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1Q13 Results

2013: Growing without Shortcuts

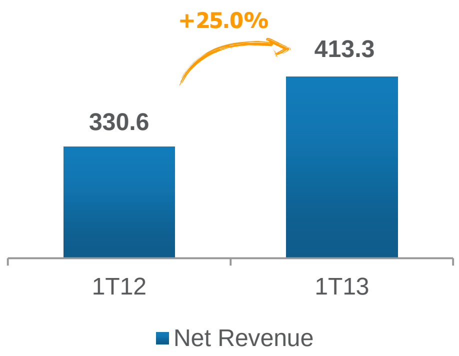
New record high intake cycle: 117,000 new students (+23% YoY)
EBITDA totals R$87 million in 1Q13, 50% up

Rio de Janeiro, May 9, 2013 – **Estácio Participações S.A.** – “Estácio” or “Company” (BM&FBovespa: ESTC3; Bloomberg: ESTC3.BZ; Reuters: ESTC3.SA; OTC: ECPCY) announces its results for the first quarter of 2013 (1Q13) in comparison with the first quarter of 2012 (1Q12). The following accounting information is presented in accordance with International Financial Reporting Standards (“IFRS”) and on a consolidated basis.

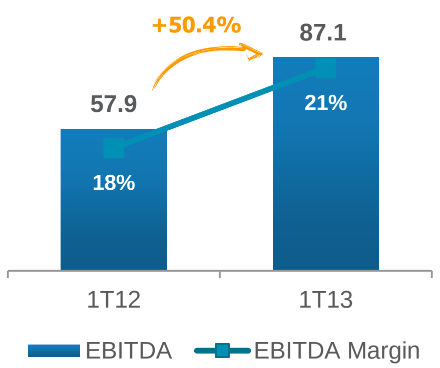
Quarter Highlights

(R$ million)

Net Revenue



EBITDA and EBITDA margin



Highlights:

- Estácio ended 1Q13 with a total base of 334,200 students, 19.9% more than in 1Q12, 270,500 of whom enrolled in on-campus programs (18.4% up on the previous year, including acquisitions) and 63,700 in distance learning programs (26.9% up on 1Q12).
- Net operating revenue came to R$413.3 million in 1Q13, 25.0% more than in the same period in 2012, thanks to the substantial expansion of the student base and the increase in the average ticket.
- EBITDA totaled R$87.1 million in 1Q13, 50.4% up on 1Q12, with a margin gain of 3.6 p.p.
- Net income came to R$66.6 million in 1Q13, 66.9% more than in 2012, while earnings per share stood at R$0.69, an increase of 41% over 1Q12.
- Operating cash flow was a positive R$21.7 million in 1Q13, a R$9.2 million improvement over 1Q12.
- Cash and cash equivalents closed 1Q13 at R$747.5 million.

ESTC3
(On May 8, 2013)

Price: R$49.39/share
Number of shares: 97,899,438
Market cap: R$4.8 billion
Free float: 87%

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ESTC3
NOVO MERCADO
BM&FBOVESPA

Key Indicators in the Quarter

As of 4Q12, in accordance with CVM Rule 527, we have excluded the "Operating financial result" from the EBITDA calculation and included the "Result from discontinued activities".

	Consolidated			Excluding Acquisitions in 2012		
Financial Highlights	**1Q12**	**1Q13**	**Change**	**1Q12**	**1Q13**	**Change**
Net Revenue (R$ million)	**330.6**	**413.3**	**25.0%**	**330.6**	**398.9**	**20.7%**
Gross Profit (R$ milllion)	**131.0**	**170.6**	**30.2%**	**131.0**	**166.6**	**27.2%**
Gross Profit margin	*39.6%*	*41.3%*	*1.7 p.p.*	*39.6%*	*41.8%*	*2.2 p.p.*
EBIT (R$ million)	**46.3**	**69.0**	**49.0%**	**46.3**	**65.6**	**41.7%**
EBIT Margin	*14.0%*	*16.7%*	*2.7 p.p.*	*14.0%*	*16.4%*	*2.4 p.p.*
EBITDA (R$ million)	**57.9**	**87.1**	**50.4%**	**57.9**	**83.1**	**43.5%**
EBITDA Margin	*17.5%*	*21.1%*	*3.6 p.p.*	*17.5%*	*20.8%*	*3.3 p.p.*
Net Income (R$ milllion)	**39.9**	**66.6**	**66.9%**	**39.9**	**63.4**	**58.9%**
Net Income Margin	*12.1%*	*16.1%*	*4.0 p.p.*	*12.1%*	*15.9%*	*3.8 p.p.*

Message from Management

On page 11 of the recently launched "*Sonho Grande"* (Cristiane Correa, Primeira Pessoa, 2012), in the brilliant foreword by Jim Collins, there is a sentence attributed to Lemann, Sicupira and Telles, that perfectly translates Estácio's case. The entrepreneurs state: "Culture is not a support to the strategy. *Culture is the strategy*". The theory is that when a winning culture is deeply rooted in a company, people become its biggest assets, processes are mastered by all, problems are naturally faced, projects are conducted with extreme discipline and there is neither room nor need for hidden agendas. Everyone believes in a common dream and mission, with full alignment. Merit always prevails. Consequently, the institution no longer depends on emblematic leaders, such as charismatic CEOs and/or extravagant projects that seem to add value overnight. On the contrary, the focus is on small, day-to-day activities, as everyone knows that results will come if everyone does their share.

That is how success stories, such as General Electric, Apple, Walmart and, more recently, AB Inbev (of the three entrepreneurs mentioned in *Sonho Grande*) are made. All of them have a strong culture, forged in their own way and at their own time, but all bringing substantial results in the long run, capable of satisfying any shareholder. However, building a winning culture takes a lot of time. Actually, it takes years, requires a lot of effort, patience, extreme discipline and a dose of humility to accept the fact that the development of a winning culture does not allow major leaps without planning ahead. This is the reason why it is necessary to remain focused on the path to be followed, thinking long term and avoiding shortcuts, no matter how difficult the choices may be.

Here at Estácio, we firmly believe that in our segment the drive to make Culture the strategy will lead us to the best results in the long term. That is why we have been patiently forging our own culture for several years now, gradually, but at a fast pace, being careful not to skip stages and always waiting for the right moment to make big decisions.

Our culture is centered on the students, who are the reason for our existence. We work every day to provide our students with the best possible experience inside and outside the classroom. Consequently, we created a revolutionary Academic Model (indeed, a few days ago we began developing our version 2.0 of this model), and invested heavily in technology and innovation. Thinking about our students' experience outside the classroom, a few days ago, we implemented the "Estácio Quality System", a tool inserted in our academic system that allows students to submit requests or make complaints that may even reach the Company's CEO. We also created an area called "Hospitality", to be able to improve even more the culture of our employees when it comes to serving our students. Since our attention is focused on our students, we began to measure their employability and income increase and created a channel to allow our former students (*alumni*) to keep in touch with us during their professional lives. Commited to the placement of our graduates in the labor market, we continue managing the "Espaço Estágio Emprego" (Job and Internships Office) in our units, which created 286,000 internship and employment opportunities for our students in 2012.

Since we are a people's company above all, our employees are also crucial in the development of our model. We have been aware of that since our first year managing the *new Estácio*, so we did not hesitate to create a system of individual goals that currently comprises almost 500 executives. That is why we frequently travel and visit all our campuses - we believe it is necessary to be close to our staff to foster the culture we dream of. We host annual events (we recently gathered 400 executives in our four-day Annual Corporate Event in Rio de Janeiro, whose participants included José Roberto Guimarães and Roger Agnelli), we treat each other on a first-name basis, we care about each other and now we have an Excellence Program designed exclusively for Estácio. We also treat our faculty with respect and attention: we offer them grants to obtain graduate degrees, help them participate in domestic and international events, have a unique variable compensation program that will reward (based on merit, obviously) one out of four faculty members in 2013, and organize our annual Faculty Forum for over 500 professors, which is already a Estácio's trademark. Underlying all this is Ethics, since we believe that if we do not behave ethically at all times, we will not be able to teach this value to our students.

In order to create a unique environment at our company, we do not spare any efforts to communicate with our staff, and we are so focused on training and developing our staff that we are launching our own Corporate University in 2013. As a result, our credibility quickly increases. Two recent events seem to confirm this perception: internally, we issued R$14 million in new shares to cover the investments made by the employees in Estácio's stock option plans in 2013. Externally, our 4th Trainee Program was a huge success, attracting over 20,000 applicants to the 20 positions available in the year, which shows that Estácio is already attracting thousands of talented Brazilian young professionals who believe they can build a long and winning career with us.

Our Culture also requires us to take into consideration and work hard to meet the demands of other stakeholders, since we are aware that society as a whole has very high expectations of Universities. Consequently, we are attentive to the requirements proposed by our regulator, ensuring that our courses meet expectations and truly prepare students for their careers. That is also why we are beginning a major project to promote even more research and innovation at our company – so that professors and students can carry out their scientific projects and we can get closer to Brazilian and international large corporations through applied research. Our management is also aware of what the communities where we operate expect from us, and therefore we now have a team focusing full time on social responsibility, preparing the launch of the first nationwide projects for 2013.

Finally, our management is increasingly valuing and developing the legacy of our founder, João Uchoa, such as innovation, initiative, entrepreneurship, pioneering spirit, accessibility and social inclusion. We are the direct product of the vision of our founder who, similarly to Lemann, Sicupira and Telles, did not waste time with small dreams nor cared about being on the cover of magazines, but instead preferred to focus on building a long-lasting University that fully complied with its mission.

When all these things finally happen, we can say that we have in fact an Organizational Culture, which in turn brings strong and sustainable results, properly rewarding the shareholders who have believed in our management model throughout these years. Our outstanding results in the first quarter of 2013 follow the trend set in 2012, rewarding the silent work performed all these years, and paving the way for further value creation in the coming years.

In 1Q13, our on-campus same shop student base grew by 15%, whereas our distance learning student base climbed by 27%. Consequently, our total same shop student base moved up by 17% from 1Q12, as a result of another record high intake cycle (the sixth in a row with an increase of more than 20%) and renewal rates that improve every year. Our average on-campus and distance learning ticket increased by 5.8% and 11.6%, respectively, reflecting the health of our business model and creating room for a significant increase in net revenue, which came to R$413.3 million in 1Q13, 25% up on 1Q12.

Thanks to our scalable and efficient model, which is increasingly consolidated throughout Estácio, our EBITDA once again posted relevant growth rates, reaching R$87 million (50% up on 1Q12), with a margin of 21.1%, 3.6 p.p. up on 1Q12. Net income stood at R$66.6 million in 1Q13, 67% up on 1Q12, while earnings per share totaled R$0.69, 41% higher than in 1Q12. The operating cash flow was a positive R$21.7 million, R$9 million up on the same period in 2012, reflecting, once more, the improvements made in 2012.

With such solid opening months and considering that the first quarter usually has a decisive impact on our annual result, we believe that 2013 will be a very satisfactory year for our investors, similarly to 2012. With our short-term plan well underway, we will be able to focus even more on operational excellence and medium- and long-term growth plans. In fact, in the first quarter, we have already given some indication of our plans for the future of Estácio. We announced the acquisition of FACITEC, in Brasília, marking our debut in Distrito Federal with a first-tier institution that has an excellent staff. We filed requests to open 19 new campuses (greenfields) nationwide, which should create room for growth with high returns in the coming years. We keep seeking to increase the coverage of our distance learning programs – the process of recognition of our original courses is at an advanced stage, opening doors to the last phase of the coverage increase process. Finally, we have practically concluded the organization of the New Business area, which is already fully operational, and reorganized our expansion team to be able to accelerate our company's growth pace without losing sight of our principles and organizational culture.

In fact, our goal is to further strengthen the values comprising the Estácio Culture, since, at Estácio, *Culture is the Strategy*. Here we dream big, but with responsibility, patience and discipline. Here, as in the large corporations that inspire us to do more and better every day, we do not look for shortcuts, as in fact they seem to lead nowhere.

Student Base

Estácio ended 1Q13 with a base of 334,200 students (19.9% more than in 1Q12), 270,500 of whom enrolled in on-campus programs and 63,700 in distance learning programs. The same-shop student base grew by 16.8% over the same period last year (excluding the acquisitions made in 2012). It is also worth noting the 3,600 students from FACITEC, in Distrito Federal, acquired in April, which will be consolidated in our student base in the coming quarters.

Table 1 – Total Student Base*

'000	1Q12	1Q13	Change
On-Campus	**228.4**	**261.8**	**14.6%**
Undergraduate	219.4	250.4	14.1%
Graduate	9.0	11.4	26.7%
Distance Learning	**50.2**	**63.7**	**26.9%**
Undergraduate	46.3	61.6	33.0%
Graduate	3.9	2.1	-46.2%
Student Base - same shops	**278.6**	**325.5**	**16.8%**
Acquisitions in 2012	-	8.7	N.A.
Total Student Base	**278.6**	**334.2**	**19.9%**
# Campuses	69	76	10.1%
On-Campus Students per Campus	**3,311**	**3,445**	**4.1%**
# Distance Learning Centers	52	52	0.0%
Distance Learning Students per Center	**965**	**1,225**	**26.9%**

(*) Figures not reviewed by the auditors

At the end of 1Q13, Estácio's **on-campus undergraduate base** totaled 259,100 students, 18.1% more than at the end of 1Q12. Same-shop growth, excluding the institutions acquired in 2012, came to 14.1%. On-campus undergraduate renewal rates improved, with a 16.4% drop in the number of students who did not renew their enrollments. In terms of percentage of the renewable base, this improvement came to 3.9 p.p., moving from 81.8% to 85.7%.

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

'000	1Q12	1Q13	Change
Students - Starting balance	**189.9**	**209.9**	**10.5%**
(-) Acquisitions in the year	-	(8.7)	N.A.
(-) Graduates	(14.7)	(14.7)	0.0%
Renewable Base	**175.2**	**186.5**	**6.5%**
(+) Enrollments	76.0	90.5	19.0%
(-) Not Renewed	(31.8)	(26.6)	-16.4%
Students - same shops	**219.4**	**250.4**	**14.1%**
(+) Acquisitions in the year	-	8.7	N.A.
Students - Ending Balance	**219.4**	**259.1**	**18.1%**

Our **distance learning undergraduate student base** grew by 33.0% over 1Q12 to 61,600 students. It is worth noting once again the improvement in our renewal rate (despite the fact we cannot offer FIES for distance learning programs), increasing from 75.7% to 77.6% in 2013.1.

Table 3 – Evolution of Distance Learning Undergraduate Student Base*

'000	1Q12	1Q13	Change
Students - Starting Balance	**37.5**	**46.1**	**22.9%**
(-) Graduates	(0.5)	(0.2)	-60.0%
(+) Enrollments	18.3	26.0	42.1%
(-) Dropouts	(9.0)	(10.3)	14.4%
Students - Ending Balance	**46.3**	**61.6**	**33.0%**

Operating Revenue

Net operating revenue came to R$413.3 million in 1Q13, 25.0% up on 1Q12, due to the 19.9% expansion of the student base and the positive performance of the average ticket.

It is worth noting again that, as of 4Q12, we have changed the provisioning methodology for students contracting loans through the FIES Guarantee Fund (FGEDUC). It should be remembered that institutions adopting the FGEDUC are subject to contributions of a percentage of their financed tuition in order to constitute the Fund. This contribution, currently 5.63%, has been recorded as a deduction from gross revenue (in the FGEDUC line) and no longer under selling expenses in the PDA (provision for doubtful accounts) line, as it was until 3Q12.

Table 4 – Operating Revenue

R$ MM	1Q12	1Q13	Change
Gross Operating Revenue	**481.2**	**613.8**	**27.6%**
Monthly Tuition Fees	476.9	607.4	27.4%
Others	4.3	6.4	48.8%
Gross Revenue Deductions	**(150.6)**	**(200.5)**	**33.1%**
Scholarships and Discounts	(135.8)	(180.6)	33.0%
Taxes	(14.8)	(18.4)	24.3%
FGEDUC	-	(1.6)	N.A.
% Scholarships and Discounts/ Gross Operating Revenue	*28.2%*	*29.4%*	*1.2 p.p.*
Net Operating Revenue	**330.6**	**413.3**	**25.0%**

(*) Figures not reviewed by the auditors

In 1Q13, the **average on-campus ticket** grew by 5.8%, while the **average distance learning ticket** climbed 11.6%, in line with and above inflation, respectively, aligned to our expectation of increasing prices at least in tandem with inflation. These increases show our capacity to adjust prices in a sustainable manner, at a pace similar to the one recorded in 2012, which was only possible due to the students' higher perception of our quality. It is important to notice that, even with the increase in scholarships and discounts (which is normal given the higher enrollment level when compared to the previous cycle), we managed to show meaningful average ticket gains.

Table 5 – Calculation of the Average Ticket in 1Q13 – On-Campus*

'000	1Q12	1Q13	Change
On-Campus Undergraduate Student Base	**219.4**	**259.1**	**18.1%**
(-) Students not enrolled in class	(5.1)	(5.2)	2.5%
(-) Dropouts	(5.5)	(8.2)	49.8%
(=) Revenue Generating On-Campus Undergraduate Student Base	**208.9**	**245.7**	**17.6%**
(+) On-Campus Graduate Student Base	**9.0**	**11.4**	**26.7%**
(=) Revenue Generating On-Campus Student Base	**217.9**	**257.1**	**18.0%**
On-Campus Gross Revenue	**440.6**	**558.8**	**26.8%**
On-Campus Deductions	(137.8)	(180.9)	31.2%
On-Campus Net Revenue (R$ million)	**302.8**	**377.9**	**24.8%**
On-Campus Average Ticket (R$)	**463.2**	**490.0**	**5.8%**

Note: Calculation of the average ticket does not include revenue from the Academia do Concurso.

Table 6 – Calculation of the Average Ticket in 1Q13 – Distance Learning*

'000	1Q12	1Q13	Change
Distance Learning Undergraduate Student Base	**46.3**	**61.6**	**33.0%**
(-) Students not enrolled in class	(0.9)	(2.2)	133.1%
(-) Dropouts	(1.0)	(3.0)	193.0%
(=) Revenue Generating Distance Learning Undergraduate Student Base	**44.3**	**56.4**	**27.2%**
(+) Distance Learning Graduate Student Base	**3.9**	**2.1**	**-46.2%**
(=) Revenue Generating Distance Learning Student Base	**48.2**	**58.5**	**21.3%**
Distance Learning Gross Revenue	**37.5**	**53.4**	**42.4%**
Distance Learning Deductions	(12.4)	(19.4)	56.5%
Distance Learning Net Revenue (R$ million)	**25.1**	**34.0**	**35.5%**
Distance Learning Average Ticket (R$)	**173.5**	**193.7**	**11.6%**

(*) Figures not reviewed by the auditors

Cost of Services

In 1Q13, the **ratio of cash cost to net revenue** recorded an efficiency gain of 2.1 p.p. over 1Q12, as a result of gains in the following lines: (i) 1.6 p.p. in rentals, once again due to our increasing rigor in negotiations over contractual increases and cost dilution with the growth of the student base; and (ii) 0.4 p.p. in third-party services, showing again scale efficiency gains in this account. The personnel line was impacted this quarter by one-time losses related to labor severance and agreements, yet resulting in a 0.1 p.p. gain.

Table 7 – Breakdown of Cost of Services

R$ MM	1Q12	1Q13	Change
Cost of Services	**(191.9)**	**(231.0)**	**20.4%**
Personnel	(143.9)	(179.4)	24.7%
Salaries and Payroll Charges	(117.9)	(147.7)	25.3%
Brazilian Social Security Institute (INSS)	(25.9)	(31.7)	22.4%
Rentals / Real Estate Taxes Expenses	(29.9)	(30.5)	2.0%
Textbooks Materials	(5.5)	(7.0)	27.3%
Third-Party Services and Others	(12.6)	(14.1)	11.9%

Table 8 – Vertical Analysis of Cost of Services

% of Net Operating Revenue	1Q12	1Q13	Change
Cost of Services	**-58.0%**	**-55.9%**	***2.1 p.p.***
Personnel	-43.5%	-43.4%	*0.1 p.p.*
Salaries and Payroll Charges	-35.7%	-35.7%	*0.0 p.p.*
Brazilian Social Security Institute (INSS)	-7.8%	-7.7%	*0.1 p.p.*
Rentals / Real Estate Taxes Expenses	-9.0%	-7.4%	*1.6 p.p.*
Textbooks Materials	-1.7%	-1.7%	*0.0 p.p.*
Third-Party Services and Others	-3.8%	-3.4%	*0.4 p.p.*

Table 9 – Cost Reconciliation

R$ MM	1Q12	1Q13	Change
Cash Cost of Services	**(191.9)**	**(231.0)**	**20.4%**
(+) Depreciation	(7.6)	(11.6)	52.6%
Cost of Services	**(199.6)**	**(242.6)**	**21.5%**

Gross Income

Table 10 – Statement of Gross Income

R$ MM	1Q12	1Q13	Change
Net Operating Revenue	330.6	413.3	25.0%
Cost of Services	(199.6)	(242.6)	21.5%
Gross Profit	**131.0**	**170.6**	**30.2%**
(-) Depreciation	7.6	11.6	52.6%
Cash Gross Profit	**138.6**	**182.2**	**31.5%**
Cash Gross Margin	*41.9%*	*44.1%*	*2.2 p.p.*

Selling, General and Administrative Expenses

Selling expenses represented 10.4% of net revenue in 1Q13, generating a margin increase of 0.9 p.p. over 1Q12, due to the 0.6 p.p. gain in marketing and the 0.6 p.p. improvement in the PDA/net revenue ratio, offsetting the impact of the Provision for FIES line (-0.3 p.p.). In this context, it is important to note the organic improvement of PDA over the previous year, which reflected the drop in delinquency we saw in 2012, even considering the impact of the Provision for FIES (which was included in PDA in 1Q12).

Once again we highlight the “Provision for FIES” line in selling expenses, which constitutes provisions for:

(i) FIES students with a guarantor at 2.25%, as in the rest of the 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% 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.

In 1Q13, **general and administrative expenses** recorded a 0.5 p.p. gain over 1Q12, chiefly due to the gains in: (i) third-party services (+0.6 p.p.), mainly due to sourcing initiatives in this category; and (ii) the provision for contingencies (+0.4 p.p.). It is worth noting the 0.2 p.p. gain in personnel, even with the creation of the new Continuing Education department, which has not yet began its operation (scheduled for the second quarter), and severance pay recorded this quarter. It is also worth mentioning the R$6 million increase in the Others account, basically resulting from the increase in civil convictions due to a stricter collection process (R$2.3 million), maintenance and IT equipment and software (R$1.2 million) and fines from contracts terminations (R$0.3 million).

Table 11 – Selling, General and Administrative Expenses

R$ MM	1Q12	1Q13	Change
Selling, General and Administrative Cash Expenses	**(80.6)**	**(95.1)**	**18.0%**
Selling Expenses	**(37.3)**	**(42.9)**	**15.0%**
Provisions for Doubtful Debts	(14.0)	(14.8)	5.7%
Provision for FIES	-	(1.1)	N.A.
Marketing	(23.3)	(27.1)	16.3%
General and Administrative Expenses	**(43.3)**	**(52.2)**	**20.6%**
Personnel	(20.9)	(25.4)	21.5%
Salaries and Payroll Charges	(18.0)	(22.1)	22.8%
Brazilian Social Security Institute (INSS)	(2.9)	(3.3)	13.8%
Others	(22.4)	(26.8)	19.6%
Third-Party Services	(12.2)	(12.8)	4.9%
Machinery rentals and leasing	(0.6)	(0.5)	-16.7%
Consumable Material	(0.3)	(0.5)	66.7%
Provision for Contingencies	(1.7)	(0.3)	-82.4%
Other Operating Renevue (expenses)	2.4	3.5	45.8%
Others	(10.1)	(16.2)	60.4%
Depreciation	**(4.0)**	**(6.5)**	**62.5%**

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

% of Net Operating Revenue	1Q12	1Q13	Change
Selling, General and Administrative Cash Expenses	**-24.4%**	**-23.0%**	***1.4 p.p.***
Selling Expenses	**-11.3%**	**-10.4%**	***0.9 p.p.***
Provisions for Doubtful Debts	-4.2%	-3.6%	*0.6 p.p.*
Provision for FIES	0.0%	-0.3%	*-0.3 p.p.*
Marketing	-7.1%	-6.5%	*0.6 p.p.*
General and Administrative Expenses	**-13.1%**	**-12.6%**	***0.5 p.p.***
Personnel	-6.3%	-6.1%	*0.2 p.p.*
Salaries and Payroll Charges	-5.4%	-5.3%	*0.1 p.p.*
Brazilian Social Security Institute (INSS)	-0.9%	-0.8%	*0.1 p.p.*
Others	-6.8%	-6.5%	*0.3 p.p.*
Third-Party Services	-3.7%	-3.1%	*0.6 p.p.*
Machinery rentals and leasing	-0.2%	-0.1%	*0.1 p.p.*
Consumable Material	-0.1%	-0.1%	*0.0 p.p.*
Provision for Contingencies	-0.5%	-0.1%	*0.4 p.p.*
Other Operating Renevue (expenses)	0.7%	0.8%	*0.1 p.p.*
Others	-3.1%	-3.9%	*-0.8 p.p.*
Depreciation	**-1.2%**	**-1.6%**	***-0.4 p.p.***

EBITDA

EBITDA totaled R$87.1 million in 1Q13, 50.4% up on 1Q12, with an **EBITDA margin** of 21.1%, up by 3.6 p.p., in accordance with the new concept proposed by CVM Rule 527 (excluding the operating financial result from the EBITDA calculation). This substantial gain followed the same excellent pace seen in 2012, reflecting our increasingly efficient cost and expense management and clearly benefiting from the healthy revenue and student base growth, in line with our business model.

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

R$ MM	1Q12	1Q13	Change
Net Revenue	**330.6**	**413.3**	**25.0%**
(-) Cash Cost of Services	(191.9)	(231.0)	20.4%
(-) Selling, General and Administrative Cash Expenses	(80.6)	(95.1)	18.0%
EBITDA	**57.9**	**87.1**	**50.4%**
EBITDA Margin	*17.5%*	*21.1%*	*3.6 p.p.*

Under the same-shops concept, excluding the acquisitions made in 2012, 1Q13 EBITDA totaled R$83.1 million, 43.5% up year-on-year, with an EBITDA margin of 20.8%, 3.3 p.p. up on 1Q12.

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

R$ MM	1Q12	1Q13 ex-acquisitions	Change
Net Revenue	**330.6**	**398.9**	**20.7%**
(-) Cash Cost of Services	(191.9)	(221.3)	15.3%
(-) Selling, General and Administrative Cash Expenses	(80.6)	(94.5)	17.3%
EBITDA	**57.9**	**83.1**	**43.5%**
EBITDA Margin	*17.5%*	*20.8%*	*3.3 p.p.*

Companies Acquired

The following chart shows the 1Q13 results of the companies acquired in 2012 (SEAMA, iDez, Uniuol, FARGS and Faculdade São Luís). These details will be provided up to 12 months as of the acquisition date to enable follow-up of the Company's performance under the same-shop concept. After this period, the results of the acquired companies will be included in the consolidated results as is already the case with the companies acquired in 2011. It is also worth noting that we acquired FACITEC, in Distrito Federal, in April. This acquisition will be incorporated into our results in the coming quarters.

Table 15 – Key Indicators of Acquired Companies in 1Q13

R$ million	SEAMA	iDez	Uniuol	FARGS	São Luis	Total
Net Revenue	**5.1**	**0.4**	**0.2**	**1.6**	**7.0**	**14.3**
Gross Profit	**1.3**	**-0.1**	**0.0**	**-0.5**	**3.4**	**4.1**
Gross Margin	*25.5%*	*-25.0%*	*0.0%*	*-31.3%*	*48.6%*	*17.8%*
EBITDA	**1.2**	**-0.3**	**0.1**	**-0.7**	**3.5**	**3.8**
EBITDA Margin	*23.5%*	*-75.0%*	*50.0%*	*-43.8%*	*50.0%*	*26.6%*
Net Income	**1.1**	**-0.3**	**0.1**	**-0.7**	**3.0**	**3.2**
Income Margin	*21.6%*	*-75.0%*	*50.0%*	*-43.8%*	*42.9%*	*22.4%*

Financial Result

Table 16 – Breakdown of the Financial Result

R$ MM	1Q12	1Q13	Change
Financial Revenue	**8.6**	**11.3**	**31.4%**
Fines and interest charged	4.0	3.1	-23.3%
Income of financial applications	4.2	8.2	95.5%
Other	0.4	0.1	-86.0%
Financial Expenses	**(12.7)**	**(13.0)**	**2.4%**
Bank charges	(2.3)	(1.7)	-26.1%
Interest and fianancial charges	(7.8)	(6.1)	-21.8%
Financial Discounts	(0.9)	(3.8)	325.8%
Other	(1.6)	(1.4)	-13.1%
Financial Result	**(4.1)**	**(1.7)**	**-58.5%**

The 1Q13 **financial result** was negative by R$1.7 million, improving by R$2.4 million over 1Q12, mainly due to the R$4.0 million increase in income from financial applications, as a result of our higher cash position available for investment. Financial discounts increased once again, contributing to the R$0.3 million worsening of financial expenses. This increase refers to renegotiation campaigns for former students who are willing to renegotiate their debts and re-enroll with us under the conditions we propose.

Net Income

Table 17 – Reconciliation of EBITDA and Net Income

R$ MM	1Q12	1Q13	Change
EBITDA	**57.9**	**87.1**	**50.4%**
Financial Result	(4.1)	(1.7)	-58.5%
Depreciation	(11.6)	(18.0)	55.2%
Social Contribution	(0.6)	(0.3)	-50.0%
Income Tax	(1.7)	(0.4)	-76.5%
Net Income	**39.9**	**66.6**	**66.9%**

Estácio posted 1Q13 **net income** of R$66.6 million, 66.9% more than in 1Q12, due to the 25.0% increase in net revenue and the efficiency gains in the cost and expense lines, which led to EBITDA growth of 50.4%, more than offsetting the higher depreciation.

Earnings per share came to R$0.69 in 1Q13, a 40.8% increase over 1Q12, even with the capital increase after the recent follow-on offer.

FIES

The **FIES student base** grew substantially in 2012 and maintained a rapid expansion pace in 1Q13, reaching 48,900 students at the end of March, an increase of 113% over 1Q12 and 18% over 4Q12, representing 18.9% of our on-campus undergraduate student base, the same level presented in 4Q12. This reinforces Estácio's capacity to post new enrollments and student base growth with the responsible use of FIES, which is showing to be an increasingly decisive tool to retain students and fight delinquency.

In the first quarter intake cycle, we had 10,200 new enrollments using FIES, representing 11.3% of our total intake. Adhesion to FIES continues throughout the semester and in April this number already reached 15,000 students, which represents 16.6% of our total intake.

It is worth remembering that the FIES eligibility of our students has increased considerably, reaching 95% of the total student base, since we received approval to offer FIES for the Business Management and Law programs in Rio de Janeiro in June 2012.

Table 18 – FIES Student Base

('000)	1Q12	2Q12	3Q12	4Q12	1Q13	Change
On-campus undergraduate students	219.4	201.1	218.6	209.9	259.1	18.1%
FIES Student Base	**23.0**	**30.3**	**39.5**	**41.3**	**48.9**	**112.6%**
% of FIES Students	10.5%	15.1%	18.1%	19.7%	18.9%	*8.4 p.p.*

Accounts Receivable and Average Receivable Days

The number of **net days receivables from students** (tuition and agreements), including FIES revenue and receivables, averaged 85 days in 1Q13, 2 days higher than in 1Q12. Excluding FIES revenue and receivables, our average days receivables stood at 84 days, 10 days above 1Q12.

The increase in the average days receivables in 1Q13 is directly related to the process of freshmen contracting FIES and also to organic delinquency growth. In March we had around 6,000 students in the early stages of the FIES contracting process, who did not pay the regular tuitions for the 1Q13, as they were waiting for the FIES contract to be formalized, thus causing a significant increase in our Accounts Receivable.

This situation results from our increased rigor in the FIES contracting process, ensuring that all revenues booked to the FIES adherent student have the proper contractual coverage. In this sense, while the contracting student does not formalize its FIES contract, we bill the student as we would normally do and, at the same time, intensify our efforts to accelerate adhesion and contract formalization. With the conversion of nearly 4,000 students to FIES in April, and the increased collection efforts of active students, we already see significant improvement in our days receivables for 2Q13.

Table 19 – Accounts Receivable and Average Receivable Days

Accounts Receivable (R$ MM)	1Q12	2Q12	3Q12	4Q12	1Q13	1Q13 ex-acquisitions
Gross Accounts Receivable	**358.5**	**350.9**	**351.6**	**362.3**	**428.5**	**413.2**
FIES	55.4	36.5	45.0	55.7	82.2	81.2
Tuition monthly fees	246.6	261.7	251.5	267.7	289.9	278.4
Credit Cards receivable	21.9	20.0	25.3	19.0	27.1	26.6
Renegotiation receivables	33.7	32.8	29.8	19.9	29.3	27.1
Fees receivables	0.8	(0.0)	-	-	-	-
Credits to identify	(6.1)	(5.7)	(5.3)	(6.2)	(3.6)	(3.7)
Provision for bad debts	(73.9)	(77.2)	(81.9)	(76.4)	(77.6)	(73.3)
Net Accounts Receivable	**278.5**	**268.0**	**264.4**	**279.7**	**347.4**	**336.2**
Net Revenue (last twelve months)	**1,203.2**	**1,254.7**	**1,316.1**	**1,383.3**	**1,466.0**	**1,425.0**
Days Receivables	**83**	**77**	**72**	**73**	**85**	**85**
Net Revenue Ex. FIES (last twelve months)	**1,085.4**	**1,096.9**	**1,098.1**	**1,111.3**	**1,133.3**	
Days Receivables Ex. FIES and FIES Revenue	**74**	**76**	**72**	**73**	**84**	

Note: The calculation of ex-acquisitions excludes the results from those acquired from 2012 (SEAMA, iDez, Uniuol, FARGS and São Luís).

Table 20 – Accounts Receivable and Average FIES Receivable Days

FIES Average Days Receivables	1Q12	2Q12	3Q12	4Q12	1Q13
FIES Receivables	55.4	36.5	45.0	55.7	82.2
FIES Carry-Forward Credits	8.1	2.3	10.9	1.1	0.4
FIES Net Revenue (last twelve months)	117.7	157.8	218.0	272.0	332.7
FIES Days Receivables	**194**	**88**	**92**	**75**	**89**

FIES accounts receivable increased by R$26.5 million over 4Q12, due to the increase in the FIES student base and, mainly, the contract amendment process, which is concentrated in the first months of the semester. As we had mentioned in 2012, the concentration of contract amendment processes in the odd quarters tends to increase the average term of FIES accounts receivable, as you can see in the comparison with 4Q12 in the table above. Although there are no delinquency risks on FIES receivables, their increase impacts our working capital. However, it is important to underline that our average FIES days receivables was 105 days shorter than in 1Q12, despite the substantially higher student base, which shows the significant improvement of the contract amendment process. In the next quarter, we shall notice the expected improvement in the cash flow from FIES, as the contract amendment process continues through April and May.

We believe the level of our FIES accounts receivable, around R$82 million, or approximately 2 times the monthly FIES net revenue, is appropriate for the sustainable expansion of the FIES base in our operation.

FIES carry-forward credits fell by R$0.7 million to an even lower level than the one recorded in 4Q12, as a result of repurchase auctions and tax payments that have been occurring normally.

Table 21 – Evolution of FIES Accounts Receivable*

FIES Accounts Receivable (R$ MM)	1Q12	2Q12	3Q12	4Q12	1Q13
Opening Balance	**36.5**	**55.4**	**36.5**	**45.0**	**55.7**
(+) FIES Net Revenue	42.4	60.7	78.7	90.2	103.1
(-) Transfer	21.1	75.6	70.1	81.0	74.7
(-) FIES PDA	2.3	4.1	1.0	1.8	-2.0
(+) Acquisitions	-	-	0.8	-0.3	0.0
Ending Balance	**55.4**	**36.5**	**45.0**	**55.7**	**82.2**

Table 22 – Evolution of FIES Carry-Forward Credits*

FIES Carry-Forward Credits (R$ MM)	1Q12	2Q12	3Q12	4Q12	1Q13
Opening Balance	**13.7**	**8.0**	**2.3**	**10.9**	**1.1**
(+) Transfer	21.1	75.6	70.1	81.0	74.7
(-) Tax payment	22.3	33.0	43.0	48.5	44.7
(-) Repurchase auctions	4.5	50.2	18.5	42.7	30.6
(+) Acquisitions	-	1.9	0.0	0.4	0.0
Ending Balance	**8.0**	**2.3**	**10.9**	**1.1**	**0.4**

Table 23 – Aging of Gross Total Accounts Receivable

Breakdown of Accounts Receivable by Age (R$ million)	1Q12	%	1Q13	%
FIES	55.4	15%	82.2	19%
Not yet due	101.4	28%	91.6	21%
Overdue up to 30 days	52.9	15%	88.8	21%
Overdue from 31 to 60 days	20.8	6%	26.6	6%
Overdue from 61 to 90 days	6.9	2%	13.7	3%
Overdue from 91 to 179 days	47.2	13%	48.0	11%
Overdue more than 180 days	73.9	21%	77.6	18%
TOTAL	**358.5**	**100%**	**428.5**	**100%**

Table 24 – Aging of Agreements Receivable[1]

Breakdown of Agreements by Age (R$ million)	1Q12	%	1Q13	%
Not yet due	19.5	58%	18.4	63%
Overdue up to 30 days	2.5	7%	2.8	10%
Overdue from 31 to 60 days	1.2	4%	1.0	3%
Overdue from 61 to 90 days	1.3	4%	0.6	2%
Overdue from 91 to 179 days	4.1	12%	2.1	7%
Overdue more than 180 days	5.1	15%	4.5	15%
TOTAL	**33.7**	**100%**	**29.3**	**100%**
% over Accounts Receivable	**9%**		**7%**	

[1]Does not include credit card agreements.

Our receivables portfolio remains healthy in 2013. Thanks to the continuation of our rigorous debt renegotiation policies, in 1Q13 only 7% of total receivables came from renegotiations with students, 2 p.p. lower than in 1Q12, maintaining the trend of a renegotiation portfolio under control. The percentage of receivables from renegotiations overdue by more than 60 days accounted for 24% of total agreements, or just 1.7% of total accounts receivable.

Our criteria remain rigid, clear and objective, evidenced by the fact that we provision 100% of receivables overdue by more than 180 days, complemented by the FIES provisions. Tables 25 and 26 show how our PDA is constituted, and reconciles the balance sheet amounts with those in the income statement.

(*) Figures not reviewed by the auditors

Table 25 – Constitution of Provision for Doubtful Accounts in the Income Statement

R$ MM	12/31/2012	Gross increase in the provision for deliquency	Deliquency recover	Net provision effect	Write off	3/31/2013
Tuitions and fees	59.7	29.8	(14.5)	15.3	(13.1)	61.9
Acquired Companies	16.7	3.7	(1.0)	2.7	(3.7)	15.7
TOTAL	**76.4**	**33.5**	**(15.5)**	**18.0**	**(16.8)**	**77.6**

Table 26 – Reconciliation of the Provision for Doubtful Account Balances in the Balance Sheet

	3/31/2013
Additional Provision	18.0
Write off of charges and unidentified deposits	0.4
Others	(0.6)
Total	**17.8**

Investments (CAPEX and Acquisitions)

Table 27 – CAPEX Breakdown

R$ million	1Q12	1Q13	Change
Total CAPEX	**24.8**	**13.8**	**-44.3%**
Maintenance	**8.4**	**8.3**	**-1.2%**
Discretionary, Expansion and Acquisitions	**16.4**	**5.5**	**-66.4%**
Academic Model	4.0	1.9	-52.7%
New IT Architecture	4.5	1.5	-67.0%
Tablet Project	3.6	2.1	-41.7%
Expansion	4.2	-	-100.0%
Acquisitions	-	-	N.A.

Total CAPEX fell by 44.3% over 1Q12 to R$13.8 million, impacted by the reduction in the CAPEX level for discretionary projects.

Maintenance CAPEX totaled R$8.3 million in 1Q13, at the same level recorded in 1Q12, mostly allocated to upgrading software and hardware, as well as the modernization of equipment, libraries and laboratories in our units. In 1Q13, we also invested around R$1.9 million in the **Academic Model** (creation of content and distance learning development and production), R$2.1 million in the Tablet Project and R$1.5 million in the acquisition of hardware and licenses for our IT architecture revision project, which will replace our legacy academic systems and prepare our hardware for the Company's growth.

Capitalization and Cash

Table 28 – Capitalization and Cash

R$ MM	3/31/2012	12/31/2012	3/31/2013
Shareholders' Equity	**659.6**	**707.0**	**1,371.3**
Cash & Cash Equivalents	**182.7**	**140.5**	**747.5**
Total Gross Debt	**(273.9)**	**(312.5)**	**(309.8)**
Loans and Financing	(265.3)	(279.7)	(278.8)
Short Term	(15.5)	(13.9)	(14.0)
Long Term	(249.8)	(265.9)	(264.8)
Commitments to Pay	(4.1)	(24.2)	(22.8)
Taxes Paid in Installments	(4.5)	(8.6)	(8.1)
Cash / Net Debt	**(91.2)**	**(172.0)**	**437.7**

Cash and cash equivalents closed 1Q13 at R$747.5 million, a R$607.0 million increase, mainly due to the Public Share Offering in January. These funds are 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$278.8 million corresponded to the Company's first local debenture issue totaling R$200 million, the loan from the IFC (first loan of R$48.5 million and first withdrawal of the second line of funding, totaling R$20 million) and the capitalization of equipment leasing expenses in compliance with Federal Law 11638. We have also included the commitments for future payments related to acquisitions made, totaling around R$22.8 million, as well as taxes payable in installments, to determine our **gross debt**, which totaled R$309.8 million at the end of the quarter. Thus, Estácio's **net cash** closed 1Q13 at R$437.7 million.

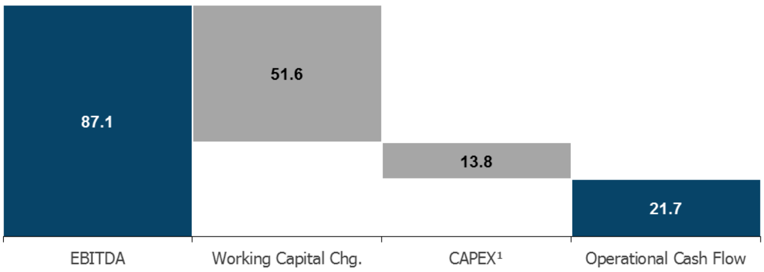
Cash Flow

In 1Q13, the R$51.6 million working capital negative variation is mainly explained by the R$67.7 million increase in Accounts Receivable. It is important to notice that the accounts receivable were chiefly impacted by thR$26.5 million increase in FIES receivables, which do not have credit risk and were impacted by the seasonal effect of contract amendments in 1Q13. With the normal progress of the contract amendment process, we can see positive trends for cash flow generation in 2Q13.

The working capital variation, together with the R$13.8 million CAPEX, consumed only a portion of our R$87.1 million EBITDA, generating **positive operational cash flow** of R$21.7 million.

Operational cash flow before CAPEX came to R$35.5 million in 1Q13.

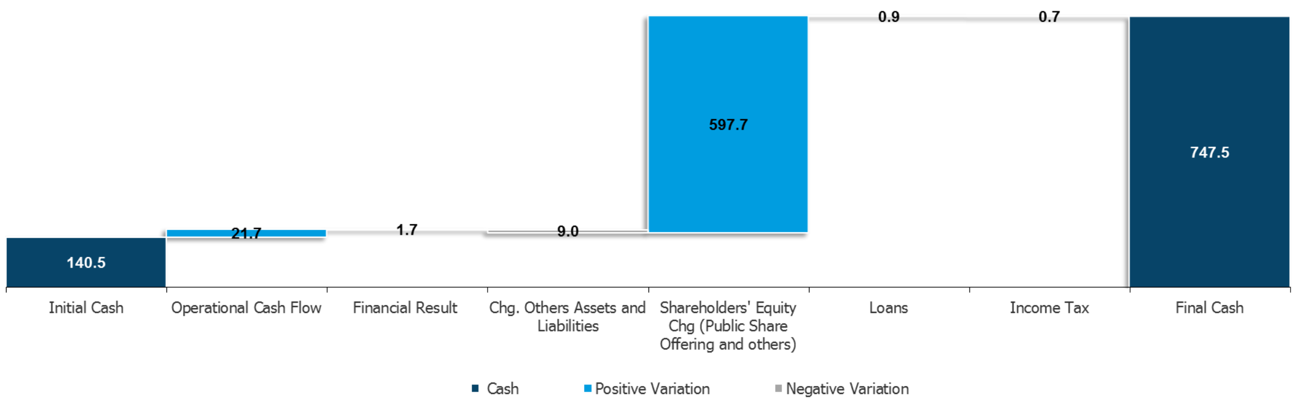
Graph 1 - Operational Cash Flow (R$ million) - Quarter



[1]CAPEX excluding Acquisitions.

In 1Q13, the R$21.7 million positive operational cash flow and the proceeds from the follow-on held in January were the main reasons for the increase in Estácio's cash position, which closed 1Q13 at R$747.5 million.

Graph 2 – Cash Flow (R$ million) – Quarter



The table below shows the operational cash flow in details, to better present the change in working capital.

Table 29 – Quarterly Cash Flow 1Q12 x 1Q13

In million	1Q12	1Q13
Initial Cash Position	**169.4**	**140.5**
EBITDA	57.9	87.1
Working Capital Change	(20.6)	(51.7)
Increase (Decrease) in Accounts receivable	(34.4)	(67.7)
Increase (Decrease) in Carry-Forward credits	5.7	0.6
Increase (Decrease) in Advance to employees / third-parties	2.7	1.8
Increase (Decrease) in Prepaid expenses	(8.8)	(6.2)
Increase (Decrease) in Taxes and contributions	(4.1)	1.0
Increase (Decrease) in Suppliers	-	(6.3)
Increase (Decrease) in Salaries and payroll charges	21.2	28.2
Increase (Decrease) in Taxes payable	(0.9)	3.0
Increase (Decrease) in Prepaid monthly tuition fees	(3.6)	(4.1)
Increase (Decrease) in Advances under partnership agreement	2.9	-
Increase (Decrease) in Commitments payable	(1.2)	(1.8)
CAPEX	(24.8)	(13.8)
Permanent Assets Change	(13.1)	4.3
Depreciation and amortization	(11.6)	(18.0)
Operational Cash Flow	**12.5**	**21.7**
Financial Result	(4.1)	(1.7)
Share Buyback Program	(0.2)	-
Other Assets and Liabilities	(4.5)	(9.0)
Shareholders' Equity Change	0.9	597.7
Loans	10.9	(0.9)
Income Tax	(2.3)	(0.7)
Final Cash Position	**182.7**	**747.5**

Key Material Facts

Acquisition of FACITEC

On April 5, Estácio acquired Faculdade de Ciências Sociais e Tecnológicas (FACITEC), in Distrito Federal, for R$29 million. If FACITEC becomes a University Center by December 31, 2014, Estácio will pay an additional R$7 million. Located in the city of Taguatinga, the institution was founded in 2001 and has nearly 3,600 students and 120 professors in 13 undergraduate and 24 graduate courses, in addition to extension and short-duration courses. In 2012, FACITEC was evaluated by the Ministry of Education and received a grade of 4 (on a scale of 1 to 5).

"Distrito Federal is a strategic market for Estácio, both in terms of on-campus and distance learning. We provide quality education to 6,300 students in Goiás and 2,300 students in Mato Grosso do Sul. Distrito Federal will be responsible for making Estácio's operation in the Midwest Region even more robust," says Rogério Melzi, Estácio's CEO.

Opening of three new units – Fortaleza, Angra dos Reis and Teresópolis

We began 2013 by opening our third campus in Fortaleza, in the district of Parangaba, with a total capacity for 9,000 students in the three shifts. In January and February alone, our new unit attracted 910 students for the programs beginning in the first semester.

In May, Estácio announced the opening of two new units in the state of Rio de Janeiro, in the cities of Angra dos Reis and Teresópolis. The campuses will offer 8 courses, and the enrollment process for the second semester has already begun.

Estácio on IBrX-100

Estácio (ESTC3) is now included in IBrX-100 theoretical portfolio, one of the most important indexes in the BM&FBovespa, according to the portfolio recently disclosed, to be valid between May and August, 2013.

The Brazil Index – IBrX is an index which measures the return on a theoretical portfolio composed by 100 stocks selected among BM&FBOVESPA's most actively traded securities, in terms of number of trades and financial value. The component stocks are weighted according to the outstanding shares' market value.

2012 Annual Report

Prepared based on sustainability principles, Estácio disclosed its 2012 Annual Report at the end of April, highlighting the Company's results in the social, environmental and economic areas. The publication is intended to report our work and accomplishments in 2012 to our stakeholders: shareholders, employees, suppliers and society in general. For more information on this document (available on Portuguese only), access: www.estacioparticipacoes.com.br.

First data on Employability

In 2012, Estácio conducted a study with a sample of its students and verified that their earnings grows by 47% throughout the undergraduate course. According to the study, while the average income for freshmen is R$1,452, it rises to R$2,134 at the end of the course. Another finding of the study is that six months after graduation, the average income of our students is R$2,423, suggesting a 67% improvement over the average income for freshmen students. Besides the income increase, an undergraduate course allowed students to move from less specific job fields, such as service areas, to work in more specific ones which are more related to their courses, for example: finance, law, and marketing. Also, among the students who were unemployed at the beginning of their courses, 40% were working at the moment of graduation. The study also showed students do not stop studying after graduation: 30% continue their studies and, in general, they look for preparatory courses (28%) and graduate programs (27%).

Annual Corporate Event

With the participation of over 400 executives from all over Brazil, the 2013 Corporate Event – Accelerating Growth, held on April 2 and 3 at the Windsor Barra Hotel, in Rio de Janeiro, was marked by motivation, engagement, commitment and awards.

The event had lecturers from all the Company's Executive Officers and guests, such as Roger Agnelli, former CEO of Vale, and José Roberto Guimarães, coach of Brazil women's national volleyball team. Another highlight of the event was the awards given to the units with the best performance at Estácio's Management Excellence Program in 2012.

Sustainability & Branding

This May, Estácio kicked off the Sustainability and Branding Project. A series of best practices in management are being mapped in modern organization and will be widely used in the Company with growing dissemination among employees. Also, the most important value attributes of the Company will be identified and an action plan will be put into work, so that they begin to be perceived and admired by all strategic stakeholders. The main goal is to increase brand value and strenghten Estácio's reputation.

Estácio prepares volunteers for the World Youth Journey

Estácio, the official university of the World Youth Journey, is playing its role, by training the 70,000 volunteers to be friendly and hospitable, so that the event's participants have an unforgetable experience, demonstrating our concern with the communities we serve. Rio will be more than ready to welcome the World Youth Journey.

Results Conference Call

Conference Call (in Portuguese)	Conference Call (in English)
Date: May 10, 2013 (Friday)	Date: May 10, 2013 (Friday)
Time: 10 a.m. (Brasília) / 9 a.m. (US ET)	Time: 11:30 a.m. (Brasília) / 10:30 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 May 17	Replay: available until May 21
Access Dial-in Brazil: +55 (11) 3127-4999	Access Dial-in NY: +1 (412) 317-0088
Access Code: 45684122	Access Code: 10027470

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

Income Statement in IFRS

R$ MM	Consolidated 1Q12	Consolidated 1Q13	Consolidated Change	Excluding Acquisitions in 2012 1Q12	Excluding Acquisitions in 2012 1Q13	Excluding Acquisitions in 2012 Change
Gross Operating Revenue	**481.2**	**613.8**	**27.6%**	**481.2**	**595.5**	**23.8%**
Monthly Tuition Fees	476.9	607.4	27.4%	476.9	589.2	23.5%
Others	4.3	6.4	48.8%	4.3	6.3	46.5%
Gross Revenue Deductions	**(150.6)**	**(200.5)**	**33.1%**	**(150.6)**	**(196.6)**	**30.5%**
Scholarships and Discounts	(135.8)	(180.6)	33.0%	(135.8)	(177.5)	30.7%
Taxes	(14.8)	(18.4)	24.3%	(14.8)	(17.6)	18.9%
FGEDUC	-	(1.6)	N.A.	-	(1.6)	N.A.
Net Operating Revenue	**330.6**	**413.3**	**25.0%**	**330.6**	**398.9**	**20.7%**
Cost of Services	**(199.6)**	**(242.6)**	**21.5%**	**(199.6)**	**(232.3)**	**16.4%**
Personnel	(143.9)	(179.4)	24.7%	(143.9)	(171.4)	19.1%
Rentals / Real Estate Taxes Expenses	(29.9)	(30.5)	2.0%	(29.9)	(29.3)	-2.0%
Textbooks Materials	(5.5)	(7.0)	27.3%	(5.5)	(7.0)	27.3%
Third-Party Services and Others	(12.6)	(14.1)	11.9%	(12.6)	(13.5)	7.5%
Depreciation	(7.6)	(11.6)	52.6%	(7.6)	(11.0)	44.7%
Gross Profit	**131.0**	**170.6**	**30.2%**	**131.0**	**166.6**	**27.2%**
Gross Margin	***39.6%***	***41.3%***	***1.7 p.p.***	***39.6%***	***41.8%***	***2.2 p.p.***
Selling, General and Administrative Expenses	**(84.7)**	**(101.6)**	**20.0%**	**(84.7)**	**(101.0)**	**19.2%**
Selling Expenses	**(37.3)**	**(42.9)**	**15.0%**	**(37.3)**	**(42.5)**	**13.9%**
Provisions for Doubtful Debts	(14.0)	(14.8)	5.7%	(14.0)	(14.4)	2.9%
Provisions for FIES	-	(1.1)	N.A.	-	(1.1)	N.A.
Marketing	(23.3)	(27.1)	16.3%	(23.3)	(27.0)	15.9%
General and Administrative Expenses	**(43.3)**	**(52.2)**	**20.6%**	**(43.3)**	**(52.0)**	**20.1%**
Personnel	(20.9)	(25.4)	21.5%	(20.9)	(25.5)	21.8%
Others	(22.4)	(26.8)	19.6%	(22.4)	(26.6)	18.8%
Depreciation	**(4.0)**	**(6.5)**	**62.5%**	**(4.0)**	**(6.5)**	**62.5%**
EBIT	**46.3**	**69.0**	**49.0%**	**46.3**	**65.6**	**41.7%**
EBIT Margin	***14.0%***	***16.7%***	***2.7 p.p.***	***14.0%***	***16.4%***	***2.4 p.p.***
(+) Depreciation	11.6	18.0	55.2%	11.6	17.5	50.9%
EBITDA	**57.9**	**87.1**	**50.4%**	**57.9**	**83.1**	**43.5%**
EBITDA Margin	***17.5%***	***21.1%***	***3.6 p.p.***	***17.5%***	***20.8%***	***3.3 p.p.***
Financial Result	(4.1)	(1.7)	-58.5%	(4.1)	(1.7)	-58.5%
Depreciation and Amortization	(11.6)	(18.0)	55.2%	(11.6)	(17.5)	50.9%
Social Contribution	(0.6)	(0.3)	-50.0%	(0.6)	(0.2)	-66.7%
Income Tax	(1.7)	(0.4)	-76.5%	(1.7)	(0.3)	-82.4%
Net Income	**39.9**	**66.6**	**66.9%**	**39.9**	**63.4**	**58.9%**
Net Income Margin	***12.1%***	***16.1%***	***4.0 p.p.***	***12.1%***	***15.9%***	***3.8 p.p.***

Balance Sheet in IFRS

R$ MM	12/31/2011	03/31/2012	12/31/2012	03/31/2013
Short-Term Assets	**492.2**	**545.1**	**511.2**	**1,191.3**
Cash & Cash Equivalents	21.9	6.7	18.1	18.4
Short-Term Investments	147.6	176.0	122.3	729.1
Accounts Receivable	244.1	278.5	279.7	347.4
Carry-Forwards Credits	16.7	11.0	5.4	4.9
Advance to Employees / Third-Parties	17.5	14.8	26.0	24.1
Related Parties	0.3	0.3	0.3	0.3
Prepaid Expenses	10.3	19.1	30.9	37.2
Taxes and contributions	12.8	16.9	10.6	9.6
Others	21.2	21.9	17.9	20.4
Long-Term Assets	**576.5**	**591.9**	**728.6**	**730.4**
Non-Current Assets	**84.6**	**86.8**	**125.8**	**131.8**
Prepaid Expenses	0.7	0.7	1.3	2.5
Judicial Deposits	63.6	69.9	83.2	85.3
Taxes and contributions	-	-	20.9	22.7
Deferred Taxes and others	20.4	16.2	20.4	21.3
Permanent Assets	**491.9**	**505.0**	**602.8**	**598.5**
Investments	0.2	0.2	0.2	0.2
Fixed Assets	263.8	269.2	294.7	289.2
Intangible	227.9	235.6	307.9	309.1
Total Assets	**1068.7**	**1,137.0**	**1,239.8**	**1,921.6**
Short-Term Liabilities	**134.7**	**159.7**	**193.3**	**211.5**
Loans and Financing	6.5	15.5	13.9	14.0
Suppliers	18.2	18.2	35.4	29.1
Salaries and Payroll Charges	57.5	78.7	65.7	93.9
Taxes Payable	15.6	14.8	22.2	25.2
Prepaid Monthly Tuition Fees	9.0	5.3	8.9	4.7
Advances under Partnership Agreement	-	2.9	2.9	2.9
Taxes Paid in Installments	0.2	0.2	2.2	2.0
Dividends Payable	16.7	16.7	26.1	26.1
Commitments Payable	5.4	4.1	13.0	11.2
Others	5.6	3.3	3.1	2.4
Long-Term Liabilities	**315.1**	**317.7**	**339.5**	**338.8**
Loans and Financing	247.8	249.8	265.9	264.8
Provisions for Contingencies	32.4	33.3	23.2	23.8
Advances under Partnership Agreement	14.9	14.2	12.0	11.3
Taxes Paid in Installments	4.4	4.3	6.4	6.1
Provision for asset retirement obligations	13.7	13.9	14.0	14.2
Deferred Taxes	1.8	2.3	1.6	0.8
Commitments Payable	-	-	11.2	11.6
Others	-	-	5.1	6.2
Shareholders' Equity	**618.9**	**659.6**	**707.0**	**1,371.3**
Capital	364.4	364.4	369.3	986.2
Share Issuance Expenses	(2.8)	(2.8)	(2.8)	(23.4)
Capital Reserves	109.8	110.7	114.3	115.7
Earnings Reserves	153.9	153.9	237.6	237.6
Retained Earnings	-	39.9	-	66.6
Treasury Stocks	(6.3)	(6.5)	(11.3)	(11.3)
Total Liabilities and Shareholders' Equity	**1068.7**	**1,137.0**	**1,239.8**	**1,921.6**

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 the academic programs
- Widely recognized "Estácio'' brand

High Quality Learning Experience

- Nationally integrated syllabi
- Unique teaching methodology
- Full convergence between 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 through acquisitions

Financial Solidity

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

Estácio closed 1Q13 with 334,200 undergraduate, graduate and distance learning students enrolled in its nationwide educational network, which now operates in 20 states following last year's acquisitions, as shown in the map below: