ milllion)	**25.3**	**31.1**	**22.9%**	**25.3**	**28.3**	**12.1%**
Net Income Margin	*10.1%*	*10.8%*	*0.7 p.p.*	*10.1%*	*10.3%*	*0.2 p.p.*

Note: EBITDA adjusted by the addition of the operating financial result (revenue from fines and interest on tuition payments).

Message from Management

At the close of 3Q11, we show once again strong signs of sustainable growth with value creation to our shareholders. We grew based on a strong organizational culture, oriented to quality and results, allied with coordinated team work aimed at increasing levels of service quality and student satisfaction. Our students grow, our employees grow and Estácio grows.

Thanks to an academic model that is increasingly taking root and is well recognized by our faculty and students; a commercial force more and more disciplined and effective; the focus on developing value drivers; the constant improvement of service levels and the public's perception of a better quality image; and successful marketing decisions and efforts, Estácio posted record high enrollments for the third consecutive cycle. This quarter, more than 61,500 new students enrolled in our on-campus and distance undergraduate courses, without taking into account enrollment at new Units acquired within the year. New on-campus students totaled 45,500, up 18.1% over last year, in addition to 16,000 new distance students, up 56.8% over the same period in 2010.

Enrollment renewal rates, which remained in line with our historic levels and the 10,000 students from companies acquired during the year, led to a total student base of 247,800 at the end of 3Q11, up 14.6% over 3Q10. Our net operating revenue increased 15.6%.

In 3Q11, Estácio also took a very important decision regarding reported results. In line with our policy of the highest level of transparency, starting this quarter, we have ceased to analyze our results based on the "recurring EBITDA" basis. In other words, we will no longer use the "non-recurring expenses" concept in the calculation of EBITDA, which will now be our EBITDA adjusted for operating financial result. In this context, in 3Q11, we registered an EBITDA of R$47.3 million (up 39.1% from 3Q10), a margin of 16.4% (up 2.8 p.p. from 2010).

The increase in margin is once again due to the success of our business model, which is based on centralization and scalability of our business model, the implementation of our academic model and in continuous measures to streamline our operations. As stated in the past, gains in the Company's net revenue result in margin gain, and in the 3Q11 was no different. We posted gains in personnel costs and general and administrative expenses, which offset losses in our PDA. At the same time, companies acquired during the year began to generate more significant margins and contribute to our margin expansion. In the quarter, Estacio-Atual (Roraima) and Estacio-Fatern (Natal) stood out, operating above 30% EBITDA margin. Note that in the quarter we completed the divestment of our Unit in Paraguay in line with our focus and priority of profitable growth opportunities in the Brazilian market.

Receivables are at 60 days, while agreements for refinanced did not increase in comparison with the previous quarter, corresponding to 16% of our accounts receivable, thanks to the constant application of our credit policies. We continue to provision for all debts overdue for more than 180 days and have seen an increase in the number of FIES agreements (at the end of September 2011, we had nearly 13,000 students in the program) and greater use of credit cards by students, which helps to reduce bad debt. During the quarter, we launched an internal campaign to mobilize our Company around the theme of delinquency. We are adopting a number of management practices, developing systems to increase the visibility of delinquency drivers, adopting best practices from Units with the best performance on this issue and launching an educational campaign known as "Responsible University Students" involving coordinators and teachers in the discussion of students' responsibility.

At the end of the quarter, we had cash of R$62.3 million, stable in comparison with the previous quarter. Considering the payment of collective holidays, the acquisition of the first 6,000 tablets and the stock buyback program in 3Q11, we are quite satisfied with the cash generation for the period. With growth and profitability gains firmly in place, management's priority is now to generate healthy and sustainable cash from our operations. We are certain we will reach satisfactory results in this metric over the coming quarters. Aligned with this goal, bear in mind that we continue working on projects for the future adoption of Economic Value Added (EVA®) as a metric of Estácio's performance and a criterion for evaluation and variable compensation of our executives, and we started a Risk Management project in partnership with PricewaterhouseCoopers (PwC).

Our net income also posted an excellent performance, up to R$31.1 million in the period, a 22.9% increase over the same period of last year. Net income was the result of the excellent performance of our EBITDA, but was negatively impacted by financial results due to the reduction in funds available for investment and by financial expenses with the commencement of IFC and BNDES debt servicing, as well as the loss from the sale of the Paraguay unit. Nonetheless, the effect of calculation of income tax and social contribution was positive this quarter due to the calculation of the deferred effects.

Our enthusiasm remains strong. We have increasing levels of control and predictability of the Company's performance and feel that the overall climate is one of high confidence and satisfaction about reaching our objectives. We notice an increasing productive balance between the pursuit of academic quality and the sustainable short and long-term results. We clearly perceive the mood and energy of growth in the air and the entire Estácio team is ready for new challenges and projects. During the quarter, we participated in the Rock in Rio event and held our III Annual Faculty Forum (see "Important Facts"), besides launching our 2012 enrollment campaign focused on the expansion of the tablet project for the engineering and law courses throughout Brazil.

That is Estácio as an increasingly better value proposition for all our stakeholders. Onward Estacio!

Student Base

Estácio ended 3Q11 with a **student base** of 247,800 students (up 14.6% from 3Q10), with 207,200 students enrolled in on-campus programs and 40,600 in distance-learning programs, including the acquisitions of Atual, FAL and FATERN. Excluding these acquisitions, the same-shop student base in 3Q11 stood at 237,800 students, up 10.0% from 3Q10.

Table 1 – Total Student Base

'000	3Q10	3Q11	Change
On-Campus	**191.5**	**197.2**	**3.0%**
Undergraduate	180.7	186.9	3.4%
Graduate	10.8	10.3	-4.6%
Distance Learning	**24.7**	**40.6**	**64.4%**
Undergraduate	22.3	37.4	67.7%
Graduate	2.4	3.2	33.3%
Total Student Base ex-Acquisitions	**216.2**	**237.8**	**10.0%**
2011 Acquisitions	-	*10.0*	N.A.
Total Student Base	**216.2**	**247.8**	**14.6%**

Note: the Acquisitions line refers to the total on-campus undergraduate student base from companies acquired in 2011 (Atual, FAL and FATERN).

At the close of 3Q11, Estácio's on-campus undergraduate student base totaled 196,900 students, up 9.0% from 3Q10. Excluding students of the institutions acquired this year, the undergraduate student base stood at 186,900 students, up 3.5% on 3Q10, demonstrating the recovery of growth of the base after three consecutive enrollment records. Note that the student base in 3Q10 included around 3,000 students at our Paraguay unit, who are not included in the 3Q11 base given that we sold the operation in 2Q11. Excluding Paraguay, growth was 5.1% in the period.

Table 2 – Evolution of On-Campus Undergraduate Student Base

'000	3Q10	3Q11	Change
Students - Starting Balance	**182.8**	**181.6**	**-0.7%**
(-) Graduates	(17.3)	(17.0)	-1.8%
Renewable Base	**165.5**	**164.6**	**-0.6%**
(+) Enrollments	38.6	45.5	18.1%
(-) Dropouts	(23.4)	(21.1)	-9.6%
(-) Students not enrolled in class	-	(2.1)	N.A.
Students ex-acquisitions - Ending Balance	**180.6**	**186.9**	**3.5%**
(+) Acquisitions	-	10.0	N.A.
Students - Ending Balance	**180.6**	**196.9**	**9.0%**

Note: the Acquisitions line refers to the total on-campus undergraduate student base from companies acquired in 2011 (Atual, FAL and FATERN).

The strong enrollment volume in 3Q11 allowed us to be more efficient when new opening classes for the semester in order to increase the average number of students per class, which reduced our base by about 2,100 students. While this might represent a loss of revenue in the short term, the creation of larger classes allows for greater efficiency in faculty costs in the future.

On the other hand, the higher dropout rate directly reflects the higher enrollment in the last two cycles. As first- and second-semester students have higher dropout ratios, and with a higher share of the student mix consisting of students in the beginning of their course after two massive enrollments, this figure should naturally increase. In 3Q10, first- and second-semester students accounted for 33.7% of our student base, while this figure increased to 41.2% in 3Q11.

In the distance learning segment, the undergraduate student base grew 67.7% over the same period of last year, reaching 37,400 students, reflecting a series of successful enrollments and the launch of new courses. The enrollment renewal rate for distance learning in 3Q11 was 68.2%, up 5.2 p.p. on the same period in 2010.

Table 3 – Evolution of Distance Learning Undergraduate Student Base

'000	3Q10	3Q11	Change
Students - Starting Balance	**19.2**	**31.4**	**63.5%**
(+) Enrollments	10.2	16.0	56.9%
(-) Dropouts	(7.1)	(10.0)	40.8%
Students - Ending Balance	**22.3**	**37.4**	**67.7%**

Operating Revenue

In 3Q11, **net operating revenue** totaled R$288.3 million, up 15.6%, influenced by the 14.6% increase in student base. Net operating revenue excluding acquisitions totaled R$274.1 million, up 9.9% year-on-year.

Table 4 – Breakdown of Operating Revenue

R$ MM	3Q10	3Q11	Change	9M10	9M11	Change
Gross Operating Revenue	**363.4**	**415.1**	**14.2%**	**1,098.0**	**1,221.1**	**11.2%**
Monthly Tuition Fees	357.8	407.7	13.9%	1,084.6	1,201.7	10.8%
Others	5.6	7.4	32.1%	13.5	19.4	43.7%
Gross Revenue Deductions	**(113.9)**	**(126.8)**	**11.3%**	**(334.3)**	**(367.1)**	**9.8%**
Scholarships and Discounts	(103.4)	(114.0)	10.3%	(302.1)	(330.2)	9.3%
Taxes	(10.5)	(12.8)	21.9%	(32.2)	(36.8)	14.3%
% Deductions / Gross Operating Revenue	*31.3%*	*30.5%*	*-0.8 p.p.*	*30.4%*	*30.1%*	*-0.4 p.p.*
Net Operating Revenue	**249.5**	**288.3**	**15.6%**	**763.7**	**854.0**	**11.8%**

The **on-campus average ticket** came at R$430.5, a 4.3% increase in relation to the same period of last year. Excluding acquisitions in the semester, the average ticket increased 3.7%, reflecting our purpose and success in applying the inflationary adjustments to our tuitions.

Table 5 – Calculation of Average Ticket - On-Campus

R$ MM*	3Q10	3Q11	Change	3Q11 ex-acquisitions	Change
Gross Revenue - On-Campus	**344.8**	**383.1**	**11.1%**	**364.8**	**5.8%**
Deductions - On-Campus	(107.7)	(115.6)	7.3%	(111.5)	3.5%
Net Revenue - On-Campus	**237.1**	**267.5**	**12.8%**	**253.3**	**6.8%**
On-Campus Students - Total (000)	191.5	207.2	8.2%	197.2	3.0%
Average Ticket - On-Campus (R$)	**412.8**	**430.4**	**4.3%**	**428.1**	**3.7%**

* Unless otherwise stated.

Table 6 – Calculation of Average Ticket - Distance Learning

R$ MM*	3Q10	3Q11	Change
Gross Revenue - Distance Learning	**18.6**	**31.9**	**71.5%**
Deductions - Distance Learning	(6.2)	(11.2)	80.6%
Net Revenue - Distance Learning	**12.4**	**20.7**	**66.9%**
Distance Learning Students - Total (000)	24.7	40.6	64.4%
Average Ticket - Distance Learning (R$)	**167.3**	**170.1**	**1.6%**

* Unless otherwise stated.

Cost of Services

In 3Q11, **the ratio of cash costs to net revenue** climbed 2.4 p.p., mainly due to the reduction in personnel costs (2.8 p.p. gain), rent, condominium fees and municipal property tax (IPTU) (0.4 p.p. gain) and outsourced services (0.3 p.p. gain), which more than offset the increase in textbook costs and INSS.

Personnel costs improved over the third quarter of 2010 thanks to the continued evolution of our academic model and increasingly efficient faculty planning (creation of classes). Personnel costs in 3Q11 relating to contract terminations (R$4.3 million) were not as significant as in 3Q10 (R$7.6 million).

Table 7 – Breakdown of Cost of Services

R$ MM	3Q10	3Q11	Change	9M10	9M11	Change
Cash Cost of Services	**(162.0)**	**(180.4)**	**11.4%**	**(505.2)**	**(552.4)**	**9.3%**
Personnel	(122.6)	(135.6)	10.6%	(385.3)	(419.8)	9.0%
Salaries and Payroll Charges	(103.3)	(111.3)	7.7%	(322.6)	(344.0)	6.6%
Brazilian Social Security Institute (INSS)	(19.3)	(24.4)	26.4%	(62.7)	(75.8)	20.9%
Rentals / Real Estate Taxes Expenses	(24.2)	(26.7)	10.3%	(72.0)	(77.7)	7.9%
Textbooks Materials	(3.2)	(5.0)	56.3%	(9.7)	(17.7)	82.5%
Third-Party Services and Others	(12.0)	(13.1)	9.2%	(38.2)	(37.2)	-2.6%

Table 8 – Vertical Analysis of Cost of Services

% of Net Operating Revenue	3Q10	3Q11	Change	9M10	9M11	Change
Cash Cost of Services	**-64.9%**	**-62.6%**	***2.3 p.p.***	**66.2%**	**64.7%**	***-1.5 p.p.***
Personnel	-49.1%	-47.0%	*2.1 p.p.*	50.5%	49.2%	*-1.3 p.p.*
Salaries and Payroll Charges	-41.4%	-38.6%	*2.8 p.p.*	42.2%	40.3%	*-2.0 p.p.*
Brazilian Social Security Institute (INSS)	-7.7%	-8.5%	*-0.7 p.p.*	8.2%	8.9%	*0.7 p.p.*
Rentals / Real Estate Taxes Expenses	-9.7%	-9.3%	*0.4 p.p.*	9.4%	9.1%	*-0.3 p.p.*
Textbooks Materials	-1.3%	-1.7%	*-0.5 p.p.*	1.3%	2.1%	*0.8 p.p.*
Third-Party Services and Others	-4.8%	-4.5%	*0.3 p.p.*	5.0%	4.4%	*-0.6 p.p.*

Table 9 – Cost Reconciliation

R$ MM	3Q10	3Q11	Change	9M10	9M11	Change
Cash Cost of Services	**(162.0)**	**(180.4)**	**11.4%**	**(505.2)**	**(552.4)**	**9.3%**
(+) Depreciation	(2.8)	(7.5)	167.9%	(14.0)	(18.8)	34.3%
Cost of Services	**(164.8)**	**(187.9)**	**14.0%**	**(519.3)**	**(571.2)**	**10.0%**

Gross Income

Table 10 – Statement of Gross Income

R$ MM	3Q10	3Q11	Change	9M10	9M11	Change
Net Operating Revenue	249.5	288.3	15.6%	763.7	854.0	11.8%
Cost of Services	(164.8)	(187.9)	14.0%	(519.3)	(571.2)	10.0%
Gross Profit	**84.7**	**100.4**	**18.5%**	**244.4**	**282.7**	**15.7%**
(-) Depreciation	2.8	7.5	167.9%	14.0	18.8	34.3%
Cash Gross Profit	**87.5**	**107.9**	**23.3%**	**258.4**	**301.5**	**16.7%**
Cash Gross Margin	*35.1%*	*37.4%*	*2.3 p.p.*	*33.8%*	*35.3%*	*1.5 p.p.*

Selling, General & Administrative Expenses

Selling expenses were equivalent to 7.6% of net revenue in 3Q11, stable in comparison with 3Q10, as a result of a slight increase in the ratio of PDA to net revenue (0.3 p.p.), fully offset by a decrease, in the same levels, in advertising and marketing expenses.

General and administrative expenses showed a 0.6 p.p. gain in comparison with 3Q10, mainly due to the 1.3 p.p. gain in personnel and the 0.7 p.p. gain in outsourced services, which offset the 1.1 p.p. increase in provisions for contingencies and the 0.3 p.p. increase in other expenses.

Table 11 – Breakdown of Selling, General and Administrative Expenses

R$ MM	3Q10	3Q11	Change	9M10	9M11	Change
Selling, General and Administrative Cash Expenses	**(57.4)**	**(64.7)**	**12.7%**	**(184.9)**	**(198.9)**	**7.6%**
Selling Expenses	**(19.1)**	**(22.0)**	**15.2%**	**(69.2)**	**(82.8)**	**19.7%**
Provisions for Doubtful Debts	(6.3)	(8.2)	30.2%	(26.4)	(30.9)	17.0%
Marketing	(12.8)	(13.8)	7.8%	(42.8)	(51.8)	21.0%
General and Administrative Expenses	**(38.3)**	**(42.7)**	**11.5%**	**(115.7)**	**(116.1)**	**0.3%**
Personnel	(18.6)	(17.8)	-4.3%	(53.9)	(50.6)	-6.1%
Salaries and Payroll Charges	(16.0)	(15.1)	-5.6%	(45.6)	(42.1)	-7.7%
Brazilian Social Security Institute (INSS)	(2.6)	(2.6)	0.0%	(8.3)	(8.5)	2.4%
Others	(19.7)	(24.9)	26.4%	(61.8)	(65.5)	6.0%
Third-Party Services	(11.9)	(11.7)	-1.7%	(35.0)	(32.0)	-8.6%
Machinery rentals and leasing	(0.6)	(0.6)	0.0%	(2.2)	(2.0)	-9.1%
Consumable Material	(0.3)	(0.4)	33.3%	(1.1)	(1.2)	9.1%
Provision for Contingencies	(0.6)	(3.9)	550.0%	(2.9)	(1.2)	-58.6%
Other Operating Renevue (expenses)	3.0	3.3	10.0%	8.1	7.4	-8.6%
Others	(9.3)	(11.7)	25.8%	(28.4)	(36.5)	28.5%
Depreciation	**(5.2)**	**(3.6)**	**-30.8%**	**(9.1)**	**(10.8)**	**18.7%**

Table 12 – Vertical Analysis of Selling, General and Administrative Expenses

% of Net Operating Revenue	3Q10	3Q11	Change	9M10	9M11	Change
Expenses	**-23.0%**	**-22.4%**	***0.6 p.p.***	**-24.2%**	**-23.3%**	***0.9 p.p.***
Selling Expenses	**-7.6%**	**-7.6%**	***0.0 p.p.***	**-9.1%**	**-9.7%**	***-0.6 p.p.***
Provisions for Doubtful Debts	-2.5%	-2.8%	*-0.3 p.p.*	-3.5%	-3.6%	*-0.2 p.p.*
Marketing	-5.1%	-4.8%	*0.3 p.p.*	-5.6%	-6.1%	*-0.5 p.p.*
General and Administrative Expenses	**-15.4%**	**-14.8%**	***0.6 p.p.***	**-15.1%**	**-13.6%**	***1.6 p.p.***
Personnel	-7.5%	-6.2%	*1.3 p.p.*	-7.1%	-5.9%	*1.1 p.p.*
Salaries and Payroll Charges	-6.4%	-5.2%	*1.2 p.p.*	-6.0%	-4.9%	*1.0 p.p.*
Brazilian Social Security Institute (INSS)	-1.0%	-0.9%	*0.1 p.p.*	-1.1%	-1.0%	*0.1 p.p.*
Others	-7.9%	-8.6%	*-0.7 p.p.*	-8.1%	-7.7%	*0.4 p.p.*
Third-Party Services	-4.8%	-4.1%	*0.7 p.p.*	-4.6%	-3.7%	*0.8 p.p.*
Machinery rentals and leasing	-0.2%	-0.2%	*0.0 p.p.*	-0.3%	-0.2%	*0.1 p.p.*
Consumable Material	-0.1%	-0.1%	*0.0 p.p.*	-0.1%	-0.1%	*0.0 p.p.*
Provision for Contingencies	-0.2%	-1.4%	*-1.1 p.p.*	-0.4%	-0.1%	*0.2 p.p.*
Other Operating Renevue (expenses)	1.2%	1.1%	*-0.1 p.p.*	1.1%	0.9%	*-0.2 p.p.*
Others	-3.7%	-4.1%	*-0.3 p.p.*	-3.7%	-4.3%	*-0.6 p.p.*
Depreciation	**-2.1%**	**-1.2%**	**0.8 p.p.**	**-1.2%**	**-1.3%**	***-0.1 p.p.***

EBITDA

EBITDA adjusted by operating financial result in 3Q11 stood at R$47.3 million, margin of 16.4%, up 2.8 p.p. from 3Q10 (which had increased 4.9 p.p. over 3Q09), mainly due to the better management of personnel costs and expenses, which offset the step-up of the INSS, the increase in increased textbook material costs and marketing expenses. Under the "recurring" criteria and using the same criteria we have used to define these items until 2Q11, our recurring EBITDA would have stood at R$52.7 million (up 26.1% from 3Q10), margin of 18.3% (+1.5 p.p.).

Table 13 – Statement of Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

R$ MM	3Q10	3Q11	Change	9M10	9M11	Change
Net Revenue	**249.5**	**288.3**	**15.6%**	**763.7**	**854.0**	**11.8%**
(-) Cash Cost of Services	(162.0)	(180.4)	11.4%	(505.2)	(552.4)	9.3%
(-) Selling, General and Administrative Cash Expenses	(57.4)	(64.7)	12.7%	(184.9)	(198.9)	7.6%
(+) Operating Financial Result	3.9	4.1	5.1%	11.1	11.0	-0.9%
EBITDA	**34.0**	**47.3**	**39.1%**	**84.6**	**113.8**	**34.5%**
EBITDA Margin	*13.6%*	*16.4%*	*2.8 p.p.*	*11.1%*	*13.3%*	*2.2 p.p.*

In the same shops concept, **EBITDA** in 3Q11 was R$43.6 million, margin of 15.9%, up 2.3 p.p. from 3Q10.

Table 14 – Statement of Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) – same shops concept

R$ MM	3Q10	3Q11 ex-acquisitions	Change	9M10	9M11 ex-acquisitions	Change
Net Revenue	**249.5**	**274.1**	**9.9%**	**763.7**	**822.6**	**7.7%**
(-) Cash Cost of Services	(162.0)	(171.9)	6.1%	(505.2)	(531.3)	5.2%
(-) Selling, General and Administrative Cash Expenses	(57.4)	(62.6)	9.1%	(184.9)	(192.5)	4.1%
(+) Operating Financial Result	3.9	4.1	4.4%	11.1	11.0	-1.3%
EBITDA	**34.0**	**43.6**	**28.3%**	**84.6**	**109.7**	**29.7%**
EBITDA Margin	*13.6%*	*15.9%*	*2.3 p.p.*	*11.1%*	*13.3%*	*2.2 p.p.*

Acquired companies

Below is a chart with the highlights of the companies acquired since the beginning of 2011. We will provide these details up to 12 months from the acquisition date to enable follow-up of the Company's performance in the same shops concept. Transparency once again, in showing organic growth separate from growth through acquisitions.

Table 15 – Key Indicators of Acquired Companies

R$ million	Atual	FAL	FATERN	Academia do Concurso
Net Revenue	**5.3**	**2.2**	**3.8**	**2.6**
Gross Profit	**2.1**	**0.7**	**1.8**	**1.0**
Gross Margin	*40.3%*	*31.5%*	*48.1%*	*37.7%*
EBITDA	**2.0**	**0.2**	**1.5**	**0.0**
EBITDA Margin	*37.9%*	*11.4%*	*39.9%*	*1.2%*
Net Income	**1.6**	**0.2**	**1.2**	**-0.1**
Income Margin	*29.9%*	*8.5%*	*31.6%*	*-2.4%*

As shown above, the acquired companies performed very well. Estácio-Atual, the Company's first acquisition in this new phase and hence, advanced in its integration, posted EBITDA margin of 37.9% in 3Q11, reflecting the excellent performance of the new Boa Vista, Roraima Unit and already benefiting from the migration to the Estácio Academic model beginning in the second half of the year.

Our operations in Natal - Estacio-FAL and Estácio-Fatern - posted positive margins in the period, particularly Estácio-Fatern, which recorded an EBITDA margin of nearly 40%. Both Units recorded excellent enrollments and, even though they have not initiated the migration to the new Estácio Educational Model, have already benefitted from the implementation of "Natal Cluster" together with our original Unit in the city, seeking synergies and economies of scale and thus increase margins.

Academia do Concurso has undergone several adjustments already expected at the beginning of the transition and has managed to break even in the quarter (after the loss in 2Q11) after implementing actions to accelerate the migration of its back office to the Shared Services Center and to stabilize its daily activities. At the same time, it began to structure its platform for distance learning courses and is preparing to sell a platform of short-duration courses that will contribute to revenue generation.

Financial Result

Table 16 – Breakdown of Financial Result

R$ MM	3Q10	3Q11	Change	9M10	9M11	Change
Financial Revenue	**8.4**	**5.6**	**-33.3%**	**23.3**	**18.2**	**-21.9%**
Fines and interest charged	3.9	4.1	4.7%	11.1	11.0	-1.0%
Income of financial applications	4.2	1.1	-72.9%	11.4	6.1	-46.1%
Other	0.3	0.3	0.0%	0.9	1.1	26.6%
Financial Expenses	**(4.6)**	**(7.9)**	**71.7%**	**(12.6)**	**(21.0)**	**66.5%**
Bank charges	(0.8)	(2.1)	144.0%	(3.1)	(4.4)	38.6%
Interest and financial charges	(0.5)	(3.1)	520.0%	(1.0)	(4.9)	369.5%
Debt relief	-	-	N.A.	-	(3.3)	N.A.
Financial Discounts	(2.5)	(1.9)	-23.9%	(5.4)	(5.8)	7.6%
Other	(0.7)	(0.9)	21.4%	(3.0)	(2.7)	-12.5%
Financial Result	**3.8**	**(2.3)**	**-160.5%**	**10.7**	**(2.8)**	**-125.6%**

In 3Q11, **financial result** was a negative R$2.3 million, due to the R$2.8 million decrease in financial revenue and a R$2.3 million increase in financial expenses.

In the financial revenue line, the main decrease (R$3.0 million) was on financial investments due to the reduced volume of the Company's cash after a series of acquisitions at the beginning of the year. Under financial expenses, the main factor was the beginning of the BNDES and IFC debt service, which were practically nonexistent in 2010.

Net Income

Table 17 – Reconciliation of EBITDA and Net Income

R$ MM	3Q10	3Q11	Change	9M10	9M11	Change
EBITDA	**34.0**	**47.3**	**39.1%**	**84.6**	**113.8**	**34.5%**
Operating Financial Result	(3.9)	(4.1)	5.1%	(11.1)	(11.0)	-0.9%
Financial Result	3.8	(2.3)	-160.5%	10.7	(2.8)	-126.2%
Depreciation	(8.0)	(11.1)	38.8%	(23.1)	(29.6)	28.1%
Non-operating result	-	(2.2)	N.A.	(1.1)	(2.2)	N.A.
Social Contribution	(0.2)	0.9	-550.0%	(0.4)	(0.1)	-75.0%
Income Tax	(0.4)	2.6	-750.0%	(0.9)	(0.2)	-77.8%
Net Income	**25.3**	**31.1**	**22.9%**	**58.8**	**67.8**	**15.5%**

Net income in 3Q11 totaled R$31.1 million, versus R$25.3 million in 3Q10. The 22.9% increase in net income is the result of a 39.1% gain in EBITDA and the R$4.1 million increase in the Income Tax and Social Contribution line (due to the reduction in the deferred asset of Income Tax and Social Contribution), offset by the decrease in the Financial Result and the R$3.1 million increase in depreciation and amortization (due to higher CAPEX). Note that the sale of our Paraguay operation represented a loss of R$2.2 million, reducing the net income in the period.

Year-to-date, net income came at R$67.8 million, up 15.5% over the same period in 2010.

Accounts Receivable and Average Receivable Days

The **number of days for receiving** from students (tuitions and agreements) came to 62 days in 3Q11. Excluding acquired companies, the number is 60 days, in line with last quarter's leve, when the number of days was 59, but remaining well above the average receivable days of 47 in the same period in 2010.

During the quarter, we launched an internal campaign to mobilize our Company around the theme of delinquency. We are adopting a number of management practices, developing systems to increase the visibility of delinquency drivers, adopting best practices from Units with the best performance on this issue and launching an educational campaign known as "Responsible University Students" involving coordinators and professors in the discussion of students' responsibility. Through this pool of actions, we are confident of achieving even better results, improving delinquency rates and generating cash in the upcoming cycles.

Table 18 – Accounts Receivable and Average Receivable Days

Accounts Receivable (R$ MM)	3Q10	4Q10	1Q11	2Q11	3Q11	3Q11 ex-acquisitions
Gross Accounts Receivable	**267.1**	**210.9**	**234.4**	**273.1**	**283.2**	**259.5**
FIES	17.5	15.3	21.2	25.4	31.0	31.0
Tuition monthly fees	193.5	157.4	164.6	198.7	195.0	173.7
Credit Cards receivable	11.8	6.9	12.8	10.8	16.4	15.6
Agreements receivable	41.5	26.9	31.7	32.4	35.5	33.9
Fees receivables	2.9	4.4	4.1	5.7	5.3	5.3
Credits to identify	(7.8)	(9.2)	(5.5)	(6.8)	(5.2)	(5.3)
Provision for bad debts	(110.4)	(45.4)	(49.9)	(55.8)	(56.0)	(44.7)
Net Accounts Receivable	**148.9**	**156.4**	**179.0**	**210.5**	**221.9**	**209.5**
(-) FIES	(17.5)	(15.3)	(21.2)	(25.4)	(31.0)	(31.0)
Net Accounts Receivable Ex. FIES	**131.5**	**141.1**	**157.8**	**185.0**	**190.9**	**178.5**
Net revenue (last twelve months)*	**1,008.1**	**1,016.2**	**1,036.0**	**1,119.3**	**1,106.5**	**1,075.0**
Days Receivables Ex. FIES	**47**	**50**	**55**	**60**	**62**	**60**

** Net revenue from acquired companies included in consolidated figures in 3Q11 was annualized for the calculation of Net Receivable Days.*

At the end of 3Q11, **net receivables from non-FIES students** stood at R$190.9 million, slightly higher than in last quarter, with the highest variations in "Credit Cards Receivables" and "FIES," both helping to mitigate delinquency risk.

Once again, we have been adopting strict credit and negotiation policies in an effort to control the quality of our receivables. As a result, there was no variation in agreements for refinanced tuitions, which remained stable at roughly R$35.5 million, equivalent to a mere 16.0% of total gross receivables.

FIES accounts receivable, which grew R$5.6 million in the quarter, consists of educational credits for students who took out loans from Caixa Econômica Federal and Banco do Brasil and are used by Estácio for the payment of federal taxes. In other words, they represent tax credits without any risk of delinquency. In addition to the credits in accounts receivable, the balance includes additional R$9.7 million that were already converted in certificates and are awaiting utilization or to be sold at buyback programs. At the end of September, we had nearly 13,000 students in the FIES program, more than double the 3Q10 total of 6,000 students.

The variation in the PDA balance in 3Q11, when compared to 3Q10, is the result of the fact that as of 4Q10, Estácio began to adopt a policy for the accounting write-off of gross receivables overdue more than 360 days. Remember that once these receivables are written off, the same amount of PDA balance is written off, thus being a neutral in net receivables.

Also note that Estácio's policy for provisions for doubtful accounts is not based on estimates, as all accounts receivable more than 180 days overdue are provisioned for, as shown in the table below, in comparison with Table 19.

Table 19 – Aging of Total Gross Accounts Receivable

Breakdown of Accounts Receivable by Age (R$ million)	3T10	%	3T11	%
FIES	17.5	7%	31.0	11%
Not yet due	55.0	21%	90.8	32%
Overdue up to 30 days	37.1	14%	45.4	16%
Overdue from 31 to 60 days	17.3	6%	19.7	7%
Overdue from 61 to 90 days	6.4	2%	6.0	2%
Overdue from 91 to 179 days	26.8	10%	34.3	12%
Overdue more than 180 days	106.9	40%	56.0	20%
TOTAL	**267.1**	**100%**	**283.2**	**100%**

The increase in the "Not yet due" line over 3Q10 is due to:

(i) the increase in receivables through credit cards on account of the recent campaigns to encourage this payment method;
(ii) promotional campaigns for financing the first months' tuition fee; and
(iii) agreements with companies and public sector entities.

The table below presents the aging of our agreements. A mere 16% of total receivables come from student renegotiations, in line with the percentage disclosed in 2Q11 (15%), which shows that enrollment renewals were conducted in a disciplined manner, without affecting the credit portfolio or potential delinquency levels in the future. Moreover, analyzing the aging of the agreements is crucial to monitor the percentage of securities already overdue more than 60 days. At Estácio, only 20% of the agreements are in this situation.

Table 20 – Aging of Agreements Receivable

Breakdown of Agreements by Age (R$ million)	3Q10	%	3Q11	%
Not yet due	26.3	64%	25.0	70%
Overdue up to 30 days	6.5	16%	2.2	6%
Overdue from 31 to 60 days	1.8	4%	1.2	3%
Overdue from 61 to 90 days	0.7	2%	1.3	4%
Overdue from 91 to 179 days	1.6	4%	2.9	8%
Overdue more than 180 days	4.5	11%	2.9	8%
TOTAL	**41.5**	**100%**	**35.5**	**100%**
% over Accounts Receivable	**28%**		**16%**	

For clarification purposes, we have copied/pasted the following table from the Notes to the Quarterly Information reports - ITR, which provides a step-by-step explanation of how the provision is formed every quarter. In the case of the following tables, reconciliation presents the numbers for the nine-month period ended September 30, 2011.

First, we explain how we get to the provision that is presented in the P&L. Starting from the total receivables that reach more than 180 days past due, the amount recovered through collection agents for receivables already provisioned ("Recovery of Defaults") to arrive at the period's "Additional Provisions" (nine months ended September 30, 2011). To reconcile the additional provision in the balance sheet with the period's provision in the P&L, we should also consider the "FIES Credit Risk" and the "Write-off of Collections and Unidentified Deposits" relating to credits overdue more than 180 and hence already provisioned. The result, R$30.9 million, is exactly the amount registered as PDA expenses.

Table 21 – Constitution of Provision for Doubtful Accounts in the 9M11 P&L

R$ MM	Gross increase in the provision for deliquency	Deliquency recover	Additional provision, net	Credit risk - FIES	Write off of charges and unidentified deposits	Total
Tuitions and fees	68.7	(33.9)	34.9	0.3	(5.5)	29.6
Acquired Companies	1.3	-	1.3	-		1.3
TOTAL	**70.1**	**(33.9)**	**36.2**		**(5.5)**	**30.9**

Here, we demonstrate how to reconcile the PDA of the P&L with the variation of the balances in the balance sheet. From the starting balance of provision for doubtful accounts as of December 31, 2010, we add the Net Increase in Provision and the balance of Provision for doubtful accounts of the acquired companies (in the "Effect of the Acquired Entities" column). Finally, we removed in the "Write-Off" column, provisions of more than 360 days, doing the same operation in Gross Accounts Receivable exactly in the same amount, reaching the balance of the Provision of Doubtful Accounts on September 30, 2011.

Note that this write-off is made every quarter with the simple objective of maintaining a 12-month history in order to facilitate quarterly comparison. Since all receivables overdue more than 180 days are already provisioned, such write-off does not affect Net Variables. Also note that these receivables will continue to be collected normally through the mechanisms used by Estácio, and when we recover these receivables, their amounts will reduce the provision for doubtful accounts.

Table 22 – Reconciliation of the Provision for Doubtful Accounts Balances in the Balance Sheet

R$ MM	12/31/2010	Additional provision, net	Acquired Companies effect	Write off	06/30/2011
Tuitions and fees	45.4	34.9	-	(36.9)	43.3
Acquired Companies	-	1.3	11.3	-	12.7
TOTAL	**45.4**	**36.2**	**11.3**	**(36.9)**	**56.0**

Investments (CAPEX and Acquisitions)

Table 23 – CAPEX Breakdown

R$ million	3Q10	3Q11	Change	9M10	9M11	Change
CAPEX	**20.4**	**24.2**	**18.6%**	**33.4**	**85.7**	**156.6%**
Maintenance	18.3	8.6	-53.0%	27.6	32.7	18.5%
Academic Model	2.1	4.4	109.5%	5.8	12.1	108.6%
New IT Arquitecture	-	5.3	N.A.	-	11.7	N.A.
Integration Processes	-	2.5	N.A.	-	2.5	N.A.
Expansion	-	3.4	N.A.	-	12.6	N.A.
Computers	-	-	N.A.	-	14.1	N.A.
Acquisitions	**-**	**-**	**N.A.**	**-**	**61.0**	**N.A.**

In 3Q11, **maintenance CAPEX** totaled R$8.6 million, allocated mainly to the upgrade of systems, equipment, libraries and laboratories in our units. The Company invested around R$4.4 million in the new academic model project (content basis), and R$5.3 million in the acquisition of hardware and licenses for the IT architecture review project, aimed at replacing our legacy academic systems. **Investments in expansion, revitalizations**

and improvements of units totaled R$3.4 million and included the restructuring, renovation and construction works in the Sulacap, Ibiúna, Tom Jobim and Marajoara II Campuses, and equipment for a new unit.

Capitalization and Cash

Table 24 – Capitalization and Cash

R$ MM	2010/09/30	09/30/2011
Shareholders' Equity	**518.8**	**634.1**
Cash & Cash Equivalents	**183.7**	**62.3**
Total Gross Debt	**(10.9)**	**(71.2)**
Loans and Financing	(7.5)	(58.9)
Short Term	(2.7)	(3.2)
Long Term	(4.8)	(55.7)
Commitments to Pay	(1.5)	(7.3)
Taxes Paid in Installments	(1.9)	(5.0)
Cash / Net Debt	**172.8**	**(8.9)**

At the close of 3Q11, **cash** stood at R$62.3 million, which was conservatively invested in fixed-income instruments pegged to the CDI rate, in government bonds and in certificates of deposits at top-tier Brazilian banks.

The **debt balance** of R$58.9 million in 3Q11 corresponds to the R$48.5 million raised with IFC, the FINAME agreement and the capitalization of equipment leasing expenses in accordance with Federal Law 11,638. We also have commitments for future payments related to acquisitions made in the order of R$7.7 million and the balance payable in installments of taxes to determine that our **gross debt** totaled R$71.2 million at the end of 3Q11.

Thus, **net debt** at the end of 3Q11 stood at R$8.9 million.

Cash Flow

Chart 3 – Operational Cash Flow (R$ million) - Quarter

In 3Q11, operational cash flow (EBITDA) offset the variation in working capital resulting from the increase in receivables and investments made in maintenance CAPEX, leading to a positive operational cash flow of R$21.3 million.

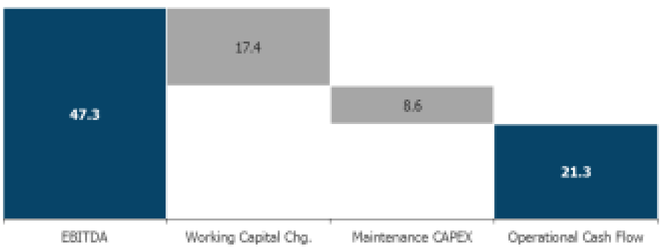
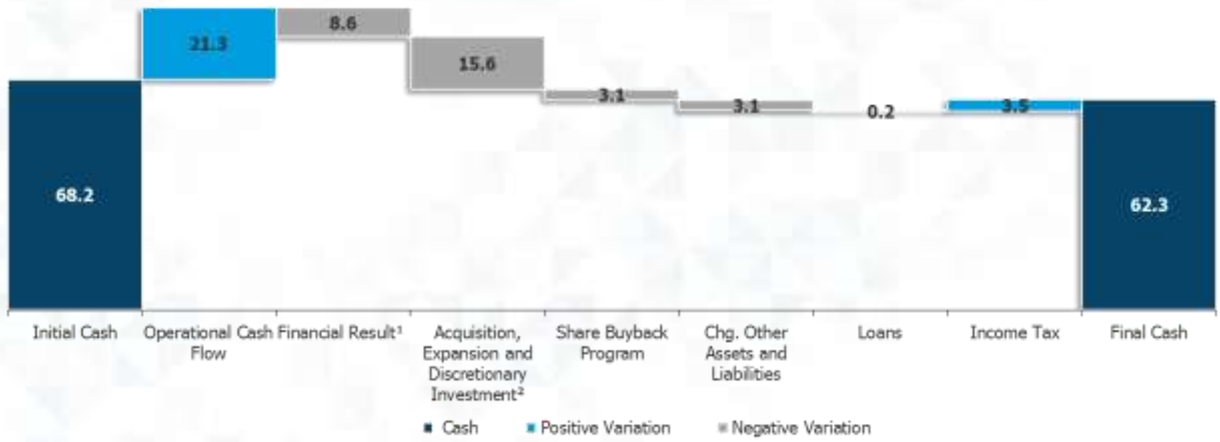


Chart 4 – Cash Flow (R$ million) - Quarter

In 3Q11, discretionary CAPEX (New Educational Model, replacement of computer network), investments in expansions, the stock buyback program and financial result were the main reasons for the reduction of R$ 5.9 million in our final cash, which ended the quarter at R$ 62.3 million.



[1]Financial result excluding the operating financial result.

[2] Composition of Investments: Expansion (R$3.4 million) + Discretionary (R$ 12.2 million)

Chart 5 – Operational Cash Flow (R$ million) – 9M11

During the first nine months of 2011, operational cash generation (EBITDA) totaled R$113.8 million, sufficient to meet the demands for Working Capital and maintenance Capex, reaching a positive operational cash flow of R$20.7 million.

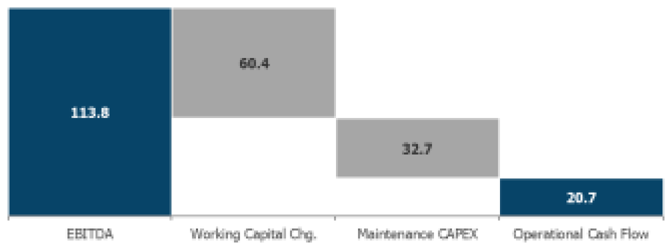
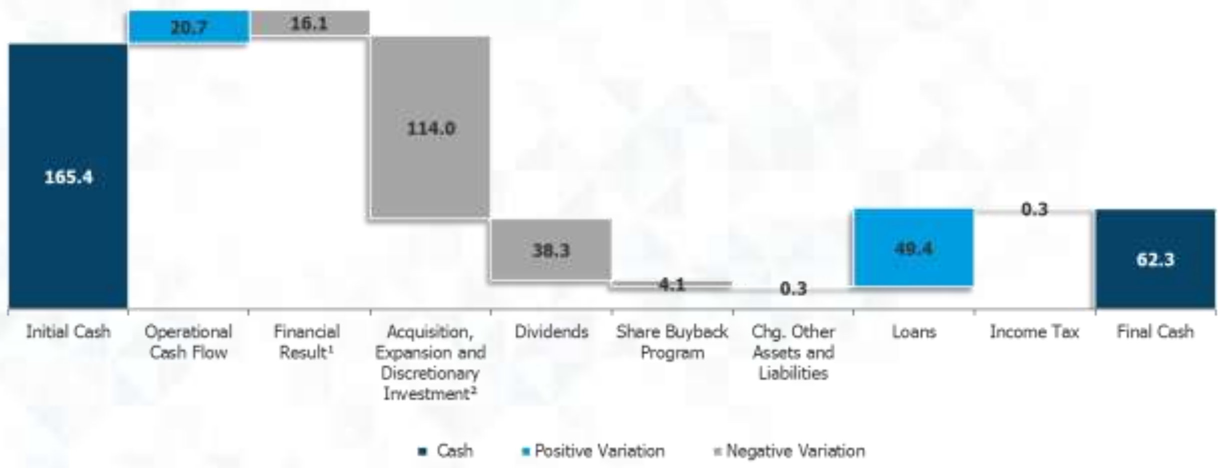


Chart 6 – Cash Flow (R$ million) – 9M11

During the year, discretionary CAPEX (New Educational Model, replacement of computer network) and investments in acquisitions and expansions, together with dividend payments and stock buyback, reduced initial cash, which was replenished by a loan from the IFC.



[1] Financial result excluding the operating financial result
[2] Composition of Investments: Discretionary (R$ 40.4 million) + Acquisitions (R$61.0 million) + Expansion (R$12.6 million)

Key Material Facts

III Faculty Forum

On August 4 and 5, the 3rd edition of Estácio Faculty Forum was held, bringing together 500 Estácio professors from all over Brazil in Rio de Janeiro. The event is an excellent opportunity for integration and the exchange of academic knowledge among our professors.

This year's event, which theme was "Lights, Camera, Professors in Action: Guiding the Transformation of Learning" surpassed all expectations and served to further improve relations within the Estácio community. The event was attended by the executive officers and the CEO of Estácio, Eduardo Alcalay, and began with a presentation by the Executive Personnel and Management Officer, Miguel de Paula. The event also included lectures and work groups for professors.

One of the high points of the event was the presentation of awards for the IV Internal Scientific Production and Extension Projects Competition and the I Teaching Competition to 47 professors from different areas of knowledge were awarded. The success of the event is proof of Estácio's drive to integrate its units and share and enrich academic content.

Divestment in Paraguay

On September 8, 2011, Estácio concluded the sale of all the shares it held in Socidedade de Enseñanza Superior S.A., headquartered in Asunción, Paraguay. With this, Estácio disposed of its only operation abroad as the operation was not aligned with its current growth strategy focused on Brazil, and due to the lack of synergies with our operations in Brazil.

Loan from the International Finance Corporation (IFC).

On October 21, we announced the signing of a new loan agreement for US$70 million from the IFC. The financing will be made directly by IFC, will have a total term of ten (10) years and will be *reais* denominated. Disbursements are scheduled until the end of 2011. The proceeds will be used to expand new units and finance acquisitions.

Sustainability Projects

Estácio at Rock in Rio - Partnership for a Better World

After 10 years, Rock in Rio returned to the city where it all started. In September and October, 700,000 people were present at the festival and 180 million people in 200 countries watched it over the internet.

Estácio, an exclusive partner in the post-secondary education segment, offered its students throughout Brazil 600 positions for volunteer work. Students participated in the logistics of the shows, management of public and production, among others, improving their professional training and contributing to a cultural event and a better world.

Photo: Sunset Stage at Rock in Rio

Estácio's Social Communication students produced, created and edited content for TV Rock in Rio, transmitted on giant screens in the City of Rock.

With an exclusive stand in the City of Rock, nearly 3,000 people were served during the event. All of the public was reached through brand experience.

As a result of the partnership, Estácio was mentioned in more than 90 media reports, both print and online, as well as on radio networks.

More than 101 tons of recyclable material produced during the event were recycled and 74 tons of organic waste were taken to the Caju Plant for composting and transformation into organic compost, which will be used by the Municipal Secretary of the Environment in the "Rio Capital Verde" program that aims to reforest the city and will recover 1,500 hectares by 2012.

Estácio and Rock in Rio, a partnership for education and sustainability, for a better world.

Quarterly Conference Calls

Conference Call (in Portuguese)	Conference Call (in English)
Date: November 11, 2011	Date: November 11, 2011
Time: 10 a.m. (Brasília) / 7 a.m. (U.S. ET)	Time: 12 p.m. (Brasília) / 9 a.m. (U.S. ET)
Connection Dial-in: +55 (11) 2188-0155	Connection Dial-in: +1 (412) 317-6776
Access Code: Estácio	Access Code: Estácio
Webcast: www.estacioparticipacoes.com.br/ri	Webcast: www.estacioparticipacoes.com.br/ir
Replay: available from November 12 through November 19, 2011	Replay: available from November 12 through November 22, 2011
Access Dial-in: +55 (11) 2188-0155	Access Dial-in: +1 (412) 317-0088
Access Code: Estácio	Access Code: 10005232

The statements included in this report related to the prospects of the business, estimates of operating and financial results, as well as those relating to Estácio's growth prospects, are merely projections and as such are based exclusively on the Management's expectations regarding the future of the business. These statements depend substantially on changes in market conditions and the performance of the Brazilian economy, the industry and international markets and therefore are subject to changes without prior notice.

Income Statement in IFRS

R$ MM	Consolidated 3Q10	Consolidated 3Q11	Consolidated Change	Excluding Acquisitions 3Q10	Excluding Acquisitions 3Q11	Excluding Acquisitions Change
Gross Operating Revenue	**363.4**	**415.1**	**14.2%**	**363.4**	**396.7**	**9.2%**
Monthly Tuition Fees	357.8	407.7	13.9%	357.8	392.5	9.7%
Others	5.6	7.4	32.1%	5.6	4.2	-25.0%
Gross Revenue Deductions	**(113.9)**	**(126.8)**	**11.3%**	**(113.9)**	**(122.7)**	**7.7%**
Scholarships and Discounts	(103.4)	(114.0)	10.3%	(103.4)	(110.9)	7.3%
Taxes	(10.5)	(12.8)	21.9%	(10.5)	(11.7)	11.4%
Net Operating Revenue	**249.5**	**288.3**	**15.6%**	**249.5**	**274.1**	**9.9%**
Cost of Services	**(164.8)**	**(187.9)**	**14.0%**	**(164.8)**	**(179.2)**	**8.7%**
Personnel	(122.6)	(135.6)	10.6%	(122.6)	(128.8)	5.0%
Rentals / Real Estate Taxes Expenses	(24.2)	(26.7)	10.3%	(24.2)	(25.8)	6.6%
Textbooks Materials	(3.2)	(5.0)	56.3%	(3.2)	(4.8)	50.0%
Third-Party Services and Others	(12.0)	(13.1)	9.2%	(12.0)	(12.4)	3.3%
Depreciation	(2.8)	(7.5)	167.9%	(2.8)	(7.4)	164.3%
Gross Profit	**84.7**	**100.4**	**18.5%**	**84.7**	**94.8**	**11.9%**
Gross Margin	***33.9%***	***34.8%***	***0.9 p.p.***	***33.9%***	***34.6%***	***0.6 p.p.***
Selling, General and Administrative Expenses	**(62.7)**	**(68.3)**	**8.9%**	**(62.7)**	**(66.2)**	**5.6%**
Selling Expenses	**(19.1)**	**(22.0)**	**15.2%**	**(19.1)**	**(21.4)**	**12.0%**
Provisions for Doubtful Debts	(6.3)	(8.2)	30.2%	(6.3)	(8.0)	27.0%
Marketing	(12.8)	(13.8)	7.8%	(12.8)	(13.4)	4.7%
General and Administrative Expenses	**(38.3)**	**(42.7)**	**11.5%**	**(38.3)**	**(41.2)**	**7.6%**
Personnel	(18.6)	(17.8)	-4.3%	(18.6)	(17.3)	-7.0%
Others	(19.7)	(24.9)	26.4%	(19.7)	(23.9)	21.3%
Depreciation	**(5.2)**	**(3.6)**	**-30.8%**	**(5.2)**	**(3.6)**	**-30.8%**
EBIT	**22.0**	**32.1**	**45.9%**	**22.0**	**28.6**	**30.0%**
EBIT Margin	***8.8%***	***11.1%***	***2.3 p.p.***	***8.8%***	***10.4%***	***1.6 p.p.***
(+) Depreciation	8.0	11.1	38.8%	8.0	11.0	37.5%
(+) Operating Financial Result	3.9	4.1	5.1%	3.9	4.1	5.1%
EBITDA	**34.0**	**47.3**	**39.1%**	**34.0**	**43.6**	**28.2%**
EBITDA Margin	***13.6%***	***16.4%***	***2.8 p.p.***	***13.6%***	***15.9%***	***2.3 p.p.***
Operating Financial Result	(3.9)	(4.1)	5.1%	(3.9)	(4.1)	5.1%
Financial Result	3.8	(2.3)	-160.5%	3.8	(2.0)	-152.6%
Depreciation and Amortization	(8.0)	(11.1)	38.8%	(8.0)	(11.0)	37.5%
Non-operating result	-	(2.2)	N.A.	-	(2.2)	N.A.
Social Contribution	(0.2)	0.9	-550.0%	(0.2)	1.1	-650.0%
Income Tax	(0.4)	2.6	-750.0%	(0.4)	2.9	-825.0%
Net Income	**25.3**	**31.1**	**22.9%**	**25.3**	**28.3**	**11.9%**
Net Income Margin	***10.1%***	***10.8%***	***0.7 p.p.***	***10.1%***	***10.3%***	***0.2 p.p.***

R$ MM	Consolidated 9M10	Consolidated 9M11	Consolidated Change	Excluding Acquisitions 9M10	Excluding Acquisitions 9M11	Excluding Acquisitions Change
Gross Operating Revenue	**1,098.0**	**1,221.1**	**11.2%**	**1,098.0**	**1,180.3**	**7.5%**
Monthly Tuition Fees	1,084.6	1,201.7	10.8%	1,084.6	1,166.8	7.6%
Others	13.5	19.4	43.7%	13.5	13.6	0.7%
Gross Revenue Deductions	**(334.3)**	**(367.1)**	**9.8%**	**(334.3)**	**(357.8)**	**7.0%**
Scholarships and Discounts	(302.2)	(330.2)	9.3%	(302.2)	(323.1)	6.9%
Taxes	(32.2)	(36.8)	14.3%	(32.2)	(34.6)	7.5%
Net Operating Revenue	**763.7**	**854.0**	**11.8%**	**763.7**	**822.6**	**7.7%**
Cost of Services	**(519.3)**	**(571.3)**	**10.0%**	**(519.3)**	**(549.8)**	**5.9%**
Personnel	(385.3)	(419.8)	9.0%	(385.3)	(402.7)	4.5%
Rentals / Real Estate Taxes Expenses	(72.0)	(77.7)	7.9%	(72.0)	(75.5)	4.9%
Textbooks Materials	(9.7)	(17.7)	82.5%	(9.7)	(17.5)	80.4%
Third-Party Services and Others	(38.2)	(37.2)	-2.6%	(38.2)	(35.5)	-7.1%
Depreciation	(14.0)	(18.8)	34.3%	(14.0)	(18.5)	32.1%
Gross Profit	**244.4**	**282.7**	**15.7%**	**244.4**	**272.8**	**11.6%**
Gross Margin	***32.0%***	***33.1%***	***1.1 p.p.***	***32.0%***	***33.2%***	***1.2 p.p.***
Selling, General and Administrative Expenses	**(194.0)**	**(209.6)**	**8.0%**	**(194.0)**	**(203.3)**	**4.8%**
Selling Expenses	**(69.2)**	**(82.8)**	**19.7%**	**(69.2)**	**(80.4)**	**16.2%**
Provisions for Doubtful Debts	(26.4)	(30.9)	17.0%	(26.4)	(29.6)	12.1%
Marketing	(42.8)	(51.8)	21.0%	(42.8)	(50.8)	18.7%
General and Administrative Expenses	**(115.7)**	**(116.1)**	**0.3%**	**(115.7)**	**(112.1)**	**-3.1%**
Personnel	(53.9)	(50.6)	-6.1%	(53.9)	(49.6)	-8.0%
Others	(61.8)	(65.5)	6.0%	(61.8)	(62.4)	1.0%
Depreciation	**(9.1)**	**(10.8)**	**18.7%**	**(9.1)**	**(10.8)**	**18.7%**
EBIT	**50.4**	**73.1**	**45.0%**	**50.4**	**69.5**	**37.9%**
EBIT Margin	***6.6%***	***8.6%***	***2.0 p.p.***	***6.6%***	***8.4%***	***1.8 p.p.***
(+) Depreciation	23.1	29.7	28.6%	23.1	29.3	26.8%
(+) Operating Financial Result	11.1	11.0	-0.9%	11.1	11.0	-0.9%
EBITDA	**84.6**	**113.8**	**34.5%**	**84.6**	**109.7**	**29.7%**
EBITDA Margin	***11.1%***	***13.3%***	***2.2 p.p.***	***11.1%***	***13.3%***	***2.2 p.p.***
Operating Financial Result	(11.1)	(11.0)	-0.9%	(11.1)	(11.0)	-0.9%
Financial Result	10.7	(2.8)	-126.2%	10.7	(1.7)	-115.9%
Depreciation and Amortization	(23.1)	(29.7)	28.6%	(23.1)	(29.3)	26.8%
Non-operating result	(1.1)	(2.2)	100.0%	(1.1)	(2.2)	100.0%
Social Contribution	(0.4)	(0.1)	-75.0%	(0.4)	(0.0)	-98.9%
Income Tax	(0.9)	(0.2)	-77.8%	(0.9)	(0.0)	-99.4%
Net Income	**58.8**	**67.8**	**15.3%**	**58.8**	**65.5**	**11.4%**
Net Income Margin	***7.7%***	***7.9%***	***0.2 p.p.***	***7.7%***	***8.0%***	***0.3 p.p.***

Balance Sheet in IFRS

R$ MM	09/30/2010	06/30/2011	09/30/2011
Short-Term Assets	**367.9**	**351.6**	**355.2**
Cash & Cash Equivalents	39.8	61.5	53.7
Short-Term Investments	143.9	6.7	8.7
Accounts Receivable	148.9	210.6	221.9
Carry-Forwards Credits	0.8	18.2	9.7
Advance to Employees / Third-Parties	4.7	12.9	18.7
Related Parties	0.3	0.3	0.3
Prepaid Expenses	10.6	10.6	12.9
Others	18.9	30.9	29.3
Long-Term Assets	**364.4**	**522.4**	**545.3**
Non-Current Assets	**42.9**	**63.1**	**72.9**
Prepaid Expenses	2.8	0.9	0.6
Related Parties	3.0	-	-
Judicial Deposits	35.1	50.3	56.1
Deferred Taxes	2.0	11.9	16.1
Permanent Assets	**321.5**	**459.3**	**472.4**
Investments	0.2	0.2	0.2
Fixed Assets	196.8	243.5	250.8
Intangible	124.4	215.6	221.4
Total Assets	**732.2**	**874.1**	**900.5**
Short-Term Liabilities	**138.3**	**143.1**	**143.0**
Loans and Financing	2.7	4.1	3.2
Suppliers	18.0	14.2	17.6
Salaries and Payroll Charges	89.7	90.4	92.2
Taxes Payable	12.8	12.4	12.2
Prepaid Monthly Tuition Fees	9.3	9.0	6.3
Taxes Paid in Installments	0.4	0.3	0.3
Dividends Payable	-	-	-
Commitments Payable	1.5	7.7	7.3
Others	3.9	5.1	3.9
Long-Term Liabilities	**75.1**	**126.1**	**123.4**
Loans and Financing	4.8	54.9	55.7
Provisions for Contingencies	34.6	33.5	30.9
Advances under Partnership Agreement	21.4	19.2	18.5
Taxes Paid in Installments	1.5	5.0	4.7
Provision for asset retirement obligations	12.6	13.4	13.6
Others	0.2	0.1	-
Shareholders' Equity	**518.8**	**604.8**	**634.1**
Capital	298.0	364.4	364.4
Share Issuance Expenses		(2.8)	(2.8)
Capital Reserves	104.7	107.7	108.7
Earnings Reserves	58.1	100.5	100.5
Retained Earnings	58.8	36.7	67.8
Retained Translation Adjustments	(0.5)	(0.2)	-
Treasury Stocks	(0.3)	(1.3)	(4.4)
Total Liabilities and Shareholders' Equity	**732.2**	**874.1**	**900.5**

About Estácio

Estácio is one of the largest **private sector post-secondary education groups** in Brazil in terms of number of students enrolled and has a nationwide presence in the country's major cities. Its student base has a highly diversified profile and includes mostly young working adults from the middle and lower-middle income brackets. Its growth and market leadership are due to the quality of its programs, the strategic location of its units, its competitive prices and its solid financial position.

Estácio's strengths are:

Strong Positioning to Explore the Market's Growth Potential

- Nationwide presence, with units in the country's largest urban centers
- Broad portfolio of academic programs
- Managerial and financial capacity to innovate and improve the academic programs
- The broad recognition of the "Estácio" brand

High Quality Learning Experience

- Nationally integrated syllabi
- Unique teaching methodology
- Highly qualified faculty

Professional and Integrated Operational Management

- Results-oriented management model
- Focus on educational quality

Scalable Business Model

- Growth with profitability
- Organic expansion and through acquisitions

Financial Solidity

- Strong cash reserve
- Capacity to generate and raise funds
- Control of working capital

- At the end of September 2011, Estácio had 247,800 students enrolled in its undergraduate, graduate and distance learning education network with nationwide coverage as the map shows: