



Estácio
45 anos

Acquisition of Faculdade Nossa Cidade – FNC

Rio de Janeiro, July 7, 2015

Carapicuíba Market

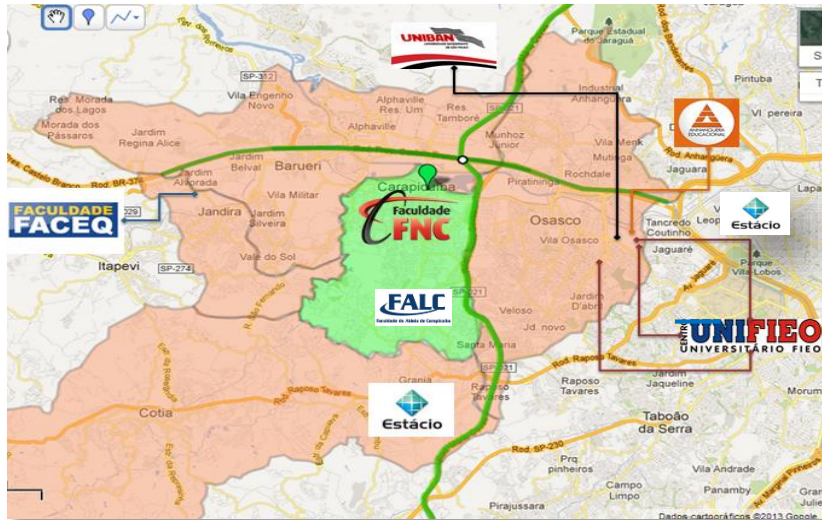
Location Status



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Area of Influence

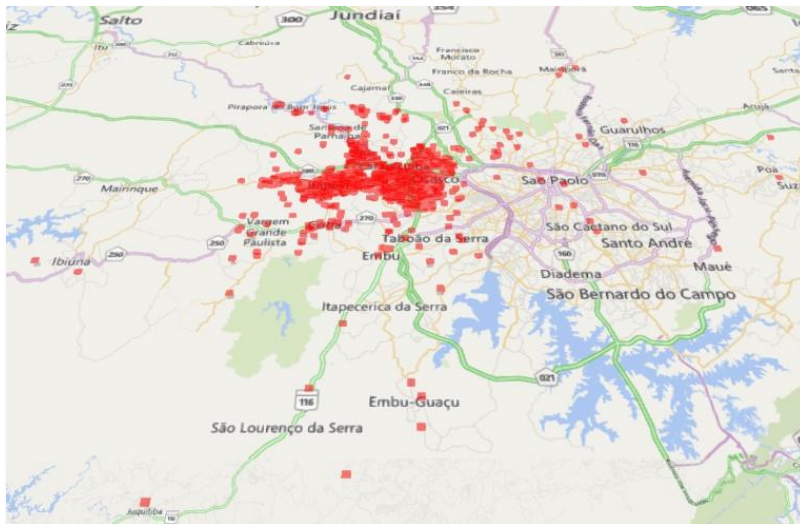


Area of influence

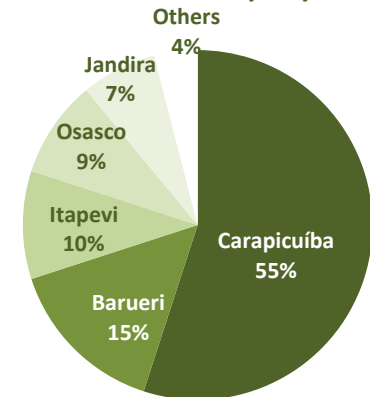
Area of Influence	Population ('000)
Osasco	693.3
Carapicuíba	390.1
Barueri	259.6
Itapevi	215.0
Sanntana de Parnaíba	120.8
Jandira	114.4
Cajamar	69.6
Pirapora do Bom Jesus	17.0
Total	1,879.8

Distances: Between 12km and 16km away from main competitors and also Estácio's units

Student Distribution



FNC's Students by City



■ Carapicuíba ■ Barueri ■ Itapevi ■ Osasco ■ Jandira ■ Outros

Carapicuíba Market

Entrants and Enrollments

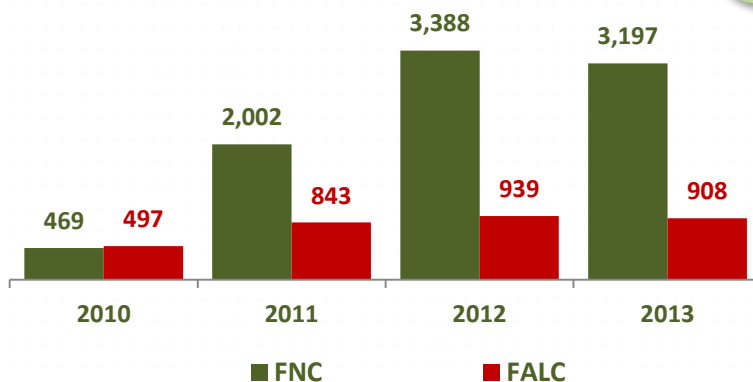


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Carapicuíba

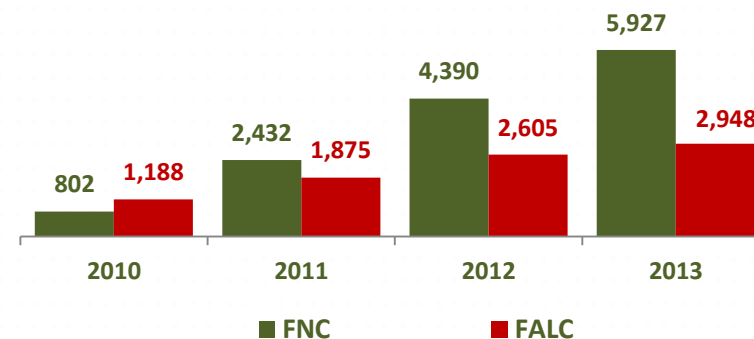
Entrants - Carapicuíba

1º



Enrollments - Carapicuíba

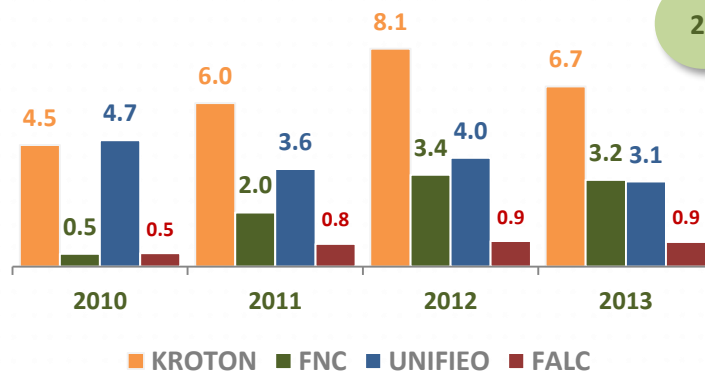
1º



Area of Influence

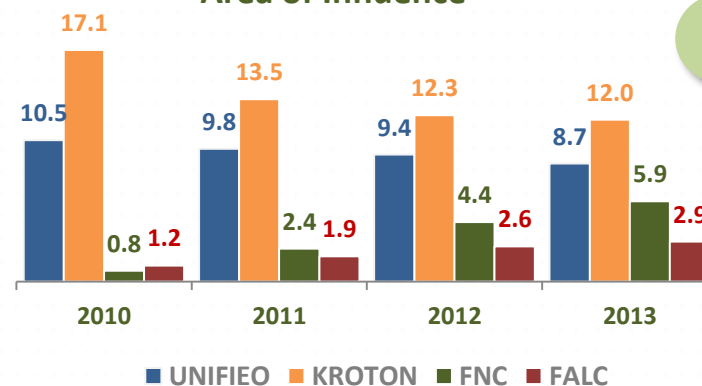
Top 4 in Number of Entrants in the Area of Influence

2º



Top 4 in Number of Enrollments in the Area of Influence

3º



Note: Information for Kroton refer to: i) Faculdade Anhanguera de Osasco – FIZO and ii) Universidade Anhanguera de São Paulo

Source: INEP

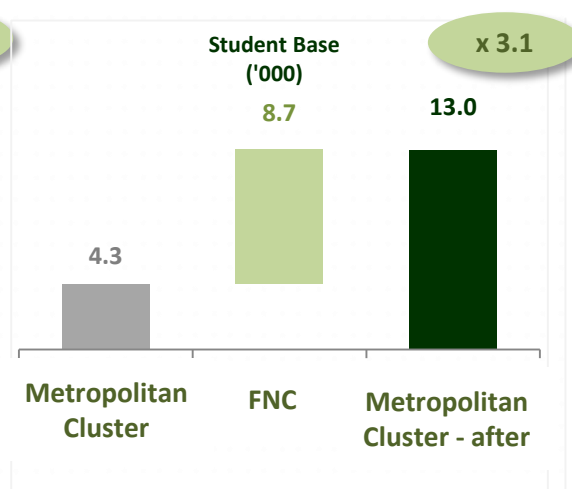
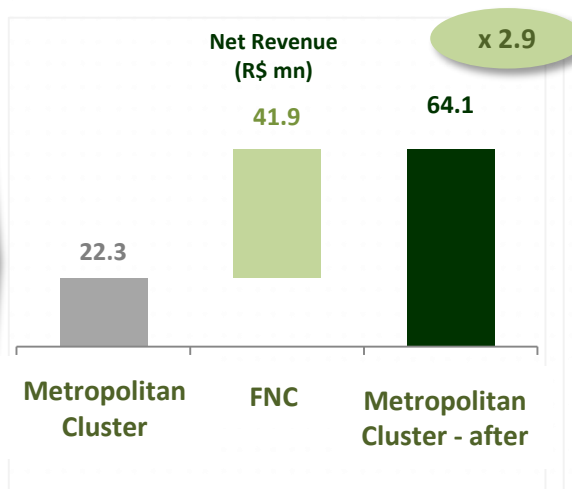
Estácio in São Paulo

Regional & Cluster



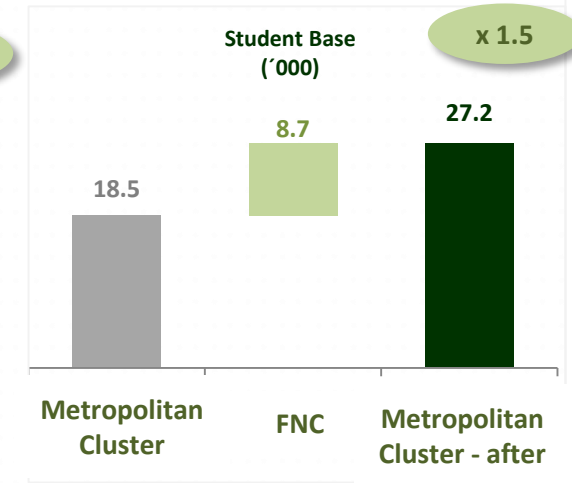
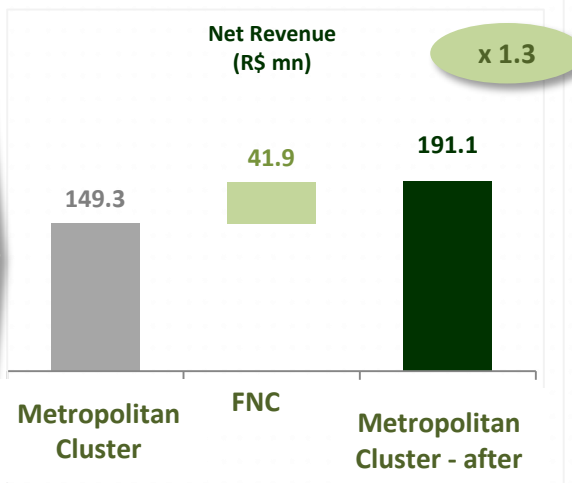
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Metropolitan Cluster



With FNC's acquisition, Estácio triples both the student base and the net revenue of the Metropolitan Cluster

SP Regional



Faculdade Nossa Cidade

At-a-glance



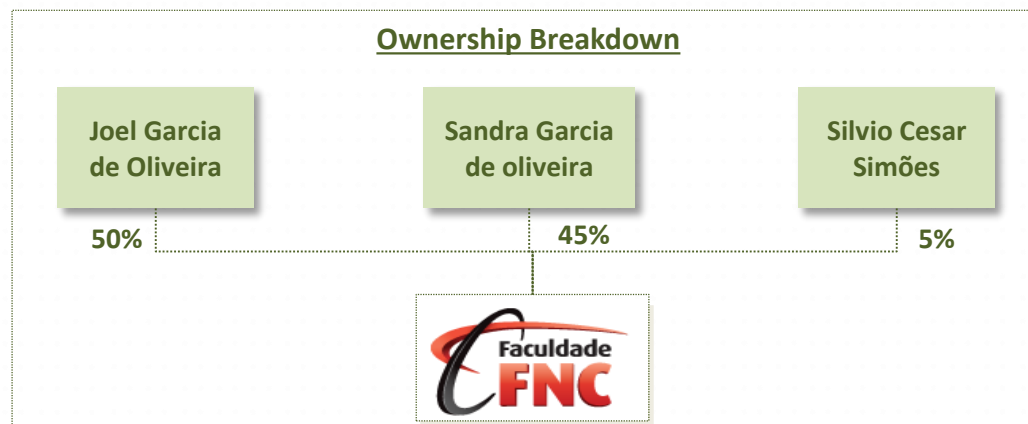
Institution – Faculdade Nossa Cidade (FNC)

- Located in **Carapicuíba - SP**
- **Controlling Institution:** Centro Educacional Nossa Cidade LTDA..
- **Higher Education Institution:** Faculdade Nossa Cidade
- Limited for-profit company
- **24 undergraduate courses**
 - Law
 - Engineering / Architecture
 - Management
 - Health
 - Technological programs
- **11 graduate courses**
- **Distance Learning operation request:**
 - 5 courses
 - 20 distance learning centers
- **Vocational courses**
- **2014 Student Base: 7,300**
- **2015 Student Base: 8,700**

INEP Evaluation

Indicator	Grade	Year
CI – Institutional Concept	3	2013
IGC – General Course Index	3	2013
IGC Cont.	2.19	2013

Ownership Breakdown

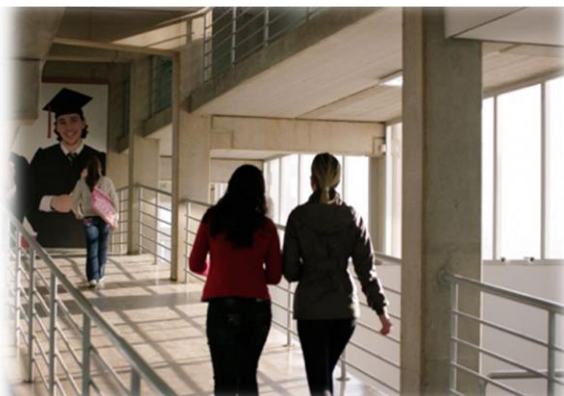


Infrastructure

Great facilities in a fast-growing market



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Infrastructure

Great facilities in a fast-growing market



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New Courses and Idleness

48% idleness with 16,580 approved seats



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Regulatory						
Course	Annual Seats	Duration (Years)	Total	ENADE	CPC	CC
Administration	210	4	840	2	3	4
Accounting	240	4	960	-	-	-
Law	100	5	500	-	-	4
Physical Education - Teaching	200	3	600	-	-	3
Physical Education - Bachelor	140	4	560	-	-	3
Nursing	240	5	1,200	-	-	-
Civil Engineering	240	5	1,200	-	-	-
Pharmacy	240	5	1,200	-	-	-
Letras	210	3	630	3	3	5
Pedagogy	150	3	450	2	-	4
Environmental Mgmt	240	2	480	-	-	4
Financial Mgmt	240	2	480	2	2	3
Private Security Mgmt	240	2	480	-	-	4
IT Management	240	3	600	-	-	4
Logistics	240	2	480	2	2	3
Marketing	240	2	480	2	3	4
Oil & Gas	240	3	600	-	-	4
Radiology	240	4	840	-	-	4
Human Resources	240	2	480	2	3	4
Computer Networks	240	3	720	-	-	4
Workplace Safety	240	3	720	-	-	4
Architecture	240	5	1,200	-	-	-
Design	200	2	400	-	-	-
Public Mgmt	240	2	480	-	-	-
Biomedicine	240	5	1,200	-	-	-
Production Engineering	240	5	1,200	-	-	-
Total (with courses to be launched)	5,770		18,980			

INEP Evaluation		
Indicator	Grade	Year
CI – Institutional Concept	3	2012
IGC – General Course Index	3	2013
IGC Cont.	2.19	2013

Total seats: 16,580

Idleness: 48%

2 courses to be launched in 2016.1

Biomedicine – 1.200 vagas
Production Engineering – 1.200 vagas

Strategic Rationale

Increase the capillarity in the state of São Paulo



EXPANSION STRATEGY	State of São Paulo → priority location
STRENGTH IN SP	Further presence is SP's metropolitan area → big area of influence (surrounding cities) → strengths Estácio's brand
INFRASTRUCTURE	Excellent infrastructure → 113 classrooms with capacity for 70 students → possibility to expand at the location
GROWTH POSSIBILITY	16,580 authorized seats → 48% idleness
DL OPERATION	DL authorization request → final stage → 5 courses and 20 centers
SYNERGIES	Opportunities with the implementation of Estácio's model → personnel costs gains
COURSE PIPELINE	Biomedicine and Production Engineering → authorization phase → 1,200 seats each

General Conditions

Price, Payment Conditions, and Schedule



Price

Firm Value

R\$ 90.0 mn

- Est. Net Debt

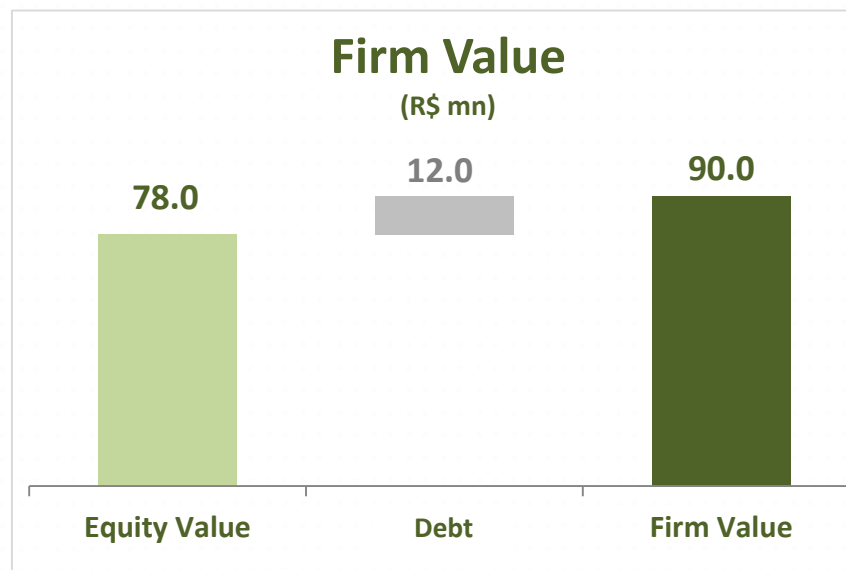
R\$12.0 mn

- Equity Value

R\$78.0 mn

Firm Value

(R\$ mn)



Payment Conditions

- Cash

R\$ 40 mn

- Installments

R\$ 38 mn

- 6 months

R\$ 8 mn

- 18 months

R\$ 10 mn

- 30 months

R\$ 10 mn

- 42 months

R\$ 10 mn

Schedule

July 7th

- SPA Signing - (binding);
- Material Fact Disclosure;

Signing

+/- 45 days

**CADE and Precedent
Conditions**

End of August¹

- Closing signing
- Beginning of Integration

Closing

¹ Expectation