

## MATERIAL FACT

**Estácio Participações S.A.** ("Estácio" or "Company") - (BM&FBOVESPA: ESTC3; OTCQX:ECPCY) informs its shareholders, investors and the market in general that it received yesterday a new proposal from Kroton Educacional S.A. ("Kroton") related to the business combination of Estácio and Kroton, pursuant to the Material Fact published by Kroton today.

According to such proposal, the business combination of Kroton and Estácio would result on: (a) the ownership, by Kroton, of all the shares issued by Estácio; (b) the receipt by every common share issued by Estácio of 1,281 common shares issued by Kroton (considering 307,680,459 shares issued by Estácio and 1,617,548,842 shares issued by Kroton, excluding, in both cases, any shares held in treasury); and (c) the distribution of an extraordinary dividend to Estácio's shareholders in the amount of R\$170,000,000.00, corresponding to approximately R\$ 0.55 per share of Estácio.

The Board of Directors of Estácio, at meeting held yesterday, declared that it is in accordance with the economic terms of the new proposal of Kroton, provided that the other terms of the transaction are agreed in a satisfactory way. Thus, the Board of Directors requested to the Committee created for purposes of this transaction to negotiate with Kroton the other terms of this transaction.

Closing of this transaction will be subject to: (a) negotiation, approval and execution of the merger protocol by the management of both companies; (b) preparation of all documents required by applicable law or regulations in order to allow the submission of the transaction to the companies' shareholders; (c) resolution and approval of the merger protocol and other transaction documents by the respective shareholders, as applicable; and (d) approval of the transaction by regulatory authorities.

The Board of Directors scheduled a new meeting on July 8, 2016 in order to re-evaluate all the conditions of the transaction, for subsequently call an extraordinary shareholders' meeting of Estácio. The approval of such resolution will depend, naturally, on the success of the negotiations of the Committee.

Rio de Janeiro, July 01, 2016.

**Pedro Thompson**  
Investor Relations Officer  
Estácio Participações S.A.