Novo campus de Medicina
(Barra da Tijuca/Rio de Janeiro)

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DIVULGAÇÃO DE RESULTADOS
3T19

AVISO

YDUQ3 | YDUQY

B3 ADR

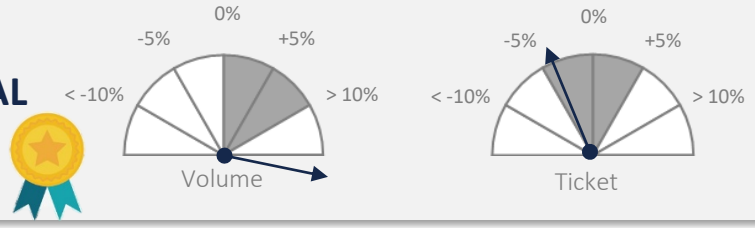
As informações financeiras da Companhia são apresentadas com base nos números consolidados, em reais, conforme a Legislação Societária Brasileira e as práticas contábeis adotadas no Brasil (BRGAAP), já em conformidade com as normas internacionais de contabilidade (IFRS).

Com objetivo de preservar a comparabilidade entre os trimestres, a Companhia optou por divulgar também **os resultados do 3T19 pro-forma, excluindo os impactos da adoção das regras contábeis do IFRS 16.**

Este documento pode conter previsões acerca de eventos futuros, que estão sujeitas a riscos e incertezas que podem fazer com que tais expectativas não se concretizem ou sejam substancialmente diferentes do que era esperado. Estas previsões emitem a opinião unicamente na data em que foram feitas e a Companhia não se obriga a atualizá-las à luz de novas informações.

CAPTAÇÃO: NOVO RECORDE PARA SEGUNDO SEMESTRE

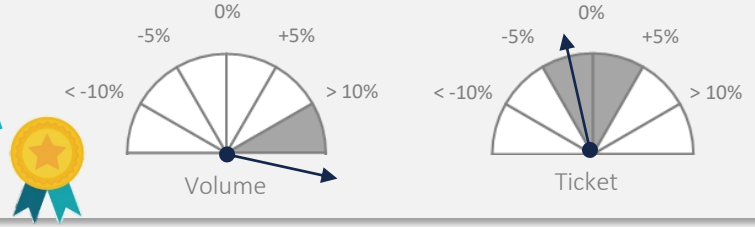
PRESENCIAL



+20%
A/A EM VOLUME

-4,9%
A/A EM TICKET
(Captação + renovação)

ENSINO À DISTÂNCIA



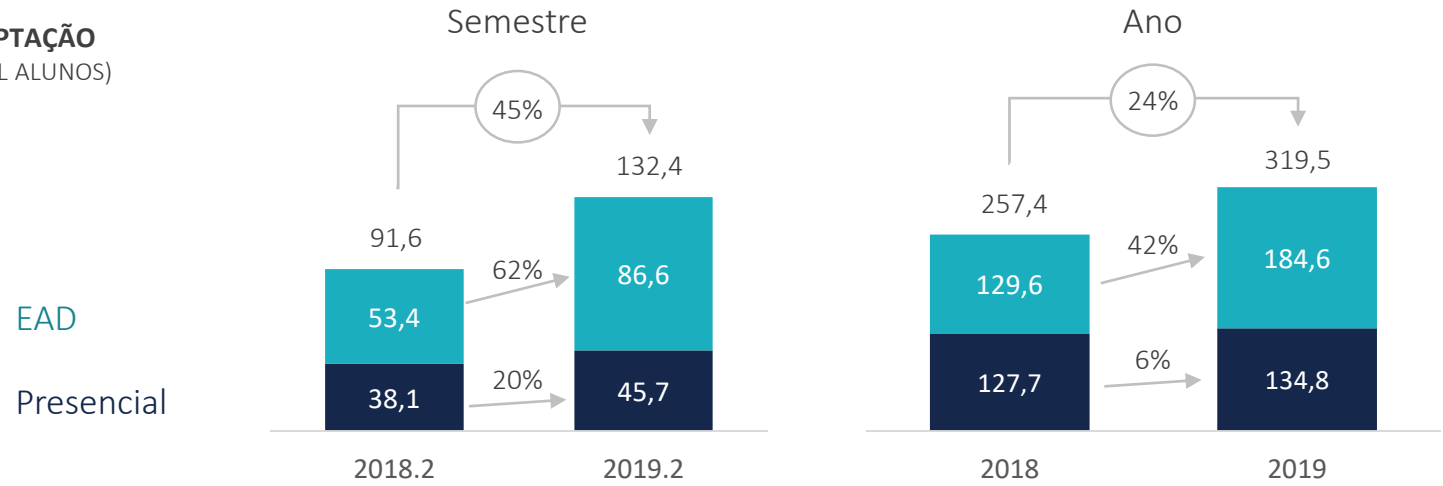
+62%
A/A EM VOLUME

-1,5%
A/A EM TICKET
(Captação + renovação)

DESTAQUES

- ✓ Crescimento em todas as regiões
- ✓ Novos cursos
- ✓ Expansão de polos EAD
- ✓ Ações táticas mais efetivas
- x Ticket médio levemente negativo, mas dentro do esperado

CAPTAÇÃO
(MIL ALUNOS)



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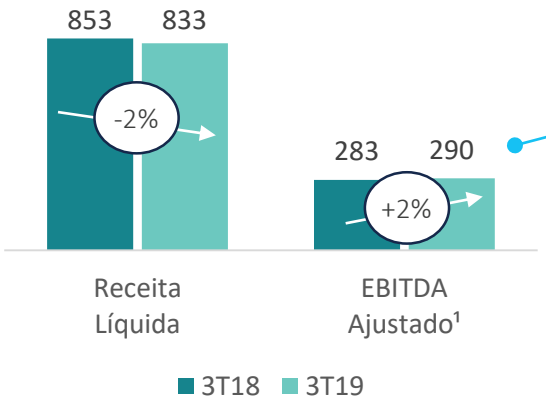
3T19 EM RESUMO: CRESCIMENTO DE MARGEM E BASE

ESTABILIDADE EM RECEITA & EBITDA

(R$ MILHÕES; ex-IFRS16)

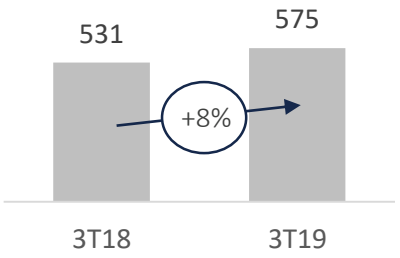


R$344MM & MARGEM DE 41%

(em IFRS-16)

CRESCIMENTO DA BASE DE ALUNOS

(MIL ALUNOS)



- ✓ Crescimento de **base** e melhora na **retenção** presencial
- ✓ Forte **controle de custos**
- ✓ Crescimento de **EBITDA** e margem
- ✓ Sólida **conversão de caixa**

SÓLIDA CONVERSÃO DE CAIXA[(2)]

63% » 68%

9M18 | **9M19** ex-IFRS16

(1) Ajustado por R$41,8 milhões referentes a reestruturação, M&A e distrato de aluguel.

(2) EBITDA Reportado dividido por Fluxo de Caixa Operacional antes de Capex (ex-IFRS16)

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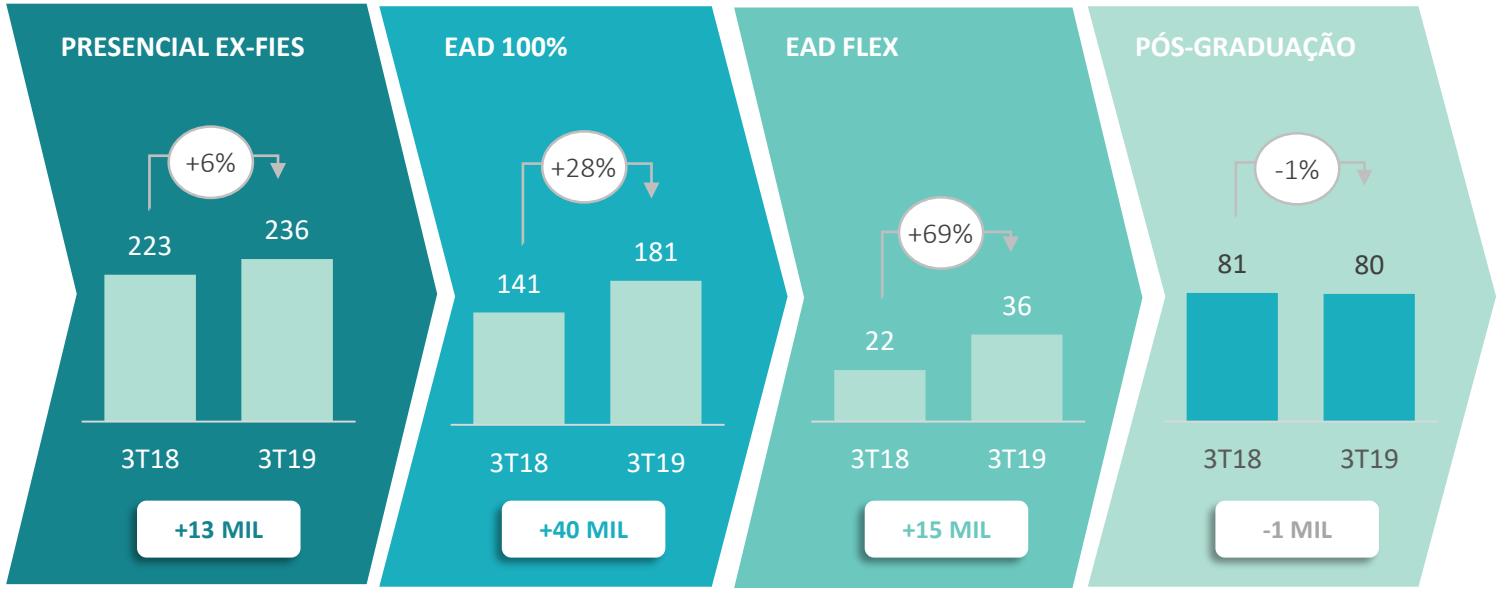
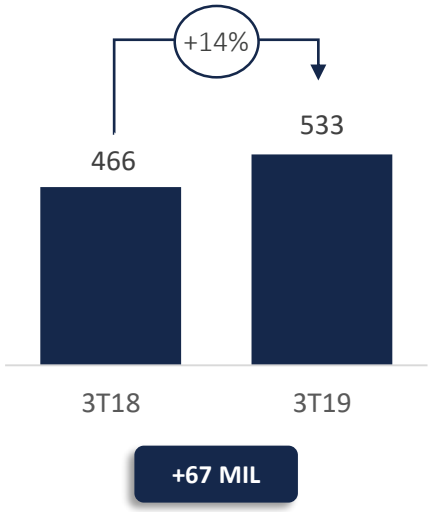
DINÂMICA DE BASE: MELHORIA EM TODOS SEGMENTOS

EM MIL ALUNOS

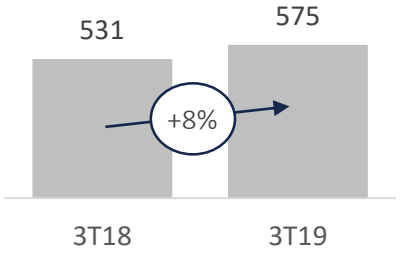


BASE TOTAL EX-FIES
(MIL ALUNOS)

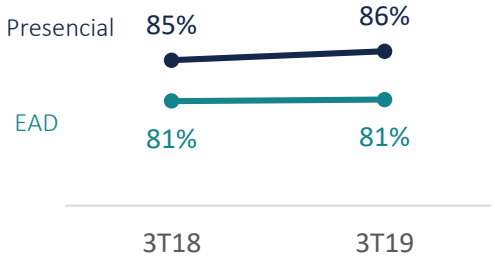


APESAR DO FIES...

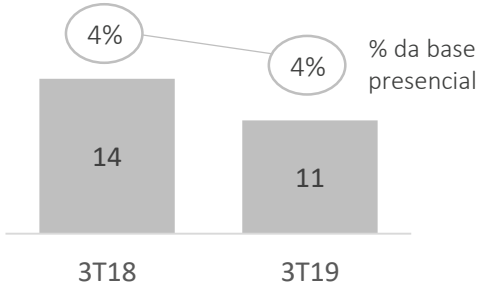
BASE TOTAL CRESCE
(MIL ALUNOS)



TAXA DE RETENÇÃO[1] SOB CONTROLE



BASE ALUNOS PAR EM QUEDA
(MIL ALUNOS)



(1) Taxa de Retenção: [1 – ((alunos evadidos + não renovados) / (base de alunos renovável: base inicial de alunos - alunos formados + captados))].

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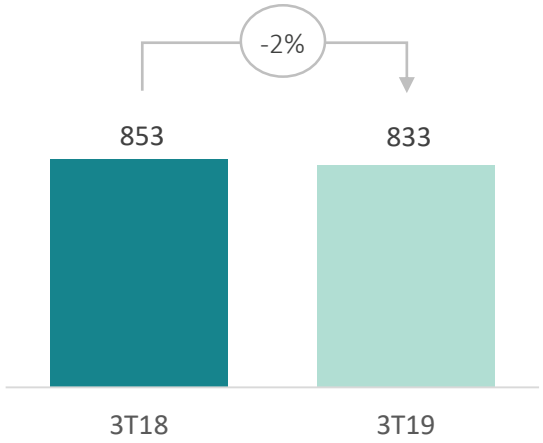
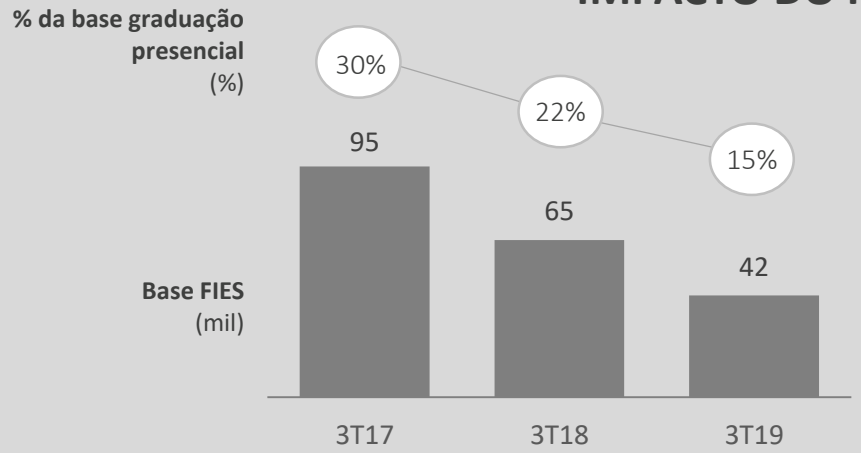
RECEITA: ESTABILIDADE DE DESEMPENHO

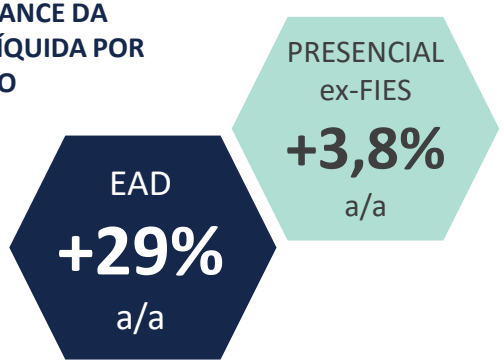
RECEITA LÍQUIDA
(R$ MILHÕES; % A/A)



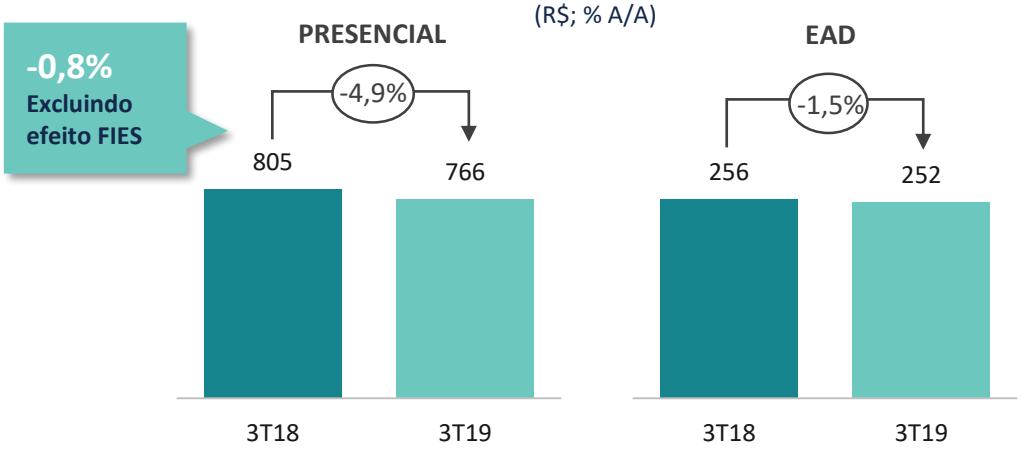
IMPACTO DO FIES



PERFORMANCE DA RECEITA LÍQUIDA POR SEGMENTO
(% A/A)



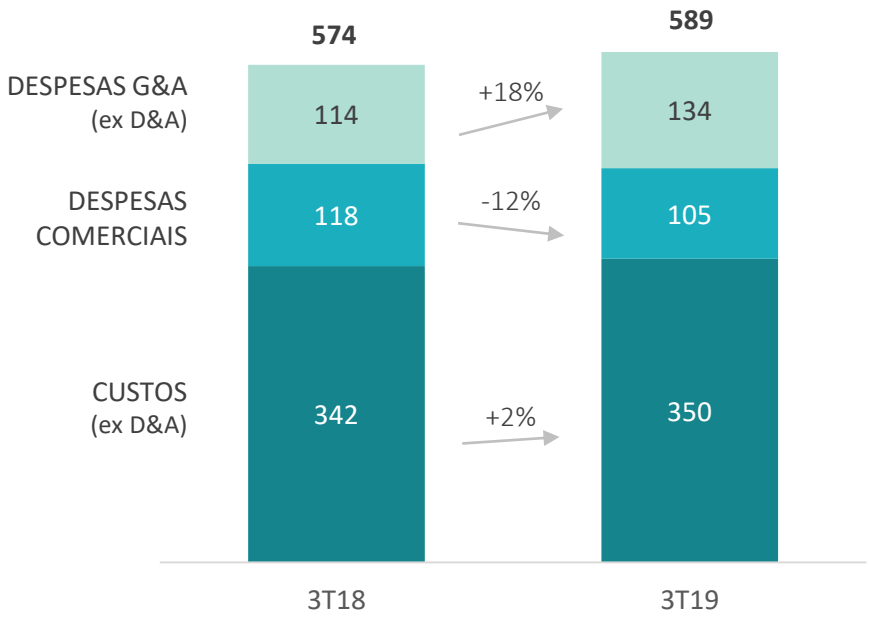
TICKET DA GRADUAÇÃO
(R$; % A/A)



CUSTOS: DISCIPLINA & RESILIÊNCIA DO NEGÓCIO

CUSTOS E DESPESAS (ex D&A)
(R$ MILHÕES; ex-IFRS 16; % A/A)

TOTAL AJUSTADO	R$ 565,7 Milhões	-3% →	R$ 547,2 Milhões
AJUSTES	R$ 8,3 Milhões Consultorias		R$ 41,8 Milhões Reestruturação; M&A e rescisão de contrato de imóveis de 2017
TOTAL REPORTADO	R$ 574,0 Milhões	+3% →	R$ 589,0 Milhões



CUSTOS E DESPESAS NOS ÚLTIMOS 9 MESES (ex D&A)
(R$ MILHÕES; ex-IFRS 16; % A/A)

DESPESAS G&A (EX-D&A)	9M18	9M19	Δ%
Pessoal	126	129	2,8%
Serviços de terceiros [1]	88	62	-29,0%
Provisão para contingências	70	53	-23,9%
Manutenção e reparos [2]	28	34	21,3%
Outras despesas [1]	53	78	47,2%
Total G&A	**365**	**356**	-2,5%

DESPESAS COMERCIAIS	9M18	9M19	Δ%
PDD	222	226	1,7%
Publicidade	175	211	20,2%
Outros	1	0	-60,7%
Total Comercial	**398**	**437**	**+9,80%**

CUSTOS (EX-D&A)	9M18	9M19	Δ%
Pessoal [1]	829	778	-6,1%
Aluguéis	181	190	4,7%
Repasse de Polos e outros	23	36	58,9%
Custos com serviços de terceiros	44	41	-5,4%
Energia elétrica, água e gás	30	29	-2,0%
Total Custos	**1.107**	**1.074**	**-2,9%**

(1) Inclui eventos não recorrentes no 3T19, no total de R$41milhões;

(2) Aumento em função de gastos associados a melhoria na experiência dos alunos e tecnologia.

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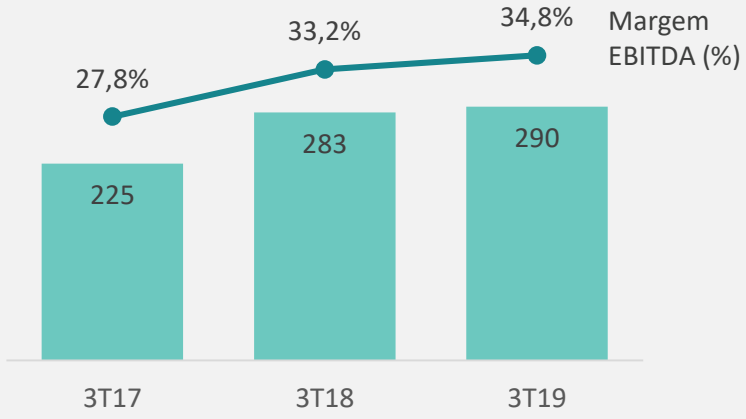
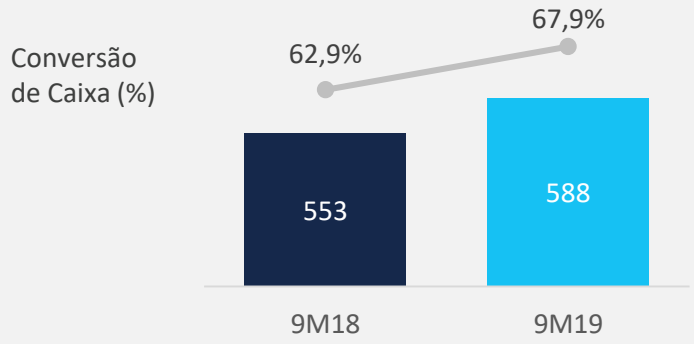
EBITDA E CAIXA: FOCO EM RENTABILIDADE

EBITDA AJUSTADO[1] E MARGEM EBITDA
(R$ MILHÕES; ex-IFRS 16)

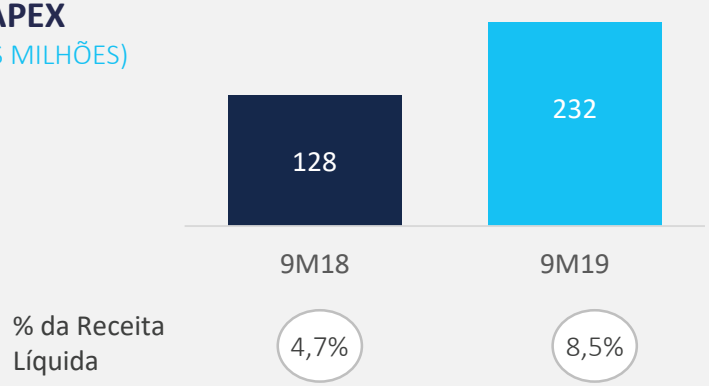


- ✓ Resiliência na receita apesar do FIES
- ✓ Disciplina em custos
- ✓ Crescimento do segmento EAD

FLUXO DE CAIXA[2] E CONVERSÃO DE CAIXA[3]
(R$ MILHÕES; ex-IFRS 16)



CAPEX
(R$ MILHÕES)

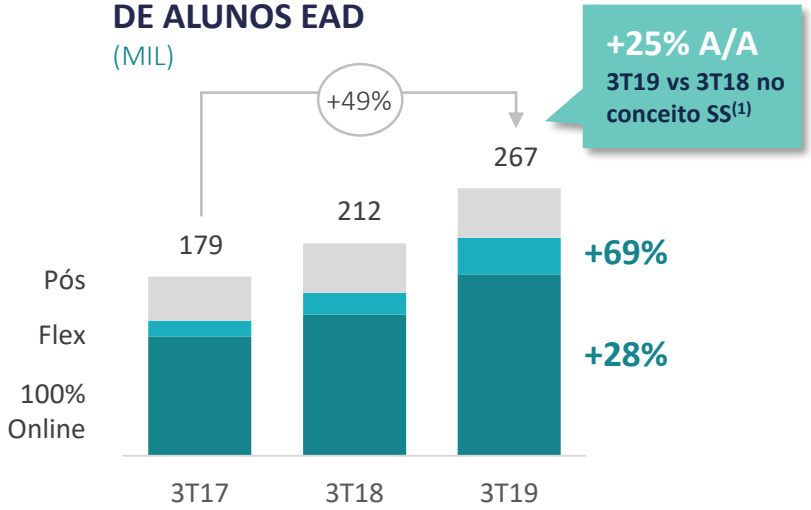


(1) Ajustado no 3T19 por R$41,8 milhões referentes a despesas com reestruturação organizacional, distrato de aluguel e despesas com M&A

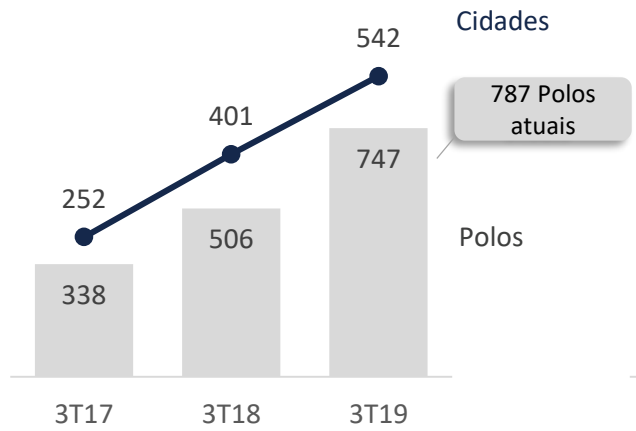
(2) Fluxo de Caixa Operacional antes de Capex, excluindo efeito da PN-23.
(3) Fluxo de Caixa Operacional antes de Capex dividido por 9m EBITDA reportado.

SEGMENTO EAD: ACELERAÇÃO EM TODAS AS FRENTES

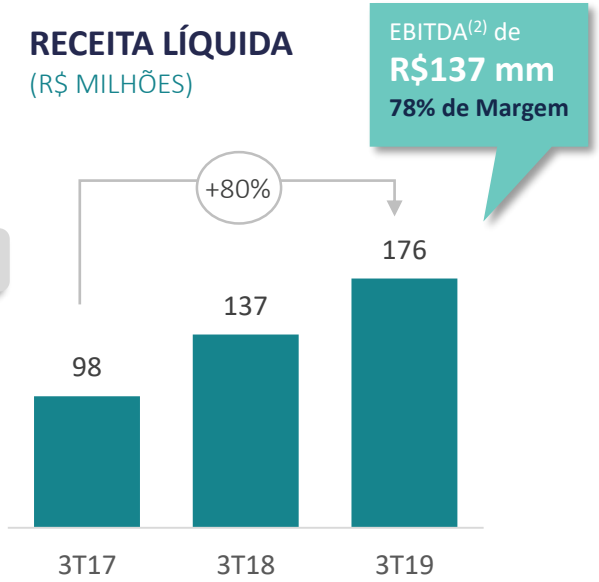
EVOLUÇÃO DA BASE DE ALUNOS EAD
(MIL)



NÚMERO DE POLOS E CIDADES COBERTAS
(UNIDADES)

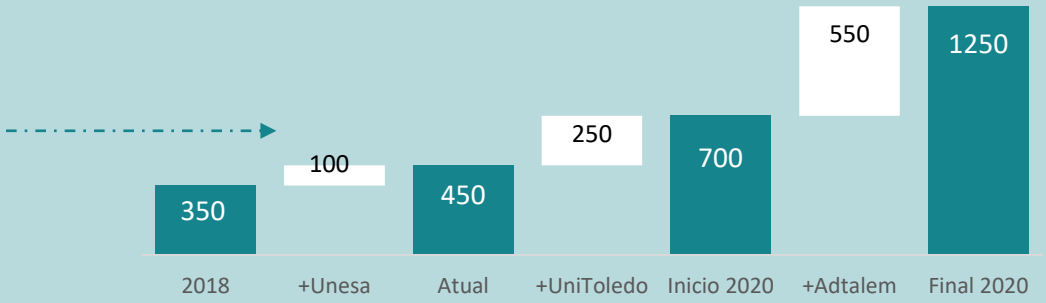


RECEITA LÍQUIDA
(R$ MILHÕES)



Crescimento de permissão para novos Polos EAD

UNESA(3) RECEBE NOTA 5 NA AVALIAÇÃO DO MEC
(08/2019)



(1) SS = "Same Shops"; considera a mesma base de polos em ambos os trimestres.

(2) Em IFRS-16
(3) Universidade Estácio de Sá (mantenedora)

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MEDICINA: EM FRANCA EXPANSÃO

TODAS AS 4 UNIDADES MAIS MÉDICOS II AUTORIZADAS PELO MEC
EM FASE DE IMPLEMENTAÇÃO.

+200 VAGAS/ANO

+100 VAGAS/ANO
EXPANSÃO PARA CAPACIDADE MÁXIMA NA UNIDADE JUAZEIRO/BA.

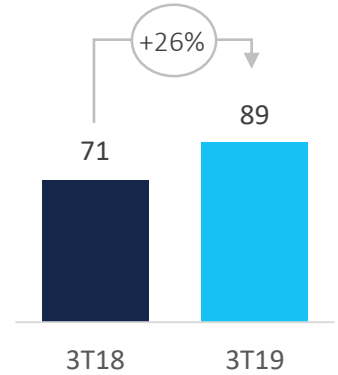
DE 55 PARA 155 VAGAS/ANO

NOVO CAMPUS NO RJ
TRANSFERÊNCIA DA OPERAÇÃO DE MEDICINA PARA BARRA DA TIJUCA

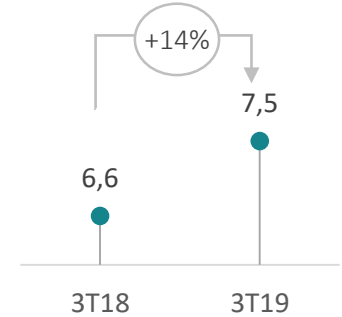
1.200 ALUNOS
+ ODONTOLOGIA.
ABERTURA 2020.1

DESTAQUES FINANCEIROS
RESULTADOS DE MEDICINA NO 3T19

RECEITA LÍQUIDA
(R$ MILHÕES)

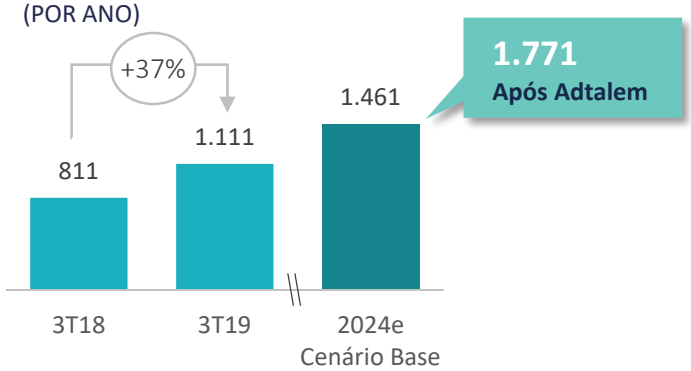


TICKET MÉDIO [2]
(R$ MIL/MÊS)

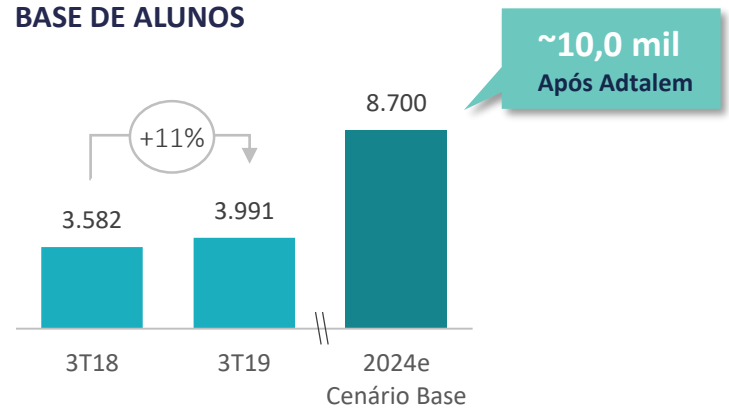


MAIOR ESCOLA DE MEDICINA DO BRASIL

VAGAS AUTORIZADAS [1]
(POR ANO)



BASE DE ALUNOS



(1) Não inclui unidades de medicina de aquisições recentes (UniToledo e Adtalem).

(2) Excluindo alunos ProUni e bolsistas o ticket médio seria de ~R$8.500/mês

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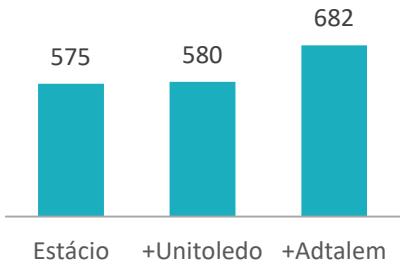
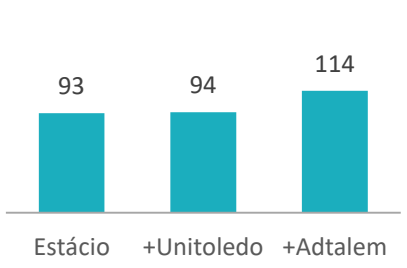
M&A: UMA AQUISIÇÃO TRANSFORMACIONAL

ÚLTIMA ENTIDADE DISPONÍVEL QUE COMBINA ESCALA E QUALIDADE

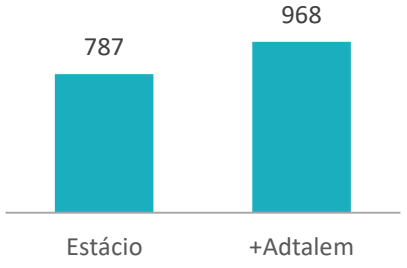
ALUNOS
(MIL)



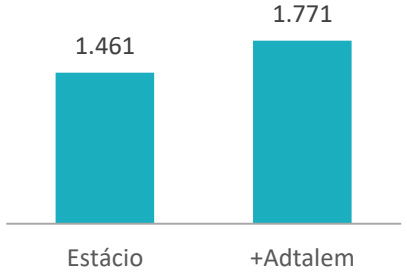
CAMPI
(UNIDADE)



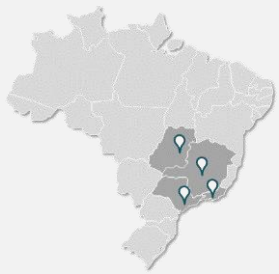
POLOS EAD
(POLOS)



VAGAS MEDICINA 2024e
(VAGAS/ANO)



Uma combinação poderosa de Escala e Qualidade

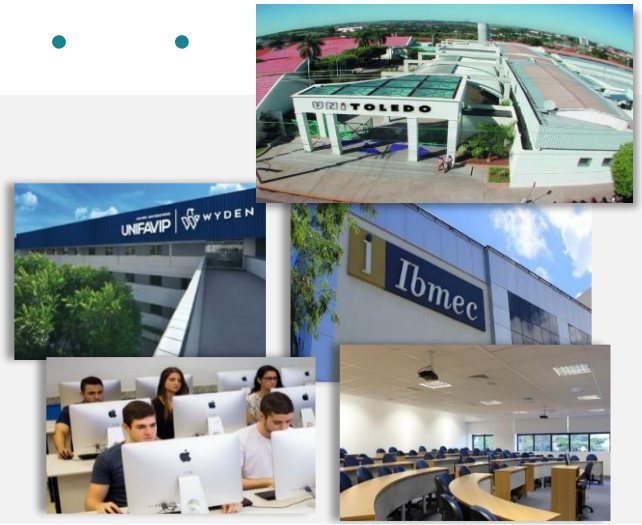


Ibmec
~13 mil alunos

Wyden
~54 mil alunos

Damásio
~35 mil alunos

UniToledo
~5 mil alunos



---------- EBITDA 12m: R$191 MM ---------- --- EBITDA 12m: R$13 MM ---

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CONCLUSÃO: GRANDES OPORTUNIDADES A FRENTE

Significativos ganhos operacionais...

- ✓ Recorde histórico na captação (320 mil alunos em 2019)
- ✓ Crescimento de base em todos os segmentos (ex-FIES)
- ✓ Foco em retenção (86% no presencial)
- ✓ Forte ritmo de expansão na base EAD (+26% A/A)

... Com dados financeiros em estabilidade
(9 meses; R$ milhões, ex-IFRS16; variação A/A)

RECEITA	CUSTOS E DESPESAS	EBITDA Ajustado	EBITDA MARGEM	CONVERSÃO DE CAIXA
R$2.723	R$2.014	R$907	33,3%	68%
-1%	0%	+1%	+0,6pp	+5pp

TODOS OS CAMPI MM II EM FASE DE IMPLEMENTAÇÃO
(+ 200 novas vagas/ano para 2020)

AQUISIÇÃO UNITOLEDO APROVADA PELO CADE
(+5 mil alunos; potencial no EAD; exposição a SP)

EXPANSÃO

AQUISIÇÃO ADTALEM
(+102 mil alunos; posicionamento *premium*; cursos de medicina)

TRANSFORMACIONAL

YDUQS

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ri@yduqs.com.br
www.yduqs.com.br

New Medicine Campus
(Barra da Tijuca/Rio de Janeiro)

YDUQS

EARNINGS RELEASE
3Q19

DISCLAIMER

YDUQ3 | YDUQY

B3 ADR

The Company's financial information is presented based on the consolidated numbers, in Brazilian Reais, in accordance with Brazilian Corporation Law and the accounting practices adopted in Brazil (BRGAAP), already in accordance with International Financial Reporting Standards (IFRS). The comparisons refer to the third quarter of 2018 (3Q18), except stated otherwise and were not reviewed by the audit.

To preserve the comparability between quarters, the Company also opted for disclosing the **proforma results for 3Q19**, excluding the **impacts of the adoption of IFRS 16 accounting rules**.

This document may have forward-looking statements that are subject to risks and uncertainties that may lead such expectations to not materialize or substantially differ from expectations. These forecasts express the opinion only for the date they were made, and the Company does not undertake to update them in the light of new information.

INTAKE: NEW RECORD FOR THE SECOND SEMESTER

ON-CAMPUS

+20%
VOLUME YoY

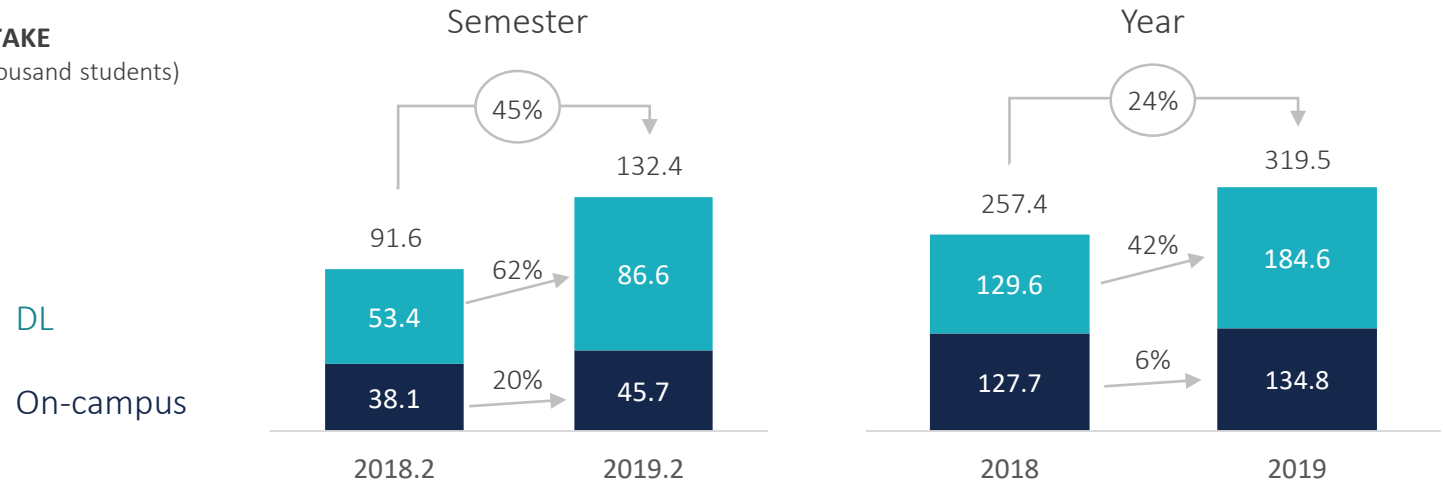
-4.9%
TICKET YoY
(intake + renewal)

DISTANCE LEARNING

+62%
VOLUME YoY

-1.5%
TICKET YoY
(Intake + renewal)

INTAKE
(Thousand students)



HIGHLIGHTS

- ✓ Growth across all regions
- ✓ New courses
- ✓ Expansion of DL centers
- ✓ More effective decisions

- x Slightly negative average ticket, but within target range

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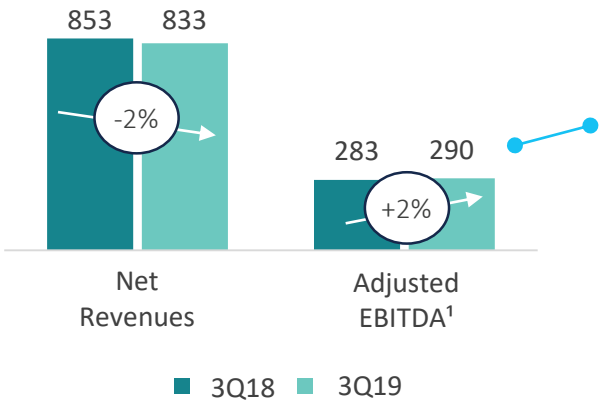
3Q19 SUMMARY: MARGIN & BASE EXPANSION

REVENUES & EBITDA STABILIZATION

(R$ Million; ex-IFRS16)

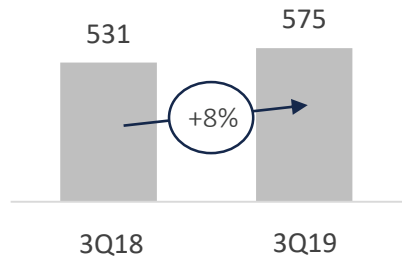


R$344 MLN & MARGIN OF 41%

(in IFRS-16)

STUDENT BASE GROWTH

(Thousand students)



- ✓ Student **base growth** and on-campus **retention rate improvement**
- ✓ Strong **cost control**
- ✓ **EBITDA** & Margin expansion
- ✓ Solid **cash conversion**

SOLID CASH CONVERSION[(2)]

63% » 68%

9M18 | **9M19** ex-IFRS16

(1) Adjusted by R$41.8 million from restructuring, M&A and rental costs.

(2) Reported EBITDA divided by Operating Free Cash Flow before Capex (ex-IFRS16)

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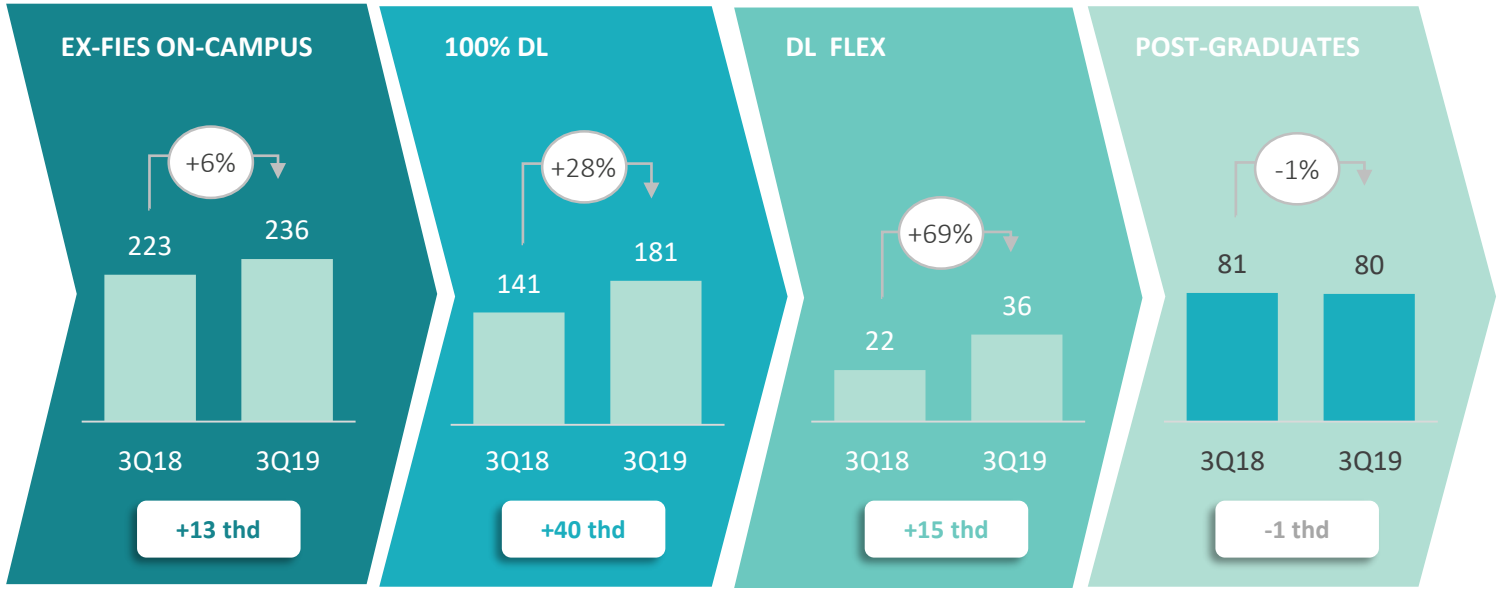
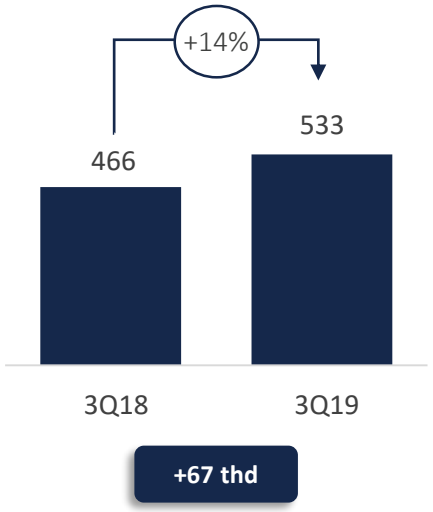
BASE DYNAMICS: IMPROVEMENT ACROSS THE BOARD

Thousand students

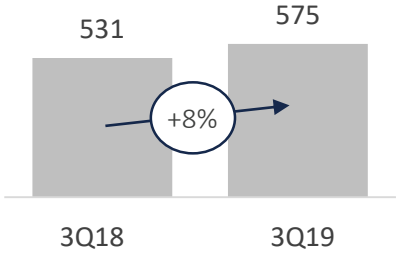


TOTAL BASE EX-FIES
(Thousand Students)

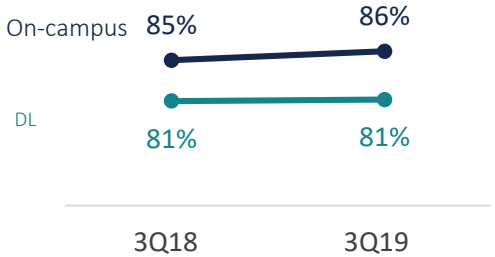


DESPITE FIES...

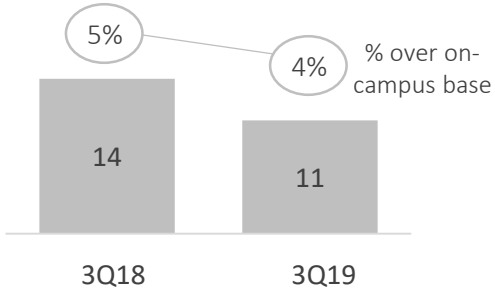
TOTAL STUDENT BASE GROWTH
(Thousand Students)



RETENTION [1] RATE UNDER CONTROL



PAR STUDENT BASE IN DECLINE
(Thousand)



(1) Retention Rate = [1 – ((dropouts + on-renewal) / (renewable student base: initial student base – graduating students + intake))].

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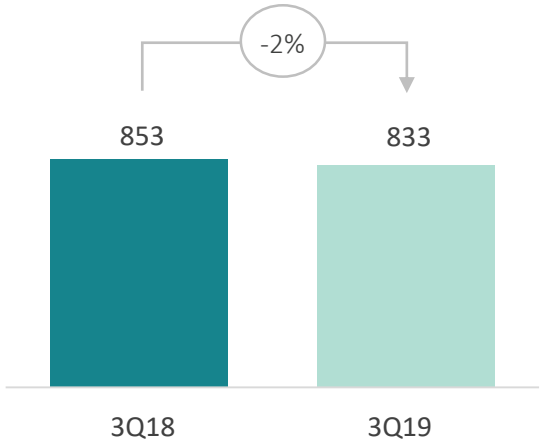
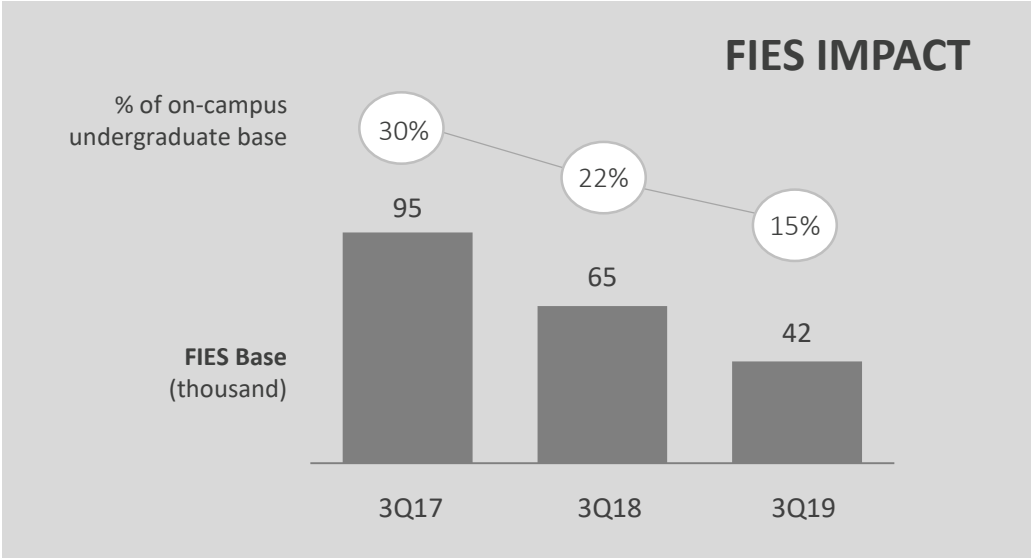
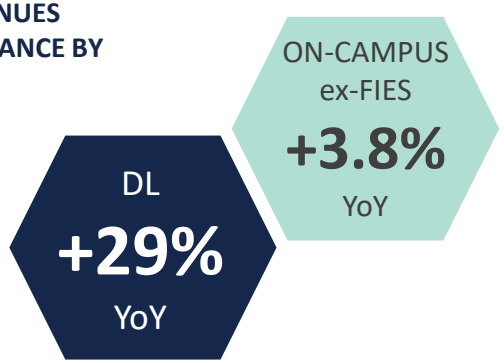
REVENUES: STABLE PERFORMANCE

NET REVENUES
(R$ Million; % YoY)

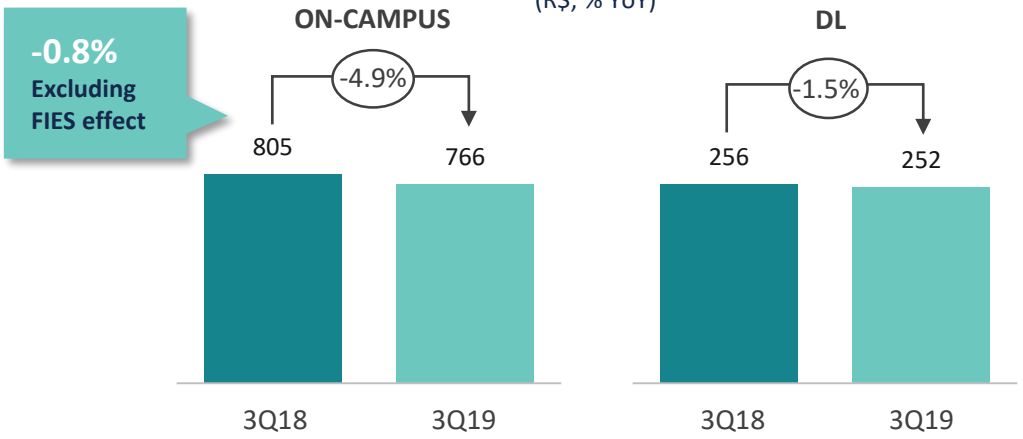




NET REVENUES PERFORMANCE BY SEGMENT
(% YoY)



UNDERGRADUATE AVG. TICKET
(R$; % YoY)



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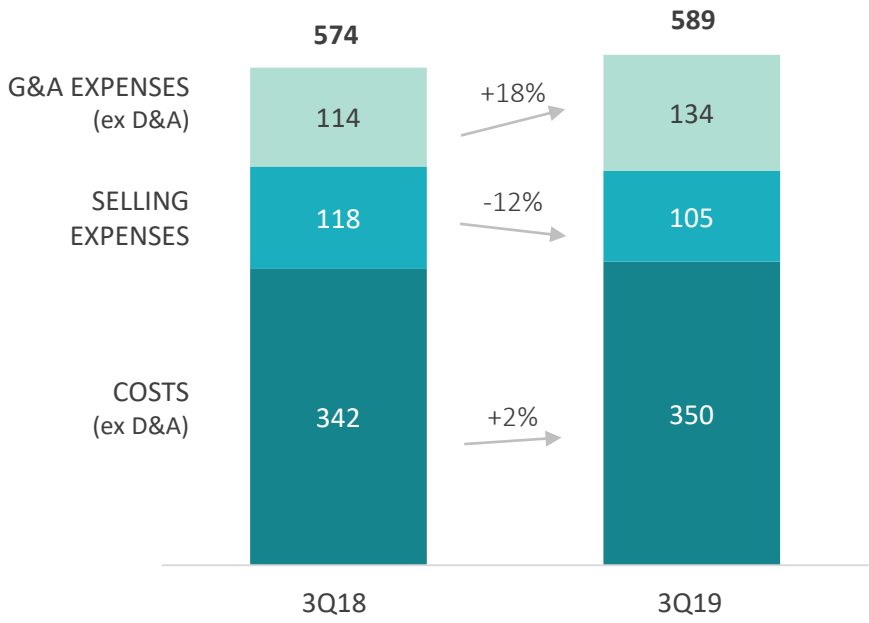
OPEX: DISCIPLINE & BUSINESS RESILIENCE

COSTS AND EXPANSES (ex D&A)
(R$ Million; ex-IFRS 16; % YoY)

ADJUSTED TOTAL	R$ 565.7 Million	-3% →	R$ 547.2 Million
ADJUSTMENTS	R$ 8.3 Million Consultancies		R$ 41.8 Million Restructuring, M&A and rental costs
TOTAL AS REPORTED	R$ 574.0 Million	+3% →	R$ 589.0 Million



COSTS AND EXPENSES YEAR-TO-DATE (ex D&A)
(R$ Million; ex-IFRS 16; % YoY)

G&A EXPENSES (ex-D&A)	9M18	9M19	Δ%
Personnel	126	129	2.8%
Third-party services [1]	88	62	-29.0%
Provision for contingencies	70	53	-23.9%
Maintenance and repair [2]	28	34	21.3%
Other [1]	53	78	47.2%
Total G&A	**365**	**356**	-2.5%

SELLING EXPENSES	9M18	9M19	Δ%
Bad debt	222	226	1.7%
Advertising	175	211	20.2%
Other	1	0	-60.7%
Total Selling	**398**	**437**	**+9.8%**

COSTS (EX-D&A)	9M18	9M19	Δ%
Personnel [1]	829	778	-6.1%
Rent	181	190	4.7%
Transfer of DL centers	23	36	58.9%
Third-party services	44	41	-5.4%
Electricity, Water and Gas	30	29	-2.0%
Total Costs	**1,107**	**1,074**	**-2.9%**

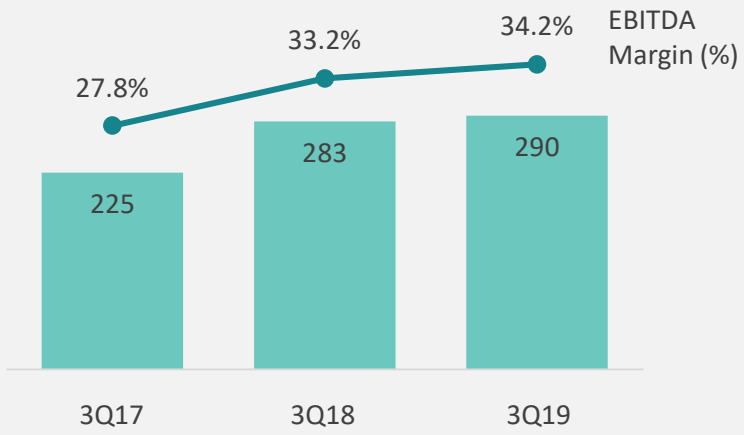
(1) Including non-recurring items, totaling R$41 millions;
(2) Increase due to student's experience improvements and technology.

YDUQS

EBITDA & CASH: FOCUS ON PROFTABILITY

ADJUSTED EBITDA[1] AND EBITDA MARGIN

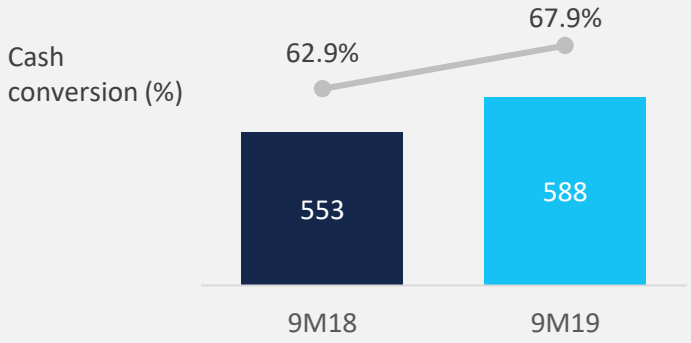
(R$ Million; ex-IFRS 16)



- ✓ Revenues resilience despite FIES impact
- ✓ Cost discipline
- ✓ Growing distance learning

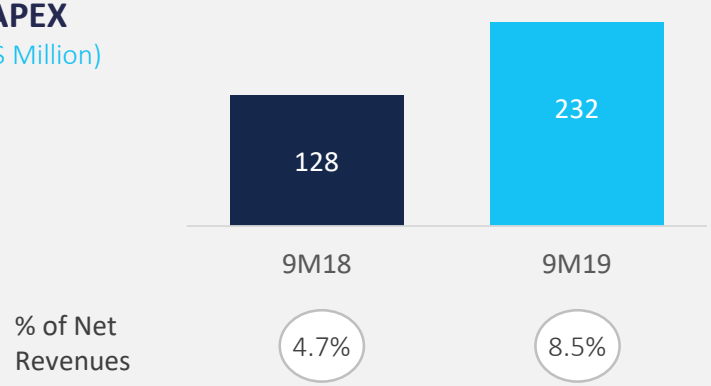
CASH FLOW[2] AND CASH CONVERSION[3]

(R$ Million; ex-IFRS 16)



CAPEX

(R$ Million)



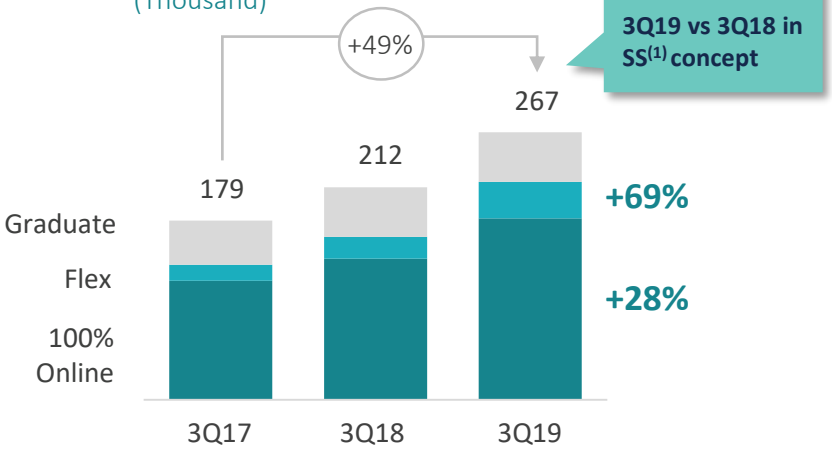
(1) Adjusted by R$41.8 million from restructuring, M&A and rental contract termination cost.

(2) Operating Cash Flow before capex excluding the effect of PN-23.
(3) Operating cash flow before capex divided by 9M reported EBITDA

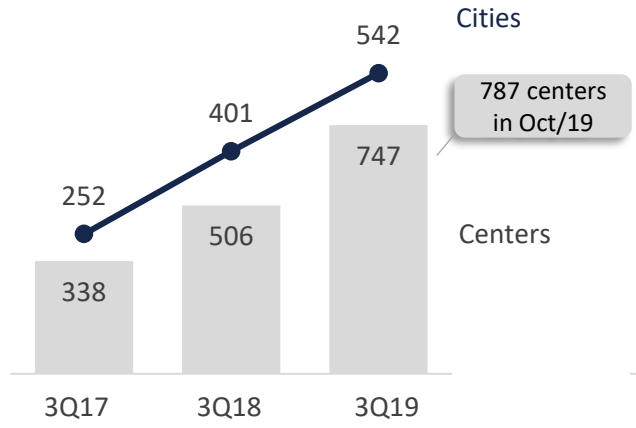
YDUQS

DISTANCE LEARNING: ACCELERATING IN ALL FRONTS

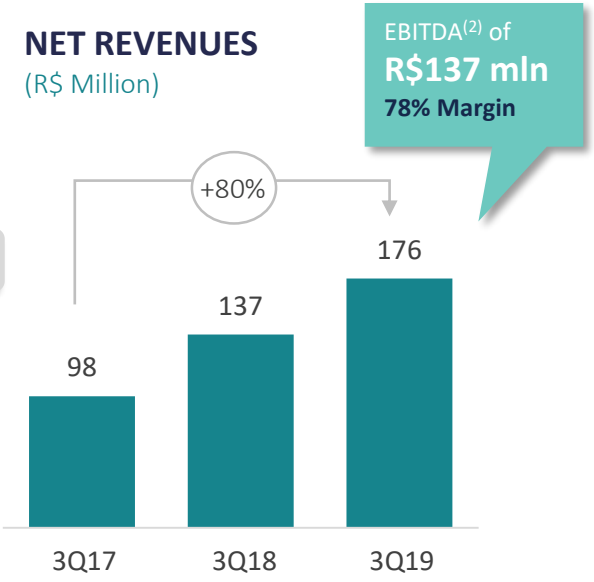
DL STUDENT BASE EVOLUTION
(Thousand)



NUMBER OF CENTERS AND CITIES COVERED
(Units)

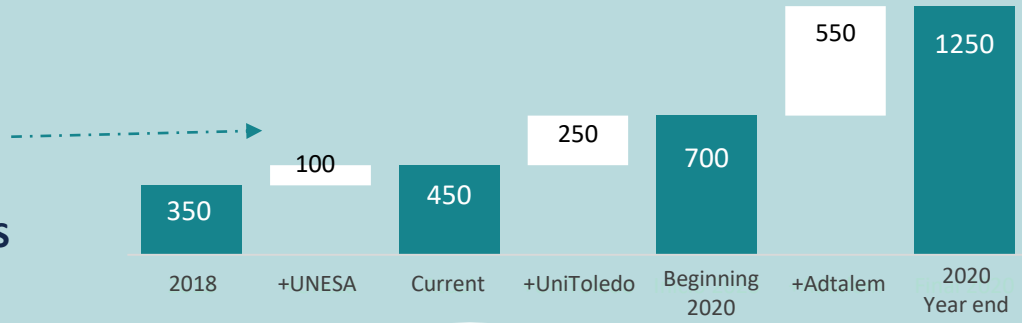


NET REVENUES
(R$ Million)



Increasing permission to open new DL centers

UNESA(3) SCORES CONCEPT 5 IN MINISTRY OF EDUCATION EVALUATION METRICS
(08/2019)



(1) SS = "Same Shops"; compares the same DL centers in both periods.

(2) In IFRS-16
(3) Estácio de Sá University

YDUQS

MEDICINE: IN STEEP EXPANSION

ALL 4 MAIS MÉDICOS II UNITS AUTHORIZED BY MEC
IN IMPLEMENTATION PHASE.

+200 SEATS/YEAR

+100 SEATS/YEAR
EXPANSION TO MAXIMUM CAPACITY APPROVED IN JUAZEIRO (BA) UNIT.

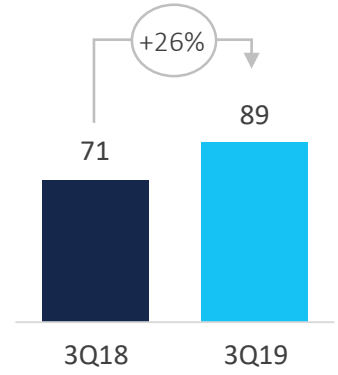
TO 155 FROM 55 SEATS/YEAR

NEW CAMPUS IN RIO
TRANSFER FROM OLD CAMPUS OPERATIONS TO BARRA DA TIJUCA

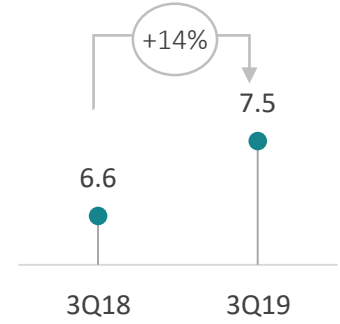
1,200 STUDENTS + DENTISTRY. OPENING IN 2020.1

FINANCIAL HIGHLIGHTS
3Q19 MEDICINE DIVISION RESULTS

NET REVENUES
(R$ Million)

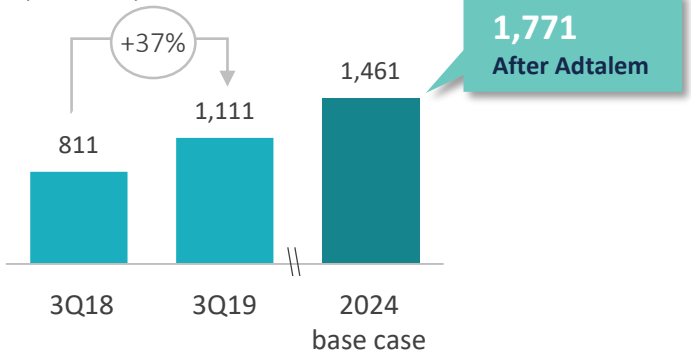


AVERAGE TICKET[2]
(R$ Thousand per month)

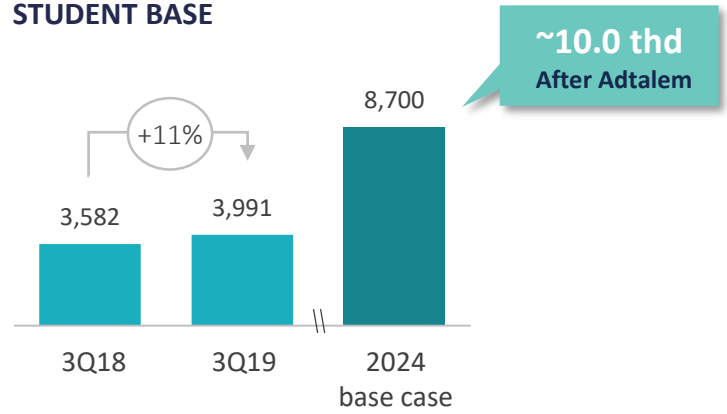


LARGEST MEDICINE SCHOOL IN BRAZIL

AUTHORIZED SEATS[1]
(PER YEAR)



STUDENT BASE



(1) Does not include recently acquired institutions (UniToledo and Adtalem).

(2) Excluding ProUni and scholarship holders the average ticket would reach ~R$8,500/month

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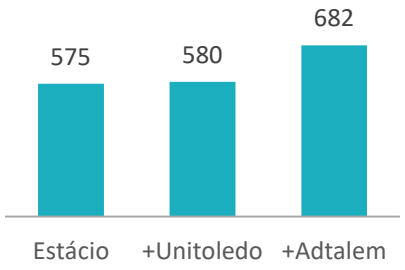
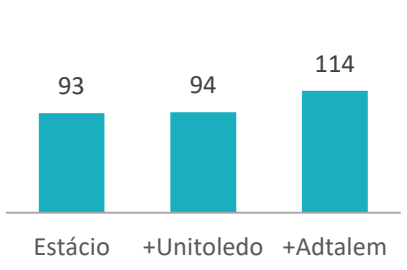
M&A: TRANSFORMATIONAL DEAL

LAST AVAILABLE ENTITY THAT ALLOWS COMBINATION OF SCALE AND QUALITY

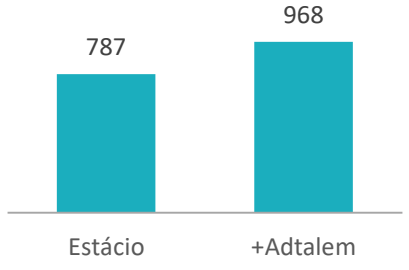
STUDENTS
(Thousand)



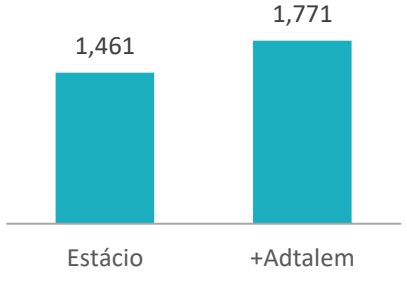
CAMPI
(Units)



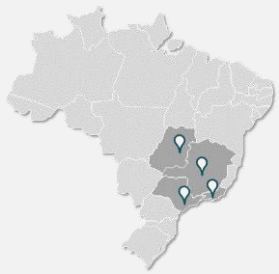
DL CENTERS
(CENTERS)



MEDICINE SEATS 2024e
(SEATS/YEAR)



Powerful combination of scale and quality

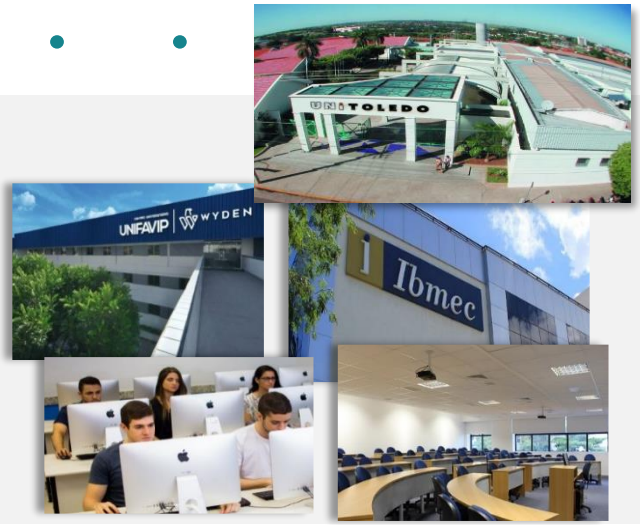


Ibmec
~13 thd students

Wyden
~54 thd students

Damásio
~35 thd students

UniToledo
~5 thd students



---------- EBITDA 12m: R$191 mln ---------- -- EBITDA 12m: R$13 mln --

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CONCLUSION: GREAT OPPORTUNITIES AHEAD

Relevant operational improvements...

- ✓ Intake historical record (320 thousand students in 2019)
- ✓ Student base growth across all segments (ex-FIES)
- ✓ Focus on retention (86% on-campus)
- ✓ Strong expansion in DL base (+26% YoY)

... With stable financial results
(9 months; R$ Million, ex-IFRS16; YoY%)

REVENUES	OPEX	Adjusted EBITDA	EBITDA MARGIN	CASH CONVERSION
R$2,723	R$2,014	R$907	33.3%	68%
-1%	0%	+1%	+0.6pp	+5pp

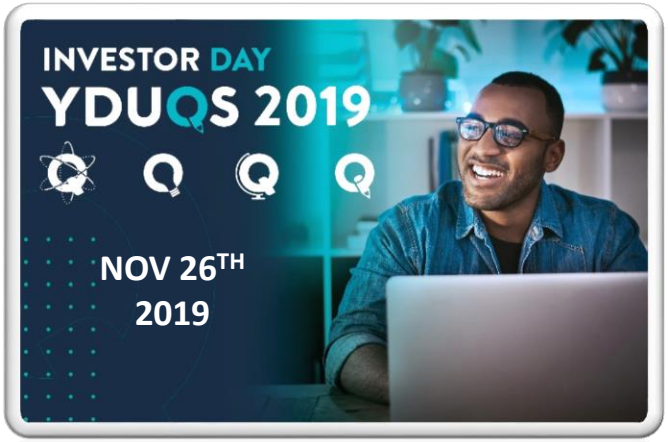
ALL FOUR MAIS MÉDICOS UNITS IN IMPLEMENTATION PHASE
(+200 new seats/year by 2020)

UNITOLEDO ACQUISITION APPROVED BY ANTI-TRUST AGENCY (CADE)
(+5 thd students; potential for DL; exposure to SP)

EXPANSION

ADTALEM ACQUISITION
(+102 thd students; *premium* positioning; medicine courses)

TRANSFORMATIONAL



YDUQS

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