3Q15 RESULTS

Rio de Janeiro, November 5, 2015 – **Estácio Participações S.A.** – "Estácio or "Company" (BM&FBovespa: ESTC3; Bloomberg: ESTC3.BZ; Reuters: ESTC3.SA; OTCQX: ECPCY) – announces its results for the third quarter of 2015 (3Q15) in comparison with the third quarter of 2014 (3Q14). The accounting information herein is presented in accordance with International Financial Reporting Standards ("IFRS") and on a consolidated basis.

Highlights

- Estácio closed 3Q15 with a **total base** of 536,800 students, 14.8% up on 3Q14, 379,000 of whom enrolled in on-campus programs (11.3% up year-on-year), 145,400 in distance-learning programs (up by 14.3%) and 12,400 from acquisitions in the last 12 months.
- **Net operating revenue** came to R$724.6 million in 3Q15, 16.0% more than in 3Q14, thanks to student base growth.
- **EBITDA** totaled R$202.2 million in 3Q15, a 23.3% improvement, with an **EBITDA margin** of 27.9%, representing a margin gain of 1.7 percentage points.
- **Net income** came to R$157.0 million in 3Q15, 18.0% up on 3Q14, while **earnings per share** reached R$0.50, 19.0% more than in the same period last year.
- **Operational cash flow** was positive by R$83.5 million in 3Q15, 39.4% up on 3Q14.
- The Company closed 3Q15 with solid **cash and cash equivalents** of R$721.2 million.

Key Consolidated Indicators

Financial Highlights	3Q14	3Q15	Change	9M14	9M15	Change
Net Revenue (R$ million)	624.8	724.6	16.0%	1,752.1	2,221.3	26.8%
Gross Profit (R$ milllion)	281.2	340.4	21.1%	751.1	983.8	31.0%
Gross Profit margin	*45.0%*	*47.0%*	*2.0 p.p.*	*42.9%*	*44.3%*	*1.4 p.p.*
EBIT (R$ million)	136.9	162.7	18.8%	331.3	447.5	35.1%
EBIT Margin	*21.9%*	*22.5%*	*0.6 p.p.*	*18.9%*	*20.1%*	*1.2 p.p.*
EBITDA (R$ million)	164.0	202.2	23.3%	399.5	564.2	41.2%
EBITDA Margin	*26.2%*	*27.9%*	*1.7 p.p.*	*22.8%*	*25.4%*	*2.6 p.p.*
Net Income (R$ milllion)	133.0	157.0	18.0%	344.8	419.6	21.7%
Net Income Margin	*21.3%*	*21.7%*	*0.4 p.p.*	*19.7%*	*18.9%*	*-0.8 p.p.*

Message from Management

Facing a crisis as severe as the one Brazil is currently facing is no easy task, given that, sooner or later and to a greater or lesser degree, the performance of companies will be affected by external factors beyond their control. However, given that there is nothing we can do about the crisis *per se*, it is comforting to confront all

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these adversities at a time when our company is already highly organized, having undergone a series of deep and complex changes in recent years and having clearly opted, even during the bonanza times, to balance solid growth with the construction of fundamentals and differentials that may now prove crucial.

Estácio's results for the third quarter of 2015 underline once again the value of believing and investing in a long-term strategy and in a culture based on continuous improvement, with rigid discipline and no sudden leaps and bounds or short-cuts to growth. Even in the midst of an adverse economic scenario, and in a sector severely jeopardized by the changes in the FIES program, our results were consistent: in comparison with 3Q14, on-campus and distance learning intake increased by 5.8% and 20.4%, respectively, Net Revenue moved up by 16%, EBITDA climbed by more than 23%, EBITDA margin widened by 1.7 p.p., and Net Income and Earnings per Share grew by almost 20%. We also resumed the generation of positive operating cash flow (R$83.5 million) following all the difficulties of the first half. Even more importantly, we showed our candidates and our students that, even in hard times (or better still, *especially* in hard times), we are on their side, fully prepared to encounter solutions capable of fulfilling their dreams and always offering growing quality, both in the classroom and in relation to our service level. And we also intend to show our shareholders that it *is* possible to grow in adversity, i.e. we can march our 20 miles even in the middle of the desert. Our efforts in this arid period can be divided into four aspects:

- continuing to increase our student base through the intake and renewal cycles, with the Enrollment Center playing a major role in these processes;
- imposing even stricter controls, with greater financial discipline in regard to costs, expenses and CAPEX in order to at least partially offset eventual revenue losses and receivable increases;
- maintaining an enthusiastic climate and a positive attitude within the organization, while continuing to increase our competitive advantages, allowing us to make further progress in the current scenario; and
- paying attention to inorganic opportunities, aiming at growing and improving our infrastructure and distribution channels throughout Brazil.

It is also worth calling attention to another extremely important segment, which has been gaining ground since its creation at the end of 2012: Continuing Education (or New Businesses), whose current flagship is our graduate program, but which also covers other products such as corporate solutions, as well as short-term, vocational and preparatory courses. Our graduate student base increased by 37.3% in 3Q15 and we continue to believe that there are many opportunities in this segment, which is totally aligned with our diversification strategy and with Estácio's desire to migrate from a Higher Education company to an Education company.

In the coming cycles, in addition to putting great emphasis on our management model, organizational culture and corporate governance, we have a series of initiatives that should gain more importance in our strategy and which will help us on our journey, including the following:

- the creation, on October 3rd, of a Relationship Center, with the implementation of our CRM (Customer Relationship Management) software, as well as a brand new contact and relationship strategy for prospects, students and alumni;
- the development of new educational technologies under the 2020 Academic Model umbrella, taking advantage of the entirely integrated academic base created in the last few years to improve the experience of our students and to enrich their learning process;
- investing in increasing the value of the Estácio brand with all our stakeholders, aiming to strengthen our capacity to attract and retain students, while increasing the value of their diplomas;
- continuing to measure and manage our students' employability, with the adoption of KPIs and the use of our management system, as well as ensuring a shift in our mindset towards the importance of monitoring their entire progress until their job opportunities and even afterwards throughout their professional careers;
- the development of hybrid products with differentiated price-points, also leveraged by the total alignment of our online and on-campus platforms (remembering that our integration is so deep that the final exams for each subject are taken from the same question base, independently of whether the subject in question is online or on-campus);

- the development of new businesses, aiming to take advantage of our student base for cross-selling and up-selling opportunities, but also including the entry into new markets and the monetization (sale and licensing to third parties) of assets created for our internal use in recent years;
- more effective management of our costs and expenses through the use of benchmarking, and the improvement of our technologies, such as our class allocation and optimization software, which we have been using for almost two years in association with Trieda (a Gapso spin-off), a company specialized in planning complex production operations; and
- substantially improving credit granting, campaigns, and charging and collection processes through not only the intensive use of our management model, but also with the pursuit of external expertise and the hiring of resources with expertise in these fields.

We are aware that 2015 has not been an easy year for anyone and we believe 2016 will be no less challenging. Nevertheless, while not underestimating Brazil's economic crisis in any way, we believe we have all the necessary weapons to cope with the difficulties ahead, thanks to our people and our management system, to our commitment to our students and to our long-term vision. We know that in order to continue our march in these adverse times, we need to maintain a positive attitude, focusing on every detail of our operation, delivering the best possible service, and doing everything possible to ensure that our students, together with and in the same way as our company, get through this difficult period, continue to pursue their dreams, and keep growing and prospering, thereby generating outstanding returns on their investment.

Operating Performance

Estácio closed 3Q15 with a total base of 536,800 students (14.8% more than in 3Q14), 379,000 of whom enrolled in on-campus programs and 145,400 in distance-learning programs, as well as 12,400 students from the acquisitions concluded in the last 12 months (CEUT and FNC).

Table 1 – Total Student Base*

'000	3Q14	3Q15	Change
On-Campus	**340.4**	**379.0**	**11.3%**
Undergraduate	315.7	346.3	9.7%
Graduate	24.7	32.7	32.4%
Distance Learning	**127.2**	**145.4**	**14.3%**
Undergraduate	105.7	114.7	8.5%
Graduate	21.5	30.7	42.8%
Student Base - same shops	**467.6**	**524.4**	**12.1%**
Acquisitions in the last 12 months	-	12.4	N.A.
Total Student Base	**467.6**	**536.8**	**14.8%**
# Campuses	84	90	7.1%
On-Campus Students per Campus	**4,052**	**4,349**	**7.3%**
# Distance Learning Centers	163	170	4.3%
Distance Learning Students per Center	**780**	**855**	**9.6%**

*Note: Acquisitions in the last 12 months refer to students from CEUT (3,700) and FNC (8,700).
Figures not reviewed by the auditors

On-Campus Undergraduate Segment

Estácio's **on-campus undergraduate base** totaled 358,700 students at the end of September, 13.6% more than at the close of 3Q14. Under the same-shop concept, i.e., excluding CEUT and FNC students, we recorded organic growth of 9.7%.

The 5.8% increase in 3Q15 **intake** underlines the success of the "*Compromisso Estácio*" (Estácio's Commitment) campaign, whose message is that it is possible to study even in times of crisis and which focused both on the PraValer financing program and on our unemployment insurance. It is also worth noting the launch of the undergraduate enrollment center after the initiative had been successfully tested in the graduate segment. The new center, which is still maturing and should be much better structured for the first enrollment cycle of 2016, was certainly one of the main factors responsible for the segment's intake result. It is also worth emphasizing the intense involvement of all employees in the "*Compromisso Estácio*" campaign, maximizing the power of the message to the students thanks to the Company's organizational culture and management model.

The **renewal rate** represented 87.4% of the renewable base, 1.2 p.p. down on the 88.6% recorded in 3Q14, due to the deterioration of the economic scenario and the reduced mix of FIES students (who have higher renewal rates). Estácio continues to make great efforts on this front through the **Retention** project, which consists of a series of initiatives in the academic and financial areas, and by raising employees' awareness of the supreme importance of never giving up on our students. The main initiatives included adapting the management model so that local management and course coordinators were able to monitor students' performance and motivation on a daily basis. Thanks to the use of prevention models and systems, Estácio's "retention agents" were able to propose immediate solutions, such as: tutoring classes, supervision, changes of the course's number of credits, financing opportunities, and vocational analysis, among others. Estácio has also built retention goals into its management model, including this vital indicator in the incentive program of the operational work force. The Company expects these initiatives to bring results in the coming quarters and continues to develop tools such as a predictive model based on big data technology in order to better control this indicator through the addition of more technology and management.

Table 2 – Evolution of On-Campus Undergraduate Student Base*

'000	3Q14	3Q15	Change
Students - Starting balance	**280.9**	**333.4**	**18.7%**
(+/-) Acquisitions in the last 12 months (until 2Q)	-	(3.7)	N.A.
(-) Graduates	(13.8)	(15.2)	10.1%
Renewable Base	**267.1**	**314.5**	**17.7%**
(+) Enrollments	67.5	71.4	5.8%
(+) Acquisitions	11.5	-	N.A.
(-) Not Renewed	(30.4)	(39.6)	30.3%
Students - same shops	**315.7**	**346.3**	**9.7%**
(+) Acquisitions in the last 12 months (until 3Q)	-	12.4	N.A.
Students - Ending Balance	**315.7**	**358.7**	**13.6%**

*Note: Acquisitions in the last 12 months refer to students from CEUT (3,700) and FNC (8,700).
Figures not reviewed by the auditors

FIES

We closed September with a **FIES base** of 137,400 students, representing 38.3% of our on-campus undergraduate base.

It is worth noting that the intake cycle in the second semester of 2015 had 2,600 FIES students, representing an occupancy rate of 44.1% of the FIES seats originally offered by Estácio. The excellent total intake result, despite the reduced number of new FIES contracts (only 2,600 students, versus 22,100 in the same period in 2014), underlined the efficiency of the strategy of not using FIES as the main sales pitch, and instead always emphasizing Estácio's attributes and advantages to attract new students, thus avoiding to rely on FIES during the intake process.

In this context, in the second semester of 2015, the non-FIES on-campus intake increased by 43.1%, more than offsetting the 17,000 reduction in FIES enrollments over the same period last year.

Table 3 – FIES Student Base*

('000)	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15
On-campus undergraduate students	302.8	280.9	315.7	290.2	359.3	333.4	358.7
FIES Student Base	**102.1**	**110.4**	**121.2**	**122.7**	**132.6**	**146.1**	**137.4**
% of FIES Students	33.7%	39.3%	38.4%	42.3%	36.9%	43.8%	38.3%

*Note: Figures not reviewed by the auditors

Table 4 – New FIES Contracts (freshmen and seniors)*

('000)	1H13	2H13	1H14	2H14	1H15	2H15
Total Intake	85.3	63.8	105.7	67.5	110.9	71.4
Freshmen with FIES (until the end of the intake process)	10.3	12.1	26.1	14.9	12.1	1.9
% via FIES	**12.1%**	**19.0%**	**24.7%**	**22.1%**	**10.9%**	**2.6%**
Freshmen with FIES (until the end of the semester)	20.4	15.4	34.9	18.9	22.1	N.A
% via FIES	**23.9%**	**24.1%**	**33.0%**	**28.0%**	**19.9%**	**N.A**
Senior students with FIES (new contracts)	5.5	6.2	5.3	3.9	1.9	0.8
New FIES contracts in the semester	**25.9**	**21.6**	**40.2**	**22.8**	**24.0**	**2.6**

*Note: Figures not reviewed by the auditors

Distance-Learning Undergraduate Segment

The **distance-learning undergraduate base** grew by 8.5% over 3Q14 to 114,700 students, including UniSEB students in both periods. Such base growth was due to the successful intake cycle for the 3Q15, offsetting the negative impact of the renewal rate discussed below.

The successful **distance-learning intake**, which increased by 20.4% over 3Q14, is related to a higher demand for courses with a more affordable average ticket and the introduction of 100% online courses in distance learning centers, also favored by the campaign "*Compromisso Estacio*" and the increasing alignment of intake policies and strategies in all businesses units (including distance-learning centers run by partners).

On the other hand, the distance learning **renewal rate** represented 74.1% of the renewable base in this quarter, against 80.1% in 3Q14, a 6.0 p.p. deterioration. In addition to the difficulties created by the Brazilian economic environment, which also impacted the renewal rate of the on-campus segment, the distance learning renewal was affected by the following issues:

- a mix of students concentrated in 1st and 2nd semesters, with renewal rates lower than most senior students, resulting from (a) the opening of 21 new distance-learning centers in the last 12 months, and (b) an increase in UniSEB's distance learning centers intake (once again, concentrating the student mix on newer students, who are more likely to drop out), thanks to Estacio's campaigns and commercial practices;

- the adoption of stricter collection criteria for UniSEB' senior students in the migration for Estacio' systems, such as: limiting the number of due tuitions, the requirement to provide guarantees for the negotiations, and the impossibility of renewing outside the established criteria.

Due to the two issues mentioned above, UniSEB's distance learning centers migrated to Estacio's network show renewal rates similar to Estacio's rates a few years ago (approximately 70%). It is expected that the effect will be naturally mitigated due to the evolution of the base, same as occurred in Estacio's centers in the past. At the same time, campaigns are being created for students affected by these changes, so they can re-enroll later, already in Estacio's criteria.

Finally, it is worth noting that the renewal rate of the centers ex-UniSEB remained at similar levels to the previous quarters.

Table 5 – Evolution of Distance-Learning Undergraduate Student Base*

'000	3Q14	3Q15	Change
Students - Starting Balance	**93.3**	**106.1**	**13.8%**
(-) Graduates	(2.4)	(4.8)	100.0%
Renewable Base	**90.9**	**101.3**	**11.5%**
(+) Enrollments	32.9	39.6	20.4%
(-) Dropouts	(18.1)	(26.2)	45.1%
Students - Ending Balance	**105.7**	**114.7**	**8.5%**

*Note: Figures not reviewed by the auditors

Continuing Education

Graduate Segment

At the close of 3Q15, Estácio had 63,400 students enrolled in graduate programs, 37.3% up on 3Q14, due to a number of changes and improvements in the academic and operational areas implemented since 2014, with an emphasis on the development of new courses, an increase in distribution channels, and the creation of the Enrollment Center, which expanded the segment's commercial reach. In 3Q15 in particular, it is worth noting the campaigns which focused on Estacio´s former undergraduate students and greatly contributed to the successful enrollment cycle.

Table 6 – Graduate Student Base*

'000	3Q14	3Q15	Change
Graduate	**46.2**	**63.4**	**37.3%**
On-Campus	24.7	32.7	32.2%
Distance Learning	21.5	30.7	43.1%

*Note: Figures not reviewed by the auditors

Pronatec

At the end of 3Q15, Estácio had 12,600 students enrolled in the Pronatec program for vocational courses (Training Scholarship Modality), 6,600 of whom through the 1st Bid Notice, 4,700 through the 2nd Bid Notice and 1,300 through the 3rd Bid Notice, generating a net revenue of R$12.3 million in 3Q15. The first students from the 1st Bid Notice graduated in 3Q15, therefore reducing the total student base of these courses.

Table 7 – Vocational Course Student Base - Pronatec*

'000	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15
Pronatec Students	**15.2**	**12.6**	**19.6**	**17.5**	**15.0**	**12.6**

*Note: Figures not reviewed by the auditors

Operating Revenue

Net operating revenue came to R$724.6 million in 3Q15, 16.0% up on 3Q14, mainly due to the 12.9% increase in the post-secondary student base.

Table 8 – Operating Revenue

R$ MM	3Q14	3Q15	Change	9M14	9M15	Change
Gross Operating Revenue	**912.3**	**1,095.3**	**20.1%**	**2,528.2**	**3,270.8**	**29.4%**
Monthly Tuition Fees	881.4	1,065.1	20.8%	2,473.2	3,168.3	28.1%
Pronatec	23.5	13.6	-42.1%	33.3	51.4	54.4%
Others	7.5	16.6	121.3%	21.8	51.1	134.4%
Gross Revenue Deductions	**(287.6)**	**(370.7)**	**28.9%**	**(776.2)**	**(1,049.5)**	**35.2%**
Scholarships and Discounts	(246.5)	(323.8)	31.4%	(664.4)	(906.8)	36.5%
Taxes	(27.0)	(29.2)	8.1%	(73.5)	(90.1)	22.6%
FGEDUC	(14.1)	(17.8)	26.2%	(38.4)	(52.7)	37.2%
% Scholarships and Discounts/ Gross Operating Revenue	*27.0%*	*29.6%*	*2.5 p.p.*	*26.3%*	*27.7%*	*1.4 p.p.*
Net Operating Revenue	**624.8**	**724.6**	**16.0%**	**1,752.1**	**2,221.3**	**26.8%**

The 3Q15 **on-campus average monthly ticket** came to R$588.4, an increase of 2.8% over 3Q14. Considering only the undergraduate segment, the average increase was of 3.7% in relation to the previous year, due to the following effects:

- ***Change in course mix:*** Due to the deterioration of the macroeconomic scenario and the FIES limitations, we saw an increase in the share of lower average ticket courses;
- ***Decrease in the number of disciplines taken during the semester:*** To avoid dropping out, there is a trend of students reducing the number of disciplines in which they are enrolled, therefore impacting the average ticket, but also increasing total course duration to the student;
- ***Intake campaigns:*** In 3Q15, we saw an increase in tuition exemptions during the intake process, which can be seen in the scholarships and discounts line.

Table 9 – Calculation of the Average Monthly Ticket – On-Campus*

'000	3Q14	3Q15	Change
On-Campus Undergraduate Student Base	315.7	358.7	13.6%
(-) FNC Acquisition	-	(8.7)	N.A.
(-) Dropouts	(14.4)	(17.0)	18.1%
(=) Revenue Generating On-Campus Undergraduate Student Base	301.3	333.0	10.5%
(+) On-Campus Graduate Student Base	19.0	24.5	28.9%
(=) Revenue Generating On-Campus Student Base	320.3	357.5	11.6%
On-Campus Net Revenue (R$ million)	549.9	631.1	14.8%
On-Campus Average Ticket (R$)	572.2	588.5	2.8%

* Note: Figures not reviewed by the auditors. The calculation excludes graduate partnerships and FNC, which was only incorporated at the end of 3Q15.

The 3Q15 **distance-learning average monthly ticket** reached R$160.1, a decrease of 3.1% in relation to 3Q14, mainly due to the following aspects:

i. Increase in the share of graduate students in the mix of students: graduate students have a lower average ticket than undergraduates;
ii. Increase in the share of students enrolled in distance-learning centers owned by partners, which have a lower average ticket (given the tuition transfer we make to the partners) than students in our own centers;
iii. Evolution of 1st and 2nd semesters students after the price repositioning we did two years ago in the main locations where we operate; and
iv. 3Q15 intake campaigns.

If we exclude the first two factors, the distance-learning average ticket would have been in line with the one presented in 3Q14.

Table 10 – Calculation of the Average Monthly Ticket – Distance-Learning*

'000	3Q14	3Q15	Change
Distance Learning Undergraduate Student Base	105.7	114.7	8.5%
(-) Dropouts	(2.7)	(6.9)	155.6%
(=) Revenue Generating Distance Learning Undergraduate Student Base	103.0	107.8	4.7%
(+) Distance Learning Graduate Student Base	7.6	11.9	56.1%
(=) Revenue Generating Distance Learning Student Base	110.6	119.7	8.2%
Distance Learning Net Revenue (R$ million)	54.8	57.5	4.8%
Distance Learning Average Ticket (R$)	165.3	160.1	-3.1%

* Note: Figures not reviewed by the auditors. The calculation does not consider the transfer to UniSEB's distance-learning centers partners and also excludes UniSEB's graduate segment.

Cost of Services

The **cash cost as a percentage of net revenue ratio** continued to improve due to the efforts on the management front and the scalability of the business, recording a 1.5 p.p. improvement over 3Q14, thanks to:

(i) a 1.5 p.p. gain in **salaries and payroll charges**, reflecting the expected gains in faculty cost management and the gradual expansion of the distance-learning segment in the operation;
(ii) a 0.7 p.p. gain in **rentals**, due to contractual renegotiation efforts; and
(iii) a 0.5 p.p. gain in **textbook materials**, due to the increased use of proprietary books, migration to the digital format, and improved inventory management.

The other lines remained virtually flat over 3Q14, with a deterioration of:

(i) 0.6 p.p. in **social security**, due to the recognition of a credit totaling R$7.1 million in 3Q14. Excluding this effect, we would have a 0.5 p.p. gain in this line;

(ii) 0.6 p.p. in **third-party services and others**, which was negatively affected by the increase in electricity costs.

Table 11 – Breakdown of Cost of Services

R$ MM	3Q14	3Q15	Change	9M14	9M15	Change
Cost of Services	**(322.7)**	**(363.4)**	**12.6%**	**(952.0)**	**(1,176.5)**	**23.6%**
Personnel	(248.8)	(282.5)	13.5%	(735.7)	(905.8)	23.1%
Salaries and Payroll Charges	(211.5)	(234.7)	11.0%	(614.4)	(749.7)	22.0%
Brazilian Social Security Institute (INSS)	(37.3)	(47.8)	28.2%	(121.4)	(156.2)	28.7%
Rentals / Real Estate Taxes Expenses	(46.6)	(49.0)	5.2%	(129.7)	(161.9)	24.8%
Textbooks Materials	(9.4)	(6.9)	-26.6%	(37.3)	(37.8)	1.3%
Third-Party Services and Others	(17.9)	(25.0)	39.7%	(49.3)	(71.0)	44.0%

Table 12 – Vertical Analysis of Cost of Services

% of Net Operating Revenue	3Q14	3Q15	Change	9M14	9M15	Change
Cost of Services	**-51.7%**	**-50.2%**	***1.5 p.p.***	**-54.3%**	**-53.0%**	***1.3 p.p.***
Personnel	-39.8%	-39.0%	*0.8 p.p.*	-42.0%	-40.8%	*1.2 p.p.*
Salaries and Payroll Charges	-33.9%	-32.4%	*1.5 p.p.*	-35.1%	-33.8%	*1.3 p.p.*
Brazilian Social Security Institute (INSS)	-6.0%	-6.6%	*-0.6 p.p.*	-6.9%	-7.0%	*-0.1 p.p.*
Rentals / Real Estate Taxes Expenses	-7.5%	-6.8%	*0.7 p.p.*	-7.4%	-7.3%	*0.1 p.p.*
Textbooks Materials	-1.5%	-1.0%	*0.5 p.p.*	-2.1%	-1.7%	*0.4 p.p.*
Third-Party Services and Others	-2.9%	-3.5%	*-0.6 p.p.*	-2.8%	-3.2%	*-0.4 p.p.*

Table 13 – Cost Reconciliation

R$ MM	3Q14	3Q15	Change	9M14	9M15	Change
Cash Cost of Services	**(322.7)**	**(363.4)**	**12.6%**	**(952.0)**	**(1,176.5)**	**23.6%**
(+) Depreciation and amortization	(20.8)	(20.7)	-0.5%	(48.9)	(60.9)	24.5%
Cost of Services	**(343.5)**	**(384.2)**	**11.8%**	**(1,001.0)**	**(1,237.5)**	**23.6%**

Gross Income

Table 14 – Statement of Gross Income

R$ MM	3Q14	3Q15	Change	9M14	9M15	Change
Net Operating Revenue	624.8	724.6	16.0%	1,752.1	2,221.3	26.8%
Cost of Services	(343.5)	(384.2)	11.8%	(1,001.0)	(1,237.5)	23.6%
Gross Profit	**281.2**	**340.4**	**21.1%**	**751.1**	**983.8**	**31.0%**
(-) Depreciation and amortization	20.8	20.7	-0.5%	48.9	60.9	24.5%
Cash Gross Profit	**302.0**	**361.1**	**19.6%**	**800.0**	**1,044.7**	**30.6%**
Cash Gross Margin	*48.3%*	*49.8%*	*1.5 p.p.*	*45.7%*	*47.0%*	*1.3 p.p.*

Selling, General and Administrative Expenses

Selling expenses represented 9.8% of **net operating revenue** in 3Q15, up by 2.5 p.p. as a result of the 1.7 p.p. increase in **marketing** expenses, mainly due to the efforts to launch the new "*Compromisso Estácio*" campaign, whose effects were felt in 3Q15.

In addition, the **PDA/net revenue ratio** recorded a loss of 0.8 p.p., mainly due to the fact that 3Q14 had already been positively impacted by a large recovery volume due to the insourcing of receivables portfolio recovery procedures.

General and administrative expenses corresponded to 12.1% of **net revenue** in 3Q15, a 2.6 p.p. improvement over 3Q14, mainly due to the 3.6 p.p. gain in **personnel**, explained by the reduction in provisions for bonuses in the period, lower provisions for stock options than in 3Q14 (when we launched the 6th Stock Option program), and ongoing initiatives to optimize our headcount, which began to generate more relevant results.

The **institutional events** line continued to be impacted by R$8.5 million related to our sponsorship of the 2016 Olympic Games in Rio. However, there is a corresponding counter-entry under revenue (in the **others** line) related to the training Estácio offers to the volunteers who will help at the event, so that the effect on the operating result (EBITDA) was nil, impacting the period margin only. Excluding the accounting effect from the Olympic Games sponsorship, **G&A expenses** would have represented 11.1% of net revenue in 3Q15, with a gain of 3.6 p.p. over 3Q14.

The year-on-year increase in **depreciation and amortization** over 3Q14 was mainly due to the addition of R$8.8 million from the amortization of the goodwill from the price paid for the recent acquisitions (IESAM, Uniseb, Literatus, and CEUT). In the first nine months of 2015, the total goodwill amortization effect came to R$25 million.

Table 15 – Selling, General and Administrative Expenses

R$ MM	3Q14	3Q15	Change	9M14	9M15	Change
Selling, General and Administrative Cash Expenses	**(138.0)**	**(158.9)**	**15.1%**	**(400.5)**	**(480.5)**	**20.0%**
Selling Expenses	**(45.9)**	**(70.9)**	**54.5%**	**(175.3)**	**(219.3)**	**25.1%**
Provisions for Doubtful Accounts	(11.5)	(18.7)	62.6%	(64.0)	(72.3)	13.0%
Marketing	(34.4)	(52.2)	51.7%	(111.3)	(147.0)	32.1%
General and Administrative Expenses	**(92.1)**	**(88.0)**	**-4.5%**	**(225.2)**	**(261.2)**	**16.0%**
Personnel	(52.5)	(34.8)	-33.7%	(117.9)	(106.6)	-9.6%
Salaries and Payroll Charges	(47.5)	(30.7)	-35.4%	(104.5)	(93.2)	-10.8%
Brazilian Social Security Institute (INSS)	(5.0)	(4.1)	-18.0%	(13.3)	(13.4)	0.8%
Others	(39.5)	(53.2)	34.7%	(107.3)	(154.5)	44.0%
Third-Party Services	(16.4)	(18.9)	15.2%	(45.9)	(59.4)	29.4%
Machinery rentals and leasing	(0.3)	(1.9)	533.3%	(1.2)	(1.0)	-16.7%
Consumable Material	(0.8)	(0.8)	0.0%	(1.8)	(2.3)	27.8%
Maintenance and Repair	(7.5)	(9.8)	30.7%	(20.3)	(27.4)	35.0%
Provision for Contingencies	(4.3)	(3.8)	N.A.	(11.1)	(10.5)	-5.4%
Educational Agreements	(1.8)	(2.2)	22.2%	(5.9)	(5.7)	-3.4%
Travel and Lodging	(3.5)	(3.8)	8.6%	(8.1)	(8.3)	2.5%
Institutional Events	(1.2)	(9.6)	700.0%	(2.5)	(27.3)	992.0%
Copies and Bookbinding	(1.1)	(1.4)	27.3%	(2.4)	(3.9)	62.5%
Insurance	(1.2)	(1.7)	41.7%	(3.4)	(3.5)	2.9%
Cleaning Supplies	(0.6)	(0.5)	-16.7%	(1.6)	(1.9)	18.8%
Transportation	(0.7)	(1.1)	57.1%	(1.9)	(2.4)	26.3%
Car Rental	(0.7)	(0.6)	-14.3%	(1.9)	(1.8)	-5.3%
Other Operating Renevue (expenses)	5.6	6.6	17.9%	13.7	13.3	-2.9%
Others	(5.1)	(3.8)	-25.5%	(12.9)	(12.3)	-4.7%
Depreciation and amortization	**(6.3)**	**(18.8)**	**198.4%**	**(19.3)**	**(55.9)**	**189.6%**

Table 16 – Vertical Analysis of Selling, General and Administrative Expenses

% of Net Operating Revenue	3Q14	3Q15	Change	9M14	9M15	Change
Selling, General and Administrative Cash Expenses	**-22.1%**	**-21.9%**	***0.2 p.p.***	**-22.9%**	**-21.6%**	***1.3 p.p.***
Selling Expenses	**-7.3%**	**-9.8%**	***-2.5 p.p.***	**-10.0%**	**-9.9%**	***0.1 p.p.***
Provisions for Doubtful Accounts	-1.8%	-2.6%	*-0.8 p.p.*	-3.7%	-3.3%	*0.4 p.p.*
Marketing	-5.5%	-7.2%	*-1.7 p.p.*	-6.4%	-6.6%	*-0.2 p.p.*
General and Administrative Expenses	**-14.7%**	**-12.1%**	***2.6 p.p.***	**-12.9%**	**-11.8%**	***1.1 p.p.***
Personnel	-8.4%	-4.8%	*3.6 p.p.*	-6.7%	-4.8%	*1.9 p.p.*
Salaries and Payroll Charges	-7.6%	-4.2%	*3.4 p.p.*	-6.0%	-4.2%	*1.8 p.p.*
Brazilian Social Security Institute (INSS)	-0.8%	-0.6%	*0.2 p.p.*	-0.8%	-0.6%	*0.2 p.p.*
Others	-6.3%	-7.3%	*-1.0 p.p.*	-6.1%	-7.0%	*-0.9 p.p.*
Third-Party Services	-2.6%	-2.6%	*0.0 p.p.*	-2.6%	-2.7%	*-0.1 p.p.*
Machinery rentals and leasing	0.0%	-0.3%	*-0.3 p.p.*	-0.1%	0.0%	*0.0 p.p.*
Consumable Material	-0.1%	-0.1%	*0.0 p.p.*	-0.1%	-0.1%	*0.0 p.p.*
Maintenance and Repair	-1.2%	-1.4%	*-0.2 p.p.*	-1.2%	-1.2%	*-0.1 p.p.*
Provision for Contingencies	-0.7%	-0.5%	*0.2 p.p.*	-0.6%	-0.5%	*0.2 p.p.*
Educational Agreements	-0.3%	-0.3%	*0.0 p.p.*	-0.3%	-0.3%	*0.1 p.p.*
Travel and Lodging	-0.6%	-0.5%	*0.1 p.p.*	-0.5%	-0.4%	*0.1 p.p.*
Institutional Events	-0.2%	-1.3%	*-1.1 p.p.*	-0.1%	-1.2%	*-1.1 p.p.*
Copies and Bookbinding	-0.2%	-0.2%	*0.0 p.p.*	-0.1%	-0.2%	*0.0 p.p.*
Insurance	-0.2%	-0.2%	*0.0 p.p.*	-0.2%	-0.2%	*0.0 p.p.*
Cleaning Supplies	-0.1%	-0.1%	*0.0 p.p.*	-0.1%	-0.1%	*0.0 p.p.*
Transportation	-0.1%	-0.2%	*-0.1 p.p.*	-0.1%	-0.1%	*0.0 p.p.*
Car Rental	-0.1%	-0.1%	*0.0 p.p.*	-0.1%	-0.1%	*0.0 p.p.*
Other Operating Renevue (expenses)	0.9%	0.9%	*0.0 p.p.*	0.8%	0.6%	*-0.2 p.p.*
Others	-0.8%	-0.5%	*0.3 p.p.*	-0.7%	-0.6%	*0.2 p.p.*
Depreciation and amortization	**-1.0%**	**-2.6%**	***-1.6 p.p.***	**-1.1%**	**-2.5%**	***-1.4 p.p.***

EBITDA

EBITDA totaled R$202.2 million in 3Q15, 23.3% up on 3Q14, with an **EBITDA margin** of 27.9%, up by 1.7 p.p., mainly due to the increase of 16.0% in the net revenue and efficiency gains from **personnel** (both in terms of costs and general and administrative expenses). Once again, we deliver a quarter with solid margin expansion, showing our discipline in controlling costs and expenses, and a sustainable pace of our operational efficiency gains.

Table 17 – Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

R$ MM	3Q14	3Q15	Change	9M14	9M15	Change
Net Revenue	**624.8**	**724.6**	**16.0%**	**1,752.1**	**2,221.3**	**26.8%**
(-) Cash Cost of Services	(322.7)	(363.4)	12.6%	(952.0)	(1,176.5)	23.6%
(-) Selling, General and Administrative Cash Expenses	(138.0)	(158.9)	15.1%	(400.5)	(480.5)	20.0%
EBITDA	**164.0**	**202.2**	**23.3%**	**399.5**	**564.2**	**41.2%**
EBITDA Margin	*26.2%*	*27.9%*	*1.7 p.p.*	*22.8%*	*25.4%*	*2.6 p.p.*

Financial Result

The 3Q15 **financial result** was negative by R$12.2 million, R$2.4 million down on 3Q14, primarily due to the R$12.1 million increase in the interest and financial charges line, essentially as a result of the R$760.7 million increase in the Company's gross debt.

It is worth noting the R$9.5 million decrease in the **financial discounts** line, explained by the fact that in 3Q14 we began insourcing the collection of our portfolio of old receivables.

The foreign-currency financing line contracted from Banco Itaú in March 2015 has a cash flow swap in which the long leg corresponds to the exchange rate variation plus 1.95% p.a., compensating the FX exposition of the line, and the short leg to the CDI + 0.12% p.a. (final FX effect will be zero at the end of the operation).

Table 18 – Breakdown of the Financial Result

R$ MM	3Q14	3Q15	Change	9M14	9M15	Change
Financial Revenue	**22.9**	**79.3**	**246.3%**	**85.7**	**161.8**	**88.8%**
Fines and interest charged	4.6	5.9	28.7%	11.6	14.8	27.6%
Investments income	11.5	23.1	101.2%	50.1	59.2	18.2%
Active monetary variation	3.0	3.3	9.4%	20.2	8.4	-58.4%
Active exchange variation	0.1	0.0	-88.0%	0.1	22.5	N.A.
Derivative financial instruments gain - swap	-	46.7	N.A.	-	56.6	N.A.
Other	3.7	0.4	-90.2%	3.7	0.4	-89.2%
Tax on financial revenues	-	**(1.5)**	**N.A.**	**-**	**(1.5)**	**N.A.**
Financial Expenses	**(32.7)**	**(90.0)**	**175.3%**	**(65.3)**	**(192.8)**	**195.3%**
Bank charges	(2.4)	(2.4)	-0.7%	(7.7)	(7.8)	1.3%
Interest and financial charges	(15.6)	(27.7)	77.6%	(32.6)	(72.1)	121.2%
Financial Discounts	(13.1)	(3.6)	-72.4%	(19.0)	(11.9)	-37.4%
Passive monetary variation	(1.1)	(2.3)	108.4%	(4.4)	(9.3)	111.4%
Derivative financial instruments losses - swap	-	(0.0)	N.A.	-	(25.6)	N.A.
Passive exchange variation	-	(53.3)	N.A.	(0.1)	(64.3)	N.A.
Other	(0.5)	(0.6)	22.0%	(1.4)	(1.8)	28.6%
Financial Result	**(9.8)**	**(12.2)**	**24.6%**	**20.4**	**(32.5)**	**N.A.**

Net Income

Estácio posted **net income** of R$157.0 million in 3Q15, 18.0% up on 3Q14, thanks to the 23.3% period rise in our EBITDA, which offset the 24.5% increase in the financial result (basically due to the increase in our gross debt in the period) and the 45.8% rise in depreciation and amortization (mainly due to the amortization of goodwill from the price paid for the acquisitions). **Earnings per share** came to R$0.50 in 3Q15, 19.0% up year-on-year.

It is worth noting that in this quarter, there was a positive impact of around R$8.8 million in the **income tax and social contribution** lines, due to the recalculation of 2014 income tax for delivery via the new electronic tax and accounting information disclosure system (SPED), which replaced the corporate income tax return (DIPJ).

Table 19 – Reconciliation of EBITDA and Net Income

R$ MM	3Q14	3Q15	Change	9M14	9M15	Change
EBITDA	**164.0**	**202.2**	**23.3%**	**399.5**	**564.2**	**41.2%**
Financial Result	(9.8)	(12.2)	24.5%	20.4	(32.5)	N.A.
Depreciation and amortization	(27.1)	(39.5)	45.8%	(68.2)	(116.8)	71.3%
Social Contribution	1.4	1.4	0.0%	(1.9)	-	-100.0%
Income Tax	4.4	5.2	18.2%	(5.0)	4.6	-192.0%
Net Income	**133.0**	**157.0**	**18.0%**	**344.8**	**419.6**	**21.7%**
Number of shares	315.4	316.7	0.4%	315.4	316.4	0.3%
Earnings per share (R$)	**0.42**	**0.50**	**19.0%**	**1.09**	**1.33**	**22.0%**

Companies Acquired

The following chart shows the 3Q15 results of the companies acquired in the last twelve months, i.e., CEUT and FNC (consolidated in September 2015 and therefore impacting one month only). The acquisitions prior to 12 months ago are already consolidated in our results.

Table 20 – Key Indicators of Acquired Companies in 3Q15

R$ million	CEUT	FNC	Total
Net Revenue	**9.5**	**3.4**	**12.9**
Gross Profit	**3.5**	**1.5**	**5.0**
Gross Margin	*36.8%*	*44.1%*	*38.8%*
EBITDA	**3.5**	**1.1**	**4.6**
EBITDA Margin	*36.8%*	*32.4%*	*35.7%*
Net Income	**3.4**	**0.7**	**4.1**
Income Margin	*35.8%*	*20.6%*	*31.8%*

Accounts Receivable and Average Receivable Days

The number of **net student receivables days** (tuition and agreements), including FIES receivables and FIES net revenue, reached 130 days in 3Q15, 47 days more than in 3Q14, mainly due to the new FIES transfer and buyback schedule for 2015.

Excluding FIES net revenue and FIES receivables, the average days receivables came to 95 days, an improvement of three days over 2Q15. The 16-day year-over-year increase in the ex-FIES average receivables period can be explained by:

- ***A change in the retroactive amendment rules for FIES agreements:*** At the end of 2014, the FNDE (MEC) limited retroactive amendments to FIES agreements. Accordingly, around 10,000 Estácio students lost FIES support after the end of last year. Consequently, after renegotiating their debts and migrating to the non-FIES student base in the first semester of 2015, a portion of these students left while others continued studying.
- ***Campaign for students who did not obtain FIES support in the first semester of 2015*:** In a year of economic crisis, Estácio launched a special campaign for students who could not get FIES in the first half, allowing them to renegotiate their debt with fixed installments (and in a higher number than previously allowed), generating a negative impact of around R$12 million on accounts receivable.
- ***Worse macroeconomic scenario:*** It is also worth noting that non-FIES students have been recording higher delinquency rates this year, either due to the impossibility of obtaining FIES or due

to the financial difficulties that many Brazilian families have been facing, given this worse scenario and the decision not to adhere to our debt renegotiation campaigns.

In this context, Estácio hired external assistance and reinforced its in-house credit and collection team in order to provide specific input to the Company's management model, with the aim of substantially improving this indicator in the coming quarters.

Table 21 – Accounts Receivable and Average Receivable Days

Accounts Receivable (R$ MM)	3Q14	4Q14	1Q15	2Q15	3Q15
Gross Accounts Receivable	**641.5**	**573.2**	**833.9**	**1,087.6**	**1,168.8**
FIES	222.2	149.7	325.9	552.5	616.8
Tuition monthly fees	333.5	354.0	412.5	448.2	429.6
Credit Cards receivable	38.5	30.8	43.9	38.9	45.6
Renegotiation receivables	47.4	38.7	51.6	48.1	76.8
Credits to identify	(6.8)	(6.8)	1.5	(5.4)	(3.5)
Provision for bad debts	(101.7)	(115.0)	(111.7)	(99.4)	(111.2)
Net Accounts Receivable	**533.0**	**451.4**	**723.6**	**982.8**	**1,054.1**
Annualized Net Revenue (last twelve months)	**2,315.5**	**2,518.5**	**2,724.8**	**2,789.5**	**2,915.6**
Days Receivables	**83**	**65**	**96**	**127**	**130**
Net Revenue Ex. FIES (last twelve months)	**1,410.5**	**1,472.7**	**1,601.0**	**1,585.5**	**1,659.5**
Days Receivables Ex. FIES and FIES Revenue	**79**	**74**	**89**	**98**	**95**

Note: Net revenue in the last 12 months is annualized for the acquisitions concluded this period.

In 3Q15, **FIES accounts receivable** increased by R$394.6 million over the previous quarter to R$616.8 million, due to the new FIES transfer and buyback schedule disclosed in December 2014. In addition, the significant delays in the contract amendment process in the first semester of 2015 made a substantial contribution to the build-up of FIES receivables, due to the lower number of certificates transferred. At the same time, discussions on the so-called "preliminary amendments" (contracts whose price increase exceeded the ceiling initially established by the MEC) have also delayed a significant portion of the certificate issues, further impacting FIES cash flow. As a result, the **average FIES receivable term** stood at 199 days in 3Q15, an increase of 91 days over 3Q14.

Table 22 – Accounts Receivable and Average FIES Receivable Days

FIES Average Days Receivables	3Q14	4Q14	4Q15	2Q15	3Q15
FIES Receivables	222.2	149.7	325.9	552.5	616.8
FIES Carry-Forward Credits	50.0	81.7	87.2	74.4	79.0
FIES Revenue (last twelve months)	983.0	1,133.4	1,219.4	1,306.5	1,363.0
FGEDUC Deduction (last twelve months)	(49.2)	(54.0)	(60.0)	(64.6)	(68.3)
Taxes (last twelve months)	(28.8)	(33.6)	(35.6)	(37.9)	(38.6)
FIES Net Revenue (last twelve months)	905.0	1,045.8	1,123.8	1,204.0	1,256.1
FIES Days Receivables	**108**	**80**	**132**	**187**	**199**

Consequently, of the R$1.04 billion in total FIES revenue in the first nine months of 2015, Estácio received transfers corresponding to R$520.4 million, related to December 2014 and January, February, March, April and May 2015.

It is worth noting that this discrepancy of nearly half the amount to be received, as well as the R$79.0 million in carry-forward credits (related to certificates already issued) severely impacted our cash flow throughout the year, and shall be cashed during 4Q15, in accordance with the rule disclosed by the MEC in December 2014 following the publication of Ordinance 23.

Table 23 – Evolution of FIES Accounts Receivable

FIES Accounts Receivable (R$ MM)	3Q14	4Q14	1Q15	2Q15	3Q15
Opening Balance	**128.6**	**222.2**	**149.7**	**325.9**	**552.5**
(+) FIES Revenue	296.3	321.8	311.7	376.7	352.8
(-) Transfer	190.6	378.3	121.1	128.9	270.4
(-) FIES Deduction/Provision	14.8	16.0	16.6	19.0	18.1
(+) Acquisitions	2.6	0.0	2.2	-2.2	0.0
Ending Balance	**222.2**	**149.7**	**325.9**	**552.5**	**616.8**

Table 24 – Evolution of FIES Carry-Forward Credits

FIES Carry-Forward Credits (R$ MM)	3Q14	4Q14	1Q15	2Q15	3Q15
Opening Balance	**82.4**	**50.0**	**81.7**	**87.2**	**74.4**
(+) Transfer	190.6	378.3	121.1	128.9	270.4
(-) Tax payment	70.2	78.9	24.3	79.2	78.9
(-) Repurchase auctions	152.8	265.9	91.3	63.5	188.4
(+) Acquisitions	-	-1.8	-	-	1.0
(+) Monetary restatement	-	-	-	0.9	0.5
Ending Balance	**50.0**	**81.7**	**87.2**	**74.4**	**79.0**

Table 25 – Aging of Total Gross Accounts Receivable

Breakdown of Accounts Receivable by Age (R$ million)	3Q14	%	3Q15	%
FIES	222.2	35%	616.8	53%
Not yet due	108.6	17%	189.2	16%
Overdue up to 30 days	71.9	11%	81.5	7%
Overdue from 31 to 60 days	39.3	6%	43.4	4%
Overdue from 61 to 90 days	24.2	4%	27.9	2%
Overdue from 91 to 179 days	73.7	11%	98.7	8%
Overdue more than 180 days	101.7	16%	111.2	10%
TOTAL	**641.5**	**100%**	**1,168.8**	**100%**

Table 26 – Aging of Agreements Receivable*

Breakdown of Agreements by Age (R$ million)	3Q14	%	3Q15	%
Not yet due	28.6	60%	52.1	68%
Overdue up to 30 days	2.6	6%	3.0	4%
Overdue from 31 to 60 days	2.4	5%	3.1	4%
Overdue from 61 to 90 days	2.0	4%	1.8	2%
Overdue from 91 to 179 days	5.3	11%	5.3	7%
Overdue more than 180 days	6.5	14%	11.4	15%
TOTAL	**47.4**	**100%**	**76.8**	**100%**
% over Accounts Receivable	**7%**		**7%**	

*Note: *Excludes credit card agreements

Even in this more challenging scenario, we continue with a healthy receivables portfolio, with a low percentage of agreements – only 7% of total receivables came from renegotiations with students, identical to the 3Q14 ratio.

It is worth noting that Estácio provisions 100% of receivables overdue by more than 180 days, complemented by FIES provisions. Tables 27 and 28 show how PDA is constituted and reconciles the balance sheet amounts with those in the income statement.

Table 27 – Constitution of the Provision for Doubtful Accounts in the Income Statement

R$ MM	12/31/2014	Gross increase in the provision for deliquency	Deliquency recover	Net provision effect	Write off	9/30/2015
TOTAL	115.0	180.8	(100.7)	80.0	(83.8)	111.2

In 3Q15, Estácio sold a **portfolio of old receivables** from acquired companies for the amount of R$4.7 million. Together with the R$2.6 million from the old porfolio of students who already graduated in previous years, which was sold in 2Q15, these sales explain the R$7.3 million benefit in our PDA line in the first nine months of 2015, as presented in the table below.

Table 28 – Reconciliation of the Provision for Doubtful Account Balances in the Balance Sheet

	9/30/2015	9/30/2014
Additional Provision	80.0	71.7
Portfolio sale	(7.3)	-
Others	(2.7)	(10.7)
Total	**70.0**	**61.0**

Investments (CAPEX and Acquisitions)

Table 29 – CAPEX Breakdown

R$ million	3Q14	3Q15	Change	9M14	9M15	Change
Total CAPEX	59.5	34.3	-42.3%	127.5	146.2	14.7%
Maintenance	37.0	19.0	-48.6%	81.1	75.9	-6.4%
Discretionary and Expansion	22.5	15.3	-32.0%	46.4	70.3	51.5%
Academic Model	1.5	2.6	73.3%	4.8	7.6	58.3%
New IT Architecture	3.7	1.1	-70.3%	8.7	6.3	-27.6%
Integration Processes	0.5	2.1	320.0%	0.9	8.5	N.A.
Tablet Project	6.1	0.2	-96.7%	13.1	2.2	-83.2%
Expansion	8.9	9.3	4.5%	17.1	45.7	167.3%
Acquisitions	930.2	85.8	-90.8%	931.0	85.8	-90.8%

Total CAPEX (excluding acquisitions) came to R$34.3 million in 3Q15, 42.3% less than in 3Q14, mainly due to the reduction in maintenance investments, which were anticipated for the first semester of the year.

Maintenance CAPEX totaled R$19.0 million, 48.6% down on 3Q14, mostly allocated to the upgrading of systems, equipment, libraries and laboratories in the units. We also invested around R$2.6 million in the **Academic Model** (creation of content and distance-learning development and production); R$0.2 million in the **Tablet Project**; R$1.1 million in the acquisition of hardware and licenses for the **IT architecture** revision project, which will replace our legacy academic systems and prepare our hardware for the Company's growth; and R$2.1 million in **integration projects**, whose increase is directly related to the improvement of the infrastructure of the four acquisitions in 2014.

Investments in expansion projects, as well as the renovation and improvement of units, totaled R$9.3 million and refer to investments in new units, expansions of existing units, and new classrooms in order to accommodate the constant growth of our student base.

It is worth mentioning that several of the above-mentioned projects and investments were already under way when the changes to the FIES began to be implemented, which strongly affected our cash position. As a result, we revised Estácio's CAPEX plan for the year, and our investments are now adjusted to the new reality, which takes the impact of the FIES changes into consideration, but does not neglect those investments needed for the execution of the Company's long-term vision. As a result, total CAPEX (excluding acquisitions) represented 7% of total 9M15 net revenue, in line with previous years.

Capitalization and Cash

Cash and cash equivalents closed September at R$721.2 million, conservatively invested in fixed-income instruments pegged to the CDI interbank rate, government bonds, and certificates of deposit with top-tier Brazilian banks.

Bank debt of R$1.05 billion corresponded mainly to:

- the Company's bond issues (1st series of R$200 million, 2nd series of R$300 million and 3rd series of R$187 million);
- the loans from the IFC (first loan of R$48.5 million and second loan of around R$20 million);
- the R$200 million foreign-currency loan from Itaú in March, 2015; and
- the capitalization of equipment leasing expenses in compliance with Federal Law 11,638

Including commitments for future payments related to acquisitions, which totaled R$92.0 million, as well as taxes payable in installments, Estácio's **gross debt** came to R$1.15 billion at the end of the quarter.

As a result, the Company closed 3Q15 with **net debt** of R$431.8 million.

Table 30 – Capitalization and Cash

R$ MM	9/30/2014	6/30/2015	9/30/2015
Shareholders' Equity	**2,420.8**	**2,574.0**	**2,736.9**
Cash & Cash Equivalents	**434.9**	**493.9**	**721.2**
Total Gross Debt	**(392.3)**	**(853.3)**	**(1,153.0)**
Loans and Financing	(290.9)	(779.8)	(1,045.4)
Short Term	(26.3)	(223.6)	(301.3)
Long Term	(264.6)	(556.2)	(744.1)
Commitments Payable	(82.4)	(56.6)	(92.0)
Taxes Paid in Installments	(19.0)	(16.9)	(15.7)
Cash / Net Debt	**42.6**	**(359.4)**	**(431.8)**

Cash Flow

We recorded positive **operating cash flow (OCF)** of R$83.5 million in 3Q15, due to the transfer of FIES certificates related to 1H15 tuitions and the year-on-year reduction in CAPEX, as previously explained.

In 9M15, we recorded negative **operating cash flow (OCF)** of R$142.0 million, mainly reflecting the negative variation in working capital due to the new tuition FIES payment cycle, as defined by MEC Ordinance 23 of December 2014, besides the increase of R$18.7 million in the CAPEX recorded in the first nine months of the year, which also had a negative impact in our operating cash flow.

Table 31 – Cash Flow

Cash Flow Statement (R$ million)	3Q14	3Q15	9M14	9M15
Profit before income taxes and social contribution	127.1	150.5	351.7	415.0
Adjustments to reconcile profit to net cash generated:	60.7	93.2	182.2	285.3
Result after reconciliation to net cash generated	187.8	243.7	533.8	700.3
Changes in assets and liabilities:	(68.4)	(125.9)	(239.1)	(696.2)
Net cash provided by (used in) operating activities:	119.4	117.8	294.7	4.1
CAPEX (Ex-Acquisitions)	(59.5)	(34.3)	(127.5)	(146.2)
Operational Cash Flow:	59.9	83.5	167.2	(142.0)
Other investing activities:	(919.0)	(38.6)	(919.3)	(37.1)
Net cash provided by (used in) investing activities	(859.1)	44.9	(752.1)	(179.1)
Cash flows from financing activities:	506.5	182.4	447.9	185.2
Net cash provided by (used in) financing activities	(352.5)	227.3	(304.3)	6.1
Cash and cash equivalents at the beginning of the period	787.4	493.9	739.2	715.1
Increase in cash and cash equivalents	(352.5)	227.3	(304.3)	6.1
Cash and cash equivalents at the end of the period	434.9	721.2	434.9	721.2

Key Material Facts

<u>Estácio receives award from *Época Negócios* magazine</u>

Company is considered the best service sector company in Brazil by the Época Negócios 360º Yearbook

On August 13th, in a ceremony held in São Paulo, Estácio received the award for the best service sector company in Brazil from *Época Negócio*s magazine. Estácio was elected from more than a thousand companies listed in the *Época Negócios 360º* Yearbook, which is in its fourth edition. The award is organized by Época Negócios in association with the Dom Cabral Foundation, and assesses the following categories, which are crucial for the continuing success of organizations: Financial Performance, Innovation, Corporate Governance, Social and Environmental Responsibility, Human Resources Practices and Vision of the Future. A total of 26 companies were awarded, in addition to the winners in each of the six categories.

The Yearbook also contained an overall ranking of the 250 best companies considering all these categories, in which Estácio was ranked among the top 25.

<u>Estácio wins Sparks Awards 2015</u>

Estácio was chosen the best university for entrepreneurs

On November 4th, we had a major victory which shows that we are on the right path to become, in 2020, the most innovative educational institution in the country. In the 2015 Spark Awards ceremony, an event that awards the highlights of the national entrepreneurship, we won in two categories: "Best University for Entrepreneurs" and "Best Accelerator", with the *Espaço NAVE,* our pre-accelerator for startups.

The award, held since 2013, is a Microsoft and ABStartups initiative. Estácio's Innovation Director, Ms. Lindália Reis, said the award is a recognition for all the work we have been doing in the part two years to transform the lives of our more than 500,000 students. The double victory in the Spark Awards joins the list of important achievements for Estácio in the Innovation front: we were the first university framed in the "*Lei do Bem*" from the Ministry of Technology and Innovation Science, the first university to be approved by FINEP in the educational development funding line, and the first university to get Anpei's Innovation seal.

<u>Celebration of Estácio's 45th anniversary</u>

On August 31st and September 1st, we held two major events to celebrate Estácio's 45th anniversary at the Tom Jobim unit, in Rio de Janeiro. On the first day, our campus held the fifth Estácio Contemporary Law Congress, with the presence of several illustrious Brazilian legal figures, including Marcus Vinícius Furtado Coelho, Chairman of the Federal Council of the Brazilian Bar Association, Chief Justice Minister Gilmar Mendes of the Supreme Court and Appellate Justice Sérgio Cavalieri Filho, former Director of Estácio's Law Course; as well as several judges, professors and former students.

On the second day we received renowned guests from several areas for a series of lectures, including José Manuel Durão Barroso, former Prime Minister of Portugal and former President of the European Union, Augusto Nardes from the Federal Accounting Court, and designer Hans Donner, all of whom gave a talk at the event, which was also attended by the Governor of Rio de Janeiro State, Luiz Fernando Pezão.

Conclusion of the Company 3rd bond issue

On September 30th, Estácio concluded its third public offering of non-convertible, unsecured bonds, with a two-year term, maturing in September 2017, which raised R$187 million.

The proceeds will be used to strengthen the Company's cash position in order to continue with its expansion and investment policy.

VII Annual Faculty Forum

In July we held another edition of our Annual Faculty Forum in Rio de Janeiro, which focused on the dissemination of Estácio's Teaching Model, especially in relation to the use of the technological features that have helped ensure a more interactive and collaborative learning process, as well as on the due appreciation of Estácio's faculty members. This year's theme was "Together Towards Excellence".

A record 1,100 professors from all over the country attended the event, out of more than 9,000 faculty members nationwide, which was broadcast live to all Estácio's campuses in Brazil.

V Estácio Journalism Award celebrates articles on Post-Secondary Education

On September 30th, at a ceremony in Rio de Janeiro, Estácio announced the nine winners of the V Estácio Journalism Award. Competitors from all over the country were treated to a unique experience in the debate on Post-Secondary Education in Brazil. A total of 333 articles were submitted to the 2015 edition, 26.8% up on the previous year and a new record. The finalist articles, previously selected by professors nationwide, were examined by the jury, which contained many eminent figures in the journalistic field, including Heródoto Barbeiro, Gilberto Dimenstein and Gustavo Ioschpe.

A total of 151 media vehicles from 23 states and the Federal District took part. All in all, in the five editions of the award, more than a thousand articles have been submitted from the press, TV, radio and the internet.

The Grand Prize went to an article entitled "USP's Unprecedented Payroll", by journalists Fabio Takahashi, Mario Cesar Carvalho and Severino Mota (Folha de S.Paulo).

Estácio at Rock in Rio 2015

Rock in Rio, one of the world's largest music festivals, renewed its association with Estácio in its 2015 edition. In the 45 years of Estácio and the 30 years of the festival, this was the third edition in which we were Rock in Rio's official University, greatly benefiting our students.

Focus on the student, focus on the market

After six months participating in the Estácio Rock Student Project, 600 students had the opportunity to work in the festival on the visitor assistance, internal organization and artist support fronts. As in previous editions, Rock in Rio TV had the full support of Estácio's Social Communication students who helped with filming and interviews, as well as editing and operations.

Estácio's stand proved to be a great success in terms of interaction with the public and branding strategy, as well as acting as another tool for commercial dissemination.

Results Conference Call

Conference Call (in Portuguese)	Conference Call (in English)
Date: November 6, 2015 (Friday)	Date: November 6, 2015 (Friday)
Time: 10:00 a.m. (Brasília) / 7:00 a.m. (US ET)	Time: 11:30 a.m. (Brasília) / 8:30 a.m. (US ET)
Connection Dial-in Brazil: +55 (11) 3127 -4971 / 3728 -5971	Connection Dial-in NY: +1 (412) 317 -6776
Access Code: Estácio	Access Code: Estácio
Webcast: www.estacioparticipacoes.com.br/ri	Webcast: www.estacioparticipacoes.com.br/ir
Replay: available until November 12	Replay: available until November 12
Phone: +55 (11) 3127 4999	Phone: +1 (412) 317 -0088
Access Code: 25817888	Access Code: 10073311

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 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 change without prior notice.

Income Statement in IFRS

R$ MM	Consolidated 3Q14	Consolidated 3Q15	Consolidated Change	Excluding acquisitions in the last 12 months 3Q14	Excluding acquisitions in the last 12 months 3Q15	Excluding acquisitions in the last 12 months Change
Gross Operating Revenue	**912.3**	**1,095.3**	**20.1%**	**912.3**	**1,074.6**	**17.8%**
Monthly Tuition Fees	881.4	1,065.1	20.8%	881.4	1,044.4	18.5%
Pronatec	23.5	13.6	-42.1%	23.5	13.6	-42.1%
Others	7.5	16.6	121.3%	7.5	16.6	121.3%
Gross Revenue Deductions	**(287.6)**	**(370.7)**	**28.9%**	**(287.6)**	**(362.8)**	**26.1%**
Scholarships and Discounts	(246.5)	(323.8)	31.4%	(246.5)	(316.3)	28.3%
Taxes	(27.0)	(29.2)	8.1%	(27.0)	(28.8)	6.7%
FGEDUC	(14.1)	(17.8)	26.2%	(14.1)	(17.8)	26.2%
Net Operating Revenue	**624.8**	**724.6**	**16.0%**	**624.8**	**711.8**	**13.9%**
Cost of Services	**(343.5)**	**(384.2)**	**11.8%**	**(343.5)**	**(376.3)**	**9.5%**
Personnel	(248.8)	(282.5)	13.5%	(248.8)	(276.0)	10.9%
Rentals / Real Estate Taxes Expenses	(46.6)	(49.0)	5.2%	(46.6)	(48.2)	3.4%
Textbooks Materials	(9.4)	(6.9)	-26.6%	(9.4)	(6.9)	-26.6%
Third-Party Services and Others	(17.9)	(25.0)	39.7%	(17.9)	(24.7)	38.2%
Depreciation	(20.8)	(20.7)	-0.5%	(20.8)	(20.6)	-1.0%
Gross Profit	**281.2**	**340.4**	**21.1%**	**281.2**	**335.4**	**19.3%**
Gross Margin	***45.0%***	***47.0%***	***2.0 p.p.***	***45.0%***	***47.1%***	***2.1 p.p.***
Selling, General and Administrative Expenses	**(144.3)**	**(177.7)**	**23.1%**	**(144.3)**	**(177.2)**	**22.8%**
Selling Expenses	**(45.9)**	**(70.9)**	**54.5%**	**(45.9)**	**(70.7)**	**54.0%**
Provisions for Doubtful Accounts	(11.5)	(18.7)	62.6%	(11.5)	(18.7)	62.6%
Marketing	(34.4)	(52.2)	51.7%	(34.4)	(52.0)	51.2%
General and Administrative Expenses	**(92.1)**	**(88.0)**	**-4.5%**	**(92.1)**	**(87.7)**	**-4.8%**
Personnel	(52.5)	(34.8)	-33.7%	(52.5)	(34.8)	-33.7%
Others	(39.5)	(53.2)	34.7%	(39.5)	(52.9)	33.9%
Depreciation	**(6.3)**	**(18.8)**	**198.4%**	**(6.3)**	**(18.8)**	**198.4%**
EBIT	**136.9**	**162.7**	**18.8%**	**136.9**	**158.2**	**15.6%**
EBIT Margin	***21.9%***	***22.5%***	***0.6 p.p.***	***21.9%***	***22.2%***	***0.3 p.p.***
(+) Depreciation	27.1	39.5	45.8%	27.1	39.4	45.4%
EBITDA	**164.0**	**202.2**	**23.3%**	**164.0**	**197.6**	**20.5%**
EBITDA Margin	***26.2%***	***27.9%***	***1.7 p.p.***	***26.3%***	***27.8%***	***1.5 p.p.***
Financial Result	(9.8)	(12.2)	24.5%	(9.8)	(12.2)	N.A.
Depreciation and Amortization	(27.1)	(39.5)	45.8%	(27.1)	(39.4)	45.4%
Social Contribution	1.4	1.4	0.0%	1.4	1.4	N.A.
Income Tax	4.4	5.2	18.2%	4.4	5.4	N.A.
Net Income	**133.0**	**157.0**	**18.0%**	**133.0**	**152.9**	**15.0%**
Net Income Margin	***21.3%***	***21.7%***	***0.4 p.p.***	***21.3%***	***21.5%***	***0.2 p.p.***

Income Statement in IFRS

R$ MM	Consolidated 9M14	Consolidated 9M15	Consolidated Change	Excluding acquisitions in the last 12 months 9M14	Excluding acquisitions in the last 12 months 9M15	Excluding acquisitions in the last 12 months Change
Gross Operating Revenue	**2,528.2**	**3,270.8**	**29.4%**	**2,528.2**	**3,069.4**	**21.4%**
Monthly Tuition Fees	2,473.2	3,168.3	28.1%	2,473.2	2,970.0	20.1%
Pronatec	33.3	51.4	54.4%	33.3	49.3	48.0%
Others	21.8	51.1	134.4%	21.8	50.2	130.3%
Gross Revenue Deductions	**(776.2)**	**(1,049.5)**	**35.2%**	**(776.2)**	**(990.0)**	**27.5%**
Scholarships and Discounts	(664.3)	(906.7)	36.5%	(664.3)	(851.4)	28.2%
Taxes	(73.5)	(90.1)	22.6%	(73.5)	(86.0)	17.0%
FGEDUC	(38.4)	(52.7)	N.A.	(38.4)	(86.0)	124.0%
Net Operating Revenue	**1,752.1**	**2,221.3**	**26.8%**	**1,752.1**	**2,079.4**	**18.7%**
Cost of Services	**(1,001.0)**	**(1,237.5)**	**23.6%**	**(1,001.0)**	**(1,162.6)**	**16.1%**
Personnel	(735.7)	(905.8)	23.1%	(735.7)	(845.8)	15.0%
Rentals / Real Estate Taxes Expenses	(129.7)	(161.9)	24.8%	(129.7)	(155.8)	20.1%
Textbooks Materials	(37.4)	(37.8)	1.1%	(37.4)	(36.9)	-1.3%
Third-Party Services and Others	(49.3)	(71.0)	44.0%	(49.3)	(67.5)	36.9%
Depreciation	(48.9)	(60.9)	24.5%	(48.9)	(56.7)	16.0%
Gross Profit	**751.1**	**983.8**	**31.0%**	**751.1**	**916.8**	**22.1%**
Gross Margin	***42.9%***	***44.3%***	***1.4 p.p.***	***42.9%***	***44.1%***	***1.2 p.p.***
Selling, General and Administrative Expenses	**(419.8)**	**(536.3)**	**27.8%**	**(419.8)**	**(525.1)**	**25.1%**
Selling Expenses	**(175.3)**	**(219.3)**	**25.1%**	**(175.3)**	**(216.1)**	**23.3%**
Provisions for Doubtful Accounts	(64.0)	(72.3)	13.0%	(64.0)	(71.0)	10.9%
Marketing	(111.3)	(147.0)	32.1%	(111.3)	(145.2)	30.5%
General and Administrative Expenses	**(225.2)**	**(261.2)**	**16.0%**	**(225.2)**	**(253.1)**	**12.4%**
Personnel	(117.9)	(106.6)	-9.6%	(117.9)	(106.0)	-10.1%
Others	(107.3)	(154.5)	44.0%	(107.3)	(147.1)	37.1%
Depreciation	**(19.3)**	**(55.9)**	**189.6%**	**(19.3)**	**(55.9)**	**189.6%**
EBIT	**331.3**	**447.5**	**35.1%**	**331.3**	**391.7**	**18.2%**
EBIT Margin	***18.9%***	***20.1%***	***1.2 p.p.***	***18.9%***	***18.8%***	***-0.1 p.p.***
(+) Depreciation	68.2	116.7	71.1%	68.2	112.5	65.0%
EBITDA	**399.5**	**564.2**	**41.2%**	**399.5**	**504.2**	**26.2%**
EBITDA Margin	***22.8%***	***25.4%***	***2.6 p.p.***	***22.8%***	***24.2%***	***1.4 p.p.***
Financial Result	20.4	(32.5)	N.A.	20.4	(30.3)	N.A.
Depreciation and Amortization	(68.2)	(116.7)	71.1%	(68.2)	(112.5)	65.0%
Social Contribution	(1.9)	-	-100.0%	(1.9)	0.7	-136.8%
Income Tax	(5.0)	4.6	-192.0%	(5.0)	6.6	N.A.
Net Income	**344.8**	**419.6**	**21.7%**	**344.8**	**368.8**	**7.0%**
Net Income Margin	***19.7%***	***18.9%***	***-0.8 p.p.***	***19.7%***	***17.7%***	***-2.0 p.p.***

Balance Sheet in IFRS

R$ MM	09/30/2014	06/30/2015	09/30/2015
Short-Term Assets	**1,212.1**	**1,789.5**	**2,149.0**
Cash & Cash Equivalents	25.7	16.2	11.6
Short-Term Investments	409.2	477.8	709.6
Accounts Receivable	533.0	982.8	1,054.1
Carry-Forwards Credits	54.3	77.3	83.1
Swap difference to be received	-	-	31.0
Advance to Employees / Third-Parties	35.4	53.6	40.8
Related Parties	(0.0)	-	-
Prepaid Expenses	46.5	47.1	66.1
Taxes and contributions	73.4	96.0	117.2
Others	34.6	38.7	35.6
Long-Term Assets	**1,960.5**	**2,077.0**	**2,173.2**
Non-Current Assets	**186.6**	**201.0**	**216.7**
Prepaid Expenses	9.3	9.2	15.0
Judicial Deposits	116.7	117.9	115.8
Taxes and contributions	24.4	25.2	28.5
Deferred Taxes and others	36.2	48.7	57.4
Permanent Assets	**1,773.9**	**1,876.0**	**1,956.6**
Investments	0.2	0.2	0.2
Fixed Assets	454.0	502.2	506.1
Intangible	1,319.7	1,373.6	1,450.2
Total Assets	**3,172.6**	**3,866.5**	**4,322.3**
Short-Term Liabilities	**342.5**	**584.9**	**680.0**
Loans and Financing	26.3	223.6	301.3
Swap difference to be paid	-	15.6	-
Suppliers	54.6	70.5	46.6
Salaries and Payroll Charges	166.4	182.6	207.9
Taxes Payable	51.6	41.1	62.6
Prepaid Monthly Tuition Fees	9.2	14.0	11.1
Advances under Partnership Agreement	2.9	2.9	2.9
Taxes Paid in Installments	3.4	4.2	0.8
Related Parties	-	-	0.3
Dividends Payable	0.1	0.0	0.0
Acquisition price to be paid	18.1	17.6	36.0
Others	9.9	12.7	10.7
Long-Term Liabilities	**409.3**	**707.7**	**905.3**
Loans and Financing	264.6	556.2	744.1
Contingencies	28.1	26.8	26.4
Advances under Partnership Agreement	7.0	4.8	4.1
Taxes Paid in Installments	15.6	12.7	14.9
Provision for asset retirement obligations	14.9	16.2	16.4
Deferred Taxes	3.3	38.0	28.9
Acquisition price to be paid	64.3	39.0	55.9
Others	11.4	13.9	14.6
Shareholders' Equity	**2,420.8**	**2,574.0**	**2,736.9**
Capital	1,053.1	1,064.5	1,064.9
Share Issuance Costs	(26.9)	(26.9)	(26.9)
Capital Reserves	636.9	650.9	656.4
Earnings Reserves	424.2	748.7	748.7
Income for the period	344.8	262.5	419.6
Treasury Stocks	(11.3)	(125.9)	(125.9)
Total Liabilities and Shareholders' Equity	**3,172.6**	**3,866.5**	**4,322.3**

Cash Flow Statement

Cash Flow Statement (R$ million)	3Q14	3Q15	9M14	9M15
Profit before income taxes and social contribution	**127.1**	**150.5**	**351.7**	**415.0**
Adjustments to reconcile profit to net cash generated:	**60.7**	**93.2**	**182.2**	**285.3**
Depreciation and amortization	27.0	39.3	67.8	116.1
Amortization of funding costs	0.1	0.2	0.4	0.7
(Gain) loss in net book amount of property and equipment written-off	0.9	(2.5)	1.0	(3.6)
Provision for impairment of trade receivables	10.5	18.0	61.0	70.0
Exchange rate variation on foreign currency financing	-	52.0	-	41.9
Loss with swap operation	-	(46.6)	-	(31.0)
Granted options - stock options	9.4	4.5	14.7	14.7
Provision for Long Term Incentive Plan ("ILP")	1.2	0.9	2.4	2.8
Provision for contingencies	6.0	3.9	12.8	10.6
Appropriation of agreements	(0.7)	(0.7)	(2.2)	(2.2)
Interest on commitments payable	0.8	1.1	2.5	4.4
Tax credits	(3.0)	(1.6)	(2.9)	(3.4)
Interest on borrowings	8.3	24.5	23.9	63.0
Increase in provision for decommissioning of assets	0.2	0.3	0.8	1.4
Result after reconciliation to net cash generated	**187.8**	**243.7**	**533.8**	**700.3**
Changes in assets and liabilities:	**(68.4)**	**(125.9)**	**(239.1)**	**(696.2)**
(Increase) in accounts receivable	(101.6)	(85.5)	(241.3)	(669.0)
Decrease (increase) in other assets	28.8	(2.7)	(13.1)	3.4
Increase) decrease in advances to employees / third parties	2.7	13.0	(1.7)	9.8
(Increase) decrease in prepaid expenses	(12.8)	(19.0)	15.5	0.0
(Increase) decrease in taxes and contributions	(13.2)	(22.8)	(45.7)	(46.2)
Increase (decrease) in suppliers	14.8	(27.3)	11.2	(7.2)
Increase (decrease) in taxes payable	14.3	13.1	7.3	6.2
Increase (decrease) in payroll and related charges	18.7	23.6	80.4	84.6
(Decrease) in prepaid monthly tuition fees	1.1	(2.9)	(3.5)	(9.0)
Civil/Labor claims	(5.6)	(4.3)	(14.6)	(11.1)
(Decrease) in acquisition price to be paid	(8.9)	(3.1)	(14.2)	(9.5)
Increase (decrease) in other liabilities	3.0	(1.3)	4.4	3.3
Decrease (increase) in taxes paid in installments	(7.7)	(1.2)	(8.3)	(3.7)
(Decrease) in non-current assets	(0.3)	(10.2)	1.1	(12.9)
Increase in judicial deposits	(1.1)	2.2	(12.3)	5.2
Interest paid on borrowings	(1.2)	(1.3)	(5.1)	(36.8)
IRPJ and CSLL paid	0.7	3.9	0.9	(3.3)
Net cash provided by (used in) operating activities:	**119.4**	**117.8**	**294.7**	**4.1**
CAPEX (ex-acquisitions)	**(59.5)**	**(34.3)**	**(127.5)**	**(146.2)**
Operational Cash Flow:	**59.9**	**83.5**	**167.2**	**(142.0)**
Other investing activities:	**(919.0)**	**(38.6)**	**(919.3)**	**(37.1)**
Acquisitions	(930.2)	(85.8)	(931.0)	(85.8)
Amortization of funding costs	0.1	0.2	0.4	0.7
(Gain) loss in net book amount of property and equipment written-off	(0.9)	2.5	(1.0)	3.6
Others	12.0	44.5	12.2	44.5
Net cash provided by (used in) investing activities	**(859.1)**	**44.9**	**(752.1)**	**(179.1)**
Cash flows from financing activities:	**506.5**	**182.4**	**447.9**	**185.2**
Capital increase related to stock options exercise	25.0	0.4	42.4	11.8
Share premium adjustment	498.9	-	498.9	-
Acquisition of stocks in treasury	-	-	-	(101.0)
Dividends paid	(0.0)	(0.0)	(58.0)	(101.2)
ILP payment with treasury stocks	-	-	-	(3.8)
Loans to subsidiaries	0.3	-	0.3	-
Debenture issue	-	187.0	-	187.0
Loans and financing	-	(0.9)	-	205.6
Net increase in borrowings	(17.7)	(4.1)	(35.7)	(13.2)
Net cash provided by (used in) financing activities	**(352.5)**	**227.3**	**(304.3)**	**6.1**
Cash and cash equivalents at the beginning of the period	**787.4**	**493.9**	**739.2**	**715.1**
Increase in cash and cash equivalents	(352.5)	227.3	(304.3)	6.1
Cash and cash equivalents at the end of the period	**434.9**	**721.2**	**434.9**	**721.2**

Exhibit I – Provision for FIES

Below is a summary of the "Provision for FIES" line under selling expenses, which constitutes provisions for:

(i) FIES students with a guarantor (at 2.25%, as we have already been doing this year, conservatively assuming future losses of 15% from the FIES portfolio, which is approximately three times higher than historical losses from the student portfolio; the provision was constituted considering 15% of credit risk over 15% of delinquency);

(ii) FIES students with FGEDUC after April 2012 for uncovered FGEDUC risk under the current rule, i.e. provisions were constituted for the 10% not covered by FGEDUC. Over this amount, we constituted provisions for the 15% credit risk over estimated delinquency of 15% (0.225%);

(iii) FIES students with FGEDUC until March 2012 for uncovered FGEDUC risk under the former rule, i.e. provisions were constituted for the 20% not covered by FGEDUC. Over this amount, we constituted provisions for the 15% credit risk over estimated delinquency of 15% (0.450%);

(iv) FIES students with FGEDUC until March 2012, for losses on the balance of restricted deposits based on the 2% FGEDUC contribution under the former rule, recorded as Minimum Guarantee, on estimated delinquency of 15% (0.30%).

It is worth noting that items (i), (ii) and (iii) have counter entries under noncurrent liabilities in the "Provision for FIES risk" line, while item (iv) has a counter entry as a noncurrent asset reducing account – "Provision for loss of FIES restricted deposits" – as an adjustment for the expected realization of the restricted deposits account, recorded based on the 2% FGEDUC contribution under the former rule.

It is also worth noting that we have been consolidating the "Provisions for FIES" line under Provision for Doubtful Accounts in our income statements since 4Q13, due to its decreasing importance with the organic growth of the FGEDUC base throughout 2013, and, especially, to the changes in the rules governing the contribution to the FGEDUC announced by the FNDE at the beginning of 2014. As of February, the FIES default risk has been covered by the FGEDUC, even for contracts with a guarantor (in the already familiar proportions between government and institutions). In exchange, we will be making a 5.63% contribution to all new students, with or without a guarantor, which has led to an increase in revenue deductions related to the FGEDUC.

About Estácio

Estácio is one of the largest **private sector post-secondary educational institutions** in Brazil in number of students enrolled, with 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 groups. 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 our courses
- Widely recognized "Estácio'' brand

High Quality Learning Experience

- Nationally integrated syllabi
- Unique teaching methodology
- Full convergence between the On-Campus and Distance Learning models
- Highly qualified faculty

Professional and Integrated Operational Management

- Result-oriented management model
- Focus on educational quality

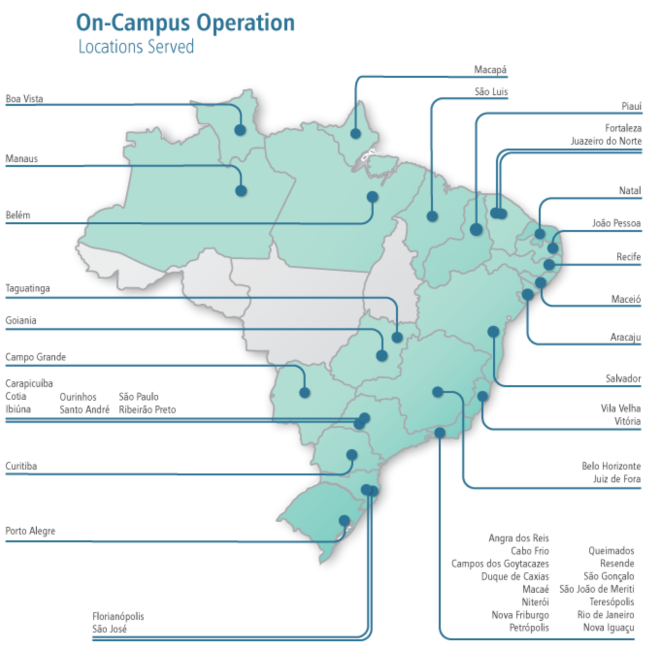
Scalable Business Model

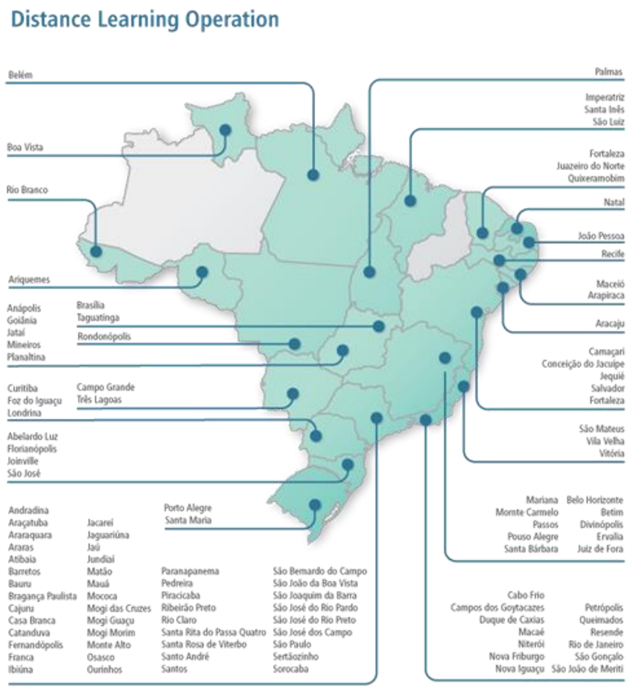
- Growth with profitability
- Organic expansion and through acquisitions

Financial Solidity

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

Estácio closed 3Q15 with 537,000 undergraduate, graduate and distance-learning students enrolled in its nationwide education network, which, following the acquisitions in recent years, now operates in every state of Brazil, as shown in the maps below:





(A free translation of the original in Portuguese)

Estácio Participações S.A.

Quarterly information (ITR) at September 30, 2015 and report on review of quarterly information

Estácio Participações S.A.

Report on review of quarterly information

To the Board of Directors and Stockholders
Estácio Participações S.A.

We have reviewed the accompanying parent company and consolidated interim accounting information of Estácio Participações S.A., included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2015, comprising the balance sheet as at September 30, 2015 and the statements of income for the quarter and nine-month periods then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters -
Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the nine-month period ended September 30, 2015. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Rio de Janeiro, November 5, 2015

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Claudia Eliza Medeiros de Miranda
Contadora CRC 1RJ087128/O-0

Estácio Participações S.A.

Balance sheet

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Parent company		Consolidated	
Assets	**September 30, 2015**	**December 31, 2014**	**September 30, 2015**	**December 31, 2014**
Current assets				
Cash and cash equivalents (Note 3)	194	249	11,588	48,011
Marketable securities (Note 3)	387,779	440,995	709,616	667,070
Swap differential receivable (Note 19)	30,996		30,996	
Trade receivables (Note 4)			1,054,060	451,414
Accounts to be offset – FIES system			83,094	85,081
Advances to employees/third parties		361	40,780	50,427
Related parties (Note 5)	1,983	1,555		
Prepaid expenses (Note 6)	169	351	66,138	66,158
Dividends receivable (Note 8)	101,091	101,091		
Interest on capital receivable	1,275	1,275		
Taxes and contributions (Note 7)	25,928	12,463	117,163	70,624
Other	360	1,400	35,592	36,965
	549,775	559,740	2,149,027	1,475,750
Non-current assets				
Long-term receivables				
Prepaid expenses (Note 6)			14,968	8,805
Judicial deposits (Note 16)	2,357	2,339	115,773	120,941
Deferred taxes (Note 27)			39,905	31,168
Taxes and contributions (Note 7)	3,680	3,660	28,510	25,337
Other			17,511	10,818
	6,037	5,999	216,667	197,069
Investments				
In subsidiaries (Note 8)	2,392,536	1,679,111		
Other			228	228
	2,392,536	1,679,111	228	228
Intangible assets (Note 9)	834,420	853,505	1,450,206	1,375,428
Property and equipment (Note 10)	126	262	506,139	465,711
	3,227,082	2,532,878	1,956,573	1,841,367
	3.233.119	2,538,877	2,173.240	2,038,436
Total assets	3.782.894	3,098,617	4,322.267	3,514,186

	Parent company		Consolidated	
Liabilities and equity	**September 30, 2015**	**December 31, 2014**	**September 30, 2015**	**December 31, 2014**
Current liabilities				
Trade payables	1,380	112	46,556	49,806
Borrowings (Note 11)	286,863	19,833	301,286	28,464
Salaries and social charges (Note 12)	256	199	207,869	121,614
Taxes payable (Note 13)	2,561	2,111	62,578	40,506
Monthly tuitions received in advance			11,102	20,067
Advances under agreements (Note 17)	1,800	1,800	2,887	2,887
Taxes payable in installments (Note 14)			790	3,590
Related parties (Note 5)	4,230	4,209	263	538
Dividends payable	1	101,169	1	101,169
Price of acquisition payable (Note 15)			36,026	20,486
Other	4	4	10,681	9,638
	297,095	129,437	680,039	398,765
Non-current liabilities				
Long-term payables				
Borrowings (Note 11)	727,926	544,827	744,122	560,709
Contingencies (Note 16)			26,364	26,883
Advances under agreements (Note 17)	2,550	3,900	4,089	6,254
Taxes payable in installments (Note 14)			14,881	15,763
Deferred taxes (Note 27)	18,415	27,593	28.856	46,348
Provision for asset decommissioning			16,429	15,031
Price of acquisition payable (Note 15)			55,932	39,213
Other (Note 4)			14,647	12,360
	748.891	576,320	905,320	722,561
Equity (Note 18)				
Share capital	1,064,933	1,053,098	1,064,933	1,053,098
Share issue costs	(26,852)	(26,852)	(26,852)	(26,852)
Capital reserves	656,411	642,736	656,411	642,736
Treasury shares	(125,889)	(24,851)	(125,889)	(24,851)
Revenue reserves	748,729	748,729	748,729	748,729
Retained earnings	419,576		419,576	
	2,736,908	2,392,860	2,736,908	2,392,860
Total liabilities and equity	3,782.894	3,098,617	4,322.267	3,514,186

The accompanying notes are an integral part of this quarterly information.

Estácio Participações S.A.

Statement of income
Quarters ended September 30
All amounts in thousands of reais unless otherwise stated (A free translation of the original in Portuguese)

	Parent company		Consolidated	
	2015	**2014**	**2015**	**2014**
Continuing operations				
Net operating revenue (Note 22)			2,221,251	1,752,088
Cost of services rendered (Note 23)			(1,237,454)	(1,001,009)
Gross profit			983,797	751,079
Operating income (expenses)				
Selling expenses (Note 24)			(219,274)	(175,292)
General and administrative expenses (Note 24)	(24,899)	(8,733)	(330,351)	(258,218)
Equity in the results of subsidiaries (Note 8)	472,786	340,668		
Other operating income (Note 25)	1,224	1,267	13,309	13,708
Operating profit	449,111	333,202	447,481	331,277
Finance income (Note 26)	117,551	38,273	160,305	85,694
Finance costs (Note 26)	(152,461)	(25,093)	(192,791)	(65,279)
Finance result, net	(34,910)	13,180	(32,486)	20,415
Profit before income tax and social contribution	414,201	346,382	414,995	351,692
Income tax (Note 27)	3,946	(1,190)	4,588	(5,006)
Social contribution (Note 27)	1,429	(435)	(7)	(1,929)
Earnings for the period attributable to the stockholders	419,576	344,757	419,576	344,757
Basic earnings per share (Note 21)	0.00132	0.00113	0.00132	0.00113
Diluted earnings per share (Note 21)	0.00132	0.00112	0.00132	0.00112

There was no comprehensive income for the periods ended September 30, 2015 and 2014.

The accompanying notes are an integral part this quarterly information.

Estácio Participações S.A.

Statement of changes in equity

All amounts in thousands of reais (A free translation of the original in Portuguese)

			Capital reserves			Revenue reserves				
	Share capital	**Share issue expenditures**	**Long-term incentives**	**Share premium**	**Options granted**	**Legal**	**Profit retention**	**Treasury shares**	**Retained earnings**	**Total**
At January 1, 2014	1,010,687	(26,852)		96,565	24,416	31,498	392,676	(11,348)		1,517,642
Stock option exercised (Note 20)	19,106									19,106
Issue of common shares related to business combinations (Note 18(d))	23,305									23,305
Options granted					14,652					14,652
ILong-term incentives			2,402							2,402
Share premium (Note 18 (d))				498,899						498,899
Profit for the period									344,757	344,757
At September 30, 2014	1,053,098	(26,852)	2,402	595,464	39,068	31,498	392,676	(11,348)	344,757	2,420,763
Options granted					5,726					5,726
Long-term incentives			76							76
Profit for the year									80,888	80,888
Allocation of profit										
Transfer to reserves						21,282	303,273		(324,555)	
Proposed dividends									(101,090)	(101,090)
Treasury shares acquired								(13,503)		(13,503)
At December 31, 2014	1,053,098	(26,852)	2,478	595,464	44,794	52,780	695,949	(24,851)		2,392,860
Stock option exercised (Note 18)	11,835									11,835
Options granted					14,670					14,670
Long-term incentives			2,789							2,789
ILP payment			(3,784)					3,784		
Treasury shares acquired								(104,822)		(104,822)
Profit for the period									419,576	419,576
At September 30, 2015	1,064,933	(26,852)	1,483	595,464	59,464	52,780	695,949	(125,889)	419,576	2,736,908

The accompanying notes are an integral part this quarterly information.

Estácio Participações S.A.

Statement of cash flows
Quarters ended September 30
All amounts in thousands of reais (A free translation of the original in Portuguese)

	Parent company		Consolidated	
	2015	**2014**	**2015**	**2014**
Cash flows from operating activities				
Profit before income tax and social contribution	414,201	346,382	414,995	351,692
Adjustments to reconcile profit with cash from operations				
Depreciation and amortization	15,128	1,189	116,054	67,791
Amortization of funding costs	683	440	683	440
Results on disposal of property plant and equipment and intangible assets		1,012	(3,563)	952
Provision for impairment of trade receivables			70,035	61,000
Foreign exchange variation on borrowings in foreign currency	41,900		41,900	
Gains on derivative instruments - SWAP	(30,996)		(30,996)	
Options granted – stock options provision			14,670	14,653
Long-term incentives provision			2,789	2,402
Income on financial investments	(64,780)	(14,653)	(104,328)	(22,740)
Provision for contingencies			10,618	12,798
Appropriation of agreements	(1,350)	(1,350)	(2,165)	(2,165)
Adjusted payable commitments			4,355	2,470
Adjusted tax credits			(3,438)	(2,905)
Interest on borrowings	62,013	23,621	62,971	23,872
Adjusted provision for decommissioning			1,412	837
Equity in the results of subsidiaries	(472,786)	(340,668)		
	(35,987)	15,973	595,992	511,097
Changes in assets and liabilities				
Marketable securities held for trading	117,996	453,742	61,782	345,602
Increase in trade receivables			(668,961)	(241,250)
Decrease (increase) in other assets	1,039	(23)	3,363	(13,099)
Decrease (increase) in advances to employees/third-parties	361	(2)	9,801	(1,727)
Decrease (increase) in prepaid expenses	182	(385)	20	15,451
Increase in taxes and contributions	(13,485)	(5,970)	(46,222)	(45,725)
Increase (decrease) in trade payables	1,268	666	(7,173)	11,211
Increase (decrease) in taxes payable	774	(384)	6,186	7,251
Increase (decrease) in salaries and social charges	57	54	84,610	80,404
(Decrease) in monthly tuitions received in advance			(8,965)	(3,530)
Labor/civil convictions			(11,138)	(14,639)
(Decrease) in Price of acquisition payable			(9,500)	(14,155)
Provision for decommissioning of assets			(14)	(13)
Increase (decrease) in other liabilities		627	3,331	4,405
Deferred income tax and social contribution			(4,127)	
(Decrease) in taxes paid in installments			(3,681)	(8,293)
(Increase) decrease in non-current assets		585	(12,854)	1,129
(Increase) decrease in judicial deposits	(18)	(156)	5,168	(12,325)
	72,187	464,727	1,745	621,794
Dividends received		58,118		
Interest paid on borrowings	(36,899)	(16,360)	(36,842)	(5,095)
Corporate Income Tax (IRPJ) and Social Contribution on Net income (CSLL) paid			(3,289)	921
Net cash provided by (used in) operating activities	35,288	506,485	(38,386)	617,620
Cash flows from investing activities:				
Property and equipment			(94,999)	(86,487)
Intangible assets	(34)	(832,283)	(48,013)	(971,855)
Goodwill on the acquisition of investments		(83,330)	(85,774)	39,782
Aquisition of subsidiary companies,net of cash obtained in the acquisition		(40,412)	45,567	(28,351)
Advance for future capital increase	(223,180)	(27,800)		
Net cash used in investing activities	(223,214)	(983,825)	(183,219)	(1,046,911)
Cash flows from financing activities				
Capital increase for the exercise of stock option	11,835	42,411	11,835	42,411
Treasury shares acquired	(101,038)	498,898	(101,038)	498,898
Dividends paid	(101,168)	(58,040)	(101,168)	(58,040)
Intercompanies loan	(407)	(261)		259
Payment of ILP with treasury shares	(3,784)		(3,784)	
Issuance of debentures	187,000		187,000	
New borrowings	201,375		205,558	
Repayment of borrowings	(5,942)	(5,692)	(13,221)	(35,666)
Net cash provided by (used in) financing activities	187,871	477,316	185,182	447,862
Increase (decrease) in cash and cash equivalents	(55)	(24)	(36,423)	18,571
Cash and cash equivalents at the beginning of the period	249	160	48,011	7,132
Cash and cash equivalents at the end of the period	194	136	11,588	25,703
(Decrease) increase in cash and cash equivalents	(55)	(24)	(36,423)	18,571

The accompanying notes are an integral part this quarterly information.

Estácio Participações S.A.

Statement of value added
Quarters ended September 30
All amounts in thousands of reais (A free translation of the original in Portuguese)

	Parent company		Consolidated	
	2015	**2014**	**2015**	**2014**
Revenue				
Educational services			2,297,767	1,814,277
Other revenue			13,624	11,297
Provision for impairment of trade receivables			(70,035)	(61,000)
Other selling expenses			(2,286)	(2,950)
			2,239,070	1,761,624
Inputs acquired from third parties				
Materials, energy and outsourced services	(6,723)	(5,441)	(410,406)	(318,758)
Contingencies			(10,541)	1,878
	(6,723)	(5,441)	(420,947)	(316,880)
Gross value added	(6,723)	(5,441)	1,818,123	1,444,744
Depreciation and amortization	(15,128)	(1,188)	(116,054)	(67,791)
Net value added generated by the entity	(21,851)	(6,629)	1,702,069	1,376,953
Value added received through transfer				
Equity in results of investees	472,786	340,668		
Interest income	118,314	38,273	161,799	85,694
Other	666	909	14,146	13,344
	591,766	379,850	175,945	99,038
Total value added to distribute	569,915	373,221	1,878,014	1,475,991
Distribution of value added				
Work remuneration				
Direct remuneration	1,972	1,319	765,740	664,625
Benefits	1	1	25,053	21,225
Government Severance Indemnity Fund for Employees (FGTS)			53,990	44,179
	1,973	1,320	844,783	730,029
Taxes, charges and contributions				
Federal	(4,095)	2,051	173,633	136,399
State			7	2
Municipal			99,401	80,913
	(4,095)	2,051	273,041	217,314
Third-party capital remuneration				
Interest	152,461	25,093	192,791	65,279
Rentals			147,823	118,612
	152,461	25,093	340,614	183,891
Own capital remuneration				
Retained earnings	419,576	344,757	419,576	344,757
	419,576	344,757	419,576	344,757
Value added distributed	569,915	373,221	1,878,014	1,475,991

The accompanying notes are an integral part this quarterly information.

1 Operations

Estácio Participações S.A. ("Estácio" or "Company") and its subsidiaries (together the "Group") have as their main activities the development and/or administration of activities and/or institutions in the college and professional education areas and other areas associated to education, to the administration of own assets and business, and the interest, as partner or shareholder, in other limited companies in Brazil.

The Company is a corporation headquartered at Avenida Embaixador Abelardo Bueno, 199, in the Municipality and State of Rio de Janeiro, incorporated by the private subscription of shares on March 31, 2007, and currently listed on the New Market.

The Group has twenty companies, including Estácio Participações, seventeen of which are sponsors of college institutions, incorporated as limited-liability companies, and has one University, nine University Centers and thirty-five colleges, distributed in twenty-two States of the country and in the Federal District.

The Company's Board of Directors, in a meeting held on November 4, 2015, authorized the disclosure of this quarterly information.

2 Summary of significant accounting policies

2.1 Interim accounting information

The parent company and consolidated quarterly information are being presented in conformity with the standards issued by the Brazilian Securities Commission (CVM), the Technical Pronouncement CPC 21 (R1), "Interim Financial Reporting" issued by the Brazilian Accounting Pronouncements Committee (CPC) and the International Accounting Standard (IAS) 34 issued by the International Accounting Standards Board (IASB).

2.2 Accounting policies

In the quarterly information, the accounting policies are presented in a manner consistent with the accounting practices adopted in the parent company and consolidated financial statements for the year ended December 31, 2014. Accordingly, the quarterly information should be read together with the financial statements for the year ended December 31, 2014.

To better compare the interim accounting information for September 30, 2015, the Company reclassified in the statements of cash flows the amounts regarding the investments in subsidiary companies to advance for future capital increase, not changing the result of the investing activities, received dividends from investing activity to operating activity, borrowing with subsidiaries from activity to operating activity, and commitments payable (acquition price payable) from investing activity to operating activity. In the balance sheet, the Company made reclassifications between the lines of suppliers and related parties, not changing the balance of current liabilities.

All amounts in thousands of reais unless otherwise stated

2.3 Business combinations

The acquistions and purchase commitments carried out in 2015 are as follows:

(i) Faculdade Nossa Cidade (FNC)

On September 3, 2015, Estácio acquired, through its indirect subsidiary Sociedade Educacional Atual Da Amazônia Ltda. ("ATUAL"), all the shares of Centro Educacional Nossa Cidade Ltda., for the amount of R$ 90,000, which less the net debt of the Company at the closing date declared by the sellers, amounting to R$ 13,790, totaling R$ 76,210, to be paid as follows: 52% of the investment amount paid at the closing date, with financial resources and the remaining balance will be amortized within 42 (forty two) months as from the operations's closing date. The transaction does not include the purchase of the real estate.

FNC, founded in 2005, has approximately 8,700 students, 16,580 total autohorized vacancies, with 24 college courses in maturing stage and 11 graduation courses included in its portfolio, besides the technical courses. In 2013, it was assessed by MEC and rated with a 3, in a scale 1 – 5, in the Course General Index ("Índice Geral de Cursos – IGC"). The acquisition's objective is to widen Estacio's capilarity in college education in the State of São Paulo, aggregating a course portfolio which covers all the main segments with high demand by the job market, among which we highlight Law, Engineering and Architecture, Health, Degrees, Management and Technologists.

The considerations paid, the accounting balances of the acquired assets and assumed liabilities at the acquisition date and the allocation of the purchase price preliminarily determined based on the fair value of the acquired assets and assumed liabities are as follows:

	FNC
Acquisition amount	
Cash	38,807
Commitments to be paid	37,403
Total Consideration	76,210
Indentifiable acquired assets and assumed liabilities at book value	(8,564)
Goodwill	84,774

	FNC
Cash and cash equivalents	1,108
Accounts receivable	3,720
Sundry credits	155
Taxes and contributions	52
Property and equipment	3,008
Intangible assets	32
Borrowings	(8,185)
Trade payables	(3,648)
Salaries and social charges	(1,646)
Taxes payables	(1,652)
Advance for future capital increase	(1,508)
Net assets acquired at book value	(8,564)

All amounts in thousands of reais unless otherwise stated

2.4 Explanatory notes not presented in this quarterly information

The quarterly information is presented in conformity with CPC 21 (R1), IAS 34 and the standards issued by the CVM. Based on these facts, and according to the assessment of the Company's management about the significant impacts in the information to be disclosed, the explanatory notes described below were not presented in this quarterly information. The other notes are presented so as to allow the perfect understanding of this quarterly information if they are read together with the notes disclosed in the financial statements for the year ended December 31, 2014.

Explanatory notes not presented in this quarterly information:

- Summary of significant accounting policies;
- Critical accounting estimates and judgments;
- Assumptions for the calculation of the fair value of the stock options plans and the impairment of non-financial assets already disclosed in the notes to the financial statements at December 31, 2014;
- Insurance; and
- Other information

3 Cash and cash equivalents and marketable securities

	Parent company		Consolidated	
	September 30, 2015	**December 31, 2014**	**September 30, 2015**	**December 31, 2014**
Cash and banks	194	249	11,588	48,011
Cash and cash equivalents	194	249	11,588	48,011
Bank Deposit Certificates (CDB)	77,571	21,786	202,766	52,997
Investment funds	91,583	210,776	123,319	232,930
Repurchase agreements	218,625	208,433	383,531	381,143
Marketable securities	387,779	440,995	709,616	667,070

The Bank Deposit Certificates (CDBs) are remunerated at the average Interbank Deposit Certificate (CDI) rate of 101.0% at September 30, 2015 (100.9% at December 31, 2014).

Repurchase agreements backed by first-tier debentures are recorded at the fair value, bearing interest at average of 100.5% of CDI at September 30, 2015 (102.1% of the CDI at December 31, 2014).

The fair values of listed securities are based on cash flows discounted using a rate based on the market interest rate and the risk premium specific to the unlisted securities (2015 – 14.13% p.a.; 2014 - 11.57% p.a.). None of these financial assets is either past due or impaired.

The exclusive investment fund is backed by financial allocations in private credit fund quotas, CDBs, and repurchase agreements with first-tier banks and issuers.

At September 30, 2015 and December 31, 2014, all of the Company's marketable securities were classified as "held for trading".

All amounts in thousands of reais unless otherwise stated

4 Trade receivables

	Consolidated	
	September 30, 2015	**December 31, 2014**
Monthly tuition	413,858	326,965
Student Financing Fund (FIES) (a)	616,780	149,730
Agreements and exchanges	15,717	26,985
Receivables on credit cards (b)	45,571	30,824
Agreements receivable	76,831	38,715
	1,168,757	573,219
Amounts to be identified	(3,488)	(6,807)
Provision for impairment of trade receivables (c)	(111,209)	(114,998)
	1,054,060	451,414

The composition of receivables by age is as follows:

	Consolidated			
	September 30, 2015	**%**	**December 31, 2014**	**%**
FIES	616,780	53	149,730	26
Not yet due	189,203	16	79,697	14
Overdue for up to 30 days	81,532	7	51,587	9
Overdue from 31 to 60 days	43,426	4	55,780	10
Overdue from 61 to 90 days	27,876	2	45,704	8
Overdue from 91 to 179 days	98,731	8	75,723	13
Overdue for more than 180 days	111,209	10	114,998	20
	1,168,757	100	573,219	100

The composition of receivables from agreements by age is as follows:

	Consolidated			
	September 30, 2015	**%**	**December 31, 2014**	**%**
Not yet due	52,120	68	15,030	39
Overdue for up to 30 days	3,016	4	4,231	11
Overdue from 31 to 60 days	3,109	4	2,759	7
Overdue from 61 to 90 days	1,822	2	2,280	6
Overdue from 91 to 179 days	5,328	7	5,877	15
Overdue for more than 180 days	11,436	15	8,538	22
	76,831	100	38,715	100

(a) Accounts receivable from the Student Financing Fund (FIES) are represented by educational loans obtained by students from Caixa Econômica Federal (CEF) and the National Education Development Fund (FNDE), whereby the financed funds are transferred four times in a year by CEF and Banco do Brasil to a specific bank account. This amount has been used exclusively to pay the social security contributions and federal taxes and converted into cash by means of auctions of Brazilian National Treasury securities. These receivables increased by 412% at September 30, 2015 when compared to December 31, 2014, which is explained by the increase in the FIES student base and by the postponement of transfers by the federal government as from the end of 2014, which delayed the Group's working capital related to receipts.

At September 30, 2015, the provision for credit risk of "Student Financing Fund" (FIES) amounted to R$ 14,647 (R$ 12,360 at December 31, 2014) and it is recorded in "Others" within the long-term liabilities. The provision is established as follows:

(i) For FIES students with guarantor, a provision was recognized for 2.25% of the accounts receivable with this characteristic, considering the assumptions of 15% of the credit risk on 15% of default.

(ii) For the uncovered risk of FGEDUC, with enrollment since April 2012, a provision was recognized for 10% of the receivables under the responsibility of the sponsors (and the Guarantor Fund is responsible for the remaining 90%) on the 15% credit risk on an estimate of 15% of default, i.e. 0.225%.

(iii) For the uncovered risk of FGEDUC, with enrollment up to March 2012, a provision was recognized for 20% under the responsibility of the sponsors (and the Guarantor Fund is responsible for the remaining 80%) on the 15% credit risk on an estimate of 15% of default, i.e. 0.450%.

All amounts in thousands of reais unless otherwise stated

A substantial part of the receivables on credit cards arises from the negotiation of default monthly tuitions.

Changes in the consolidated provision for impairment of receivables were as follows:

Description	December 31, 2014	Gross increase in the provision for impairment	Recovered amounts	Net effect of the provision	Disposals (i)	September 30, 2015
Monthly tuition and fees	114,998	180,759	(100,734)	80,025	(83,814)	111,209
	114,998	180,759	(100,734)	80,025	(83,814)	111,209

For the period ended September 30, 2015 and for the exercise ended December 31, 2014, expenses with the provision for impairment of trade receivables (Note 24), recognized in the statement of income as selling expenses, are as follows (consolidated):

	September 30, 2015	September 30, 2014
Supplementary provision (i)	80,025	71,741
Sale of the clients portfolio	(7,255)	
Provision for impairment of receivables from the acquisition	(2,735)	(10,741)
	70,035	61,000

(i) In order to facilitate understanding and to allow a direct reconciliation of the provision for impairment of trade receivables between the balance sheet and statement of income for the period, the Company believes that this change should consider the consolidated amount not recovered after 180 days from the due date as supplementary amounts, and the consolidated amount received/renegotiated relating to bills not settled up to the previous month as recovered amounts.

5 Related-party transactions

The related-party transactions were carried out in terms equivalent to those prevailing in the transactions with independent parties, according to item 23 of Technical Pronouncement CPC 05, and are as follows:

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Current assets				
Current account				
SESES	1,791	1,367		
Nova Academia do Concurso	1	1		
FAL	2	2		
FATERN	3	3		
IREP	163	160		
Atual	4	4		
SEAMA	4	4		
Editora	6	6		
FARGS	2	2		
São Luís	4	3		
FACITEC	3	3		
Subsidiaries	1,983	1,555		
Related parties				
	1,983	1,555		
Investment fund (i)			7,290	10,542
			7,290	10,542

All amounts in thousands of reais unless otherwise stated

	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Current liabilities				
Current account				
SESES	4,152	4,131		
IREP	65	65		
Atual	3	3		
Nova Academia	3	3		
FAL	1	1		
Fatern	2	2		
Seama	4	4		
	4,230	4,209		
Related companies (ii)			263	538
			263	538

(i) At September 30, 2015, the Company had R$ 7,290 invested in the BRZ Renda Fixa Fundo de Investimento CP fund, whose quotas were acquired by Fundo Exclusivo de Investimento Estapart fund of BTG Pactual. GP Investimentos, stockholder of the Company up to September 20, 2013 has 83% interest in the share capital of BRZ Investimentos, manager of BRZ Fund. Mr. Eduardo Alcalay, a member of the Board of Directors, has a Partner-Director and/or Associate relationship with GP Investimentos.

(ii) On September 30, 2015, payables of R$ 263 (R$ 538 for the year ended December 31, 2014) refer to suppliers related to members of the administrative council:

			Consolidated
Name	Manager partner	September 30, 2015	December 31, 2014
Instituição Escola Paulista de Ensino Superior – IEPES – Ltda.	Chaim Zaher e Thamila Cefali Zaher		17
SEB Sistema Educacional Brasileiro Ltda.	Chaim Zaher e Thamila Cefali Zaher	46	120
T4 LOG Consultoria e Digitalizações Ltda.	Thamila Cefali Zaher	23	
TCA Empreendimentos Mobiliários Ltda.	Chaim Zaher e Thamila Cefali Zaher	62	274
VIAW Consultoria Ltda.	Ronaldo Iabrudi dos Santos Pereira	132	127
		263	538

For the period ended September 30, 2015 the group did not achieve results in intercompany loans (R$ 1.00 for the year ended December 31, 2014).

6 Prepaid expenses

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Insurance	169	98	1,030	1,305
Municipal Real Estate Tax (IPTU) to be appropriated			2,250	39
Teaching materials (i)			24,479	17,605
Anticipation of vacation pay and charges (ii)			39,633	41,424
Registration fee - Ministry of Education (MEC)			3,216	3,896
Professional services		253		253
Sponsorship (2016 Olympic Games)			2,256	4,286
Technical-pedagogical cooperation - Santa Casa			6,334	4,000
Other prepaid expenses			1,908	2,155
Total	169	351	81,106	74,963
Current assets	169	351	66,138	66,158
Non-current assets			14,968	8,805
	169	351	81,106	74,963

(i) It refers to the costs incurred for copyright, printing and postage for the production of education material to be used in the subsequent period. They are recorded as prepaid expenses and allocated during the period they are used, after being effectively delivered.

(ii) This refers to the advance payment of vacation made to employees that had not yet concluded the vesting period in the period of the collective vacation. The advances occur in January, July and December and the appropriations are monthly carried out, generating a representative seasonal drop for the period ended September 30, 2015.

All amounts in thousands of reais unless otherwise stated

7 Taxes and contributions

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Withholding Income Tax (IRRF)	14,591	11,011	24,046	16,466
Corporate Income Tax (IRPJ) / Social Contribution on Net Income (CSLL) (i)	14,803	4,898	57,280	18,081
Social Integration Program (PIS)	6	6	28,410	29,143
Social Contribution on Revenues (COFINS)	25	25	1,586	1,425
Services Tax (ISS)	77	77	26,256	22,471
National Institute of Social Security (INSS)			7,526	7,658
Government Severance Indemnity Fund for Employees (FGTS)			454	454
Tax on Financial Transactions (IOF)	106	106	115	115
Others				148
	29,608	16,123	145,673	95,961
Current assets	25,928	12,463	117,163	70,624
Non-current assets	3,680	3,660	28,510	25,337
	29,608	16,123	145,673	95,961

(i) The variation in the item is basically explained by the increase in the Corporate Income Tax negative basis and to the increase of the prepayments of Income Tax and Social Contribution due to the change of criterion in the calculation of the tax incentive (POEB).

8 Investments in subsidiaries

	Parent company	
	September 30, 2015	December 31, 2014
Sociedade de Ensino Superior Estácio de Sá Ltda. ("SESES")	1,249,070	878,511
Sociedade de Ensino Superior, Médio e Fundamental Ltda. ("IREP")	1,059,661	748,571
Nova Academia do Concurso - Cursos Preparatórios Ltda. ("NACP")	17,716	17,317
Estácio Editora ("EDITORA")	(30)	(30)
União dos Cursos Superiores SEB Ltda. ("UNISEB")	66,119	34,742
	2,392,536	1,679,111

The subsidiaries' information is as follows:

	September 30, 2015								
	Interest	Number of quotas	Total assets	Total liabilities	Equity	Advance for future capital increase	Goodwill	Deferred income tax on goodwill from downstream merger	Equity in the results of subsidiaries
Seses	100%	461,077	1,489,577	336,507	1,153,070	96,000			187,099
Irep	100%	319,559	1,461,416	565,142	896,274	100,945	62,442		256,111
Nova Academia de Concurso	100%	9,855	6,800	3,652	3,148	550	14,018		(301)
Estácio Editora e Distribuidora Ltda.	100%	250	31	66	(35)		5		
Uniseb Operacional	100%	22,337	86,766	19,917	66,849	1,500		(2,230)	29,877
Total - September 30, 2015			3,044,590	925,284	2,119,306	198,995	76,465	(2,230)	472,786

	December 31, 2014								
	Interest	Number of quotas	Total assets	Total liabilities	Equity	Advance for future capital increase	Goodwill	Deferred income tax on goodwill from downstream merger	Equity in the results of subsidiaries
Seses	100%	391,077	1,068,197	189,686	878,511				178,720
Irep	100%	319,559	1,051,308	411,144	640,164	45,965	62,442		238,652
Nova Academia de Concurso	100%	8,155	5,862	4,113	1,749	1,550	14,018		(513)
Estácio Editora e Distribuidora	100%	250	42	77	(35)		5		(7)
Uniseb Operacional	100%	22,337	52,014	15,042	36,972			(2,230)	15,570
Total - December 31, 2014			2,177,423	620,062	1,557,361	47,515	76,465	(2,230)	432,422

All amounts in thousands of reais unless otherwise stated

The global changes in the investments in subsidiaries in the period ended September 30, 2015 and in the exercise ended December 31, 2014 are as follows:

Investments in subsidiaries at December 31, 2013	1,127,596
Equity in the results of subsidiaries	432,422
Capital increase	130,640
Advance for future capital increase	47,516
Proposed dividends (i)	(101,091)
Options granted	22,856
Acquisition of subsidiary	19,172
Investments in subsidiaries at December 31, 2014	1,679,111
Equity in the results of subsidiaries	472,786
Advance for future capital increase	223,180
Options granted and long-term incentives	17,459
Investments in subsidiaries at September 30, 2015	2,392,536

(i) During the year ended December 31, 2014, the subsidiary IREP proposed the distribution of dividends of R$ 101,090.

The accounting information of the subsidiaries used in the application of the equity accounting method were related to the base date September 30, 2015.

All amounts in thousands of reais unless otherwise stated

9 Intangible assets

Intangible assets - Parent company

		December 31, 2013			December 31, 2014
		Cost	Additions	PPA Adjusts (i)	Cost
Cost					
Goodwill on the acquisition of investments			772,054		772,054
Right of use of software		28	71		99
Goodwill		818	91,023		91,841
		846	863,148		863,994
	Amortization rates	Amortization	Additions		Amortization
Amortization					
Right of use of software	20% p.a.	(8)	(12)		(20)
Goodwill	20 a 50% p.a.	(437)	(10.032)		(10,469)
		(445)	(10.044)		(10,489)
Net book value		401	853,104		853,505

		December 31, 2014			September 30, 2015
		Cost	Additions	PPA Adjusts (i)	Cost
Cost					
Goodwill on the acquisition of investments		772,054		8,011	780,065
Right of use of software		99			99
Project Integração			33		33
Goodwill		91,841		(12,137)	79,704
		863,994	33	(4.126)	859,901
	Amortization rates	Amortization	Additions		Amortization
Amortization					
Right of use of software	20% p.a.	(20)	(15)		(35)
Goodwill	20 a 50% p.a.	(10,469)	(14,977)		(25,446)
		(10,489)	(14,992)		(25,481)
Net book value		853,505	(14,959)	(4,126)	834,420

(i) Changes regarding adjustments in the Purchase Price Allocation (PPA) in the acquisition of *UNISEB*.

All amounts in thousands of reais unless otherwise stated

Intangible assets - Consolidated

	December 31, 2013						December 31, 2014
	Cost	Additions per acquisition	Additions	PPA adjustment (i)	Write-offs	Transfers	Cost
Cost							
Goodwill on the acquisition of investments	236,959		851,939		(524)		1,088,374
Right of use of software	90,353	2,198	45,843		(18)	59	138,435
Integration and distance learning project	15,303		1,466				16,769
CSC	1,940						1,940
Learning Center	54,154		6,949				61,103
Relationship Center	2,348						2,348
Hemispheres	1,346						1,346
IT architecture	12,197		3,654				15,851
Online class material	5,770		614				6,384
Knowledge Factory - EAD	10,813		6,118				16,931
Students portfolio	26,429		126,663				153,092
Other	5,378	3	6,443				11,824
	462,990	**2,201**	**1,049,689**		**(542)**	**59**	**1,514,397**

All amounts in thousands of reais unless otherwise stated

	Amortization rates	Amortization	Additions per acquisition	Additions	PPA adjustment (i)	Write-offs	Transfers	Amortization
Amortization								
Goodwill on the acquisition of investments	Indefinite	(6,924)						(6,924)
Right of use of software	20% p.a.	(50,162)	(1,131)	(20,392)			(59)	(71,744)
Integration and distance learning project	20% p.a.	(11,851)		(1,233)				(13,084)
CSC	20% p.a.	(1,791)		(149)				(1,940)
Learning Center	5% p.a.	(8,420)		(2398)				(10,818)
Relationship Center	20% p.a.	(1,409)		(469)				(1,878)
Hemispheres	20% p.a.	(803)		(269)				(1,072)
Online class material	5% p.a.	(1,010)		(1,158)				(2,168)
Knowledge Factory - EAD	5% p.a.	(317)		(625)				(942)
Students portfolio	20 a 50% p.a.	(10,797)		(17,194)				(27,991)
Other	20% p.a.	(205)		(203)				(408)
		(93,689)	**(1,131)**	**(44,090)**			**(59)**	**(138,969)**
Net book value		**369,301**	**1,070**	**1,005,599**		**(542)**		**1,375,428**

All amounts in thousands of reais unless otherwise stated

	December 31, 2014						Semptember 30, 2015
	Custo	Additions per acquisition	Additions	PPA adjustments (i)	Write-offs	Transfers	Cost
Cost							
Goodwill on the acquisition of investments	1,088,374		85,774	8,011			1,182,159
Right of use of software	138,435	18	34,455			2,111	175,019
Integration and distance learning project	16,769		569				17,338
CSC	1,940						1,940
Learning Center	61,103		3,515				64,618
Relationship Center	2,348						2,348
Hemispheres	1,346						1,346
IT architecture	15,851		2,758				18,609
Online class material	6,384		89				6,473
Knowledge Factory - EAD	16,931		4,040				20,971
Students portfolio	153,092			(12,137)			140,955
Other	11,824		2,586		(3)		14,407
	1,514,397	**18**	**133,786**	**(4,126)**	**(3)**	**2,111**	**1,646,183**

All amounts in thousands of reais unless otherwise stated

	Amortization rates	Amortization	Additions per acquisition	Additions	PPA adjustments (i)	Write-offs	Transfers	Amortization
Amortization								
Goodwill on the acquisition of investments	Indefinite	(6,924)						(6,924)
Right of use of software	20% p.a.	(71,744)	(2)	(25,342)			(1,380)	(98,468)
Integration and distance learning project	20% p.a.	(13,084)		(863)				(13,947)
CSC	20% p.a.	(1,940)						(1,940)
Learning Center	5% p.a.	(10,818)		(1,923)				(12,741)
Relationship Center	20% p.a.	(1,878)		(352)				(2,230)
Hemispheres	20% p.a.	(1,072)		(202)				(1,274)
Online class material	5% p.a.	(2,168)		(894)				(3,062)
Knowledge Factory - EAD	5% p.a.	(942)		(576)				(1,518)
Students portfolio	20 a 50% p.a.	(27,991)		(25,080)				(53,071)
Other	20% p.a.	(408)		(394)				(802)
		(138,969)	**(2)**	**(55,626)**			(1,380)	**(195,977)**
Net book value		**1,375,428**	**16**	**78,160**	**(4,126)**	**(3)**	**731**	**1,450,206**

(i) Changes regarding adjustments in the Purchase Price Allocation (PPA) in the acquisition of UNISEB.

All amounts in thousands of reais unless otherwise stated

At September 30, 2015 and December 31, 2014, goodwill on acquisition of investments was comprised as follows:

	Parent company		Consolidated	
	September 30, 2015	**December 31, 2014**	**September 30, 2015**	**December 31, 2014**
Goodwill on acquisition of investments net of accumulated amortization				
IREP			89,090	89,090
ATUAL			15,503	15,503
Seama			18,035	18,035
Idez			2,047	2,047
Uniuol			956	956
Fargs			8,055	8,055
São Luis			27,369	27,369
Facitec			26,654	26,654
Assesc			4,723	4,723
Iesam			26,797	26,797
Literatus			26,521	25,521
Ceut			27,568	27,568
FNC (Note 2.3)			84,774	
FAL			8,076	8,076
FATERN			14,979	14,979
Nova Academia			14,018	14,018
Estácio Editora			5	5
Uniseb	9,373	9,371	9,371	9,371
Uniseb Holding	770,694	762,683	770,694	762,683
	780,065	772,054	1,175,235	1,081,450

The Company carries out annual analyses for impairment purposes, the last being for the year ended December 31, 2014, relative to goodwill on investment acquisitions and mergers, based on expected future profitability, considering projections of future results for the next 10 years. Asset impairment testing did not result in the need to recognize losses. The assumptions used are disclosed in the notes to the financial statements for the year ended December 31, 2014.

All amounts in thousands of reais unless otherwise stated

10 Property and equipment

Property and equipment - Parent company

	Depreciation rate	December 31, 2013			December 31, 2014
		Cost	Additions	Disposals	Cost
Cost					
Computers and peripherals		10,090		(1,015)	9,075
Facilities			33		33
		10,090	33	(1,015)	9,108
	Depreciation rate	Depreciation	Additions	Disposals	Depreciation
Depreciation					
Computers and peripherals	25% p.a.	(7,734)	(1,114)	2	(8,846)
		(7,734)	(1,114)	2	(8,846)
Net book value		2,356	(1,081)	(1,013)	262

	Depreciation rate	December 31, 2014			September 30, 2015
		Cost	Additions	Disposals	Cost
Cost					
Computers and peripherals		9,075			9,075
Facilities		33			33
		9,108			9,108
	Depreciation rate	Depreciation	Additions	Disposals	Depreciation
Depreciation					
Computers and peripherals	25% p.a.	(8,846)	(134)		(8,980)
Facilities	8.3% p.a.		(2)		(2)
		(8,846)	(136)		(8,982)
Net book value		262	(136)		126

All amounts in thousands of reais unless otherwise stated

Property and equipment - Consolidated

	December 31, 2013					December 31, 2014
	Cost	Additions per acquisition	Additions	Write-offs	Transfers	Cost
Cost						
Land	19,480			(107)		19,373
Buildings	89,993	36,224	1,045	(450)	(14,563)	112,249
Third-parties'properties improvements	131,673	23,575	17,955		37,692	210,895
Furniture and utensils	62,766	9,048	7,372	(316)		78,870
Computers and peripherals	93,131	19,203	10,139	(2,060)		120,413
Machinery and equipment	73,535	10,884	12,503	(565)		96,357
Physical/ hospital activities equipments	32,147	1,615	7,748	(85)		41,425
Library	96,448	15,357	15,096	(18)		126,883
Facilities	17,516	1,786	7,857	(24)		27,135
Tablets	32,126	62	13,273	(2)		45,459
Others	10,020	525	1,879	(53)		12,371
Construction in progress	11,131		22,935	(2,678)	(23,617)	7,771
Demobilization	11,650			(12)		11,638
Total	**681,616**	**118,279**	**117,802**	**(6,370)**	**(488)**	**910,839**

All amounts in thousands of reais unless otherwise stated

	Annual depreciation rates %	December 31, 2013					December 31, 2014
		Depreciation	Additions per acquisitions	Additions	Write-offs	Transfers	Depreciation
Depreciation							
Land							-
Buildings	1.67	(39,204)	(6,647)	(1,986)	67	493	(47,277)
Third-parties'properties improvements	11.11	(79.860)	(2,120)	(15,495)		(5)	(97,480)
Furniture and utensils	8.33	(33,498)	(3,919)	(4,555)	170		(41,802)
Computers and peripherals	25	(69,383)	(12,649)	(14,419)	1,585		(94,866)
Machinery and equipment	8.33	(46,694)	(4,150)	(10,844)	1,094		(60,594)
Physical/ hospital activities equipments	6.67	(12,772)	(1,569)	(1,833)	41		(16,133)
Library	5	(39,679)	(6,375)	(4,708)			(50,762)
Facilities	8.33	(6,098)	(1,632)	(1,710)			(9,440)
Tablets	20	(3,918)	(38)	(6,403)	2		(10,357)
Others	14.44	(4,906)	(398)	(842)	20		(6,126)
Construction in progress							-
Demobilization		(9,990)		(415)	114		(10,291)

All amounts in thousands of reais unless otherwise stated

Total	**(346,002)**	**(39,497)**	**(63,210)**	**3,093**	**488**	**(445,128)**
Net residual value	**335,614**	**78,782**	**54,592**	**(3,277)**	**-**	**465,711**

	December 31, 2014						September 30, 2015
	Cost	**Additions per acquisition**	**Additions**	**Write-offs**	**Transfers**	**Reclassifications**	**Custo**
Cost							
Land	19,373		-	-	-		19,373
Buildings	112,249		606		21,627		134,482
Third-parties'properties improvements	210,895		7,608		(9,215)		209,288
Furniture and utensils	78,870	2,004	14,272	(339)		(2)	94,805
Computers and peripherals	120,413	859	8,231	(576)		26	128,953
Machinery and equipment	96,357	927	3,343	(4,752)			95,875
Physical/ hospital activities equipments	41,425		6,348	(178)			47,595
Library	126,883	232	7,261				134,376
Facilities	27,135	183	12,670	(2)			39,986
Tablets	45,459		1,631	(8)			47,082
Others	12,371	120	1,061	(55)		(1,405)	12,092
Construction in progress	7,771		31,968		(12,412)		27,327
Demobilization	11,638			(11)			11,627
Total	**910,839**	**4,325**	**94,999**	**(5,921)**	**-**	**(1,381)**	**1,002,861**

All amounts in thousands of reais unless otherwise stated

	Annual depreciation rates %	December 31, 2014						September 30, 2015
		Depreciation	Additions per acquisitions	Additions	Write-offs	Transfers	Reclassifications	Depreciation
Depreciation								
Land								-
Buildings	1.67	(47,277)		(1,778)		(217)		(49,272)
Third-parties'properties improvements	11.11	(97,480)		(15,712)		217		(112,975)
Furniture and utensils	8.33	(41,802)	(482)	(6,591)	138			(48,737)
Computers and peripherals	25	(94,866)	(491)	(10,560)	1,020		(2)	(104,899)
Machinery and equipment	8.33	(60,594)	(180)	(9,866)	8,237			(62,403)
Physical/ hospital activities equipments	6.67	(16,133)		(1,752)	63			(17,822)
Library	5	(50,762)	(5)	(4,816)	4			(55,579)
Facilities	8.33	(9,440)	(39)	(2,000)	4			(11,475)
Tablets	20	(10,357)		(6,495)	-			(16,852)
Others	14.44	(6,126)	(106)	(668)	24		652	(6,224)
Construction in progress		-		-				-
Demobilization		(10,291)		(190)	(3)			(10,484)
Total		**(445,128)**	**(1,303)**	**(60,428)**	**9,487**	**-**	**650**	**(496,722)**
Net residual value		**465,711**	**3,022**	**34,571**	**3,566**	**-**	**(731)**	**506,139**

As mentioned in Note 11, certain assets acquired through financing were used as a financing guarantee. The Company and its Subsidiaries has not pledged any other of its properties to secure transactions.

Machinery and It equipment include the following amounts where the Group is a lessee under a finance lease:

		December 31, 2014			September 30, 2015
		Cost	**Additions**	**Disposals**	**Cost**
Cost					
Finance leases					
Capitalized		58,626	9,131	(5,965)	61,792
		58,626	9,131	(5,965)	61,792
	Depreciation rate	**Depreciation**	**Additions**	**Disposals**	**Depreciation**
Depreciation					
Finance leases					
Capitalized	25% p.a.	(44,288)	(8,919)	5,965	(47,242)
		(44,288)	(8,919)	5,965	(47,242)
Net book value		14,338	212		14,550

The Group leases various machinery and equipment under non-cancelable finance lease agreements. The lease terms are between 3 and 4 years, after which the ownership of the assets is transferred to the Group. All the Group's leases recognized at net present value of the transaction.

11 Borrowings

		Parent company		Consolidated	
Type	**Financial charges**	**September 30, 2015**	**December 31, 2014**	**September 30, 2015**	**December 31, 2014**
In local currency					
Working capital	1.70% p.m. and/or CDI + 0.25% p.m.				
Lease agreements	General Market Price Index (IGPM) + 12.3% p.a.				
Lease agreements – Colortel	National Consumer Price Index (INPC) + 0.32% p.a.			5,339	8,751
Lease agreements – Assist				569	191
Lease agreements – CIT				283	647
Lease agreements - Total Service				71	11
Lease agreements – Springer	IGPM + 1% p.a.			42	72
Lease agreements – Santander	15.2% p.a.				11
Lease agreements – Santander	12.23% p.a.				8
Lease agreements – Bayde				3,889	
Lease agréements – Bradesco	1.14% p.m.			122	
Lease agréements – Brasif				127	
Borrowing – IFC	CDI +1.53% p.a.	54,058	59,179	54,058	59,179
IFIC expenditures		(1,942)	(2,189)	(1,942)	(2,189)
First issue of debentures	CDI +1.50% p.a.	210,586	202,460	210,586	202,460
Second issue of debentures	CDI + 1.18% p.a.	319,891	307,675	319,891	307,675
Third issue of debentures	112% CDI	187,110		187,110	
Expenditures with issue of debentures		(2,076)	(2,499)	(2,076)	(2,499)
Share repurchase option					
Banco Itaú			34		34
Borrowing - FEE BNB	3% p.a.			1,569	2,241
Borrowing - Banco da Amazônia	9.5% p.a.			11,208	12,634
Borrowing - Banco CEF	14.39%				(77)
Borrowing - Banco Itaú	29.44%				24
Borrowing - Banco Itaú line 4131	USD + 1.46% p.a.	245,783		245,783	
Borrowing – FINEP	6% p.a.	1,379		1,379	
Borrowing - Banco do Brasil – “Giro Empresa Flex”	1.8% p.m			146	
Borrowing - Itaú S/A - “Giro Parcelado”	1.19% p.m			3,227	
Borrowing - Santander - “Giro”	1.78% p.m			183	
Borrowing – Santander - “Giro”	1.8% p.m			103	
Borrowing - Santander - “Giro”	1.39% p.m			1,738	
Borrowing - BNDES	0.36% p.m			532	
Borrowing - BNDES	0.32% p.m			1,471	
		1,014,789	564,660	1,045,408	589,173
Current liabilities		286,863	19,833	301,286	28,464
Non-current liability		727,926	544,827	744,122	560,709
		1,014,789	564,660	1,045,408	589,173

The costs of funding to be settled amounted to R$ 4,018 at September 30, 2015, being R$ 1,942 related to the borrowings from IFC (R$ 417 of the 1st borrowing and R$ 1,525 of the 2nd borrowing) and R$ 2,076 to the debentures.

The maturity of amounts recorded in non-current liabilities at September 30, 2015 and December 31, 2014 is as follows:

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
2016	2,587	8,385	4,426	12,956
2017	255,530	68,385	260,636	71,751
2018	228,725	228,385	232,226	229,974
2019	228,725	228,385	230,589	229,974
2020	9,102	8,866	10,825	10,455
2021	2,656	2,421	4,379	4,010
2022	195		635	1,589
2023	195		195	
2024	195		195	
2025	16		16	
Non-current liability	727,926	544,827	744,122	560,709

The borrowed funds will be used to finance the expansion of the Company including, but not limited to, acquisition of other enterprises in the industry and/or organization of new campuses.

During the first semester of 2015, the Company obtained a borrowing in U.S. dollars with Itaú Unibanco S.A. Nassau Branch amounting to USD 61,200 (equivalent to R$ 200,000 at the time), bearing fixed rate of 1.46% p.a. and having total period of one year. In addition, in order to mitigate the impact of the foreign exchange variation on its results, the Company obtained a cash flow swap with Banco Itaú S.A., with an asset position foreign exchange variation plus 1.95% p.a. and a liability position at the CDI + 0.12% p.a (note 19).

The borrowing with Itaú Unibanco S.A. Nassau Branch at September 30, 2015 amounted to R$ 245,783.

The Group's borrowing amounts are mainly in Brazilian reais, just one of them is in U.S. dollars.

During the third quarter of 2015, the Company concluded the third issue of simple debentures, non-convertible in unsecured shares in the amount of R$ 187,000 at a cost of 112% of CDI.

In the period ended September 30, 2015 the Company accomplished all obligations under the three issues of debentures.

Without other significant fundings in the period, the contractual conditions of other effective borrowings remain unchanged compared to those presented in the financial statements at December 31, 2014.

12 Salaries and social charges

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Salaries and social charges payable	256	199	102,530	94,736
Provision for vacation pay			51,757	26,878
Provision for 13th month salary			53,582	
	256	199	207,869	121,614

13 Taxes payable

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
Services Tax (ISS)	5	4	15,020	15,908
Withholding Income Tax (ISS)	40	56	10,702	13,466
Social Integration Program and Social Contribution on Revenues (COFINS) payable	502	40	3,112	1,598
Tax on Financial Transactions (IOF)			384	384
National Institute of Social Security (INSS)				290
	547	100	29,218	31,646
Corporate Income Tax (IRPJ)	1,468	1,465	24,252	6,401
Social Contribution on Net Income (CSLL)	546	546	9,108	2,459
	2,014	2,011	33,360	8,860
	2,561	2,111	62,578	40,506

14 Taxes payable in installments

	Consolidated	
	September 30, 2015	December 31, 2014
IRPJ	3,081	6,461
CSLL	114	1,543
Government Severance Indemnity Fund for Employees (FGTS)	1,519	1,307
ISS	533	1,341
PIS	90	493
COFINS	321	1,553
INSS	8,736	6,596
IPTU	113	59
OTHERS	1,164	
	15,671	19,353
Current liabilities	790	3,590
Non-current liability	14,881	15,763
	15,671	19,353

The amount of installments is adjusted based on the Special System for Settlement and Custody (SELIC) rate on a monthly basis.

These refer basically to taxes and social security contributions payable in installments to Municipalities, the Brazilian Federal Revenue Service and Social Security, and the payment flow is as follows:

	Consolidated	
	September 30, 2015	December 31, 2014
2015		1,217
2016	2,099	1,331
2017	2,292	1,331
2018 to 2027	10,490	11,884
	14,881	15,763

15 Price of acquisition payable

	Consolidated	
	September 30, 2015	December 31, 2014
FAL	300	557
FATERN	572	1,082
UNIUOL	176	327
FACITEC	7,485	10,912
SÃO LUIS	15,441	14,252
ASSESC	714	644
IESAM	15,958	17,190
LITERATUS	6,124	6,424
CEUT	7,785	8,311
FNC	37,403	
	91,958	59,699
Current liabilities	36,026	20,486
Non-current liability	55,932	39,213
	91,958	59,699

These basically refer to the amount payable to the former owners for the acquisition of related companies, subjected monthly to one the following rates: Special System for Settlement and Custody (SELIC), Amplified Consumer Price Index (IPCA) or the Interbank Deposit Certificate (CDI).

The table below analyzes the Group's acquisition price payable into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

	Consolidated	
	Less than 1 year	Between 2 and 5 years
At September 30, 2015		
IESAM	2,202	13,756
LITERATUS	1,326	4,798
CEUT	2,677	5,108
FNC	17,403	20,000

16 Contingencies

The Company's subsidiaries are parties in various civil, labor and tax proceedings at different court levels. Management, based on the opinion of its external legal advisors, recorded a provision for an amount considered sufficient to cover expected losses arising from pending litigation.

At September 30, 2015 and December 31, 2014, the provision for contingencies was comprised as follows:

	Consolidated			
	September 30, 2015		December 31, 2014	
	Contingencies	Judicial deposits	Contingencies	Judicial deposits
Civil	1,191	25,544	1,762	24,311
Labor	25,173	82,829	25,121	79,572
Tax		7,400		17,058
	26,364	115,773	26,883	120,941

The changes in the provision for contingencies are as follows:

	Consolidated		
	Labor	Civil	Total
At December 31, 2014	25,121	1,762	26,883
Additions	17,277	1,004	18,281
Reversals	(7,050)	(690)	(7,740)
Derecognition	(10,175)	(885)	(11,060)
At September 30, 2015	25,173	1,191	26,364

For the periods ended September 30, 2015 and 2014, the expense for the provision for contingencies, recognized in the statement of income as "general and administrative expenses", was as follows:

	2015	2014
Composition of results		
Additions	18,281	16,756
Reversals	(7,740)	(4,086)
Balances from acquired companies		(1,556)
General and administrative expenses (Note 24)	10,541	11,114

(a) Civil

Most proceedings mainly involve claims for indemnity for moral and property damages arising from incorrect collections, late issue of diplomas, failure to return summer course registration fees, among other matters of an operational and/or educational nature.

The provisions recognized for civil lawsuits are due to the following:

Matters	All amounts in thousands of reais
Indemnity for moral damages	838
Incorrect collection	202
Impossibility of enrollment/reenrollment	25
Discipline-related problems	17
Return of fees	16
Delay in issuance of diploma	13
Other*	80
	1,191

(*) These arise from other operating and/or academic problems, civil class actions, actions for review and other suits for damages.

(b) Labor

The main labor claims refer to overtime, unused vacation time, recognition of employment relationship, salary parity and salary differences arising from the decrease in the working hours of certain professors.

The provisions recognized for labor lawsuits are due to the following:

Matters	Amounts
Salary differences + reduction of working time + CCT fine + FGTS + notice	5,435
Fines (article 467 CLT, article 477 CLT and CCT/ACT)	4,004
Overtime + suppression Inter + Intra	3,529
Moral/property damage/moral harassment	2,768
Correction CTPS + indirect repeal + recognition of employment relationship	1,525
Vacation pay	1,429
Allowances (health hazards/night shift pay/improvement/length of service/risk premium)	953
Deviation of function and parity	859
Other*	4,671
	25,173

(*) Pleadings complementary to the main ones described above (effects) and Union's fees.

(c) Tax

The Company's legal advisors reviewed, assessed and quantified the various tax proceedings and, considering that there are no proceedings assessed as probable losses, management considered as not necessary the recognition of a provision for such proceedings.

(d) Possible losses, not provided for in the balance sheet

The Company has the following tax, civil and labor litigation involving risks of loss classified by management as possible, based on the evaluation of the legal advisors. In accordance with this risk assessment and the provision-related criteria adopted by the Company, certain contingencies are not provided as for, as follows:

	Consolidated	
	2015	2014
Tax	467,808	384,539
Civil	123,820	101,765
Labor	26,620	33,597
	618,248	519,901

Among the main proceedings not provided for in the financial statements, we highlight:

(i) In 2011, the Brazilian Federal Revenue Secretariat (SRF) issued two tax assessment notices, due to alleged debts of social security contributions for the period from January 2006 to January 2007 and noncompliance with record-keeping and reporting obligations. The referred defenses were filed with the Special SRF Office for the Largest Taxpayers of the State of Rio de Janeiro (DEMAC/RJO). In August 2012, an administrative lower court sentence was rendered, which partially granted the Company's objections, to recognize the extinguishment of right and exclude the entries of the period from January to July 2006, the other inspection arguments were maintained. The Company filed appeals, which are waiting judgment by the Board of Tax Appeals. The total amount involved, disregarding the effects of the extinguishment of right, is R$ 210,947. According to the opinion of the external legal advisors, the risk of loss in these cases remains possible.

(ii) In 2009, SESES filed a common civil action against the Federal Government/Federal Tax Authorities, through which it claims authorization to pay the social security contributions, according to the graduation provided by Article 13 of Law 11,096/05 ("PROUNI Law"), with the beginning of the graduation as from the 1st month that a general meeting took place that authorized the change of its legal nature to a company for profit, in February 2007, consequently resulting in the following gradation for the payment of the social security contributions by SESES: 20% in 2007; 40% in 2008; 60% in 2009; 80% in 2010; and 100% in 2011, notwithstanding the understanding of INSS inspectors, who claim that the five-year period for application of the escalated rates as defined in Article 13 of the PROUNI Law should start to be counted as from the date of publication of such Law, which occurred in 2005. On August 7, 2012, the Federal Regional Court (TRF) favorably judged the Company's appeal. According to the mentioned decision, the enjoyment begins as from the date of the Stockholders' Meeting that changed the legal nature of SESES and not the publication date of the Prouni Act. Currently, the suit is awaiting judgment of the appeal filed by Federal Tax Authorities. The outside legal advisors assessed this case as a possible loss and the estimated amount involved is R$ 14,178.

(iii) Given the divergence of understanding of Article 13 of Law 11,096/05 ("PROUNI Act"), as mentioned in item (ii) above, Tax Foreclosures were issued by the National Treasury aimed at the judicial recovery of debts related to the alleged differences in payments of social security contributions. Embargoes were imposed on these executions, which are still being tried. The total amount involved is R$ 95,709. According to the opinion of the external legal advisors, the risk of loss in these cases remains possible.

17 Advances under exclusivity agreements

On August 3, 2006, an agreement was entered into between the Company's subsidiaries and Unibanco (now "Itaú"), effective until July 31, 2011. The purpose of such agreement was granting exclusivity/preference to Itaú with respect to the offering and provision of products and services to students, employees and suppliers, as well as for Itaú to be the main provider of financial services.

In exchange for the exclusivity granted to Itaú, and for maintaining such a condition during the term of the agreement, that is, until July 31, 2011, Itaú paid to the subsidiaries a fixed amount of R$ 15,954, which has been recognized in income over the term of the agreement. On February 18, 2008, without significant changes in the main contractual clauses, the parties entered into a new agreement extending the partnership until February 18, 2018. In consideration for the exclusive rights granted to Itaú, and while the agreement remains effective, Itaú paid the Company an additional amount of R$ 18,000. At September 30, 2015, the balance related to amounts advanced in connection with the agreement amounted to R$ 6,976 (R$ 9,141 at December 31, 2014), being R$ 2,887 classified in consolidated current liabilities, which will be amortized over the life of the agreement.

18 Equity

(a) Share capital

Capital may be increased by the Board of Directors, regardless of any amendment to the bylaws, up to the limit of 1,000,000,000 shares. At September 30, 2015, share capital is represented by 316,684,999 common shares.

The Company's shareholding structure at September 30, 2015 and December 31, 2014 is as follows:

	Common shares			
Stockholders	**September 30, 2015**	**%**	**December 31, 2014**	**%**
Officers and directors	39,789,669	12.5	24,755,424	7.8
Treasury	7,868,778	2.5	2,351,800	0.7
Other (*)	269,026,552	85.0	288,322,660	91.5
	316,684,999	100.0	315,429,884	100.0

(*) Free float.

The Annual General Meeting of Stockholders held on April 22, 2014 approved the private issue of 2,182,342 registered common shares, with no par value, which resulted in the consequent increase of the Company's capital by R$ 17,365, within the limit of the authorized capital in order to meet the exercise of the options granted to the beneficiaries of the stock option plan.

The Board of Directors' meeting held on August 7, 2014 approved the private issue of 182,269 registered common shares, with no par value, which resulted in the consequent increase of the Company's capital by R$ 1,726, within the limit of the authorized capital in order to meet the exercise of the options granted to the beneficiaries of the stock option plan.

In the Board of Directors' meeting held on April 30, 2015, it was approved the private issue of 1,216,788 nominative common shares, with no par value, which resulted in the consequent increase of the Company's capital by R$ 11,414, within the limit of the authorized capital, in order to meet the exercise of options granted to the beneficiaries of the stock option plan.

In the Board of Directors' meeting held on August 5, 2015, it was approved the private issue of 38,327 nominative common shares, with no par value, which resulted in the consequent increase of the Company's capital by R$ 421, within the limit of the authorized capital, in order to meet the exercise of options granted to the beneficiaries of the stock option plan.

(b) Changes in shares

At December 31, 2014	315,429,884
Issue of common shares, to meet the exercise of options granted - Minutes of Board of Directors' Meeting April 30, 2015	1,216,788
Issue of common shares, to meet the exercise of options granted - Minutes of Board of Directors' Meeting August 5, 2015	38,327
At September 30, 2015	316,684,999

(c) Treasury shares

At the Board of Directors' Meeting on December 8, 2014, the Board approved the 3rd Program for Repurchase of the Company's shares on the stock exchange, up to 6,308,598 common shares, equivalent to 2.00% of the Company's capital. On February 3, 2015, the program was closed, and the Company repurchased all shares approved in the program.

At the Board of Directors' Meeting on August 6, 2015, the Board approved the 4th Program for Repurchase of the Company's shares on the stock exchange, up to 9,500,550 common shares, equivalent to 3.00% of the Company's capital.

	Number	Average cost	Balance
Treasury shares at September 30, 2015	7,868,778	16,00	125,889

(d) Capital reserves

(d.1) Share premium

The share premium reserve refers to the difference between the subscription price that the stockholders pay for the shares and their par value. Since this is a capital reserve, it can only be used to increase capital, offset losses, redeem, reimburse or purchase shares or pay cumulative dividends on preferred shares.

The amount of the share premium in the quarterly information in the period ended September 30, 2015 and in the exercise ended December 31, 2014 is as follows:

		Parent company
	September 30, 2015	December 31, 2014
Tax reserve	3	3
Undistributed profits (i)	96,477	96,477
Special reserve for goodwill on merger	85	85
Share premium	498,899	498,899
	595,464	595,464

(i) Profits earned prior to the Company's conversion into a profit-oriented company.

The premium on issue of shares is represented as follows:

	September 30, 2015
Subscription of 17,853,127 shares	(23,305)
Amount paid for the 17,853,127 shares	522,204
Share premium	498,899

(d.2) Grant options

The Company recorded the Capital Reserve for Share Options granted in the amount of R$ 14,670 during the quarterly ended September 30, 2015 (R$ 20,378 during the year ended December 31, 2014), as mentioned in Note 20 (b). As required by the applicable technical accounting pronouncement, the fair value of options was determined on the grant date and has been recognized over the vesting period up to the date of these quarterly information.

(d.3) Long-term incentive

The Company recorded a capital reserve for long-term incentives (Note 20 (c)) in the amount of R$ 2,789 during the period ended September 30, 2015 (R$ 2,478 during the year ended December 31, 2014).

(e) Revenue reserves

On December 31, 2014, from the results accumulated by the Company, R$ 303,273 was allocated to the profit retention reserve (2013 - R$ 174,354) to finance the investments expected in the Company's capital budget, prepared by management was approved at the Annual General Meeting of Stockholders that will be held on April 28, 2015.

19 Financial instruments and sensitivity analysis of financial assets and liabilities

The Company's financial assets and liabilities at September 30, 2015 and December 31, 2014, are recorded in the balance sheet at amounts that are consistent with those prevailing in the market. Information about the criteria, assumptions and limitations used in the market value calculations did not change in relation to the information related to the financial statements for the year ended December 31, 2014. Information on the derivative financial instruments held by the Company at September 30, 2015 recorded at fair value with effect on profit (loss) is as follows:

							Market value (000)		
Swap contracts	Principal contracted (USD, 000)	Principal contracted (000)	Estácio receives	Estácio pays	Beginning date	Maturity date	Asset	Liability	Gross result
Banco Itaú S.A	61,218	200,000	USD + 1.95% p.a.	CDI + 0.12% p.a.	Mar 19-15	Mar-14-16	245,165	214,169	30,996

Financial risk factors

All operations of the Group are carried out with prime banks, which minimizes risks. Management records a provision for impairment of receivables at an amount considered sufficient to cover possible losses on the collection of receivables; the risk of incurring losses on billed amounts is duly measured and accounted for. The main market risk factors that affect the Group's business are as follows:

(a) Credit risk

This risk relates to any difficulties experienced in collecting amounts for services rendered.

The Group is also subject to credit risk from its financial investments.

The credit risk relating to the rendering of services is minimized by a strict control of the student base and active management of default levels and dispersion of balances.

With respect to the credit risk associated with financial institutions, the Company and its subsidiaries operate in accordance with the financial investments and derivatives policy approved by the Board of Directors. The balances of cash and cash equivalents, marketable securities and judicial deposits are held at financial institutions with AA to AAA credit rating according to the credit rating agencies Standard & Poor's, Fitch and Moody's.

(b) Interest rate risk

The Group is exposed to fluctuations in the Interbank Deposit Certificate (CDI) rate, which is used to adjust the balance of its short-term investments and debts, as mentioned in Note 19 (e). Additionally, any increase in interest rates could drive up the cost of student loans, including loans under the FIES program, and reduce the demand for the courses.

(c) Foreign exchange rate risk

The Group's income is not subject to changes due to exchange rate volatility, as it does not have significant operations denominated in foreign currency.

Its exposition to foreign rate risk is mainly focused on the borrowing in U.S. dollar, which terminated the period ended September 30, 2015 with positive variation of 28.1% when compared to the previous quarter.

(d) Liquidity risk

Liquidity risk consists of the possibility that the Group may not have sufficient funds to meet its financial commitments due to the different settlement terms of its rights and obligations.

The Group's liquidity and cash flow control is monitored on a daily basis by the Group's financial management department, in order to ensure that cash flows from operations and funding, when necessary, are sufficient to meet its commitment schedule, not generating liquidity risks for the Group. There was no significant change in the financial liabilities of the Group as at September 30, 2015 compared to December 31, 2014.

The table below analyzes the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

				Consolidated
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At September 30, 2015				
Trade payables	46,556			
Borrowings	350,025	309,166	656,657	10,254
Finance lease liabilities	8,345	1,527	569	
Price of acquisition payable	36,226	28,604	36,189	
At December 31, 2014				
Trade payables	49,806			
Borrowings	79,010	78,371	664,846	13,442
Finance lease liabilities	6,054		3,547	
Price of acquisition payable	20,318	3,387	42,129	

(e) Sensitivity analysis

CVM Resolution 550, of October 17, 2008, establishes that publicly-held companies must disclose, in a specific note, qualitative and quantitative information on all their financial instruments, recognized or not as assets or liabilities in their balance sheet.

The Group's financial instruments are represented by cash and cash equivalents and marketable securities, accounts receivable, accounts payable, judicial deposits and borrowings, and are recorded at cost plus interest earned or incurred, which, at September 30, 2015 and December 31, 2014 approximate their fair value.

The main risks to the Group's operations refer to changes in the CDI (Interbank Deposit Certificate) rate and the variation in the U.S. dollar foreign exchange rate.

CVM Instruction 475, of December 17, 2008, requires the presentation of information on financial instruments, in a specific note, as well as disclosure of the sensitivity analysis.

With respect to loans in Brazilian reais, these refer to transactions for which the carrying amount approximates their market value.

Investments at the Interbank Deposit Certificate (CDI) rate are recorded at market value, in accordance with quotations disclosed by the respective financial institutions. Most of the other investments refer to bank deposit certificates and repurchase agreements and, therefore, the carrying amount of these securities does not differ from the market value.

For purposes of verifying the sensitivity of the index in the financial investments to which the Company was exposed on September 30, 2015 (14.13% p.a.), three different scenarios were defined. Based on the CDI rate as officially disclosed by the Central System for Custody and Financial Settlement of Securities (CETIP), this rate was used as the probable scenario for the year. Rate variations of 25% and 50% were then calculated.

For each scenario, a "gross finance income" was calculated, disregarding the effect of taxes on the investment yields. The base date used for the portfolio was September 30, 2015, with projections for one year and verification of the sensitivity of the CDI for each scenario.

Transactions	Risk	Scenario (I)	Scenario (II)	Scenario (III)
				CDI increase scenario
Financial investments R$ 709,616	CDI	14.13% 100,269	17.66% 125,336	21.20% 150,403
Debentures I R$ 210,586	CDI+1.50	15.84% (33,361)	19.43% (40,911)	23.01% (48,462)
Debentures II R$ 319,891	CDI+1.18	15.48% (49,509)	19.05% (60,942)	22.63% (72,376)
Debentures III R$ 187,110	112% CDI	15.95% (29,852)	19.98% (37,386)	24.02% (44,947)
IFC I R$ 37,643	CDI+1.53	15.88% (5,976)	19.46% (7,326)	23.05% (8,676)
IFC II R$ 16,415	CDI+1.69	16.06% (2,636)	19.65% (3,226)	23.24% (3,815)
Line 4131 R$ 214,055	CDI+0.12	14.27% (30,539)	17.80% (38,110)	21.34% (45,680)
Net position		(51,604)	(62,565)	(73,553)

Transactions	Risk	Scenario (I)	Scenario (II)	Scenario (III)
				CDI decrease scenario
Financial investments R$ 709,616	CDI	14.13% 100,269	10.60% 75,202	7.07% 50,134
Debentures I R$ 210,586	CDI+1.50	15.84% (33,361)	12.26% (25,810)	8.67% (18,260)
Debentures II R$ 319,891	CDI+1.18	15.48% (49,509)	11.90% (38,075)	8.33% (26,642)
Debentures III R$ 187,110	112% CDI	15.95% (29,852)	11.94% (22,345)	7.95% (14,867)
IFC I R$ 37,643	CDI+1.53	15.88% (5,976)	12.29% (4,626)	8.70% (3,276)
IFC II R$ 16,415	CDI+1.69	16.06% (2,636)	12.47% (2,046)	8.87% (1,457)
Line 4131 R$ 214,055	CDI+0.12	14.27% (30,539)	10.73% (22,969)	7.19% (15,398)
Net position		(51,604)	(40,669)	(29,766)

The changes in the Company's assets and liabilities linked to the foreign exchange rate are presented below.

The sensitivity analysis related to the foreign exchange risk refers to the position at September 30, 2015 and tries to simulate the hypothetical effect to the Company arising from the stress on the foreign exchange rate.

Three scenarios are defined (I, II and III) which represent, respectively, the probable scenario and the possible deterioration scenarios of 25% and 50% in the risk variable. To carry out the analysis, the Company uses as a probable scenario the foreign exchange rate at the end of 2015 disclosed in the last Focus Report - BACEN, before the closing of the period. This base scenario is stressed under the 25% and 50% deterioration scenarios of the risk variable.

The table below presents the sensitivity analysis involving the net effect that results from these stress scenarios involving the foreign exchange rate. The Company opted to separate the asset and liability swap positions in order to more clearly present the effect of the derivative.

Transactions	**Risk**	**Probable**	**Scenario (II)**	**Scenario (III)**
				U.S dollar appreciation scenario

		scenario (I)		
Swap - Asset position	Foreign exchange rate	3.95%	4.94%	5.93%
245,165		243,752	304,690	365,628
Debt in USD	Foreign exchange rate	3.95%	4.94%	5.93%
245,783		244,366	305,458	366,549
Net position		**(614)**	**(768)**	**(921)**

(f) Capital management

The Company's debt in relation to the share capital at the end of the period is presented by the consolidated data as follows:

	Consolidated	
	September 30, 2015	December 31, 2014
Total liabilities	1,585,359	1,121,326
(-) Cash and cash equivalents	(11,588)	(48,011)
Net debt	1,573,771	1,073,315
Equity	2,736,908	2,392,860
Net debt on equity	0.58	0.45

(g) Fair value of financial instruments

On September 30, 2015 and 2014, the carrying values of the Company's financial instruments approximate their fair value.

The Group's financial instruments were classified as loans and receivables or other financial liabilities, except marketable securities (Note 3), classified as securities held for trading (Level 2).

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily equity investments of IBOVESPA 50 classified as trading or available-for-sale securities.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on Group-specific estimates. If all significant information required to fair value an instrument are adopted by the market, the instrument will be included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(h) Offsetting of financial instruments

There were no significant assets or liabilities subject to offset during the periods ended September 30, 2015 and the year ended December 31, 2014.

20 Management compensation

(a) Compensation

For the periods ended September 30, 2015 and September 30, 2014, total compensation (salaries and profit sharing) paid to the Company's directors, officers and main executives amounted to R$ 14,999 and R$ 12,966, respectively. These amounts are within the limits established at the corresponding General Meetings of Stockholders.

The Company and its subsidiaries do not grant post-employment benefits, employment termination benefits or other long-term benefits to its management and employees (except for the share option plan described in Note 20(b).

(b) Stock option plan

The history and the details of the stock options plans did not change in relation to the information included in the financial statements for the year ended December 31, 2014.

At September 30, 2015, the number of options granted which were exercised totaled 9,305,555 (R$ 69,071), and the total shares granted amounted to 17,356,291 (R$ 192,981).

Total options granted which were exercised in the most recent quarters are as follows:

	Exercised options
December 31, 2013	5,709,056
March 31, 2014	5,709,056
June 30, 2014	7,680,511
September 30, 2014	7,660,975
December 31, 2014	7,660,975
March 31, 2015	7,660,975
June 30, 2015	9,267,228
September 30,2015	9,305,555

As from 2013, the Company started to use for the calculation of the fair value of the options of each grant the Binomial model, but the old grants will not be changed, according to the standards established by Technical Pronouncement CPC 10, which will continue being calculated by the Black and Scholes model.

The assumptions used to determine each grant, based on the Black-Scholes model, are described as follows:

Program	End of grace period	Expiration date	Fair Value	Price of the underlying price	Expected annual volatility	Expected dividends	Risk-free interest risk	Estimated life (years)	Number of options granted	Nunber of lapsed options
Program 1P Jan/09	4/15/2010	4/15/2020	R$ 0,57	R$ 7,90	63,99%	1,72%	6,83%	10	90.915	18.180
Program 1P Jan/09	4/15/2011	4/15/2021	R$ 1,21	R$ 7,90	63,99%	1,72%	6,83%	10	90.909	72.729
Program 1P Jan/09	4/14/2012	4/15/2022	R$ 1,62	R$ 7,90	63,99%	1,72%	6,83%	10	90.909	72.729
Program 1P Jan/09	4/14/2013	4/15/2023	R$ 1,92	R$ 7,90	63,99%	1,72%	6,83%	10	90.909	72.729
Program 1P Jan/09	4/14/2014	4/15/2024	R$ 2,11	R$ 7,90	63,99%	1,72%	6,83%	10	90.909	72.729
Program 1P Jan/09 Cons.	4/15/2010	1/13/2019	R$ 0,57	R$ 7,91	63,99%	1,72%	6,83%	8	1.363.635	0
Program 1P Jan/09 Cons.	4/15/2011	1/13/2019	R$ 1,21	R$ 7,91	63,99%	1,72%	6,83%	7	1.363.635	0
Program 1P Jan/10	4/15/2011	4/15/2021	R$ 2,96	R$ 8,01	63,15%	0,93%	6,23%	10	89.112	10.914
Program 1P Jan/10	4/14/2012	4/14/2022	R$ 3,78	R$ 8,01	63,15%	0,93%	6,23%	10	89.088	38.181
Program 1P Jan/10	4/14/2013	4/14/2023	R$ 4,34	R$ 8,01	63,15%	0,93%	6,23%	10	89.088	38.181
Program 1P Jan/10	4/14/2014	4/14/2024	R$ 4,76	R$ 8,01	63,15%	0,93%	6,23%	10	89.088	52.728
Program 1P Jan/10	4/14/2015	4/14/2025	R$ 5,03	R$ 8,01	63,15%	0,93%	6,23%	10	89.088	52.728
Program 1P Jul/08	4/15/2009	4/15/2019	R$ 2,36	R$ 8,06	57,49%	0,97%	6,85%	10	703.668	509.100
Program 1P Jul/08	4/15/2010	4/15/2020	R$ 3,15	R$ 8,06	57,49%	0,97%	6,85%	10	703.626	538.176
Program 1P Jul/08	4/15/2011	4/15/2021	R$ 3,69	R$ 8,06	57,49%	0,97%	6,85%	10	703.626	552.720
Program 1P Jul/08	4/14/2012	4/14/2022	R$ 4,37	R$ 8,06	57,49%	0,97%	6,85%	10	703.626	552.720
Program 1P Jul/08	4/14/2013	4/14/2023	R$ 3,71	R$ 8,06	57,49%	0,97%	6,85%	10	703.626	552.720
Program 1P Jul/08 Cons.	4/15/2009	07/11/2018	R$ 2,35	R$ 8,06	57,49%	0,97%	6,85%	9	60.000	60.000
Program 1P Jul/08 Cons.	4/15/2010	07/11/2018	R$ 3,14	R$ 8,06	57,49%	0,97%	6,85%	8	60.000	0
Program 1P Mar/10	4/15/2011	4/15/2021	R$ 2,43	R$ 7,88	62,20%	1,01%	6,21%	10	90.909	0
Program 1P Mar/10	4/14/2012	4/14/2022	R$ 3,23	R$ 7,88	62,20%	1,01%	6,21%	10	90.909	0
Program 1P Mar/10	4/14/2013	4/14/2023	R$ 3,77	R$ 7,88	62,20%	1,01%	6,21%	10	90.909	0
Program 1P Mar/10	4/14/2014	4/14/2024	R$ 4,18	R$ 7,88	62,20%	1,01%	6,21%	10	90.909	0
Program 1P Mar/10	4/14/2015	4/14/2025	R$ 4,43	R$ 7,88	62,20%	1,01%	6,21%	10	90.909	0
Program 1P Sep/08	4/15/2009	4/15/2019	R$ 0,47	R$ 7,93	56,00%	1,62%	8,42%	10	663.645	0
Program 1P Sep/08	4/15/2010	2/15/2020	R$ 1,12	R$ 7,93	56,00%	1,62%	8,42%	9	663.633	399.999
Program 1P Sep/08	4/15/2011	4/15/2021	R$ 1,55	R$ 7,93	56,00%	1,62%	8,42%	10	663.633	399.999
Program 1P Sep/08	4/14/2012	4/14/2022	R$ 1,78	R$ 7,93	56,00%	1,62%	8,42%	10	663.633	399.999
Program 1P Sep/08	4/14/2013	4/14/2023	R$ 2,08	R$ 7,93	56,00%	1,62%	8,42%	10	663.633	399.999
Program 1P Sep/09	4/15/2010	4/15/2020	R$ 1,78	R$ 8,02	56,75%	1,13%	5,64%	10	174.582	0
Program 1P Sep/09	4/15/2011	2/15/2021	R$ 2,51	R$ 8,02	56,75%	1,13%	5,64%	9	174.537	32.727
Program 1P Sep/09	4/14/2012	4/14/2022	R$ 3,00	R$ 8,02	56,75%	1,13%	5,64%	10	174.537	32.727
Program 1P Sep/09	4/14/2013	4/14/2023	R$ 3,40	R$ 8,02	56,75%	1,13%	5,64%	10	174.537	32.727
Program 1P Sep/09	4/14/2014	4/14/2024	R$ 3,62	R$ 8,02	56,75%	1,13%	5,64%	10	174.537	101.814
Program 2P Jul/10	4/15/2011	4/15/2021	R$ 1,37	R$ 8,83	58,84%	1,52%	6,25%	10	129.702	39.063
Program 2P Jul/10	4/14/2012	4/14/2022	R$ 2,19	R$ 8,83	58,84%	1,52%	6,25%	10	129.684	39.063
Program 2P Jul/10	4/14/2013	4/14/2023	R$ 2,72	R$ 8,83	58,84%	1,52%	6,25%	10	129.684	48.438
Program 2P Jul/10	4/14/2014	4/14/2024	R$ 3,12	R$ 8,83	58,84%	1,52%	6,25%	10	129.684	48.438
Program 2P Jul/10	4/14/2015	4/14/2025	R$ 3,36	R$ 8,83	58,84%	1,52%	6,25%	10	129.684	60.936
Program 2P May/10	4/15/2011	4/15/2021	R$ 2,52	R$ 9,00	60,71%	1,62%	6,30%	10	140.625	0
Program 2P May/10	4/15/2012	4/15/2015	R$ 2,52	R$ 9,00	60,71%	1,62%	6,30%	3	140.625	140.625
Program 2P May/10	4/14/2013	4/14/2023	R$ 2,52	R$ 9,00	60,71%	1,62%	6,30%	10	140.625	140.625
Program 2P May/10	4/14/2014	4/14/2024	R$ 2,52	R$ 9,00	60,71%	1,62%	6,30%	10	140.625	140.625
Program 2P May/10	4/14/2015	4/14/2025	R$ 2,52	R$ 9,00	60,71%	1,62%	6,30%	10	140.625	140.625
Program 2P Nov/10 Cons.	4/15/2011	11/03/2020	R$ 2,48	R$ 8,56	57,60%	1,52%	5,88%	9	30.000	0
Program 2P Nov/10 Cons.	4/14/2012	11/03/2020	R$ 3,34	R$ 8,56	57,60%	1,52%	5,88%	8	30.000	0
Program 3P Apr/11	4/15/2012	4/15/2022	R$ 1,29	R$ 10,04	54,94%	1,32%	6,20%	10	165.324	12.717
Program 3P Apr/11	4/14/2013	4/14/2023	R$ 2,27	R$ 10,04	54,94%	1,32%	6,20%	10	165.240	38.133
Program 3P Apr/11	4/14/2014	4/14/2024	R$ 2,92	R$ 10,04	54,94%	1,32%	6,20%	10	165.240	61.011
Program 3P Apr/11	4/14/2015	4/14/2025	R$ 3,42	R$ 10,04	54,94%	1,32%	6,20%	10	165.240	61.011
Program 3P Apr/11	4/14/2016	4/14/2026	R$ 3,74	R$ 10,04	54,94%	1,32%	6,20%	10	165.240	61.011
Program 3P Jan/11	4/15/2012	4/15/2022	R$ 1,99	R$ 10,31	56,55%	1,14%	5,79%	10	183.861	10.170
Program 3P Jan/11	4/14/2013	4/14/2023	R$ 3,02	R$ 10,31	56,55%	1,14%	5,79%	10	183.807	35.592
Program 3P Jan/11	4/14/2014	4/14/2024	R$ 3,72	R$ 10,31	56,55%	1,14%	5,79%	10	183.807	51.072
Program 3P Jan/11	4/14/2015	4/14/2025	R$ 4,25	R$ 10,31	56,55%	1,14%	5,79%	10	183.807	51.072
Program 3P Jan/11	4/14/2016	4/14/2026	R$ 4,60	R$ 10,31	56,55%	1,14%	5,79%	10	183.807	51.072
Program 3P Jan/11 Cons.	4/15/2012	01/03/2021	R$ 2,00	R$ 10,31	56,55%	1,14%	5,79%	8	30.000	0
Program 3P Jan/11 Cons.	4/14/2013	01/03/2021	R$ 3,03	R$ 10,31	56,55%	1,14%	5,79%	7	30.000	0
Program 4P Apr/12	4/15/2013	4/15/2023	R$ 1,12	R$ 7,84	51,66%	1,65%	4,29%	10	234.000	27.000
Program 4P Apr/12	4/14/2014	4/14/2024	R$ 1,81	R$ 7,84	51,66%	1,65%	4,29%	10	234.000	42.000
Program 4P Apr/12	4/14/2015	4/14/2025	R$ 2,26	R$ 7,84	51,66%	1,65%	4,29%	10	234.000	42.000
Program 4P Apr/12	4/14/2016	4/14/2026	R$ 2,60	R$ 7,84	51,66%	1,65%	4,29%	10	234.000	48.000
Program 4P Apr/12	4/14/2017	4/14/2027	R$ 2,82	R$ 7,84	51,66%	1,65%	4,29%	10	234.000	48.000
Program 4P Apr/12 Cons.	4/15/2013	04/02/2022	R$ 1,09	R$ 7,84	51,66%	1,65%	4,29%	8	180.000	0
Program 4P Apr/12 Cons.	4/14/2014	04/02/2022	R$ 1,78	R$ 7,84	51,66%	1,65%	4,29%	7	180.000	0
Program 4P Aug/12	4/15/2013	4/15/2023	R$ 2,64	R$ 7,54	50,39%	1,15%	4,29%	10	18.000	0
Program 4P Aug/12	4/14/2014	4/14/2024	R$ 3,37	R$ 7,54	50,39%	1,15%	4,29%	10	18.000	18.000
Program 4P Aug/12	4/14/2015	4/14/2025	R$ 3,88	R$ 7,54	50,39%	1,15%	4,29%	10	18.000	18.000
Program 4P Aug/12	4/14/2016	4/14/2026	R$ 4,29	R$ 7,54	50,39%	1,15%	4,29%	10	18.000	18.000
Program 4P Aug/12	4/14/2017	4/14/2027	R$ 4,55	R$ 7,54	50,39%	1,15%	4,29%	10	18.000	18.000
Program 4P Jan/13	4/15/2014	4/15/2024	R$ 8,23	R$ 7,32	33,47%	0,00%	3,90%	10	160.200	7.200
Program 4P Jan/13	4/15/2015	4/15/2025	R$ 8,35	R$ 7,32	33,47%	0,00%	3,90%	10	160.200	7.200
Program 4P Jan/13	4/15/2016	4/15/2026	R$ 8,48	R$ 7,32	33,47%	0,00%	3,90%	10	160.200	7.200
Program 4P Jan/13	4/15/2017	4/15/2027	R$ 8,62	R$ 7,32	33,47%	0,00%	3,90%	10	160.200	7.200
Program 4P Jan/13	4/15/2018	4/15/2028	R$ 8,75	R$ 7,32	33,47%	0,00%	3,90%	10	160.200	7.200
Program 4P Jul/12	4/15/2013	4/15/2023	R$ 2,23	R$ 7,65	50,78%	1,23%	4,29%	10	48.000	0
Program 4P Jul/12	4/14/2014	4/14/2024	R$ 2,96	R$ 7,65	50,78%	1,23%	4,29%	10	48.000	0
Program 4P Jul/12	4/14/2015	4/14/2025	R$ 3,46	R$ 7,65	50,78%	1,23%	4,29%	10	48.000	9.000
Program 4P Jul/12	4/14/2016	4/14/2026	R$ 3,86	R$ 7,65	50,78%	1,23%	4,29%	10	48.000	9.000
Program 4P Jul/12	4/14/2017	4/14/2027	R$ 4,12	R$ 7,65	50,78%	1,23%	4,29%	10	48.000	9.000
Program 4P Nov/12	4/15/2014	4/15/2024	R$ 6,31	R$ 7,38	49,44%	0,76%	3,50%	10	15.000	0
Program 4P Nov/12	4/15/2015	4/15/2025	R$ 6,88	R$ 7,38	49,44%	0,76%	3,50%	10	15.000	0
Program 4P Nov/12	4/15/2016	4/15/2026	R$ 7,36	R$ 7,38	49,44%	0,76%	3,50%	10	15.000	15.000
Program 4P Nov/12	4/15/2017	4/15/2027	R$ 7,79	R$ 7,38	49,44%	0,76%	3,50%	10	15.000	15.000
Program 4P Nov/12	4/15/2018	4/15/2028	R$ 8,08	R$ 7,38	49,44%	0,76%	3,50%	10	15.000	15.000

(*) Market price on the respective grant dates.

The assumptions used to determine each grant, based on the Binomial model, are described as follows:

Program	End of grace period	Expiration date	Fair Value	Price of the underlying price	Expected annual volatility	Expected dividends	Risk-free interest risk	Estimated life (years)	Number of options granted	Nunber of lapsed options
Program 5P 3	4/15/2014	4/15/2024	R$ 6,37	R$ 15,33	39,85%	0,00%	11,02%	10	144.000	0
Program 5P 3	4/15/2015	4/15/2025	R$ 7,02	R$ 15,33	39,85%	0,00%	11,02%	10	144.000	21.000
Program 5P 3	4/15/2016	4/15/2026	R$ 7,60	R$ 15,33	39,85%	0,00%	11,02%	10	144.000	102.000
Program 5P 3	4/15/2017	4/15/2027	R$ 8,11	R$ 15,33	39,85%	0,00%	11,02%	10	144.000	102.000
Program 5P 3	4/15/2018	4/15/2028	R$ 8,58	R$ 15,33	39,85%	0,00%	11,02%	10	144.000	102.000
Program 6P Aug14	4/15/2015	4/15/2025	R$ 14,48	R$ 16,88	26,68%	0,00%	11,99%	10	60.000	0
Program 6P Aug14	4/15/2016	4/15/2026	R$ 15,10	R$ 16,88	26,68%	0,00%	11,99%	10	60.000	16.000
Program 6P Aug14	4/15/2017	4/15/2027	R$ 15,74	R$ 16,88	26,68%	0,00%	11,99%	10	60.000	16.000
Program 6P Aug14	4/15/2018	4/15/2028	R$ 16,38	R$ 16,88	26,68%	0,00%	11,99%	10	60.000	16.000
Program 6P Aug14	4/15/2019	4/15/2029	R$ 16,98	R$ 16,88	26,68%	0,00%	11,99%	10	60.000	16.000
Program 6P Aug14 Cons.	4/15/2015	08/01/2024	R$ 14,43	R$ 16,88	28,80%	0,00%	11,99%	9	50.000	0
Program 6P Aug14 Cons.	4/15/2016	08/01/2024	R$ 15,02	R$ 16,88	28,80%	0,00%	11,99%	8	50.000	0
Program 6P Jul14	4/15/2015	4/15/2025	R$ 15,13	R$ 16,79	26,43%	0,00%	11,99%	10	608.000	0
Program 6P Jul14	4/15/2016	4/15/2026	R$ 15,76	R$ 16,79	26,43%	0,00%	11,99%	10	608.000	0
Program 6P Jul14	4/15/2017	4/15/2027	R$ 16,41	R$ 16,79	26,43%	0,00%	11,99%	10	608.000	0
Program 6P Jul14	4/15/2018	4/15/2028	R$ 17,05	R$ 16,79	26,43%	0,00%	11,99%	10	608.000	0
Program 6P Jul14	4/15/2019	4/15/2029	R$ 17,65	R$ 16,79	26,43%	0,00%	11,99%	10	608.000	0
Program 6P Jul14 Cons.	4/15/2015	04/07/2024	R$ 15,09	R$ 16,79	28,80%	0,00%	11,99%	9	162.500	0
Program 6P Jul14 Cons.	4/15/2016	04/07/2024	R$ 15,69	R$ 16,79	28,80%	0,00%	11,99%	8	162.500	0
Program 6P Oct13	4/15/2014	4/15/2024	R$ 5,05	R$ 17,48	28,80%	0,00%	11,99%	10	265.000	0
Program 6P Oct13	4/15/2015	4/15/2025	R$ 5,79	R$ 17,48	28,80%	0,00%	11,99%	10	265.000	5.000
Program 6P Oct13	4/15/2016	4/15/2026	R$ 6,40	R$ 17,48	28,80%	0,00%	11,99%	10	265.000	15.000
Program 6P Oct13	4/15/2017	4/15/2027	R$ 6,94	R$ 17,48	28,80%	0,00%	11,99%	10	265.000	15.000
Program 6P Oct13	4/15/2018	4/15/2028	R$ 7,43	R$ 17,48	28,80%	0,00%	11,99%	10	265.000	15.000
Program 7P Oct14	4/15/2015	4/15/2025	R$ 8,58	R$ 25,40	28,80%	0,00%	11,99%	10	177.800	16.000
Program 7P Oct14	4/15/2016	4/15/2026	R$ 9,71	R$ 25,40	28,80%	0,00%	11,99%	10	177.800	16.000
Program 7P Oct14	4/15/2017	4/15/2027	R$ 10,64	R$ 25,40	28,80%	0,00%	11,99%	10	177.800	16.000
Program 7P Oct14	4/15/2018	4/15/2028	R$ 11,47	R$ 25,40	28,80%	0,00%	11,99%	10	177.800	16.000
Program 7P Oct14	4/15/2019	4/15/2029	R$ 12,24	R$ 25,40	28,80%	0,00%	11,99%	10	177.800	16.000

(*) Market price on the respective grant dates.

The Company recognizes on a monthly basis the share options, granted in a capital reserve account with a corresponding entry in the statement of income, of R$ 14,670 for the period ended September 30, 2015 (R$ 20,378 for the year ended December 31, 2014).

The change in the number of share options outstanding and their related weighted average exercise prices is as follows:

Statutory Board

	September 30, 2015		December 31, 2014	
	Average exercise price per share	Options - thousands	Average exercise price per share	Options - thousands
January 1	8.28	501,961	7.00	570,141
Transfer to the Board of Directors				
Granted	12.30	870,171	7.24	514,881
Exercised	9.12	464,272	7.06	583,061
	13.67	907,860	8.28	501,961

Board of Directors

	September 30, 2015		December 31, 2014	
	Average exercise price per share	Options - thousands	Average exercise price per share	Options - thousands
January 1	6.76	30,630	22.07	30,000
Board of Directors' transfer				
Granted	15.67	212,500	5.71	725,454
Exercised	16.66	55,000	6.57	724,824
	17.03	188,130	6.76	30,630

(c) Special Program for Long-term Incentive

The Special Program for Long-term Incentive for Statutory Officers (ILP), approved at the Board of Directors' Meeting on January 28, 2014 and ratified by the Annual/Extraordinary General Meeting of April 30, 2014, was granted in order to improve the corporate governance practices of the Company and strengthen incentives for the retention and long-term stability of the Statutory Directors, within the context of a listed company with spread stock control.

The Program has the Company's statutory officers as the beneficiaries, and was structured in the form of variable remuneration, whose value depends on the value of its shares, which may be settled in cash or shares, the entity ruling the form of settlement. Currently, the Company estimates to settle with shares held in treasury. On February 5, 2015, the Letter CVM/SEP/GEA-2/No. 034/2014, issued by the CVM, approved the Company's request (filed on August 25, 2014) to use the treasury shares in its Long-term compensation program (ILP).

The remuneration under this program will be paid in four annual installments, maturing on April 30, 2015, April 30, 2016, April 30, 2017 and April 30, 2018, calculated by multiplying the specific number of shares (being such a quantity called "Reference Shares") at market value on the last trading day of the BM&F BOVESPA immediately preceding the year in which each payment will occur. The sum of the quantity of the Reference Shares to be granted to all beneficiaries taken together will be 994,080.

It should be noted that the payment of each annual installment of compensation payable under the Program is conditional upon discussion and approval by the Company's stockholders, at the annual general meeting in the related year, as part of the overall remuneration fixed for the Company's management.

Additionally, at the sole discretion of the Board of Directors, one or more installments of compensation provided, may be paid by delivery of shares that the Company has held in treasury, provided it is in strict accordance with the Brazilian Corporation Law and the regulations of the Brazilian Securities Commission.

On April 17, 2015, the payment of the Long-term Incentive Program, of 236,520 shares (R$ 3,784), was carried out.

The provision of the program at September 30, 2015 is R$ 1,483 (R$ 2.478 at December 31, 2014).

21 Earnings per share

The Company sets out below the information on basic and diluted earnings per share.

(a) Basic earnings per share

	2015	2014
Numerator		
Profit for the year	419,576	344,757
Denominator (in thousands of shares)		
Weighted average number of shares outstanding	315,973,794	302,678,839
Basic earnings per share	0.00132	0.00113

(b) Diluted earnings per share

	2015	2014
Numerator		
Profit for the year	419,576	344,757
Denominator (in thousands of shares)		
Weighted average number of shares outstanding	315,973,794	302,678,839
Potential increase in the number of shares relating to the share option plan		3,765,000
Adjusted weighted average number of shares outstanding	315,973,794	306,443,839
Diluted earnings per share	0.00132	0.00112

22 Net revenue from services rendered

	Consolidated	
	2015	2014
Gross operating revenue	3,270,791	2,528,245
Gross revenue deductions	(1,049,540)	(776,157)
Grants - scholarships	(882,254)	(642,563)
Return of monthly tuition and charges	(11,783)	(18,279)
Discounts granted	(12,699)	(3,467)
Taxes	(90,140)	(73,486)
FGEDUC	(52,664)	(38,362)
Net operating revenue	2,221,251	1,752,088

23 Costs of services rendered

	Consolidated	
	2015	2014
Personnel and social charges	(905,850)	(735,714)
Electricity, water, gas and telephone	(33,540)	(21,247)
Rents, condominium fees and IPTU	(161.903)	(129,719)
Mailing and courier expenses	(3,542)	(3,156)
Depreciation and amortization	(60,884)	(48,906)
Teaching material	(34,230)	(34,186)
Outsourced security and cleaning services	(37,505)	(28,081)
Costs of services rendered	(1,237,454)	(1,001,009)

24 Expenses by nature

	Parent company		Consolidated	
	2015	2014	2015	2014
Impairment of trade receivables			(70,035)	(61,000)
Advertising			(117,745)	(86,817)
Sales and marketing			(29.209)	(24,525)
Other			(2,285)	(2,950)
Selling			(219,274)	(175,292)
Personnel and social charges	(2,354)	(1,584)	(106,645)	(117,870)
Outsourced services	(2,875)	(2,655)	(59,420)	(45,871)
Consumption material		(3)	(2,332)	(1,759)
Maintenance and repairs	(53)	(49)	(27,391)	(20,280)
Depreciation and amortization (i)	(15,811)	(1,629)	(55,855)	(19,325)
Educational covenants	(222)	(208)	(5,735)	(5,876)
Travels and accommodation	(134)	(165)	(8,269)	(8,126)
Institutional events (ii)		(107)	(27,263)	(2,512)
Provision for contingencies			(10,541)	(11,114)
Copies and bookbinding			(3,925)	(2,445)
Insurance	(2,449)	(1,567)	(3,547)	(3,404)
Cleaning supplies			(1,902)	(1,645)
Transportation	(9)	(2)	(2,383)	(1,949)
Car rental			(1,790)	(1,858)
Other	(992)	(764)	(13,353)	(14,184)
General and administrative expenses	(24,899)	(8,733)	(330,351)	(258,218)

(i) This balance includes the amortization of funding costs of R$ 683. The increase in this item is basically explained by the allocation of the trade fund arising from the goodwill in the acquisitions occurred in 2014, according to information disclosed in Note 2.3 of the financial statements for the year end ended December 31, 2014.

(ii) The variation presented above is basically derived from the Rio 2016 sposorship.

25 Other operating income

	Parent company		Consolidated	
	2015	2014	2015	2014
Income from agreements	1,349	1,268	2,231	2,182
Income from rentals	(125)		7,129	9,353
Business intermediations			321	469
Web class income			1,276	938
Other operating income (expenses)		(1)	2,352	766
	1,224	1,267	13,309	13,708

26 Finance income and costs

	Parent company		Consolidated	
	2015	2014	2015	2014
Finance income				
Late payment fine and interest			14,843	11,640
Earnings from financial investments	36,741	38,147	59,174	50,089
Monetary variation gains	2,492	11	8,369	20,187
Exchange variation gain	22,483	115	22,491	120
Derivative financial instruments gain - SWAP	56,564		56,564	
Other	35		358	3,658
	118,315	38,273	161,799	85,694
PIS on Financial income	(107)		(209)	
COFINS on Financial income	(657)		(1,285)	
	(764)		(1,494)	
	117,551	38,273	160,305	85,694
Finance costs				
Banking expenses	(517)	(1,333)	(7,765)	(7,724)
Interest and financial charges	(62,082)	(23,599)	(72,077)	(32,641)
Financial discounts (i)			(11,928)	(18,958)
Monetary variation losses			(9,339)	(4,427)
Derivative financial instruments losses - SWAP	(25,568)		(25,568)	
Exchange variation losses	(64,270)	(120)	(64,272)	(127)
Other	(24)	(41)	(1,842)	(1,402)
	(152,461)	(25,093)	(192,791)	(65,279)

(i) This value corresponds to the discounts granted upon renegotiation of overdue monthly tuition.

27 Income tax and social contribution

Reconciliation of income tax and social contribution determined at statutory rates and taxes recognized in the statement of income for the periods ended September 30, 2015 and 2014 is as follows:

	Parent company		Consolidated	
	2015	2014	2015	2014
Profit before income tax and social contribution	414,201	346,382	414,995	351,692
Combined statutory rate of income tax and social contribution - %	34	34	34	34
Income tax and social contribution at the statutory rates	(140,828)	(117,770)	(141,098)	(119,575)
Goodwill from mergers			1,359	1,359
Depreciation (b)		(362)	422	(5,804)
Leasing			(285)	(243)
Equity in the results of subsidiaries	160,747	115,827		
Amortization of goodwill	(5,092)	(42)	(7,981)	(1,050)
Non-deductible expenses (a)	(120)		(1,081)	(1,938)
Options granted LP provision - employees			(5,936)	(4,981)
Tax losses	(14,707)	704	(15,963)	704
Decommissioning expenses			(545)	(82)
Provision for contingencies			176	660
Provision for impairment of receivables			(2,235)	
Monthly tuitions to be canceled and billed			(329)	
Provision for Fies risk			(777)	
Other		18	294	(973)
		(1,625)	(173,979)	(131,923)
Tax benefits				
Tax incentive – PROUNI			146,970	114,189
Tax incentive - Rouanet Law			673	32
Current income tax and social contribution in the results for the period		(1,625)	(26,336)	(17,702)
	0.00	0.47	6.35	5.03

(a) These primarily refer to expenses for sponsorships, donations and gifts.

(b) Nondeductible amount of provision for impairment of trade receivables refers to students with outstanding payments overdue for more than 180 days, and the provision for cancel of monthly pay slips.

	Parent company		Consolidated	
	2015	2014	2015	2014
Current income tax and social contribution		(1,625)	(26,336)	(17,702)
Deferred income tax and social contribution	5,051		22,103	10,765
Income tax and social contribution from prior periods	324		8,814	2
	5,375	(1,625)	4,581	(6,935)

At September 30, 2015, the Company recorded deferred tax assets on temporary differences of (R$ 11,049). The breakdown of the tax effects of temporary differences which originated the deferred tax assets is summarized below:

	Parent company		Consolidated	
	September 30, 2015	December 31, 2014	Septembe r 30, 2015	December 31, 2014
Provision for contingencies			8,964	10,976
PCLD			2,235	
Monthly fees to bill			(682)	
Monthly tuitions to be canceled			5,414	4,398
Provision for decommissioning			3,563	3,526
Goodwill	(18,415)	(27,593)	(28,833)	(39,191)
Provision for risk - Fies			4,980	1,259
Options granted recognized			22,337	8,704
Decommissioning adjustment			1,633	323
Incorporated goodwill			(9,456)	(7,621)
Tax losses			894	2,584
Other assets				(138)
	(18,415)	(27,593)	11,049	(15,180)
Assets			39,905	31,168
Liabilities	(18,415)	(27,593)	(28,856)	(46,348)
	(18,415)	(27,593)	11,049	(15,180)

The realization of the deferred tax effect on temporary differences recorded at September 30, 2015 is linked to the realization of the provision which gave rise to this credit. Consequently, it is not currently possible to present expected annual realization, since the Company's management is not yet able to forecast the timing of the realization of the provision for contingencies and the provision for decommissioning.

At September 30, 2015, the subsidiary IREP accounted for a deferred income tax and social contribution liability amounting to R$ 8,607 due to the tax depreciation of goodwill generated upon acquisition of the companies merged into it.

On September 30, 2015, the Company had tax credits arising from income tax and social contribution losses amounting to R$ 14,182 (R$ 13,188 at December 31, 2014) that are not yet accounted for, because it is not possible to state at this time that their realization is considered probable.

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